



April 12, 2019

TO: LOCSO Board of Directors

FROM: Renee Osborne, General Manager
Matthew Fourcroy, Chairperson, Parks and Recreation Committee

SUBJECT: Agenda Item 12C – 5/2/2019 Board Meeting
Request to Reallocate 25% of Water Property Tax Funds to the Parks and Recreation Fund

President
Marshall E. Ochylski

DESCRIPTION

Vice President
Charles L. Cesena

Request to consider moving 25% (\$63,430.50) of the Water Property tax funds to the Parks and Recreation Fund 900 for use towards Parks and Recreation Operation Expenses.

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

STAFF RECOMMENDATION

Motion: I move that the Board approve reallocating 25% (\$63,430.50) of the Water Property tax to the Parks and Recreation Fund 900 for operations and maintenance use in the 2019/2020 Fiscal Year Budget and be considered as a reoccurring reallocation annually.

General Manager
Renee Osborne

DISCUSSION

District Accountant
Robert Stilts, CPA

On March 29, 2017, the Rate Study Group presented the Board with implementation procedures regarding the property tax that Fund 500/Water receives from the County:

Unit Chief
Scott M. Jalbert

“Reallocate property tax revenue from the water fund to funds within a district wide benefit in the following percentages; 25% reduction in FY 17/18, additional 12.5% reduction in FY 18/19, and additional 12.5% reduction in FY 19/20, for a total of 50% over three years.”

Battalion Chief
George Huang

In Fiscal Year 2017/2018, 25% of the Water Property tax fund was given to Fund 301/Fire. In the 2018/2019 Fiscal Budget, Fund 301/Fire received 25% and Fund 800/Drainage received 12.5% of the Water Property tax. The Parks and Recreation Chairperson and staff are requesting 25% be allocated to Fund 301/Fire and 25% be allocated to Fund 900/Parks and Recreation.

Mailing Address:
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In order to accomplish Parks and Recreation goals within the District, there needs to be a consistent flow of revenue to maintain any parks or recreation established by the Parks and Recreation Committee. The funds would be used towards operations and maintenance of Parks and would assist with any future Dog Park goals.

Offices:
2122 9th Street, Suite 110
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Staff is requesting 25% (\$63,430.50) of the Water Property tax be allocated to the Parks and Recreation Fund for operations and maintenance use.

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FINANCIAL IMPACT

www.losososcsd.org

The 25% reallocation of the Water Funds was predetermined and approved by the Board at their March 2017 Board meeting. Water Operations has been preparing for the transitional reallocation of Water Property tax to other funds. The financial impact to Water has been planned.