



## **STAFF REPORT TO THE CITY COUNCIL**

**DATE:** Regular Meeting of June 27, 2017

**TO:** Members of the City Council

**SUBMITTED BY:** David Biggs, City Manager  
Mike Roberts, Public Works Director  
Annie To, Director of Finance

**SUBJECT:** Changes to Landscape & Lighting Assessment District Budgets

### **RECOMMENDED ACTION:**

The proposed FY 2017-18 budget for Landscape & Lighting Assessment Districts assumed a successful outcome of the recent Proposition 218 balloting which was unsuccessful in all but one zone. As such, the budget adopted will have to be modified.

As part of the final motion to adopt the FY 2017/18 budget, we would recommend that motion include the modifications as outlined in the attachment provided with this memorandum for Citywide L&L AD 83-2. These changes budget on a status quo basis, with a few exceptions, and are summarized as follow:

- Replacement of hollow-core street light poles can proceed in Zone 2 as planned; the balance of pole replacement are deferred in those additional zones where needed.
- Arterial cost reallocations continue to be reflected.
- Cumulative deficits, remain in three zones (5C, 6 and 9) and operating deficits continue in three zones (1, 3 & 4, and 6).

Our plan is to return to the City Council in the next 90-120 days to explore options as to ways to align expenditures with revenues including possible service reductions.

