

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works *adlan*

BOARD AGENDA # * C-3

Urgent Routine

AGENDA DATE July 1, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Set a Public Hearing on July 22, 2008, at 9:10 a.m., Regarding Fiscal Year 2008/2009 Assessments for Various County Service Areas and Landscape and Lighting Districts

STAFF RECOMMENDATIONS:

1. Set a public hearing on July 22, 2008, at 9:10 a.m., regarding Fiscal Year 2008/2009 assessments for various county service areas and landscape and lighting districts.
2. Order the Clerk of the Board of Supervisors to publish a notice of such hearing pursuant to Section 6066 of the Government Code.

FISCAL IMPACT:

There is no fiscal impact associated with this item. The cost of publishing the notice will be absorbed by the various county service areas and landscape and lighting districts.

BOARD ACTION AS FOLLOWS:

No. 2008-513

On motion of Supervisor Grover, Seconded by Supervisor DeMartini
and approved by the following vote,
Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini and Chairman Mayfield
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

- 1) Approved as recommended
- 2) Denied
- 3) Approved as amended
- 4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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DISCUSSION:

Government Code Section 25210.77(A) requires that a written report containing a description of each parcel of real property receiving the particular extended service and the amount of the assessment for each parcel be prepared once a year and filed with the Clerk of the Board of Supervisors for each county service area (CSA) and landscape and lighting district (LLD). Upon filing of the report, the Clerk shall fix a time, date, and place for the hearing thereon and for filing objections or protests thereto. Said reports have been filed with the Clerk and are made a part of this resolution. The notice of the public hearing will be published on July 8 and 15, 2008, in the Modesto Bee, as required by Government Code Section 6066.

The Department of Public Works staff has made a concentrated effort to review each CSA to determine appropriate levels of services for each and to develop costs based on those services. In general, cost increases are due to inflated energy and fuel costs, however, some of the increase is due to better oversight of the program including estimating and tracking of expenditures.

The following is a summary of the proposed Fiscal Year 2008/2009 annual assessments:

CSA 4 - Bristol Glen (in Salida): It is estimated there will be a fund balance on June 30, 2008, of \$96,395. This amount has been generated in order to have funds available for future capital improvements in the storm drain system. Maintenance personnel have stated that this fund balance needs to be earmarked for the replacement of the one existing pump at the storm drain basin. It is estimated that the pump will cost \$22,939 for labor and materials. Due to this anticipated capital outlay within the next few years, the fund balance will be set aside to pay for these improvements. If maintenance costs for the fiscal year are less than the budgeted amount, any excess will be added to this fund balance. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced such that no increase in the annual assessment will be necessary to cover these costs.

The capital improvement reserve of \$2,294 (for pumps) will not be assessed because the capital reserve target balance of \$22,930 (for pumps) has been attained. Once these funds are exhausted or used for any needed capital improvement(s), the \$2,294 will be added to the total budget for assessments.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$7,614 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$31.38, which is no change from the assessment of Fiscal Year 2007/2008. An amount of \$10,959 was withdrawn from the available fund balance to cover shortfalls in the estimated operating budget.

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Considering the budgets remain the same for the next couple fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 5 - Starlite Place (in Keyes): It is estimated there will be a fund balance on June 30, 2008, of \$141,450. This amount has been generated in order to have funds available for future capital improvements in the storm drain system. Maintenance personnel have stated that this fund balance needs to be earmarked for the replacement of the two existing pumps at the storm drain basin. It is estimated each pump will cost \$22,940 for labor and materials for a total replacement cost of \$45,880. Due to this anticipated capital outlay within the next few years, the fund balance will be set aside to pay for these improvements. If maintenance costs for the fiscal year are less than the budgeted amount, any excess will be added to this fund balance. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced such that no increase in the annual assessment will be necessary to cover these costs.

The capital improvement reserve of \$4,588 (for pumps) will not be assessed because the capital reserve target balance of \$45,880 (for pumps) has been attained. Once these funds are exhausted or used for any needed capital improvement(s), the \$4,588 will be added to the total budget for assessments.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$5,967 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$32.24, which is no change from the assessment of Fiscal Year 2007/2008. An amount of \$5,553 was withdrawn from the available fund balance to cover shortfalls in the estimated operating budget.

