

County Service Area (CSA) 41 & 55 Community Meeting

San Joaquin County
Department of Public Works

June 28, 2023



SAN JOAQUIN
—COUNTY—
Greatness grows here.



Agenda

- Department
- District Overviews
- Financial Situation
 - Income
 - Cost Drivers
 - Financial Status
- Proposed Rates
- Questions and Answers

San Joaquin County Public Works Department

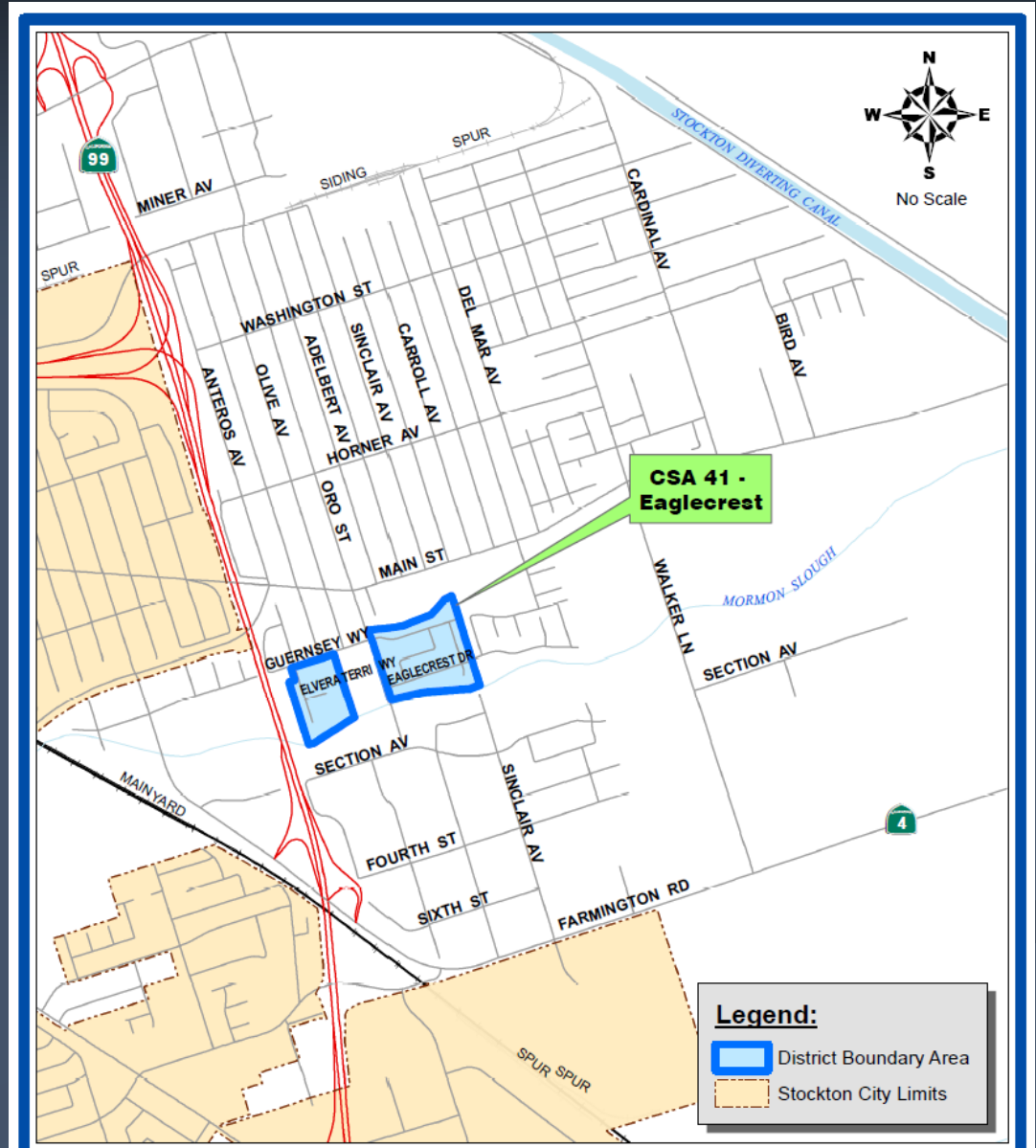
- Administers over 100 special districts
- Services provided include water, sewer, storm drainage and street lighting
- Provide storm drain services to 51 special districts serving approximately 6,700 properties

