



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 22-082

April 26, 2022

Introduced: 4/6/2022

Current Status: Agenda Ready

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Matter Type: BoS Resolution

Authorize and direct the Auditor-Controller to:

- a. Amend the FY 2021-22 Adopted Budget for County Service Area 17-Rancho Tierra Grande, Fund 057-3200-8566-PFP011, to increase appropriations in the amount of \$3,876, where Fund 057 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- b. Amend the FY 2021-22 Adopted Budget for County Service Area 24-Pedrazzi/Indian Springs, Fund 061-3200-8566-PFP015, to increase appropriations in the amount of \$126,550, where Fund 061 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- c. Amend the FY 2021-22 Adopted Budget for County Service Area 25-Carmel Valley Golf & Country Club, Fund 062-3200-8566-PFP016, to increase appropriations in the amount of \$17,681, where Fund 062 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- d. Amend the FY 2021-22 Adopted Budget for County Service Area 66-Oak Tree Views, Fund 087-3200-8566-PFP041, to increase appropriations in the amount of \$6,688, where Fund 087 Unassigned Fund Balance 3101 is the financing source (4/5th vote required); and
- e. Amend the FY 2021-22 Adopted Budget for County Service Area 75-Chualar, Fund 093-3200-8566-PFP046, to increase appropriations in the amount of \$6,467, where Fund 093 Unassigned Fund Balance 3101 is the financing source (4/5th vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt resolutions to authorize and direct the Auditor-Controller to:

- a. Amend the FY 2021-22 Adopted Budget for County Service Area 17-Rancho Tierra Grande, Fund 057-3200-8566-PFP011, to increase appropriations in the amount of \$3,876, where Fund 057 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- b. Amend the FY 2021-22 Adopted Budget for County Service Area 24-Pedrazzi/Indian Springs, Fund 061-3200-8566-PFP015, to increase appropriations in the amount of \$126,550, where Fund 061 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- c. Amend the FY 2021-22 Adopted Budget for County Service Area 25-Carmel Valley Golf & Country Club, Fund 062-3200-8566-PFP016, to increase appropriations in the amount of \$17,681, where Fund 062 Unassigned Fund Balance 3101 is the financing source (4/5th vote required);
- d. Amend the FY 2021-22 Adopted Budget for County Service Area 66-Oak Tree Views, Fund 087-3200-8566-PFP041, to increase appropriations in the amount of \$6,688, where Fund 087 Unassigned Fund Balance 3101 is the financing source (4/5th vote required); and
- e. Amend the FY 2021-22 Adopted Budget for County Service Area 75-Chualar, Fund 093-3200-8566-PFP046, to increase appropriations in the amount of \$6,467, where Fund 093 Unassigned Fund Balance 3101 is the financing source (4/5th vote required).

SUMMARY/DISCUSSION:

Five (5) County Service Areas (CSAs) will incur costs greater than the amount budgeted in FY 2021-22 due to higher than anticipated costs. They are CSA 17-Rancho Tierra Grande, CSA 24-Pedrazzi Subdivision/Indian Springs, CSA 25-Carmel Valley Golf & Country Club, CSA 66-Oak Tree Views, and CSA 75-Chualar.

CSA 17-Rancho Tierra Grande will incur greater expenses for open space maintenance due to an increased need for weed abatement in open space areas and along canyon areas within the CSA. This appropriation will increase the budgeted amount from \$25,706 to \$29,582, a 15% increase. The estimated ending fund balance after the appropriation will be \$2,547. Annual revenue along with the reduced fund balance will be insufficient to cover estimated FY 2022-23 expenditures. The Public Works, Parks and Facilities department has submitted an augmentation request to subsidize the CSA's FY 2022-23 budget until a Proposition 218 election can be held, which will establish an annual assessment sufficient to fund annual costs and increase the fund balance over time.

CSA 24-Pedrazzi Subdivision/Indian Springs will incur greater than anticipated costs for storm drainage maintenance, including removing silt and vegetation from a retention pond affected by debris runoff resulting from the River Fire. This will increase the budgeted amount from \$22,008 to \$148,558, a 575% increase. The estimated ending fund balance after the appropriation will be \$18,946. Federal funding was not pursued for the flood damage resulting from the wildfire. Maintenance activities were considered an emergency due to the high level of sediment accumulation in the pond, and CSA24 funds were used to expedite sediment removal.

CSA 25-Carmel Valley Golf & Country Club (now referred to as Quail Lodge) will incur more than anticipated annual costs for the necessary professional services to complete the engineer's report, rate study, and Proposition 218 election to establish an annual assessment to increase revenue for the CSA. CSA 25 does not have an annual assessment and the revenue received from a portion of general property tax has been insufficient to fund the level of service requested by CSA property owners. Modifications to the engineer's report and rate study are necessary due to feedback from the CSA 25 Advisory Committee, which was established to provide input into the budgetary and services levels within the CSA. This will increase the budgeted amount from \$37,940 to \$55,621, a 47% increase. The estimated ending fund balance after the appropriation will be \$138,682.

CSA 66-Oak Tree Views will incur greater than anticipated annual costs for open space maintenance as additional open space areas have recently been identified that are the responsibility of the CSA. This includes an area with heavy vegetation behind the debris wall that runs along the edge of the CSA. This will increase the budgeted amount from \$29,659 to \$36,347, a 23% increase. The estimated ending fund balance after the appropriation will be \$25,806.

CSA 75-Chualar will incur greater than anticipated annual costs due to higher than anticipated laboratory services (sewer pond and ground water testing) and other professional services costs to retain a certified operator. This will increase the budgeted amount from \$185,926 to \$192,393, a 3% increase. The estimated ending fund balance after this appropriation will be \$174,731.