Considering the budgets remain the same for the next couple fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 6 - Raymond Tract (in Keyes): It is estimated there will be a fund balance on June 30, 2008, of \$39,324.40. This amount was generated in order to have funds available for capital improvements in the storm drainage system. This proposal to utilize the fund balance to offset costs was initiated with the Fiscal Year 2004/2005 budget.

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The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$7,154 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The new assessment for Fiscal Year 2008/2009 is \$22.72 per parcel. The assessment has not changed from Fiscal Year 2007/2008. An amount of \$13,648 was used from the available fund balance due to the estimated budget for Fiscal Year 2008/2009.

Considering the budgets remain the same for the next couple fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 7 - Modesto Auto Center (in north Modesto): It is estimated there will be a fund balance on June 30, 2008, of \$57,430.91. This amount has been generated in order to have funds available for future capital improvements in the storm drain system. Maintenance personnel have stated that this fund balance needs to be earmarked for the replacement of the two existing pumps at the storm drain basin. It is estimated each pump will cost \$12,262 for labor and materials for a total replacement cost of \$24,552. Due to this anticipated capital outlay within the next few years, the fund balance will be set aside to pay for these improvements. If maintenance costs for the fiscal year are less than the budgeted amount, any excess will be added to this fund balance. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced such that no increase in the annual assessment will be necessary to cover these costs.

The capital improvement reserve of \$2,452 for the pumps will not be assessed due to the capital reserve target balance of \$24,552 for pumps has been attained. Once these funds are exhausted or used for any needed capital improvement(s), the \$2,452 will be added to the total budget for assessments.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$3,960 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The new assessment for the Fiscal Year 2008/2009 is \$253.81 per net acre. There is no change in the assessment from Fiscal Year 2007/2008. An amount of \$5,920 was used from the available fund balance due to the increase of the estimated operational budget.

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Considering the budgets remain the same for the next couple fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 8 - Honey Bee Estates (in Empire): It is estimated there will be a fund balance on June 30, 2008, of \$30,824.59. This amount was generated in order to have funds available for capital improvements in the storm drainage system. Based on operating experience, this fund balance can be reduced while still being adequate for future capital needs.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$6,316 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The new assessment for Fiscal Year 2008/2009 is \$31.24 per parcel. There has been no change over the previous year's assessment. An amount of \$11,913 was used from the available fund balance to cover shortfalls in the estimated operating budget.

Considering the budgets remain the same for the next fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 9 - River/Souza (in Ceres area): It is estimated there will be a fund balance on June 30, 2008, of \$75,851.89. This amount was generated in order to have funds available for capital improvements in the storm drainage system. Based on operating experience, this fund balance can be reduced while still being adequate for future capital needs. Therefore, it is proposed that \$1,500 per year from the fund balance be used to offset costs for the next several years. This proposal to utilize the fund balance to offset costs was initiated with Fiscal Year 2004/2005 budget.

The Fiscal Year 2008/2009 assessment is \$20.26 per parcel.
The Fiscal Year 2007/2008 assessment was \$20.26 per parcel.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$5,295 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

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The new assessment for Fiscal Year 2008/2009 is \$20.26 per parcel. There has been no change over the previous year's assessment. An amount of \$9,111 was used from the available fund balance to cover shortfalls in the estimated operating budget.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 10 - Salida (in new Salida PD area): On June 30, 2008, it is estimated that the CSA 10 administration fund will have a negative balance of \$4,510. Revenue from annual assessments is approximately \$8,463, with average expenditures of \$4,583 during non-ballot years.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided.

The new assessments for the Fiscal Year 2008/2009 for a Single Family Residential lot is \$139.32 per parcel, for Undeveloped Commercial/Industrial properties are levied at \$487.62 per acre, and Public Property is levied at \$306.50 per acre. The assessment for Landmark Business Center #2 is \$42.34 per acre. All of the assessments listed herein have not changed from the Fiscal Year 2007/2008.

