

Community Facilities District Committee

AGENDA

Tuesday December 12, 2023

2:00 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT:

At this time anyone can comment on items not listed on the agenda. Each person is limited to 4 minutes.

4. MINUTES OF NOVEMBER 9, 2023

Recommendation: By motion approve the Minutes of November 9, 2023.

5. SUMMARY OF CFD REVENUES AND EXPENSES

Recommendation: For information only.

6. RECOMMENDATION TO THE CITY COUNCIL REGARDING CFD TAXES FOR POLICE AND FIRE SERVICES.

Recommendation options for consideration:

A. Resolution presented by former CFD committee member Kip Garvey. This Resolution reduces the amount currently being paid to be on par with other parcels in Castle Oaks and Wildflower. (Also included as an attachment are Mr. Garvey's questions to Chief Mackey regarding fire services.)

B. Maintain current levels while continuing to limit the inflationary adjustment factor. (status quo)

C. Restore inflationary adjustment factor.

7. MEMBER REPORTS

8. ADJOURNMENT

Table 3. Summary of 202302024 Operating Budget by Department and Fund.

Dept Code	TOTAL DEPARTMENTAL BUDGET	FUND 8221 - CFD LI&D										9675 - CFD Restricted Fire	9613 - Measure M								
		1111 - GF	1222 GF Operating Reserves	1333 GF Capital Reserves	4111-Pool	4311 - Arena	2111 - Gas Tax	3111 - WWTP	3131 - Tertiary	8221 - CFD LI&D	9670 - CFD Restricted PD										
		1,966,124	-	-																	
60	City Council	14,483	14,483	28,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Employee Services	14,483	14,483	28,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating Capital	28,000	28,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
62	City Clerk	26,400	26,400	383	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Employee Services	26,400	26,400	383	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating Capital	383	383	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	City Treasurer	2,897	2,897	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Employee Services	2,897	2,897	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Operating Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65	Admin	695,033	571,114	160,850	-	-	14,357	15,585	17,313	95,301	199,159	-	6,484	8,043	4,821	8,043	-	-	-	-	
	Employee Services	695,033	571,114	160,850	-	-	14,357	15,585	17,313	95,301	199,159	-	6,484	8,043	4,821	8,043	-	-	-	-	
	Operating Capital	406,036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
68	Legal	1,101,069	731,964	-	-	14,357	32,898	294,460	-	45,000	-	14,526	12,863	-	-	-	-	-	-	-	
	Employee Services	1,101,069	731,964	-	-	14,357	32,898	294,460	-	45,000	-	14,526	12,863	-	-	-	-	-	-	-	
	Operating Capital	95,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
70	Police	1,224,573	1,055,668	166,178	-	-	-	-	-	-	-	-	168,905	135,963	-	-	-	-	-	-	
	Employee Services	1,224,573	1,055,668	166,178	-	-	-	-	-	-	-	-	168,905	135,963	-	-	-	-	-	-	
	Operating Capital	302,141	166,178	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Capital	7,500	5,000	-	-	-	-	-	-	-	-	-	2,500	-	-	-	-	-	-	-	
	Capital	1,534,214	1,226,846	-	-	-	-	-	-	-	-	-	307,368	-	-	-	-	-	-	-	
75	Fire	669,631	31,090	103,098	-	-	-	-	-	-	-	-	-	-	204,821	34,366	13,200	433,719	34,366	13,200	
	Employee Services	669,631	31,090	103,098	-	-	-	-	-	-	-	-	-	-	204,821	34,366	13,200	433,719	34,366	13,200	
	Operating Capital	171,830	103,098	39,600	-	-	-	-	-	-	-	-	-	-	34,366	34,366	-	-	-	-	
	Capital	66,000	39,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Capital	907,461	173,788	-	-	-	-	-	-	-	-	-	252,387	481,285	-	-	-	-	-	-	

New Policy
 Move to Operating Reserves (5%)
 Move to Capital Reserves (7%)

\$ 187,269
 262,177

TBD
 TBD
 TBD
 TBD

Table 3. Summary of 202302024 Operating Budget by Department and Fund.