OTHER AGENCY INVOLVEMENT:

This item was supported by the County of Monterey Budget Committee at their March 30, 2022, meeting.

FINANCING:

CSA 17-Rancho Tierra Grande

As of June 2021, the CSA 17 Unassigned Fund Balance has \$17,455 available to finance FY 2021-22 Expenditures, including the requested appropriation increase. If approved, the recommended action will increase appropriations for Fiscal Year 2021-22 CSA 17-Rancho Tierra Grande, Fund 057-3200-8566-PFP011, from \$25,706 to \$29,582 to fund the additional expenditures necessary for increased open space maintenance, including fire fuel abatement. The estimated ending fund balance prior to the requested appropriation is \$6,583. If the requested appropriation is approved, the final ending fund balance for the CSA 17 Fiscal Year Ending June 30, 2022, will be \$2,547. Attachment B provides a Financial Summary for the CSA 1 Fiscal Year Ending June 30, 2022.

CSA 24-Pedrazzi Subdivision/Indian Springs

As of June 2020, the CSA 24 Unassigned Fund Balance has \$160,605 available to finance FY 2021-22 Expenditures, including the requested appropriation increase. If approved, the recommended action will increase appropriations for Fiscal Year 2022-21 CSA 24-Pedrazzi Subdivision/Indian Springs Adopted Budget, Fund 061-3200-8566-PFP015 from \$22,008 to \$148,558 to fund the additional expenditures necessary for retention pond maintenance. The estimated ending fund balance prior to the requested appropriations is \$146,417. If the requested appropriation is approved, the final ending balance for CSA 24 Fiscal Year Ending June 30, 2022, will be \$18,946. Attachment C provides a Financial Summary for the CSA 24 Fiscal Year Ending June 30, 2022.

CSA 25-Carmel Valley Golf & Country Club

As of June 2021, the CSA 25 Unassigned Fund Balance has \$149,929 available to finance FY 2021-22 Expenditures, including the requested appropriation increase. If approved, the recommended action will increase appropriations for Fiscal Year 21-22 CSA 25-Carmel Valley Golf & Country Club Adopted Budget, Fund 062-3200-8566-PFP016, from \$37,940 to \$55,621 to fund the additional expenditures necessary for the increases in Other Professional Services to fund an engineer's report, rate study, and Proposition 218 election to establish an assessment to fund CSA services. The estimated ending fund balance prior to the requested appropriations is \$156,802. If the requested appropriation is approved, the final ending balance for CSA 25 Fiscal Year Ending June 30, 2022, will be \$138,682. Attachment D provides a Financial Summary for the CSA 25 Fiscal Year Ending June 30, 2022. The pending rate study will include funding strategies to increase the fund balance over time, should the CSA 25 property owners approve an assessment to fund the recommended services identified in the study.

CSA 66-Oak Tree Views

As of June 2021, the CSA 66 Unassigned Fund Balance has \$35,793 available to finance FY 2021-22 Expenditures, including the requested appropriation increase. If approved, the recommended action will increase appropriations for Fiscal Year 21-22 CSA 66-Oak Tree Views

Adopted Budget, Fund 087-3200-8566-PFP041, from \$29,659 to \$36,347 to fund the additional expenditures necessary for the increases in Building & Improvements External to fund weed abatement in open space areas. The estimated ending fund balance prior to the requested appropriations is \$32,679. If the requested appropriation is approved, the final ending balance for CSA 66 Fiscal Year Ending June 30, 2022, will be \$25,806. Attachment E provides a Financial Summary for the CSA 66 Fiscal Year Ending June 30, 2022.

CSA 75-Chualar

As of June 2022, the CSA 75 Unassigned Fund Balance has \$178,259 available to finance FY 2020-22 Expenditures, including the requested appropriation increase. If approved, the recommended action will increase appropriations for Fiscal Year 2021-22 CSA 75-Chualar Adopted Budget, Fund 093-3200-8566-PFP046, from \$185,926 to \$192,393 to fund the additional expenditures necessary for the increases in personnel services and professional and other services. The estimated ending fund balance prior to the requested appropriations is \$268,350. If the requested budget appropriation is approved, the final estimated ending fund balance for CSA 75 Fiscal Year ending June 30, 2022, will be \$174,731. Attachment F provides a Financial Summary for the CSA 75 Fiscal Year Ending June 30, 2022.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

These recommendations support the Board of Supervisors' Administration Strategic Initiative by ensuring accurate, timely, and transparent fiscal accounting while enabling the RMA to provide necessary services and management for the County Service Areas, including administration, health & human services, infrastructure, and public safety functions.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lynette Redman, Management Analyst III, (831) 796-6038

Reviewed by: Tom Moss, Senior Water Resources Hydrologist

Approved by: Tom Bonigut, PE, Assistant Director of Public Works, Facilities, and Parks

Approved by: Randy Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities, and Parks 

Attachments are on File with the Clerk of the Board:

Attachment A-Resolution

Attachment B-CSA 17 Financial Summary FYE 6-30-2022

Attachment C-CSA 24 Financial Summary FYE 6-30-2022

Attachment D-CSA 25 Financial Summary FYE 6-30-2022

Attachment E-CSA 66 Financial Summary FYE 6-30-2022

Attachment F-CSA 75 Financial Summary FYE 6-30-2022

Attachment G-CSA 17 Location Map

Attachment H-CSA 24 Location Map

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Attachment I-CSA 25 Location Map
Attachment J-CSA 66 Location Map
Attachment K-CSA 75 Location Map