Fund balance in the amounts shown below was used to cover shortfalls in the estimated operating budget for 2008/2009:

Administration \$7,010
Parks \$15,422
Public Works \$58,837
Sheriff \$0

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 11 - Gilbert Road (in Oakdale area): It is estimated there will be a fund balance on June 30, 2008, of \$8,661.14. At this time it is proposed to retain this fund balance as a reserve to be used in the future to offset maintenance costs, if and when they exceed the budget amount.

The assessment for Fiscal Year 2008/2009 is \$0.166 per linear foot, which is no change from the assessment of Fiscal Year 2007/2008.

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The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$150 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

CSA 12 - Peach Blossom Estates (in west Oakdale area): It is estimated there will be a fund balance on June 30, 2008, of \$30,592.65. This amount was generated in order to have funds available for capital improvements in the storm drainage system. Based on operating experience, this fund balance can be reduced while still being adequate for future capital needs. Therefore, it is proposed that \$500 per year from the fund balance be used to offset costs for the next several years. This proposal to utilize the fund balance to offset costs was initiated with the Fiscal Year 2004/2005 budget.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$1,592 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$83.34, which is no change from the assessment of Fiscal Year 2007/2008. An amount of \$2,184 was withdrawn from the available fund balance to cover shortfalls in the estimated operating budget.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 13 - La Jolla (in Keyes): It is estimated there will be a fund balance on June 30, 2008, of \$56,481.07. This amount was generated in order to have funds available for capital improvements in the storm drainage system. Based on operating experience, this fund balance can be reduced while still being adequate for future capital needs. Therefore, it is proposed that \$1,000 per year from the fund balance be used to offset costs for the next several years. This proposal to utilize the fund balance to offset costs was initiated with the Fiscal Year 2004/2005 budget.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to

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maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$3,719 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$35.70, which is no change from the assessment of Fiscal Year 2007/2008. An amount of \$6,473 was withdrawn from the available fund balance to cover shortfalls in the estimated operating budget.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 14 - United Pallet (in north Modesto area): There are 84 parcels within CSA 14, however, the CSA is inactive since the storm drain system remains private. Therefore, the Fiscal Year 2008/2009 assessment will be \$0 for all parcels.

CSA 16 - Olive Ranch Estates (in east Oakdale area): It is estimated there will be a fund balance on June 30, 2008, of \$26,280.05. The fund balance will be carried forward as a general reserve and will not be used to offset the cost to operate the District, unless an emergency arises or power and water rates increase. This amount has been generated in order to have funds available for future capital improvements in the storm drain system. Maintenance personnel have stated that this fund balance needs to be earmarked for the replacement of the two existing pumps at the storm drain basin. It is estimated each pump will cost \$21,571 for labor and materials for a total replacement cost of \$43,142. Due to this anticipated capital outlay within the next few years, the fund balance will be set aside to pay for these improvements. If maintenance costs for the fiscal year are less than the budgeted amount, any excess will be added to this fund balance. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced such that no increase in the annual assessment will be necessary to cover these costs.

The capital improvement reserve of \$2,157 is being assessed due to the capital reserve target balance of \$43,142 for the pumps not having been attained. Once this target has been achieved, the \$2,157 will no longer be included in the assessment.

The new assessment for Fiscal Year 2008/2009 will be \$666.33. The Fiscal Year 2007/2008 assessment was \$540.94 per parcel. The proposed annual assessment is an increase of \$125.39 (23%) above last year's assessment.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$9,995 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

CSA 17 - Sunray Estates (in Keyes): The estimated CSA No. 17 fund balance as of June 30, 2008 is \$195,159. Of this amount \$45,783 will be used to offset operating costs for Fiscal Year 2008/2009. Maintenance personnel have stated that this fund balance needs to be earmarked for the replacement of the two existing pumps at the storm drain basin. It is estimated each pump will cost \$21,571 for labor and materials for a total replacement cost of \$43,142. An additional \$43,124 of fund balance is reserved for future capital replacement costs.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Therefore, one half of the Total Revenue Required, \$61,969, will be carried over to the next fiscal year to cover the fiscal year portion of the months July through December. The Fiscal Year 2008/2009 budget is based on collecting sufficient funds to provide services for a 12 month period (July through June).