Fund	Department	1111 - GF		1222 GF Operating Reserves		1333 GF Capital Reserves		4111-Pool	4311 - Arena	2111 - Gas Tax	3111 - WWTP	3131 - Tertiary	8221 - CFD LL&D	9670 - CFD Restricted PD	9675 - CFD Restricted Fire	9613 - Measure M
		Operating	Capital	Operating	Reserves	Capital	Reserves									
80	Planning	Employee Services	\$ 241	\$ 241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Operating	\$ 57,500	\$ 57,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 57,741	\$ 57,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
85	Building	Employee Services	\$ 236,419	\$ 226,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Operating	\$ 27,000	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 263,419	\$ 253,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
90	Engineering	Employee Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Operating	\$ 160,000	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Capital	\$ 204,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 364,800	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
92	PW	Employee Services	\$ 446,179	\$ 323,354	\$ 21,144	\$ 6,577	\$ 75,325	\$ 19,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Operating	\$ 963,850	\$ 199,650	\$ 21,000	\$ 4,700	\$ 27,650	\$ 393,250	\$ 267,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Capital	\$ 531,306	\$ 21,500	\$ -	\$ 26,277	\$ 20,500	\$ 463,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 1,941,335	\$ 544,504	\$ 42,144	\$ 37,554	\$ 123,475	\$ 876,058	\$ 267,600	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
94	Citywide Services	Employee Services	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Operating	\$ 403,445	\$ 337,324	\$ -	\$ -	\$ -	\$ 66,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Capital	\$ 2,500	\$ 2,500	\$ -	\$ -	\$ -	\$ 66,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 465,945	\$ 399,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES		\$ 3,600,696	\$ 3,600,696	\$ 42,144	\$ 51,911	\$ 181,374	\$ 1,321,192	\$ 487,400	\$ 50,000	\$ 321,894	\$ 265,250	\$ 481,285				
Projected June 30, 2024 Balance without moving to reserves		\$ 2,110,816	\$ 187,269	\$ 262,177	\$ -	\$ 1,024,722	\$ 1,132,358	\$ (1,229,087)	\$ 153,135	\$ 611,581	\$ 622,597	\$ 1,015,750				
Projected Balance after 5% for operating reserves		\$ 1,923,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Projected Balance after 7% for capital reserves		\$ 1,661,369	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Rever Exp		\$ 144,692	\$ 102,548	\$ -	\$ -	\$ 215,759	\$ (375,192)	\$ (292,400)	\$ 35,000	\$ (91,894)	\$ (141,116)	\$ 217,932				
Less Arena		\$ 50,637	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				

PUBLIC SAFETY BUDGETS

Police Dept Revenues General Fund 11111-46-4658 CFD 9675-40-4655	Actuals				Budget		<i>Estimated Fund Balance June 2024</i>
	2019-20	2020-21	21-22	22-23	23-24	23-24	
\$ 1,075,043	\$ 1,062,577	\$ 1,153,880	\$ 1,133,170	\$ 1,301,728			
\$ 183,276	\$ 211,623	\$ 235,526	\$ 288,001	\$ 230,000			\$ 611,581
\$ 1,258,319	\$ 1,274,200	\$ 1,389,406	\$ 1,421,171	\$ 1,531,728			

Expenditures Salary Operations Capital Totals	Actuals				Budget	
	2019-20	2020-21	21-22	22-23	23-24	23-24
\$ 1,056,440	\$ 1,018,928	\$ 1,084,482	\$ 1,214,117	\$ 1,224,587		
\$ 180,433	\$ 204,599	\$ 237,936	\$ 207,054	\$ 302,141		
\$ 21,446	\$ 50,673	\$ 66,988	\$ -	\$ 5,000		
\$ 1,258,319	\$ 1,274,200	\$ 1,389,406	\$ 1,421,171	\$ 1,531,728		

Fire Dept Revenues General Fund 11111-46-4671 Measure M 9613-41-4135 CFD 9675-40-4665	Actuals				Budget		
	2019-20	2020-21	21-22	22-23	23-24	23-24	
\$ 3,376	\$ 99,389	\$ 61,065	\$ 99,389	\$ 100,000			
\$ 393,166	\$ 460,713	\$ 607,298	\$ 550,190	\$ 600,000			
\$ 91,501	\$ 106,155	\$ 116,734	\$ 143,784	\$ 116,734			
\$ 488,043	\$ 666,257	\$ 785,097	\$ 793,363	\$ 816,734			
							\$ 622,597

Expenditures Salary Operations Capital Totals	Actuals				Budget	
	2019-20	2020-21	21-22	22-23	23-24	23-24
\$ 399,584	\$ 464,536	\$ 550,459	\$ 531,689	\$ 663,400		
\$ 65,423	\$ 79,096	\$ 77,291	\$ 115,859	\$ 171,830		
\$ -	\$ -	\$ 48,410	\$ 23,724	\$ 66,000		
\$ 465,007	\$ 543,632	\$ 676,160	\$ 671,271	\$ 901,230		

A resolution for presentation and action at the November 2, 2023 Special Districts Committee Meeting.

