

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

June 13, 2023

FROM

LEONARD X. HERNANDEZ, Chief Executive Office, County Administrative Office

SUBJECT

2023-24 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 2023-24 Recommended Budget for the Board Governed County Service Areas.
2. Adopt **Resolution No. 2023-84** to approve and adopt:
 - a. The 2023-24 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 close of the public hearing, a 4/5 vote of the Board of Supervisors is required.
3. Approve the establishment of new classifications as detailed in Attachment B.
(Presenter: Matthew Erickson, County Chief Financial Officer, 387-5423)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote 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 2023-24 Recommended Budget for the Board Governed County Service Areas (CSA), as presented in the Recommended Budget Book, includes total requirements of \$88.2 million (excluding contributions to reserves/net position) and budgeted staffing of 119 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,

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the Department of Airports oversees CSA 60 for the operation and maintenance of Apple Valley Airport.

As presented in the Recommended Budget Book, the summary of the CSA 2023-24 Recommended Budget below includes the base amount and any new items for 2023-24.

Budget Unit	2022-23 Modified Budget	2023-24 Recommended Budget	Change
Requirements			
Operating Funds:			
General Districts	\$12,729,549	\$9,556,218	\$ (3,173,331)
Park Districts	\$3,995,901	\$4,926,822	\$930,921
Road Districts	\$3,942,765	\$4,139,529	\$196,764
Streetlight Districts	\$1,455,055	\$2,173,455	\$718,400
CSA 60 Apple Valley Airport	\$11,970,847	\$13,269,769	\$1,298,922
CSA 70 HL Havasu Lake	\$106,000	\$108,130	\$2,130
Sanitation Districts	\$7,163,445	\$8,178,952	\$1,015,507
Water Districts	\$8,062,394	\$10,063,751	\$2,001,357
Total Operating Funds	\$49,425,956	\$52,416,626	\$2,990,670
CIP Funds:			
General Districts	\$2,467,108	\$15,952,026	\$13,484,918
Road Districts	\$3,000,000	\$300,000	\$ (2,700,000)
CSA 60 Apple Valley Airport	\$9,197,107	\$10,651,334	\$1,454,227
Sanitation Districts	\$4,433,708	\$2,260,925	\$ (2,172,783)
Water Districts	\$12,179,372	\$6,596,313	\$ (5,583,059)
Total CIP Funds	\$31,277,295	\$35,760,598	\$4,483,303
Total Requirements	\$80,703,251	\$88,177,224	\$7,473,973
Budgeted Staffing			
Operations:			
General Districts	102	103	1
Park Districts	14	15	1
Road Districts	1	1	0
Total Budgeted Staffing	117	119	2
Note: Requirements exclude contributions to reserves/net position of \$65,905.			

Budgeted Requirements of \$52.4 million for the Operating Funds reflect a net increase of \$3 million from the prior fiscal year. This increase is primarily for the costs to maintain service, including an additional \$793,500 in appropriation for the replacement of various equipment and vehicles.

Requirements of \$35.8 million for the CIP Funds include the projected cost of several CIP projects budgeted in 2023-24. The most significant of these projects (\$500,000 or more) are as follows:

- American Rescue Plan Act (ARPA) funded projects:

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- Bohnert/Banyan Sewer Project, which is currently on hold (\$8 million)
 - Glen Helen Waterline Interconnection Project (\$1.8 million)
 - Lake Gregory Regional Park Sediment Management - Phase 1 (\$1.7 million)
 - Glen Helen Lighting Project (\$1.6 million)
 - Kessler Park and Ayala Park Wi-Fi Project in Bloomington (\$518,576)
- CSA 60 Apple Valley Airport:
 - Perimeter Fence Replacement (\$2.9 million)
 - Airport Café Exterior Patio Structure Renovation (\$1.7 million)
 - Terminal Parking Lot Pavement and Drainage (\$1.6 million)
 - Taxiway Reconstruction and Drainage (\$1.6 million)
 - Terminal Remodel (\$1.5 million)
- CSA 64 Spring Valley Lake (Sanitation) - Lakeview Lift Station Renovation (\$1.2 million)
- CSA 64 Spring Valley Lake (Water) - Recoat Tank Nos. 2A and 2B (\$1.0 million)
- CSA 70 Countywide:
 - Lake Gregory Regional Park Sediment Project (\$3.2 million)
 - Lake Gregory Dam Rehabilitation (\$953,231)
- CSA 70 D-1 Lake Arrowhead - Mackay Park Maintenance Building Replacement (\$1.0 million)
- CSA 70 J Oak Hills:
 - Oak Hills New Well No. 6 (\$2.1 million)
 - Reservoir No. 3A Design and Land Acquisition (\$990,000)

The total Budgeted Staffing of 119 for 2023-24 includes the following changes:

- Addition of two new positions:
 - Project Manager for the increased workload resulting from the addition of several new capital projects funded by ARPA.
 - Office Assistant II to support certain park districts experiencing service gaps during operating hours.
- Reclassification of two existing positions to better align each position with its assigned tasks and responsibilities:
 - Position No. 88788 from Office Assistant II to Office Assistant III.
 - Position No. 30295 from Parks & Recreation Maintenance Worker II to Parks & Recreation Maintenance Worker III.

Recommendation No. 1 conducts the public hearing for the CSA 2023-24 Recommended Budget, as required by Government Code Sections 29080 and 29081. Prior to adopting the 2023-24 budget for the CSA, a notice was published on May 24 and May 30, 2023, 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 Board of Supervisors' (Board) office on May 23, 2023, 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 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 omission of any item in the budget or inclusion of any additional items shall not be made after the public hearing, unless the items

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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 4/5 vote.

Recommendation No. 2 approves and adopts the 2023-24 budget for the CSAs. Attachment A lists the 2023-24 Recommended Budget for appropriation, operating transfers out, contributions to reserves/net position, available reserves, estimated net position available, and budgeted staffing.

Recommendation No. 3 is for approval of new classifications as listed in Attachment B. Attachment B lists new classifications for 2023-24.

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

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by Human Resources (Gina King, Deputy Director, 387-5571) on May 31, 2023; County Counsel (Aaron Gest, Deputy County Counsel, 387-5455) on May 19, 2023; Finance (Tom Forster, Administrative Analyst, 387-4635) on May 23, 2023; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 26, 2023. This item has also been coordinated with the Auditor-Controller/Treasurer/Tax Collector (Vanessa Doyle, Chief Deputy Controller, 382-3195) on May 26, 2023.

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 13, 2023



cc: File - BGCSA w/ resolution
JLL 06/14/2023