

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

June 9, 2026

FROM

LUTHER SNOKE, Chief Executive Officer, County Administrative Office

SUBJECT

2026-27 Budget for Board Governed County Service Areas

RECOMMENDATION(S)

Acting as the governing body of the Board Governed County Service Areas:

1. Conduct a public hearing on the 2026-27 Recommended Budget for the Board Governed County Service Areas.
2. Adopt **Resolution No. 2026-68** to approve and adopt:
 - a. The 2026-27 Budget for the Board Governed County Service Areas, including appropriation, operating transfers out, contribution to reserves/net position, available reserves, estimated net position available and budgeted staffing, and authorization for final fund balance adjustments as described in Attachment A.
 - b. Any changes to the Recommended Budget that the Board of Supervisors may direct.
 - i. In the event that the Board of Supervisors makes any additions or deletions to the budget after the public hearing, and the items were not proposed in writing and filed with the Clerk of the Board of Supervisors before the close of the public hearing, a four-fifths vote of the Board of Supervisors is required.

(Presenter: Matthew Erickson, County Chief Financial Officer, 387-5423)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote and Fulfill the Countywide Vision.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The 2026-27 Recommended Budget for the Board Governed County Service Areas (CSA), as presented in the Recommended Budget Book, includes total requirements of \$113.2 million (excluding contributions to reserves/net position) and budget staffing of 137 positions for the CSA Operating and Capital Improvement Program (CIP) Funds.

BACKGROUND INFORMATION

The Department of Public Works – Special Districts manages and maintains the Board Governed CSAs that provide a number of municipal services for various communities within San Bernardino County. These services include television translators, dam maintenance, landscaping, detention basins, open space, park and recreation, road services (including paving, maintenance, and snow removal), streetlights, refuse, sanitation, and water. In addition, the Department of Airports oversees CSA 60 for the operation and maintenance of Apple Valley Airport.

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As presented in the Recommended Budget Book, the summary of the CSA 2026-27 Recommended Budget below includes the base amount and any new items for 2026-27:

Budget Unit	2025-26 Modified	2026-27 Recommended	Change
Requirements			
Operating Funds:			
General Districts	\$10,894,144	\$11,569,242	\$675,098
Park Districts	\$11,036,181	\$10,483,536	(\$552,645)
Road Districts	\$3,456,611	\$3,092,792	(\$363,819)
Streetlight Districts	\$3,336,080	\$1,949,620	(\$1,386,460)
CSA 60 Apple Valley Airport	18,571,100	17,143,305	(\$1,427,795)
CSA 70 HL Havasu Lake	\$150,810	\$172,949	\$22,139
Sanitation Districts	\$19,752,376	\$17,396,975	(\$2,355,401)
Water Districts	\$10,842,616	\$10,895,851	\$53,235
Total Operating Funds	\$78,039,918	\$72,704,270	(\$5,335,648)
CIP Funds:			
General Districts	\$15,978,120	\$18,849,291	\$2,871,171
Road Districts	\$485,125	\$0	(\$485,125)
Park Districts	\$282,023	\$0	(\$282,023)
CSA 60 Apple Valley Airport	14,393,833	10,697,599	(\$3,696,234)
Sanitation Districts	\$4,357,087	\$2,466,055	(\$1,891,032)
Water Districts	\$6,854,784	\$5,277,300	(\$1,577,484)
Total CIP Funds	\$42,350,972	\$37,290,245	(\$5,060,727)
Total Requirements	\$120,390,890	\$109,994,515	(\$10,396,375)
Budgeted Staffing			
Operations:			
General Districts	113	114	1
Park Districts	21	22	1
Road Districts	1	1	0
Total Budgeted Staffing	135	137	2
Note: Not reflected in the 2026-27 Requirements shown above are \$3.2 million in Reserve			

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Budget Unit	2025-26 Modified	2026-27 Recommended	Change
Requirements that are used to fund appropriation in the budget units shown in the table above. Requirements exclude contributions to reserves/net position of \$631,362.			

Requirements of \$72.7 million for the Operating Funds reflect a net decrease of \$5.3 million compared to the prior year. This decrease is primarily attributable to reduced capital expenditures for the CSA 70 BL Bloomington Sewer Expansion project within the Sanitation Districts, as construction activities were advanced in the prior year.

Requirements of \$37.3 million for the CIP Funds reflect a net decrease of \$5.1 million compared to the prior year. This decrease is primarily due to reduced capital expenditures associated with the completion of the Lakeview Lift Station Renovation project within the Sanitation Districts, as the project was completed in the prior year.

Total Budget Staffing of 137 for 2026-27 includes the following changes:

- Addition of one Treatment Plant Operator I to support wastewater treatment operations within the Water and Sanitation Districts.
- Establish the Store Specialist classification with Non-Represented Group designation at Range 14 and no conflict of interest code requirement.
- Reclassification of one Storekeeper position (Position No. 82053) to Store Specialist within the General Districts budget unit (1051378).
- Reclassification of one Administrative Secretary II position (Position No. 30751) to Staff Analyst I within the General Districts budget unit (1051378).
- Addition of one limited term Public Service Employee position (Position No. 60000) added off-cycle during fiscal year 2025-26.

Recommendation No. 1 conducts the public hearing for the District's 2026-27 Recommended Budget, as required by Government Code sections 29080 and 29081. Prior to adopting the District's 2026-27 budget, a notice was published on May 20, May 21, May 26, May 27, May 28, May 29, and May 30, 2026, setting the date of the public hearing for the purpose of making a determination regarding the Recommended Budget. The Recommended Budget documents were made available in the Clerk of the Board of Supervisors' (Board) office on May 26, 2026, for the public, and the public hearing is occurring at least 10 days after the documents were made available. The notice further sets forth that any member of the public may appear at the hearing and be heard regarding any item in the Recommended Budget or for the inclusion of additional items. All proposals for revisions should be submitted in writing to the Clerk of the Board before the close of the public hearing.

The public hearing discusses and implements any direction or changes to the Recommended Budget. Any requests for increases, decreases, or omissions of any item in the budget or inclusion of any additional items shall not be made after the public hearing, unless the items were proposed in writing and filed with the Clerk of the Board before the close of the public hearing or unless approved by the Board by a four-fifths vote.

Recommendation No. 2 approves and adopts the 2026-27 budget for the CSA. Attachment A lists the 2026-27 Recommended Budget for appropriation, operating transfers out, contribution to reserves/net position, available reserves, estimated net position available and budgeted staffing.

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The Recommended Budget, including Attachment A, satisfies the requirements set forth in Government Code section 29089.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Sophie Curtis, Deputy County Counsel, 387-5455) on April 30, 2026; County Finance and Administration (Matthew Dalton, Administrative Analyst, 387-5005) on May 19, 2026; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-4883) on May 26, 2026. This item has also been coordinated with Auditor-Controller/Treasurer/Tax Collector (Mima Ugbo, Deputy Chief Controller, 382-3195) on May 23, 2026 and Human Resources (Gina King, Human Resources Assistant Director, 387-5560) on May 21, 2026.

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Record of Action of the Board of Supervisors
Board Governed County Service Areas

Hearing Opened
Public Comment: None
Hearing Closed

APPROVED

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: June 9, 2026



cc: File - Board Governed County Service Areas w/ attachments
JLL 06/11/2026