



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 9/12/2017

Agenda Placement: 6R

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Tracy Schulze - Auditor-Controller  
Auditor - Controller

**REPORT BY:** Georgina Panganiban, Accountant-Auditor III - (707)253-4620

**SUBJECT:** FY 2017-18 Appropriation Limit for Community Facilities District 2012-1 for MST

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### **RECOMMENDATION**

Auditor-Controller requests the adoption of a resolution establishing the Fiscal Year 2017-2018 appropriation limit and estimated revenue subject to the limit for the Napa County Community Facilities District 2012-1 for the Milliken-Sarco-Tulocay (MST) Recycled Water Pipeline Project.

### **EXECUTIVE SUMMARY**

Article XIII B of the California Constitution requires the Napa County Community Facilities District 2012-1, for the MST Recycled Water Pipeline Project, to establish an appropriation limit on an annual basis. The attached resolution reestablishes the appropriation limit and the estimated revenue subject to that limit, using the local assessment roll due to the addition of local non-residential new construction factor for the calculation.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The estimated appropriation limit is considered when preparing the recommended budget.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	No
Future fiscal impact:	The appropriation limit is required to be approved each fiscal year.

Consequences if not approved: Failing to establish an appropriation limit each fiscal year would put the Napa County Community Facilities District - MST in violation of the State Constitution.

Additional Information:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

The appropriation limit is the amount the Napa County Community Facilities District 2012-1 for the MST Recycled Water Pipeline Project could spend that is funded by certain taxes and state subventions, while the revenue subject to the limit is the amount of revenue from those sources the District anticipates actually receiving in the fiscal year. The included correspondence provides information on how the appropriation limit was calculated in accordance with Article XIII B of the California Constitution.

On October 23, 2012, the Board of Supervisors approved the formation of the Community Facilities District (CFD). Article XIII B of the California Constitution requires the Board of Supervisors, when acting as the governing board of a special district, to annually establish appropriation limits for that special district.

The Auditor-Controller is requesting approval of a resolution establishing the appropriation limit for Fiscal Year 2017-2018 at \$20,209,335 with estimated revenue subject to the limit of \$680,000, using the local assessment roll due to the addition of local non-residential new construction factor in performing the calculation.

### **SUPPORTING DOCUMENTS**

- A . Appropriation Limit Memo
- B . Appropriation Limit Resolution

CEO Recommendation: Approve

Reviewed By: Bret Prebula