The assessment for Fiscal Year 2008/2009 is \$281.13, which is no change from the assessment of Fiscal Year 2007/2008. An amount of \$45,783 was withdrawn from the available fund balance to cover shortfalls in the estimated operating budget.

CSA 18 - Atlas Park (in east Oakdale area): It is estimated there will be a fund balance on June 30, 2008, of \$13,760. The fund balance will be carried forward as a general reserve and will not be used to offset the cost to operate the District, unless an emergency arises or power and water rates increase.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Therefore, \$7,325 (half of the total costs for Fiscal Year 2008/2009) from the estimated fund balance, as of June 30, 2008, of \$13,760, will be carried over to the next fiscal year to cover a portion of the months July through December.

The assessment for Fiscal Year 2008/2009 is \$760.71, which is a \$347.07 increase or 84% above the assessment from Fiscal Year 2007/2008 of \$413.64. An amount of \$4,000 was withdrawn from the available fund balance due to the estimated operating budget for Fiscal Year 2008/2009.

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An offset of \$4,000 will be used to reduce operating costs for the year and reduce the assessment per parcel, leaving \$2,435 available as a fund reserve. The fund reserve may be used for unanticipated expenditures and if unused, will be carried forward to the next year.

CSA 19 - Tuolumne-Gratton (in Denair): It is estimated there will be a fund balance on June 30, 2008, of \$95,229 for Sterling Ranch and \$10,475 for Runyan Estates for a total of \$105,704 for the CSA. The use of \$1,459 for Runyan Estates and \$6,000 for Sterling Ranch was used to offset the assessment for this Fiscal Year 2008/2009.

The Fiscal Year 2008/2009 assessment for Sterling Ranch Units 1-5 is \$175.10 per parcel and for Runyan Country Estates, \$48.20 per parcel. Due to the increase in the estimated budget for Fiscal Year 2008/2009, the assessment for Sterling Ranch has increased by \$45.40 (35%) and Runyan Estates has increased \$17.66 (58%).

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. \$30,875 (\$1,212 for Runyan and \$29,663 for Sterling) of this fund balance will be used to meet expenses from July to December.

Maintenance personnel have estimated that two pumps located at the storm basin would cost \$25,000 each to replace with life cycle estimated to be 10 years. As a result, a reserve total of \$53,243 will be set aside to reserve funds for eventual replacement of the pumps.

CSA 20 - Summit (industrial park in north Modesto area): It is estimated that the available fund balance as of June 30, 2008 is \$18,482. The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget (\$4,530) will be carried forward from the fund balance available at the end of the Fiscal Year 2007/2008 to cover expenditures from July 1st to December 31st 2008.

The new assessment for Fiscal Year 2008/2009 is \$136.61. The Fiscal Year 2007/2008 assessment was \$0. The assessment was absorbed by an offset of the total balance to levy. This was implemented due to the large available fund balance. The amount of \$4,456 was used from the available fund balance due to the estimated budget for Fiscal Year 2008/2009.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

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CSA 21 - Riopel (in Denair): It is estimated there will be a fund balance on June 30, 2008, of \$36,370. \$15,419 will be used to offset the total operation and maintenance costs, thereby reducing the proposed annual assessment. The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget (\$15,505) will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The new Fiscal Year 2008/2009 assessment is \$299.81 per parcel. There was an increase of \$66.14 (28%) to this year's assessment above that levied in Fiscal Year 2007/2008. The amount of \$15,419 was used from the available fund balance due to the estimated budget for Fiscal Year 2008/2009.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 22 - Old School North (in Denair): It is estimated there will be a fund balance on June 30, 2008, of \$7,386. The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget (\$7,461) will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$1,499.70, which is a \$655.98 increase or 78% above the assessment from Fiscal Year 2007/2008 of \$843.72. The Fiscal Year 2007/08 fund balance is negative \$75.

