



CITY OF MENIFEE

SUBJECT: Annual Levy for County Service Areas for Fiscal Year 2024/2025

MEETING DATE: June 19, 2024

TO: Mayor and City Council

PREPARED BY: Lauri Lockwood, Financial Analyst

REVIEWED BY: Travis Hickey, Chief Financial Officer

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt a resolution ordering the levy and collection of Fiscal Year 2024/2025 charges for County Service Areas within the City.

DISCUSSION

Each year the City Council must approve two separate resolutions to allow for the continued collection of County Service Areas (CSAs) charges within the City. The first resolution (Resolution of Intention No. 24-1416) was adopted at the May 15, 2024, City Council meeting. The second resolution – now before the City Council – orders the levy and collection of the proposed CSA charges in the upcoming fiscal year.

When the City of Menifee incorporated in October 2008, it assumed responsibility for the services and charges for the six existing CSAs located within the City's boundaries (CSAs 33, 43, 84, 86, 138, and 145). Additionally, during the formal incorporation on October 1, 2008, the City of Menifee adopted all Riverside County ordinances then in effect, including Riverside County Ordinance No. 573.

Ordinance No. 573 specifically requires that the City Council annually cause to be prepared and filed with it a report describing the services, parcels and charges provided by each CSA for the upcoming fiscal year. Each of the six CSAs identified above has annual assessment charges levied against the parcels contained within the CSA boundaries. The charges are set each year based on the formula specified within Ordinance No. 573. The annual charges are assessed and included on the property tax statement for each affected parcel and are collected and transferred to the CSA/City on the same schedule as the normal property tax.

The CSAs provide several different services to portions of the city, primarily street lighting.

However, some CSAs provide additional services. For example, CSA 86 provides funding for dedicated law enforcement service to the Quail Valley area, and CSA 145 provides for parks and recreation services to most areas of the city west of Interstate 215.

A notice of public hearing for this item was published on June 5, 2024, pursuant to Government Code Section 6066. As of the date of this staff report, no comments were received from the public regarding this matter.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

Adoption of this resolution would allow the City of Menifee to collect approximately \$1,924,382, which would allow the City to meet its maintenance obligation for the six CSAs. Additionally, there would be a \$46,075 impact to the General Fund, which is already accounted for in the adopted FY 2024/2025 budget, to support the existing maintenance costs associated with CSA 145. This CSA is being levied at the maximum eligible assessment rate, and all available fund balance for this district has been used. As part of FY 2024/2025, all expenses are being charged to the special district to reflect the full cost of providing services to the district and a transfer in from General Fund will cover the balance.

ATTACHMENTS

1. Resolution
2. CSA Preliminary Summary of Fixed Charges
3. Annual Report