

JARVIS FAY LLP

LOCAL GOVERNMENT LAW

By email to lmandler@fppc.ca.gov

November 14, 2022

Laura Mandler
Enforcement Division
Fair Political Practices Commission
1102 Q Street, Suite 3000
Sacramento, CA 95811

Re: FPPC Complaint No. COM-10242022-04073
Knightsen Community Services District

Dear Ms. Mandler:

I represent the Knightsen Community Services District, and I am writing in response to the letter dated November 1, 2022, notifying the District of this complaint.

The complaint alleges that the District violated the “mass mailing” regulations of the Political Reform Act (the “Act”) when it sent a letter to the residents of the District regarding Measure R, which was on the ballot for the November 8, 2022 general election. The complaint also appears to suggest that the letter was misleading.

A copy of the letter sent by the District is attached to this letter as Exhibit A. The letter explained the purpose of Measure R. It was purely informational and did not advocate for or against the measure. It explained that the purpose of the measure was to repeal a special tax previously approved by the voters of the District in 2005. The letter stated the current rate of the tax and the amount of revenue it could generate annually, and it described the conclusions of feasibility studies obtained by the District. It ended with the statement: “Your opinion is important no matter your position on Measure R. Please vote November 8.”

For your reference, I am attaching to this letter as Exhibit B the resolution passed by the Board of the District putting Measure R on the ballot. The ballot question and ordinance submitted to the voters are attached to the resolution. I am also attaching to this letter as Exhibit C the impartial analysis of Measure R that was prepared by the County Counsel.

This letter was not a “mass mailing” under the Act. Government Code section 89001 contains the prohibition against mass mailings, and Government Code section 89002, subdivision (a), explains that “... a mailing is prohibited by Section 89001 if *all* of the following criteria are met:

“(1) ...

“(2) The item sent either:

555 12TH STREET, SUITE 1630, OAKLAND, CA 94607

MAIN: 510.238.1400 / WWW.JARVISFAY.COM / FAX: 510.238.1404

“(A) Features an elected officer affiliated with the agency that produces or sends the mailing.

“(B) Includes the name, office, photograph, or other reference to an elected officer affiliated with the agency that produces or sends the mailing, and is prepared or sent in cooperation, consultation, coordination, or concert with the elected officer.

“(3) ...

“(4) ...” (Emphasis added.)

The letter does not meet the second criterium because nowhere in the letter is the name, office, or photograph of an elected officer featured or otherwise mentioned.

This conclusion is supported by the guidance provided on the FPPC’s website, which, under the heading “Which Mailings are Prohibited?” explains that for a mass mailing to be prohibited, it must meet four criteria, including “[t]he item sent either features an elected officer affiliated with the agency (by including the officer’s photo or signature, or singling out the officer by the manner his or her name or office is displayed), or the item includes a reference to an elected officer affiliated with the agency and the item is prepared or sent in cooperation with the elected officer.”¹ The letter does not have any of these features.

The FPPC website also explains:

“A state or local government agency that pays for a campaign related communication may become a committee subject to reporting if the payments qualify as contributions or independent expenditures. Generally, a payment for a communication that does not expressly advocate for or against a candidate or measure or urge a result in an election, when taken as a whole and in context, does not constitute a contribution or independent expenditure. *For example, a mailing that is sent to senior citizens to explain the purpose of an upcoming ballot measure that will provide a tax exemption for certain seniors is considered to be informational, not campaign material.*”² (Emphasis added.)

The letter was similar to the mailing described in this quote. It did not expressly advocate for or against the measure. It simply explained the purpose of the upcoming ballot measure.

The complaint mentions a feasibility study, which it calls “leading.” A copy of this study, which is a public document, is attached to this letter as Exhibit D.

¹ <https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/communications-sent-using-public-funds/campaign-related-communications.html>

² <https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/communications-sent-using-public-funds.html>

Please let me know if you have any questions or require any further information.

Very truly yours,

JARVIS FAY LLP



Benjamin P. Fay

Attachments

EXHIBIT A

Exhibit A



Regarding Measure R on the November 8, 2022 ballot to repeal the District's Special Tax

Dear Registered Voter:

The Board of Directors of the Knightsen Town Community Services District (the District) voted unanimously to place Measure R on the November 8, 2022, ballot to repeal the District's Special Tax, originally put into place as Measure Z in 2005. This tax may be increased every year based on inflation - the current maximum rate is \$312 per developed parcel and \$156 per undeveloped parcel. If approved by voters, Measure R would repeal this tax, and it could not be charged in future years. If Measure R passes, the Board intends to take action to dissolve the District.

