



Agenda Date: 8/9/2005
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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Pamela Kindig - Auditor-Controller
Auditor - Controller
REPORT BY: Pamela Kindig, Auditor-Controller, 253-4647
SUBJECT: Adoption of appropriation and revenue levels and final budget for Fiscal Year 2005-2006 for County Service Area No. 3

RECOMMENDATION

Auditor-Controller requests approval of the final appropriation and revenue levels and adoption of a resolution adopting the final budget for Fiscal Year 2005-2006 for County Service Area No. 3. (4/5 vote required)

EXECUTIVE SUMMARY

The Board of Supervisors completed public hearings for the 2005-2006 budget on August 2, 2005. This board item has been prepared based on the Board's actions taken during the public hearings and is presented as the basis for the adoption of the final budget resolution.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	County Service Area No. 3
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	On June 14, 2005, a draft budget for Fiscal Year 2005-2006 was accepted by the Board as a "rollover" budget for the purposes of continuing operations until after acceptance of the annual Engineer's Report and submission of the final budget recommendation.

Adoption of the CSA No. 3 Fiscal Year 2005-2006 final budget will provide the funding and appropriations necessary for continued delivery of the extended

services provided in CSA No. 3.

Is the general fund affected? No

Future fiscal impact: None. The final budget is for the current fiscal year only.

Consequences if not approved: If the final budget is not adopted there will be insufficient funds to pay for continued delivery of extended services for Fiscal Year 2005-2006.

Additional Information:

ENVIRONMENTAL IMPACT

There is no Environmental Impact for this item.

BACKGROUND AND DISCUSSION

In 1994 the Board adopted Resolution No. 94-27 adding structural fire protection, streetside landscaping, street and highway lighting and street sweeping as extended services to CSA No. 3. These services are funded by assessments levied in accordance with Proposition 218, which requires that the County levy assessments according to the special benefit each parcel receives.

The Board has historically accepted the proposed budgets for special districts in June, and subsequently held budget hearings and adopted final budgets for special districts in August. Thus, on June 14, 2005, a draft budget for Fiscal Year 2005-2006 was accepted by the Board as a "rollover" budget for the purposes of continuing operations until submission of the final budget recommendation in August. On June 14, 2005, the Board also adopted Resolution No. 05-90 accepting the Engineer's Report for the district and setting a public hearing on the proposed levy of assessments, and the conduct of a mailed ballot election regarding imposition of the assessments within the newly annexed North Area portion of CSA No. 3 for Fiscal Year 2005-2006.

Public hearings were held on August 2, 2005 concerning the proposed assessments, tabulation of the mailed ballot election results regarding imposition of the assessments within the newly annexed North Area, and the district's proposed Fiscal Year 2005-2006 budget. When tabulated, the mailed ballot election resulted in a 54% "no" response regarding imposition of the assessments within the newly annexed North Area. The "no" vote for the North Area annexation properties resulted in a reduction of total financing requirements for the district from \$330,998 to \$311,788. Staff explained that the difference between revenues and appropriations of \$19,210 could be made up from the district's available fund balance.

Consequently, the Board approved an amended resolution imposing assessments for CSA 3 with the exception of those properties included in the North Area Annexation. Subsequently, the Board of Supervisors completed public hearings for the Fiscal Year 2005-2006 final budget for CSA No. 3.

Please see the attached Schedules 13, 14 and 15 and budget resolution from the Auditor-Controller.

SUPPORTING DOCUMENTS

- A . Schedule 13
- B . Schedule 14

C . Schedule 15

D . 2005-2006 Budget Resolution

CEO Recommendation: Approve

Reviewed By: Andrew Carey