### **ATTACHMENTS:**

1. L&L AD 32-2 Summary Table

TABLE 1

LANDSCAPING AND LIGHTING DISTRICT NO. 83-2  
PROPOSED INCOME AND EXPENSE  
FISCAL YEAR 2017-18

	LLAD 83-2 NEIGHBORHOOD ZONES										LLAD 83-2 CITYWIDE ZONE 10	TOTAL
REVENUES	ZONE 1	ZONE 2	ZONE 3&4	ZONE 5A	ZONE 5B	ZONE 5C	ZONE 6	ZONE 7	ZONE 8	ZONE 9		
Assessments	\$46,926.88	\$71,569.26	\$60,685.20	\$70,467.30	\$37,623.45	\$9,673.48	\$21,509.12	\$67,591.98	\$144,485.67	\$70,648.45	\$754,215.12	\$1,355,395.91
Public Agency Assessments	\$99.77	\$310.95	\$4,337.38	\$6,394.53	\$5,538.31	\$3,217.90	\$0.00	\$481.77	\$20,786.89	\$23.26	\$30.10	\$41,220.86
General Benefit Contribution	\$851.97	\$923.11	\$973.58	\$909.21	\$187.51	\$100.48	\$576.09	\$685.57	\$1,857.42	\$801.32	\$34,220.25	\$42,086.50
TOTAL REVENUES	\$47,878.62	\$72,803.32	\$65,996.16	\$77,771.04	\$43,349.27	\$12,991.86	\$22,085.21	\$68,759.32	\$167,129.98	\$71,473.03	\$788,465.47	\$1,438,703.27
DIRECT COSTS												
Personnel	\$16,555.85	\$16,828.97	\$18,162.79	\$6,400.31	\$2,668.09	\$1,874.64	\$12,843.16	\$12,313.42	\$15,049.30	\$11,127.15	\$235,574.92	\$349,398.61
Arterials/Major Roads Landscape and Lighting Maintenance	\$20,954.37	\$16,583.88	\$22,522.59	\$16,546.10	\$9,230.21	\$6,181.49	\$19,700.60	\$25,475.92	\$41,559.76	\$22,005.74	\$0.00	\$200,760.65
Neighborhood Wood Pole Replacements (first of 10 annual payments)	\$0.00	\$13,300.00	\$0.00	\$0.00	\$700.00	\$700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$837.87	\$15,537.87
Anticipated New Trail Maintenance											\$69,710.86	\$69,710.86
Landscaping & Irrigation	\$3,382.34	\$2,485.65	\$3,012.10	\$17,407.44	\$2,941.58	\$0.00	\$2,793.70	\$1,826.99	\$9,162.94	\$1,088.15	\$220,235.54	\$264,336.43
Supplies	\$183.09	\$40.07	\$140.84	\$236.75	\$166.09	\$364.84	\$66.66	\$93.97	\$613.34	\$154.95	\$7,079.48	\$9,140.09
Fire Breaks / Discing	\$716.10	\$1,247.40	\$1,224.30	\$0.00	\$0.00	\$0.00	\$596.40	\$665.70	\$14,910.00	\$913.50	\$1,880.18	\$22,153.58
Street Lighting	\$12,329.26	\$5,863.71	\$12,657.90	\$7,142.13	\$481.15	\$440.08	\$5,181.75	\$11,855.06	\$37,738.90	\$20,437.84	\$19,125.17	\$133,252.96
Water	\$2,673.13	\$868.29	\$6,382.04	\$9,268.27	\$0.00	\$0.00	\$790.69	\$0.00	\$5,271.79	\$902.12	\$71,514.00	\$97,670.32
Vehicle Repairs	\$19.12	\$4.18	\$14.71	\$24.73	\$17.35	\$38.10	\$6.96	\$9.81	\$64.06	\$16.18	\$739.37	\$954.58
Assessment Engineering Cost	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$735.61	\$587.00	\$7,943.06
Incidental / Direct Admin Cost	\$5,053.84	\$4,031.45	\$5,466.61	\$3,934.49	\$1,398.43	\$579.87	\$4,809.49	\$5,672.85	\$8,025.16	\$3,766.46	\$52,596.15	\$95,334.79
County Fees	\$950.00	\$750.00	\$882.00	\$311.00	\$267.00	\$291.00	\$980.00	\$1,105.00	\$1,300.00	\$924.00	\$4,524.50	\$12,284.50
Refugio Valley Park Capital Improvement Projects											\$398,986.13	\$398,986.13
TOTAL DIRECT COSTS	\$63,552.70	\$62,739.20	\$71,201.49	\$62,006.82	\$18,605.51	\$11,205.63	\$48,505.03	\$59,754.32	\$134,430.85	\$62,071.70	\$1,083,391.17	\$1,677,464.41
COLLECTIONS/(CREDITS) APPLIED TO LEVY												
Reserve Collection (Transfer)	(\$15,674.09)	\$10,064.11	(\$5,205.33)	\$15,764.23	\$24,743.76	\$1,786.23	(\$26,419.82)	\$9,005.00	\$32,699.13	\$9,401.33	(\$294,925.70)	(\$238,761.14)
DISTRICT STATISTICS												
Total Parcels Levied	915	657	832	78	22	51	962	1,122	1,379	887	6,734	
ERUs	807.463	639.049	867.893	637.593	355.680	238.200	759.150	981.698	1,601.478	847.977	6,262.630	
Applied Levy per Benefit Unit	\$58.24	\$112.48	\$74.92	\$120.55	\$121.35	\$54.12	\$28.33	\$69.34	\$103.20	\$83.34	\$120.44	
Maximum Levy per Benefit Unit	\$58.24	\$112.48	\$74.92	\$120.55	\$121.35	\$54.12	\$28.33	\$69.34	\$103.20	\$83.34	\$120.44	
Beginning Balance - Projected July 1, 2017	\$15,593.15	\$66,989.59	\$100,468.51	\$183,982.63	\$81,264.85	(\$17,853.98)	(\$85,363.56)	\$127,592.53	\$168,399.60	(\$93,890.23)	\$1,109,125.53	\$1,656,308.63
Reserve Collection Increase/(Decrease)	(\$15,674.09)	\$10,064.11	(\$5,205.33)	\$15,764.23	\$24,743.76	\$1,786.23	(\$26,419.82)	\$9,005.00	\$32,699.13	\$9,401.33	(\$294,925.70)	(\$238,761.14)
Ending Balance - Projected June 30, 2018	(\$80.94)	\$77,053.70	\$95,263.19	\$199,746.86	\$106,008.61	(\$16,067.75)	(\$111,783.37)	\$136,597.53	\$201,098.74	(\$84,488.90)	\$814,199.83	\$1,417,547.49
Required Operating Reserves	\$31,776.35	\$31,369.60	\$35,600.74	\$31,003.41	\$9,302.75	\$5,602.82	\$24,252.51	\$29,877.16	\$67,215.42	\$31,035.85	\$342,202.52	\$639,239.14
Available Operating Reserves	\$0.00	\$31,369.60	\$35,600.74	\$31,003.41	\$9,302.75	\$0.00	\$0.00	\$29,877.16	\$67,215.42	\$0.00	\$342,202.52	\$546,571.61
Available Capital Reserves	(\$80.94)	\$45,684.10	\$59,662.44	\$168,743.45	\$96,705.85	(\$16,067.75)	(\$111,783.37)	\$106,720.38	\$133,883.31	(\$84,488.90)	\$471,997.31	\$870,975.88
Total	(\$80.94)	\$77,053.70	\$95,263.19	\$199,746.86	\$106,008.61	(\$16,067.75)	(\$111,783.37)	\$136,597.53	\$201,098.74	(\$84,488.90)	\$814,199.83	\$1,417,547.49