Whereas on or about September 2020, several City residents petitioned the City Council in a “Request for Reconsideration and Remedies for Relief from Special Tax B in Castle Oaks Improvement Area No. 3” to relieve a perceived imbalance regarding a Special Services tax burden.

Whereas the City Council responded by creating by ordinance No. 527, October 5, 2020 an advisory standing committee, later named the Special Districts Committee, to investigate this and other matters concerning all Community Facilities Districts in the City.

Whereas the work of the Special Districts Committee includes:

1. Determining the number, name, and nature of the City's Community Facilities Districts (CFDs).
2. Determining which of these include a Special Services levy paid by residential unit owners, the funds of which are restricted and allocated to Police services, Fire/Rescue services, and Maintenance services.
3. Review associated RMA (Rate and Method of Apportionment) documents associated with each respective CFD.
4. Compile information regarding specific Special Services levies imposed on each CFD for comparison purposes and examine the equitable nature of the levy.
5. Investigate the language of the various CFD formation documents to understand the origination of the levy, any restrictions to the use of the funds, and the characteristics of the Special Services levy, also referred to as Special Tax B in the formation documents.
6. Interview David Tausig Associates, the administrator of the various City CFDs' to better understand how and when the Special Services levy was developed and implemented in the various CFDs and understand the chronology of changes to the Castle Oaks CFDs that impacted the Special Services levy.
7. Interview the City Police Chief regarding current and future Police service needs.
8. Interview the City Fire/Rescue Chief regarding the various CFDs' current and future Fire/Rescue needs.
9. Working with and through the City Manager and the City Finance Manager to acquire and analyze the various City accounting records relative to the scope of this investigation.
10. Study what impact various changes to the Special Services tax structure may have on the ability of the City to meet current and future costs associated with Police and Fire/Rescue services, with a specific goal of assuring that any anticipated changes will not negatively impact the Police and Fire Departments from providing these needed services to the community.
11. Understand whether or not the City has authority under the various CFD formation documents to allocate and/or reallocate the restricted funds among the three services departments as needed from time to time.

Whereas the Special Districts Committee concludes that:

1. Referencing the last sentence of the last paragraph on page 20 of the *“Amended and Restated Rate and Apportionment for Improvement Area No. 3 of Community*

Facilities District No. 2005-2 of the City of Lone (Edgebrook and Castle Oaks Phase II)”, the City Council has authority to modify or terminate Special Tax B (the Special Services Levy) at their sole discretion.

2. Recommended changes herein apply to CFD 2005-2, Improvement Area No. 3.
3. Individual residential units throughout all CFDs in the City share the same Police and Fire/Rescue services provided by the City.
4. There is a readily discernible imbalance in the dollar amount of Special Services levy charged to those certain units in CDF 2005-2 Improvement Area No. 3 compared to the other CFDs in the City that are also charged a Special Services levy. **See Exhibit A.**
5. Establishing parity among the various CFDs regarding the amounts paid for the Special Services levy is a desirable goal.
6. Fairness and parity in the amounts paid for the Special Services becomes more significant should the City’s Fire/Rescue services be incorporated into the Amador County Fire District, which may leave City residents within the CFDs paying into County resources rather than City resources, the resulting loss of control by the City in the use of these funds, and challengeable legal grounds should the City Council unilaterally alter terms specific to the Special Services levy.
7. The anticipated fiscal year June 2024 combined restricted fund balances may exceed \$1.28 million, the Special Services levies appear larger than necessary to fulfill the intended needs of providing for the ‘*additional*’ Police and Fire/Rescue services as outlined and specified in the CFD 2005-2 formation RMA document (definition of Authorized Police and Fire Protection Services, page 2.)
8. Reducing and reestablishing the base amount of the Special Services levy in Castle Oaks CFD 2005 Improvement Area No. 3 (currently \$857.20 annually) to that of Castle Oaks CFD 2005-2 Improvement Area No. 1 (currently \$447.00 annually) brings the amount of this levy into balance across all Improvement Areas in CFD 2005-2 as well as the Wildflower CFD 2006-1, which currently pays \$436 as a Special Services levy (within \$11.) **See Exhibit B.**
9. Applying this recommended change results in the generation of adequate funds to fulfill the required contractual need of mitigating ‘*additional*’ costs of Police, Fire/Rescue, and Maintenance costs that result from the expansion of residential units included in the various CFDs Citywide. **See Exhibit C.**

Therefore, be it resolved to bring a much-needed degree of fairness and equity to the sharing of additional costs associated with Police and Fire services in the City, beginning in the fiscal year 2024-2025, the base amounts for Special Services Tax B be reset as follows:

All those residential units contained in Castle Oaks CFD 2005-2 Improvement Area No. 2 and CFD 2005-2 Improvement Area No. 3, and any units yet to be completed within these areas, pay an amended base Special Services Tax B of \$447, or for future units an amount as calculated from this base amount of \$447 per residential unit beginning in the fiscal year 2024-2025 (but not for undeveloped acreage within these Improvement Areas as stated in the RMA for these CFDs) subject to the existing annual incremental increases as outlined in the respective ‘RATE AND METHOD OF APPORTIONMENT’ document as relates to their individual CFD formation documents.