Considering the budgets remain the same for the next five (5) fiscal years, the use of the fund balance to offset the cost of operating the CSA will deplete the fund balance to a point where either services will have to be reduced to substantiate the revenue being collected, or a ballot measure per Proposition 218 would have to be cast and be approved by a majority of the constituents of the CSA.

CSA 23 - Hillsborough-Schutz (in east Oakdale): The estimated fund balance as of June 30, 2008 is \$81,226.50. The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$5,522 will be carried forward from the fund balance

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available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

The assessment for Fiscal Year 2008/2009 is \$74.91. An amount of \$5,500 was withdrawn from the available fund balance due to the estimated operating budget for Fiscal Year 2008/2009. This is the first year of assessment for this CSA.

CSA 24 - Hideaway Terrace (in Denair): Fiscal Year 2007/2008 was the first year assessments were levied in CSA 24. The revenue collected for Fiscal Year 2007/2008 was only \$507.02, due to the existing housing market crisis, while the budget was \$9,832, creating a shortfall \$9,324.98 and no fund balance to carry over for Fiscal Year 2008/2009. The shortfall also eliminates the six-month operating reserve needed between July and December.

In order to start building a reserve, an assessment of 10% of the operating budget will be levied until the fund balance can be maintained for a three-month operating reserve. The existing shortfall in the fund balance will be corrected as revenues are recovered.

The new assessment for the Fiscal Year 2008/2009 is \$901.67. The assessment for the Fiscal Year 2007/2008 was \$322.94, an increase of \$578.73 (179%).

CSA 25- Suncrest II (in Denair): While maintenance is performed from July to December, the annual assessments are not due until December. Funds will need to be available to cover expenses from July 1 to December 30, 2008. The estimated CSA 25 fund balance as of June 30, 2008 is \$15,727.13. This fund balance will be used to cover expenses from July to December, 2008. In addition, per the approved method for calculating the assessment, the fund balance from Fiscal Year 2007/2008 will be subtracted from the total services in Fiscal Year 2008/2009 as was submitted for Fiscal Year 2007/2008.

Fiscal Year 2007/2008 was the first year assessments were levied as an approved subdivision. The developer paid the first year assessment up front. The assessment levied for Fiscal Year 2008/2009 is \$625.17. The amount of \$5,226 was used from the fund balance reserve to offset the full assessment.

The fiscal year is the 12-month period commencing on July 1st and ending on the following June 30th. However, the annual assessment is collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December. This creates a 6-month lag in receiving the money necessary to maintain the various services provided. Consequently, a reserve of one half of the annual operating budget of \$6,677 will be carried forward from the fund balance available at the end of Fiscal Year 2007/2008 (June 30, 2008) to cover costs from July 1st to December 31st, 2008.

Bret Harte Landscape and Lighting District (in south Modesto area): District provides street lighting to the neighborhood. The increase of assessment is by \$1.41 per parcel to \$40.15 per parcel for Fiscal Year 2008/2009. This is an increase of 4% over the Fiscal Year 2007/2008 assessment of \$38.74. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of

Approval to Set a Public Hearing on July 22, 2008, at 9:10 a.m., Regarding Fiscal Year 2008/2009 Assessments for Various County Service Areas and Landscape and Lighting Districts

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assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The estimated fund balance as of June 30, 2008 is \$9,520. The total budget is \$38,228.

Bystrum Landscape and Lighting District (in northwest Ceres): District provides street lighting to the neighborhood. The increase of assessment by \$1.07 to \$50.19 per parcel for Fiscal Year 2008/2009 is due to a low fund balance carry over from Fiscal Year 2007/2008 and the need to cover the first 6 months operations without any revenue from assessments from July 1 to December 31. This is an increase of 2% over the Fiscal Year 2007/2008 assessment of \$49.12. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The estimated fund balance as of June 30, 2008 is \$5,402. The total budget is \$26,248.