What is a Special District

- Form of local government created to provide a specific service within defined boundary
- Separate fund from rest of the County
- Revenue from charges stays in the district, not spent for other purposes
- Must be generally self-supporting from customer charges – GENERAL FUND UNABLE TO SUBSIDIZE COSTS

CSA 41 Eagle Crest Boundary

- Established in 1987
- 120 Properties Served
- Key Facilities
 - Detention Pond
 - 60" Outfall
 - Storm Drain Collection System
 - 21 Streetlights



Current Rates

CSA 41 Eagle Crest

- Storm Drain annual flat rate \$10 per single family home
- Streetlight annual flat rate \$40 per single family home
- Rates have not increased since the CSA was formed in 1987
- Service Charges are on property tax bills

What Your Rates Pay For

Operation and maintenance of the systems

- Labor:
 - Staff for system operation and maintenance
 - Equipment repairs
 - Drainage Maintenance (Mowing, trash removal)
 - Billing and administrative costs
- Electricity for Streetlights

Financial Status

10 Year Fund Balance History



Reason's for Recommendation

- Fiscal Year 2022/2023 is projected to have a negative surplus (expenses are greater than revenue)
- Maintain reserves for future capital replacement
- Storm Drainage service charges to cover operating and administrative expenses

Proposed Rates – CSA 41

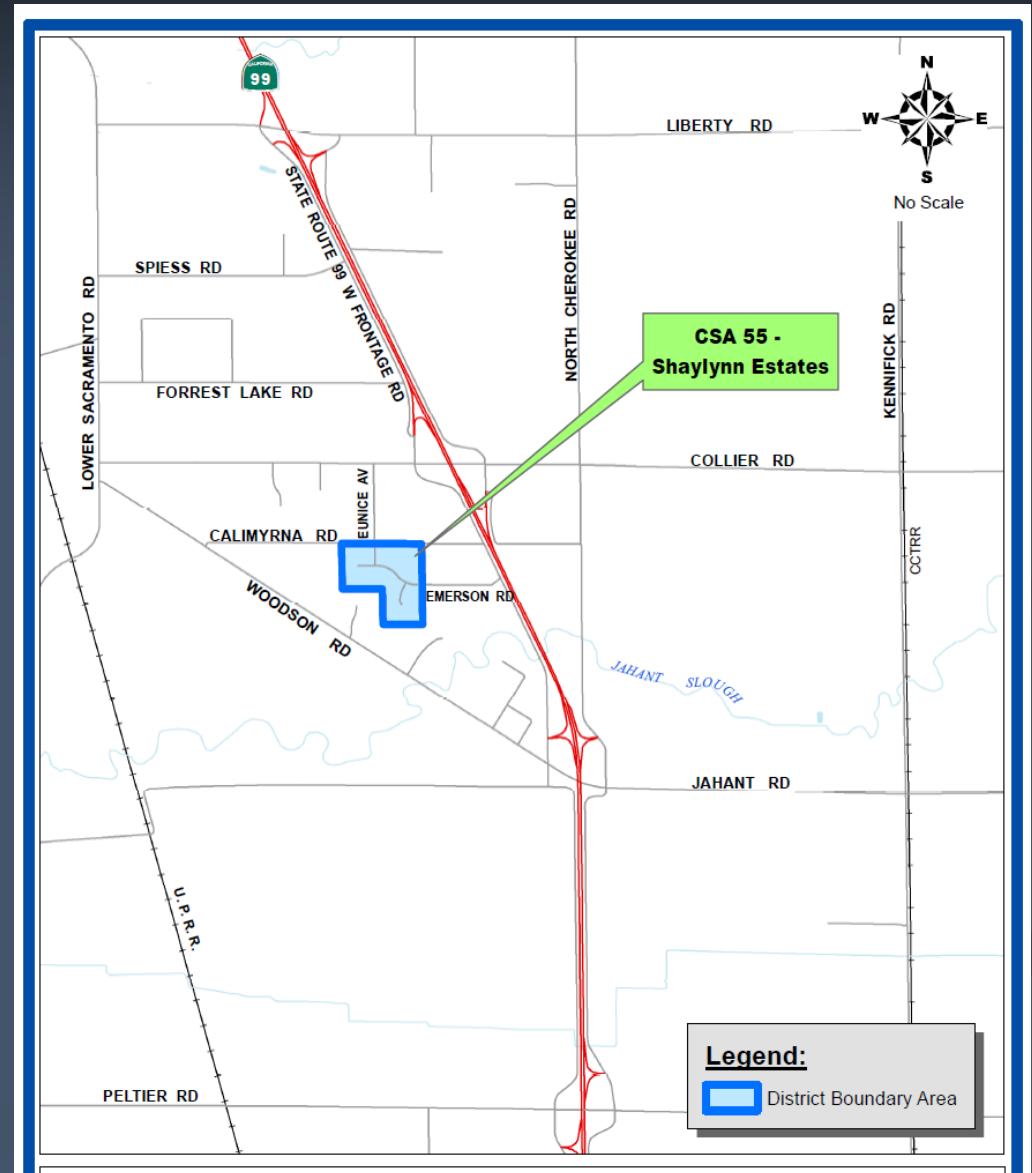
- Rate Schedule phases in capital reserve contribution
 - Covers operating costs in first year
 - No loss to fund balance
- First yearly increase = \$5 per home (\$0.42 per month)