Furthermore, be it resolved that the current rate and methods for developing any similar Special Services levy in the Wildflower CFD 2006-1 be set at a base amount of \$436 and that any contractual annual increments be generated from this base amount.

CITY OF IONE
FIRE DEPARTMENT
Special District Committee
Questions Request from Kip Garvey

1) 4 Full time paid personnel

1 Fire Chief Stipend
1 Fire Marshal Stipend

8 Volunteer Fire Officers Stipend

25 Volunteer Fire Fighters / Engineers Stipend

Total fire suppression personnel: 39

2) Our paid program started in 2011 and is paid for under the County wide Measure M based on call volume and population- and is a fragile revenue source due to sales tax and several key businesses.

3) Salary & Benefits =

Hiring process 3,000
Uniforms 1,500 continuous replacement
Safety Fire gear 3,500 2nd set by second year -on standby during cleaning or repairs
wild land safety 900 2nd set by second year

4)

Hiring process 3,000
Uniforms 1,500 continuous replacement
Safety Fire gear 3,500 2nd set by second year -on standby during cleaning or repairs
wild land safety 900 2nd set by second year

Volunteer Personnel:

Application process: 1,000
Safety Fire Gear 3000
wild land 900
Basic Training 60 hrs mandatory
1 year probationary status
Drivers training starts after 30 days
Pump and aerial operations starts at 6 months

5) Yes, it is the nationally recognized standard that if a community can support it, that 1 paid fire fighter be hired for every 1,000 residence as a minimum standard, which also recognizes that 5 volunteers equal 1 full time fire fighter .

** prior to this request it was in our budget for an additional fire fighter in this years budget for a total of 5 full time.

Reduce CFD 2005-2 Area 3 to \$447,000
 There are 570 taxable units at buildout
 Total of CFD 2005-2 Area 2 at buildout 154 units
 Total of CFD 2005-2 Area 1 at buildout 151 units
 Total of CFD 2006-1 at buildout 276 units

Status Quo		Current		2023-2024 Revenue Estimate		Status Quo with Buildout		Current		At Buildout	
Current	Units Taxed	tax rate		Revenue	Buildout	tax rate	Difference	Current Amt	Current Amt	Current Amt	Current Amt
332	\$	857.00	\$	284,524	238	857	\$	203,966	\$	488,490.00	
154	\$	447.00	\$	68,838	0	447	\$	-	\$	68,838.00	
151	\$	447.00	\$	67,497	0	447	\$	-	\$	67,497.00	
204	\$	436.00	\$	88,944	72	436	\$	31,392	\$	120,336.00	
841				509,803	310			235,358	\$	745,161.00	

Reduce CFD 2005-2 Area 3 to \$447,000
 There are 570 taxable units at buildout
 Total of CFD 2005-2 Area 2 at buildout 154 units
 Total of CFD 2005-2 Area 1 at buildout 151 units
 Total of CFD 2006-1 at buildout 276 units

Resolution presented by former member Kip Garvey				2023-2024 Revenue Estimate				Resolution presented by former member Kip Garvey			
Units Taxed	tax rate		Revenue	Buildout	Proposed Tax Rate	Proposed Difference	Annual	Buildout	Proposed Tax Rate	Proposed Difference	Annual
332	\$	447.00	\$	148,404	238	447.00	\$	106,386.00	\$	254,790.00	
154	\$	447.00	\$	68,838	0	447.00	\$	-	\$	68,838.00	
151	\$	447.00	\$	67,497	0	447.00	\$	-	\$	67,497.00	
204	\$	436.00	\$	88,944	72	436.00	\$	31,392.00	\$	120,336.00	
841			\$	373,683	310		\$	137,778.00	\$	511,461.00	

Difference between Proposed and status Quo \$ (136,120) *Difference between Proposed and status Quo* \$ (233,700.00)

Breakdown of Special Tax to Services

	Castle Oaks	Castle Oaks	Wildflower
Police	\$ 488,49	\$ 447	\$ 436
Fire	\$ 239,96	\$ 254,79	\$ 292,12
Maintenance	\$ 137,12	\$ 71,52	\$ -