Howard/McCracken Landscape and Lighting District (in Westley area; I-5/McCracken Interchange): District provides maintenance of landscaping and street lighting to the neighborhood. The increase of assessment by \$40.04 per parcel to \$640.65 per parcel is due to an increase in operating costs. This is an increase of 7% over the Fiscal Year 2007/2008 assessment of \$600.61. The estimated fund balance as of June 30, 2008 is \$25,775. Of this amount \$10,000 will be used to cover estimated expenses between July and December prior to the collection of the December assessment. An additional \$10,000 will be used to offset operating costs for Fiscal Year 2008/2009. The total budget is \$20,891.

Laurel Landscape and Lighting District (in south Ceres area): District provides street lighting to the neighborhood. The increase of assessment by \$1.73 to \$70.19 per parcel for Fiscal Year 2008/2009. The estimated fund balance as of June 30, 2008 is \$3,622. This is an increase of 3% over the Fiscal Year 2007/2008 assessment of \$68.46. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The total budget is \$9,808.

Paradise South Landscape and Lighting District (in south Modesto area): District provides street lighting to the neighborhood. The increase of assessment by \$31.03 to \$61.99 per parcel for Fiscal Year 2008/2009. The estimated fund balance as of June 30, 2008 is \$4,103. This is an increase of 61% over the Fiscal Year 2007/2008 assessment of \$30.96. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The total budget is \$18,480.

Riverdale Landscape and Lighting District (in Riverdale Park Tract, southwest Modesto): District provides street lighting to neighborhood. The increase of assessment by \$0.35 to

Approval to Set a Public Hearing on July 22, 2008, at 9:10 a.m., Regarding Fiscal Year 2008/2009 Assessments for Various County Service Areas and Landscape and Lighting Districts

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\$44.49 per parcel is for Fiscal Year 2008/2009. The estimated fund balance as of June 30, 2008 is 4,531. This is an increase of 1% over the Fiscal Year 2007/2008 assessment of \$44.14. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The total budget is \$9,130.

Riverview Landscape and Lighting District (in southwest Modesto area): District provides street lighting to neighborhood. Increase of assessment by \$8.06 per parcel to \$43.94 per parcel is for Fiscal Year 2008/2009. The estimated fund balance as of June 30, 2008 is \$3,618. This is an increase of 22% over the Fiscal Year 2007/2008 assessment of \$35.88. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The total budget is \$12,078.

Shackelford Landscape and Lighting District (in southwest Modesto area): District provides street lighting to neighborhood. The increase of assessment by \$11.49 to \$38.77 per parcel is for Fiscal Year 2008/2009. The estimated fund balance as of June 30, 2008 is \$8,265. This is an increase of 9% over the Fiscal Year 2007/2008 assessment of \$27.28. The increase is primarily due to the shortage of fund balance available to cover the period of July through December, the "dry period". The first installment of assessments is received in December; therefore adequate funds must be carried forward to cover operating costs from July through December. The total budget is \$18,390.

POLICY ISSUES:

This action is consistent with the Board's policy of providing a safe community, a healthy community, and a well-planned infrastructure system.

STAFFING IMPACT:

There is no staffing impact associated with this item.

**ATTACHMENTS AVAILABLE
FROM YOUR CLERK**

**NOTICE OF HEARING REGARDING FISCAL YEAR 2008/2009 ASSESSMENTS
FOR VARIOUS COUNTY SERVICE AREAS AND LANDSCAPE AND LIGHTING
DISTRICTS**


NOTICE IS HEREBY GIVEN that on Tuesday, July 22, 2008, at the hour of 9:10 a.m., or as soon thereafter as the matter may be heard, in the Joint Chambers located in the basement of the County/City Administration Building, 1010 10th Street, Modesto, California, the Board of Supervisors of Stanislaus County will hold a Public Hearing regarding the proposed Fiscal Year 2008/2009 assessments for the following County Service Areas and Landscape and Lighting Districts:

CSA NO. 4 - BRISTOL GLEN (Salida)
CSA NO. 5 - STARLITE PLACE (Keyes)
CSA NO. 6 - RAYMOND TRACT (Keyes)
CSA NO. 7 - MODESTO AUTO CENTER (north Modesto)
CSA NO. 8 - HONEY BEE ESTATES (Empire)
CSA NO. 9 - RIVER/SOUZA (north Ceres)
CSA NO.10 - SALIDA
CSA NO.10 - LANDMARK BUSINESS CENTER NO.2 (Salida)
CSA NO. 11 - GILBERT ROAD (Oakdale)
CSA NO. 12 - PEACH BLOSSOM ESTATES (Oakdale-Riverbank)
CSA NO. 13 - LA JOLLA (Keyes)
CSA NO. 14 - UNITED PALLET (north Modesto)
CSA NO. 16 - OLIVE RANCH ESTATES (east Oakdale)
CSA NO. 17- SUNRAY ESTATES (Keyes)
CSA NO. 18 - ATLAS PARK (east Oakdale)
CSA NO. 19 – TUOLUMNE-GRATTON (Denair)
CSA NO. 20 - SUMMIT (north Modesto)
CSA NO. 21 - RIOPEL (Denair)
CSA NO. 22 - OLD SCHOOL NORTH (Denair)
CSA NO. 23 – HILLSBOROUGH-SCHUTZ (east Oakdale)
CSA NO. 24 – HIDEAWAY TERRACE (Denair)
CSA NO. 25 – SUNCREST II (Denair)
BRET HARTE LANDSCAPE AND LIGHTING DISTRICT (south Modesto)
BYSTRUM LANDSCAPE AND LIGHTING DISTRICT (northwest Ceres)
HOWARD/McCRACKEN LANDSCAPE AND LIGHTING DISTRICT (Westley area)
LAUREL LANDSCAPE AND LIGHTING DISTRICT (south Ceres)
PARADISE SOUTH LANDSCAPE AND LIGHTING DISTRICT (south Modesto)
RIVERDALE LANDSCAPE AND LIGHTING DISTRICT (south Modesto)
RIVERVIEW LANDSCAPE AND LIGHTING DISTRICT (south Modesto)
SHACKELFORD LANDSCAPE AND LIGHTING DISTRICT (south Modesto)

NOTICE IS FURTHER GIVEN that, at the above time and place, all persons will be afforded an opportunity to speak for or against the proposed Fiscal Year 2008/2009 assessments. For additional information, call David Gein in the Department of Public Works at (209) 525-7594.

DATE: July 1, 2008

ATTEST: CHRISTINE FERRARO TALLMAN,
Clerk of the Board of Supervisors of the
County of Stanislaus, State of California

By: 
Deputy Clerk of the Board

**+DECLARATION OF PUBLICATION
(C.C.P. S2015.5)**

BOARD OF SUPERVISORS

**COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

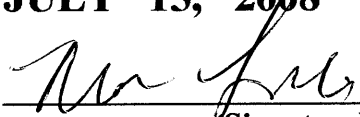
2008 JUL 18 A 11:09

I am a citizen of the United States and a resident Of the County aforesaid; I am over the age of Eighteen years, and not a party to or interested In the above entitle matter. I am a printer and Principal clerk of the publisher of **THE MODESTO BEE**, printed in the City of **MODESTO**, County of **STANISLAUS**, State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of **STANISLAUS**, State of California, Under the date of **February 25, 1951, Action No. 46453**; that the notice of which the annexed is a printed copy, has been published in each issue there of on the following dates, to wit:

JULY 8, 15, 2008

I certify (or declare) under penalty of perjury That the foregoing is true and correct and that This declaration was executed at **MODESTO, California** on

JULY 15, 2008



(Signature)

**NOTICE OF HEARING REGARDING FISCAL
YEAR 2008/2009 ASSESSMENTS**

**FOR VARIOUS COUNTY SERVICE AREAS
AND LANDSCAPE AND LIGHTING DISTRICTS**

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DATE: July 1, 2008
ATTEST: CHRISTINE FERRARO TALLMAN,
Clerk of the Board of Supervisors of the County of Stanislaus, State of California
By: Elizabeth A. King, Assistant Clerk
JULY 8, 15, 2008

332-03