The Measure Z Special Tax was implemented to provide enhanced flood control improvements and services. However, since it was formed in 2005, the District has not provided any flood control improvements or services. A survey conducted in 2021 asked the community, "How much are you willing to spend in the form of a parcel tax on an annual basis to fund the District?" 57% of the respondents said \$0 per year, 36% said up to \$200 per year, 6% said up to \$500 per year, 1% said up to \$1,000 per year, and 0% said up to \$2,000 per year.

With 602 parcels, Knightsen has a small tax base. Enhanced drainage improvements and services were estimated by a consultant to cost \$4.1 million dollars. Improvements would only address drainage issues on publicly owned land. Neither the County nor the District have a responsibility or obligation to address drainage matters on private property. Private property owners are responsible for preventing flooding on their own land.

Recently the District received a Feasibility Study Memorandum showing that if the District charged the maximum tax (which is currently \$312/developed parcel and \$156/undeveloped parcel), the District would generate \$172,607 in revenue per year. Expenses of running the District were estimated in the study at \$212,030 per year. Therefore, the study found the District would be unlikely to provide enhanced flood control improvements or services in the future. The District Board therefore decided that it should submit to the registered voters of the District the question of whether the Special Tax should be repealed.

For additional information about Measure R and to learn more about the District, please visit <https://knightsentowncsd.specialdistrict.org>.



Your opinion is important no matter your position on Measure R. Please vote November 8. For more information about registration deadlines and how to register to vote, visit the Contra Costa County Registrar of Voters website at <https://www.cocovote.us/registration-and-voting-options/register-to-vote/>.

Sincerely,
The Knightsen Town Community Services District

EXHIBIT B

Exhibit B

**KNIGHTSEN TOWN COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2022-4
BEFORE THE BOARD OF DIRECTORS OF THE KNIGHTSEN TOWN COMMUNITY
SERVICES DISTRICT**

A RESOLUTION REQUESTING CONSOLIDATION OF ELECTION AND ORDERING SUCH ELECTION, FOR AN ELECTION TO BE HELD IN THE KNIGHTSEN TOWN COMMUNITY SERVICES DISTRICT ON NOVEMBER 8, 2022, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS THE QUESTION OF PERMANENTLY REPEALING AND RESCINDING THE MEASURE Z SPECIAL TAX ADOPTED IN 2005, TO ADOPT INTENDED BALLOT LANGUAGE, AND TO REQUEST ELECTION SERVICES BY THE CONTRA COSTA COUNTY ELECTIONS DEPARTMENT.

WHEREAS, the Board of Directors (the "Board") of the Knightsen Town Community Services District (the "District") was formed effective July 1, 2005 per Measure Z, passed by voters in February of 2005; and

WHEREAS, the aforementioned Measure Z also instituted a Special Tax upon properties in the District of \$200 per parcel for improved parcels and \$100 per parcel for unimproved parcels, with a provision for an annual increase or decrease based on changes in the CPI; and

WHEREAS, the current maximum Measure Z Special Tax rate is \$312 per developed parcel and \$156 per undeveloped parcel; and

WHEREAS, the purpose of Measure Z was to form the District and to impose a Special Tax for the purpose of providing enhanced flood control improvements and services within the District's boundaries; and

WHEREAS, since its formation, the District has at no time provided any flood control improvements or services; and

WHEREAS, the Board ordered a feasibility analysis to be conducted to determine whether it will ever be able to provide flood control improvements or services based on the maximum rate it could charge for the Special Tax and has determined that its projected expenses would exceed its revenues, even before any improvements or services are provided; and

WHEREAS, the Board has determined it is in the best interest of the District's citizens to no longer be subject to this Special Tax due to the District's inability to provide flood control improvements and services; and

WHEREAS, pursuant to the provisions of Section 61060 of the Government Code, the Board of Directors is authorized to adopt this resolution which shall submit to the voters an ordinance to permanently repeal and rescind the Measure Z Special Tax, which shall no longer be applied against any taxable real property within the District; and

WHEREAS, the Board has also determined that it is in the best interest of the community to seek voter approval, which will require approval by a majority of voters voting thereon, for the proposed permanent repeal and rescission of the Measure Z Special Tax; and

WHEREAS, Section 9313 of the Elections Code authorizes the filing of an impartial analysis, and the Elections Code authorizes the filing of written arguments for or against any ballot proposition and rebuttal arguments.