	Current	Proposed Annual Rates				
Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Annual Flat Rate	\$10	\$15	\$20	\$25	\$30	\$35

CSA 55 Shaylynn Estates Boundary

14 properties

- Established in 1997
- 14 Properties Served
- Key Facilities
 - Detention Pond
 - Series of Ditches, & Culverts
 - 3 Streetlights



Current Rates

CSA 55 Shaylynn Estates

- Storm Drain annual flat rate \$10 per single family home
- Streetlight annual flat rate \$90 per single family home
- Rates have never increased since CSA formed in 1999
- Charged on property tax bill

What Your Rates Pay For

Operation and maintenance of the systems

- Labor:
 - Staff for system operation and maintenance
 - Equipment repairs
 - Drainage Maintenance (Mowing, trash removal)
 - Billing and administrative costs
- Electricity for Streetlights

CSA 55 - Financial Status

10 Year Fund Balance History



Reason's for Recommendation

- Storm Drain expenses currently greater than revenue and without a rate increase
- Build reserves for future capital replacement
- Storm Drainage service charges to cover operating and administrative expenses

Proposed Rates – CSA 55

- Rate phases in capital reserve contribution
 - Covers operating costs in first year
 - No loss to fund balance
- First yearly increase = \$10 per home (\$0.83 per month)

	Current	Proposed Annual Rates				
Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Annual Flat Rate	\$10	\$20	\$30	\$40	\$50	\$60

If Rates Are Not Approved

Without sufficient revenue, we will need to impose cost saving measures. Measures may include:

- Reduce after-hours and weekend service calls
- Reduce regular maintenance of the system
- Postpone equipment replacement

Next Steps

- Answer questions
- Public Hearing scheduled July 25, 2023
- Notices have been mailed
- Questions? Call or email:
 - Robert Davalos (209) 468-3697 or rdavalos@sjgov.org
- Visit your district website at:
www.sjgov.org/ud