



CITY OF MENIFEE

SUBJECT: Annual Levy for Community Facilities District No. 2017-1 (Maintenance Services) Annexation No. 14, Tax Zone No. 14, Adler Ranch

MEETING DATE: July 19, 2023

TO: Mayor and City Council

PREPARED BY: Lauri Lockwood, Financial Analyst

REVIEWED BY: Margarita Cornejo, Acting Chief Financial Officer

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt a resolution ordering the levy and collection of special taxes within Community Facilities District No. 2017-1 (Maintenance Services) Annexation No. 14, Tax Zone No. 14, Adler Ranch for Fiscal Year 2023/2024; and
2. Adopt a resolution authorizing an increase in revenue and appropriation of expenditures in the amount of \$6,463.82 for Community Facilities Districts No. 2017-1 (Maintenance Services) Annexation No. 14, Tax Zone No. 14, Adler Ranch for Fiscal Year 2023/2024.

DISCUSSION

It is necessary that the City Council levy special taxes to pay the annual costs associated with the operation and maintenance of lighting of parkways, streets, roads, and open space, including landscape areas, streetlights, trees that line the streets, traffic signals, and storm drain facilities within Community Facilities District (CFD) No. 2017-1 Annexation No. 14, Tax Zone No. 14 for Adler Ranch, pursuant to Section 53340 of the Government Code. Special taxes within the District are levied in an amount necessary to satisfy the operation and maintenance special tax requirement, as defined in the District's Rate and Method of Apportionment (RMA). Any necessary replenishment or expenditure of the reserve funds and an amount estimated for administrative expenses during the year are included in the levy. The special taxes levied would not exceed the authorized amounts as provided in the RMA. Table 1 shows the annual levy amount needed to cover the District's obligations for Fiscal Year (FY) 2023/2024.

TABLE 1 - Levy for CFD No. 2017-1 Annexation No. 14, Tax Zone No. 14

District	Name	County Fund No.	Levied Parcels	Preliminary FY 2023/2024 Levy
CFD 2017-1 Annexation No. 14, Tax Zone No. 14	Adler Ranch	68-0409-FC	6	\$6,463.82

The Biennial Budget was approved by the City Council on June 21, 2023. The cutoff date for building permits in order to be added to the annual tax roll was June 1, 2023, and the total number of permits issued by that date was not disclosed until the second week of June, which was after the final deadline for agenda items for the June 21 meeting. Therefore, the levy was not included in the FY 2023/2024 Budget at the time of its adoption. This is the first-year special taxes will be levied on properties within CFD 2017-1 (Maintenance Services) Annexation No. 14, Tax Zone No. 14.

Because development is ongoing in Adler Ranch, it is unknown today how the anticipated FY 2024/2025 revenues and expenditures will differ from those in the adopted FY 2024/2025 Budget. Any necessary changes will be addressed at the mid-cycle review.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

The attached Budget Amendment Resolution (BAR) would increase revenues and expenditures in Fund No. 684, CFD 2017-1 Annexation 14, Tax Zone 14 in the amount of \$6,463.82. There is no fiscal impact to the City's General Fund. The services provided within each maintenance district are paid for by the special taxes assessed on parcels within the district.

ATTACHMENTS

1. Resolution to Levy CFD 2017-1 Annexation No. 14, Tax Zone No. 14
2. Exhibit A – Levy Summary
3. BAR – Fund 684