NOW THEREFORE BE IT RESOLVED that:

SECTION 1. Consolidation of Election. An election is hereby called for the purpose of submitting to the qualified voters within the District, the question of the elimination of the Measure Z Special Tax which was for enhanced flood control improvements and services. This election shall be consolidated with the November 8, 2022 General Election in Contra Costa County and with any other applicable election conducted on the same day.

SECTION 2. Submission of the Measure to Voters. The permanent repeal and rescission of the Special Tax shall be submitted to the District's registered voters within the Knightsen Town Community Services District for their approval or rejection. The Special Tax shall not be permanently repealed and rescinded unless approved by a majority of the registered voters of the District voting thereon. The exact text of the ballot question is set forth in Exhibit A and incorporated herein. The full text of the proposed ballot measure is attached as Exhibit B and incorporated herein. The full text of the proposed ballot measure shall be printed in the Voter Information Guide. If approved by the voters, the Measure Z Special Tax shall not be charged in the 2023-24 fiscal year or any year thereafter.

SECTION 3. Call of Election. The Board of Directors hereby calls an election at which the question of the permanent repeal and rescission of the Measure Z Special Tax will be presented to the registered voters within the District. The Board directs that the election be held on November 8, 2022, pursuant to Elections Code section 10418, with the ballot prepared by the Registrar of Voters of the County of Contra Costa (the "Election Official"). Said Election shall be held and conducted in conformity with the Elections Code. The Board of Directors of the Knightsen Town Community Services District hereby orders the election and requests that the Contra Costa County Elections Division provide the election precincts, polling places, and voting booths, and render services relating to the proceedings of said election.

SECTION 4. Effective Date of the Rescinding of the Special Tax. The Measure Z Special Tax shall be deemed permanently repealed and rescinded and shall no longer be in effect as of the day following the election date of November 8, 2022, upon certification of the election results evidencing approval by at least a majority of the participating registered voters. The Special Tax shall not be levied against any real property within the District from that time forward.

SECTION 5. Validation Pursuant to Code of Civil Procedure Section 860 et seq. If the registered voters of the District approve rescinding the Measure Z Special Tax, then any legal challenge to that approval must be brought under Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure as required by Government Code Section 50077.5.

ON MOTION of Director Caldwell seconded by Director Somerhalder the foregoing Resolution was passed and adopted by the Board of Directors of the Knightsen Town Community Services District at a regular meeting thereof held on this 4th day of August, 2022.

AYES: Director Bello-Kunkel
Director de Fremery
Director Caldwell
Director Matteri
Director Somerhalder

NOES: None
ABSTAIN: None
ABSENT: None

Attest:

I HEREBY CERTIFY that the foregoing Resolution No. 2022-4 was duly and regularly adopted at a regular meeting of the Board of Directors of the Knightsen Town Community Services District on August 4, 2022


Gilbert Somerhalder, Vice Chair
Knightsen Town Community Services District

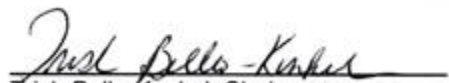

Trish Bello-Kunkel, Chairperson
Knightsen Town Community Services District

EXHIBIT A

TEXT OF THE BALLOT QUESTION

The question submitted to the voters shall read substantially as follows:

REPEAL OF SPECIAL TAX: Shall the measure to repeal the 2005 Measure Z Special Tax of the Knightsen Town Community Services District to reduce the tax burden on local property owners and because the District has never provided flood control improvements or services, and because a feasibility study determined that providing them would cause expenses to exceed revenues even at the maximum tax rate of \$312 per developed parcel and \$156 per undeveloped parcel be approved?

Yes _____

No _____

EXHIBIT B

FULL TEXT OF THE MEASURE TO RESCIND THE MEASURE Z SPECIAL TAX OF THE KNIGHTSEN TOWN COMMUNITY SERVICES DISTRICT

Be it ordained by the People of the Knightsen Town Community Services District:

Section 1. Findings. The Knightsen Town Community Services District (the "District") was created to provide enhanced flood control improvements and services within the District boundaries, within Contra Costa County. However, since the time it was formed, the District has never provided any flood control improvements or services. A recent feasibility study has determined that, even if the District charges the maximum allowable rate for its existing Special Tax (currently \$312 per developed parcel and \$156 per undeveloped parcel), expenses for running the District will exceed revenues.

Section 2. Repeal of Special Tax. The special tax of the District, which was approved by the voters of the District when they approved Measure Z in the special election held on February 15, 2005, is hereby repealed. The District may no longer impose or collect this special tax without further voter approval.

Section 3. Liberal Construction. This Ordinance shall be liberally construed to effectuate its purpose.

EXHIBIT C

Exhibit C

COUNTY COUNSEL'S ANALYSIS OF KNIGHTSEN TOWN COMMUNITY SERVICES DISTRICT MEASURE PROPOSING TO REPEAL A PARCEL TAX

The governing board of the Knightsen Town Community Services District has adopted a resolution proposing to repeal its current parcel tax (a qualified special tax). If this measure passes, the annual parcel tax would no longer be levied in the 2023-24 fiscal year or any year thereafter.

At a special election on February 15, 2005, more than two-thirds of registered voters in the District approved formation of the Knightsen Town Community Services District and authorized the District to levy a parcel tax for "constructing, operating, maintaining, and servicing flood control and water quality improvements" in an amount up to \$200 per developed parcel and \$100 per undeveloped parcel, subject to adjustment based on changes in the local Consumer Price Index. Currently, the maximum tax rate is \$312 per developed parcel and \$156 per undeveloped parcel. A parcel of taxable real property is any unit of real property in the District that receives a separate tax bill for ad valorem property taxes from the Treasurer-Tax Collector's Office for Contra Costa County.

According to the measure, the District has never provided any flood control improvements and services. Because the parcel tax is the source of funding for flood control and water quality improvements and services, repeal of the tax would consequently end the District's funding source for any future flood control and water quality improvements and services.

A majority of those voting on the ballot measure must approve the measure for it to pass.

A "yes" vote is a vote in favor of repealing the parcel tax.

A "no" vote is a vote against repealing the parcel tax.

RECEIVED

AUG 18 2022

Contra Costa Elections

EXHIBIT D

Exhibit D



Knightsen Town Community Services District

Feasibility Study Memorandum

May 2022



4745 Mangels Boulevard
Fairfield, California 94534
707.430.4300
www.sci-cg.com

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Knightsen Town Community Services District

Board

Trish Bello-Kunkel, Chair
Gilbert Somerhalder, Vice Chair
Linda Matteri, Treasurer
Curt Caldwell, Director
Angie de Fremery, Director

Consultant Team – SCI Consulting Group

John Bliss
Susan Barnes

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Introduction and Executive Summary

Introduction and Goals

The Knightsen Town Community Services District (the “District”) was formed effective July 1, 2005 with the passage of Measure Z which was approved by voters during the election held on February 15, 2005. Measure Z also established an annual tax of up to \$200 for developed parcels and up to \$100 for undeveloped parcels in the newly-formed District, with a provision for an annual increase or decrease based on the annual change in the Consumer Price Index.

The District and the associated tax, according to Measure Z, were established “for the purpose of constructing, operating, maintaining, and servicing flood control and water quality improvements.” However, according to the District’s website, it is not responsible for drainage within the District boundaries:

“Contra Costa County Public Works is responsible for the maintenance of culverts, storm drain pipes, inlets, and ditches throughout KTCSO boundaries. These maps identify which facilities are county and privately maintained. Per Public Works, driveway culverts are the responsibility of the benefitting property owner to maintain.”

Since the time of its formation, the District has endeavored to find suitable projects which would fall under its purpose as defined in Measure Z. For various reasons, the District has so far been unable to identify any needed projects which are within its financial means to carry out, and as a result, it has provided no flood control or water quality services or improvements to date.

In the Spring of 2022 the District engaged SCI Consulting Group (“SCI”) to conduct a feasibility study to determine the viability of the District continuing operations in the future.

About SCI Consulting Group

Established in 1985, SCI Consulting Group is a recognized public finance and urban economic consulting firm for public agencies throughout the State of California. We leverage our extensive experience to provide sound technical and practical advice supported by principled research and analysis.

SCI has successfully established and annually administers over 850 special taxes, assessments, and fees for over 140 public agencies throughout the state. In fact, SCI has successfully formed more agency-wide benefit assessments than all other firms in the state, combined, making it the clear leader in obtaining the necessary funding for public agencies to provide important improvements and services to a wide range of local communities for a wide variety of uses.

Funding experts at SCI are regularly asked to speak about public financing and related topics at conferences for a wide range of California organizations, such as the APWA, CARPD, CASQA, CFCA, CPRS, CSFMO, CSDA, FDAC, MVCAC, etc.

Executive Summary

The purpose of this Memorandum is to provide the District Board of Directors (the “Board”) with SCI’s analysis of the revenues available to the District, the normal expenses the District would be likely to incur on an annual basis, and the feasibility of the District continuing operations into the future.

The first section of the analysis identifies all sources of revenue available to the District. The second section identifies current expenses, and projects expected expenses going into the future. The last section explains SCI’s findings as summarized in the paragraph below, and recommends next steps for the Board to consider.

Unfortunately, SCI has determined that even if the District were to levy the maximum special tax rate allowed by Measure Z, its expenses would exceed its revenues even before it seeks to undertake any improvements or services for the benefit of the public. It is unsustainable for any agency to continue in these circumstances, and as a result, SCI has concluded that it is not recommended for the District to continue to exist and operate.

I. Evaluation of Available Revenues

Measure Z Special Tax

The District first levied its special tax in the 2006-07 fiscal year, the first year it was able to do so, although it has never levied the tax at the maximum rate allowed. Because the District had built up a cash reserve and had identified no projects to pursue, it has not levied the tax since the 2019-20 fiscal year.

The consultant the District has engaged in the past to help it administer the special tax has informed the District that, once the allowable annual CPI increase has been applied each year since the inception of Measure Z, the maximum tax rate the District could charge in the 2022-23 fiscal year would be \$312.41 per parcel for developed parcels and \$156.21 per parcel for undeveloped parcels, resulting in a total gross revenue amount (before any deductions for fees charged for collection by the County of Contra Costa) of \$172,607.

Therefore, \$172,607 is the maximum annual revenue the District can receive from the existing Measure Z tax, and as indicated above, this amount is insufficient to operate the District. Following in this Section is a brief discussion of several other funding sources the District could consider.

Ad Valorem Property Taxes

In 1978, California voters approved Proposition 13, limiting to 1% the amount of ad valorem taxes that can be charged on property tax bills. At that time, existing public agencies divided up that 1% in ad valorem tax among themselves. As a public agency that was formed after that time, the only way for the District to obtain a portion of the ad valorem taxes within its boundaries would be for one or more other public agencies within its boundaries to agree to forfeit a corresponding amount of the ad valorem taxes it is already receiving in that area. In SCI's over 35 years of experience, it has rarely seen any public agency indicate any willingness to give up a portion of its ad valorem tax revenue. Therefore, it is extremely unlikely that any other public agency within the District's boundaries would be willing to do so. Hence, the District does not now, and likely could not in the future, receive ad valorem property tax revenue.

New Taxes or Assessments

The District could attempt to implement a new tax or benefit assessment in order to increase its revenues going forward. Under Proposition 218, the Right to Vote on Taxes Act approved by California voters in 1996, any new tax or assessment the District would want to impose would have to be voted on by either registered voters (for a tax) or property owners (for a benefit assessment).

A survey conducted by the District in 2021 asked the local community, “How much are you willing to spend in the form of a parcel tax on an annual basis to fund the District?” 57.43% of the respondents said \$0 per year, and another 35.64% said only up to \$200 per year, for a total of about 93% who said they would not pay more than \$200 per year.

SCI is the industry leader in helping public agencies to successfully establish new funding measures, however, given that the maximum rate for the current tax is already over \$300 per year for developed parcels, these survey results show it would be highly unlikely that registered voters and/or property owners in the area would vote to approve another tax or assessment in addition to the one that already exists.

Although well-executed public information outreach efforts can increase public support for proposed new ballot measures, a measure that starts with over 93% of the public against is likely not viable.

Grants and Loans

Grant funding is highly desirable, since it lessens the need to generate revenue directly from the local community of property owners. Grant funding is typically available for capital projects, but can be available for other programmatic activities, including maintenance and operations. However, grant funding is highly competitive, and grants often come with other funding requirements such as matching funds to pay for at least part of the project locally. Additional costs are also worth consideration, including staff time and resources involved in preparing applications and executing grant agreements. These costs make the ability for the District to obtain a grant unlikely at this time, even if the District had identified an appropriate project to fund, which it has not. In addition, grants only provide a short-term injection of funds, while the District is in need of a long-term, sustainable funding option.

If the District were experiencing a short-term cash flow issue, then a loan might be a viable option to provide it with some revenue to overcome the problem. However, in order to secure a loan, the District would have to show an ability and willingness to be able to repay the loan over time. Although the will may be there, as shown below, it is SCI's opinion that the District's budget shortfall is of a long-term nature, and it would have difficulty showing an ability to repay a loan.

II. Evaluation of Expenses

Current Expenses

The expenses incurred by the District this fiscal year and in recent years have been artificially low. This is because the District does not have any employees, and the work of the District in recent years has been performed entirely by volunteers using their own resources, without any office space or equipment owned or rented by the District.

Expenses are also artificially low because the District has not provided any flood control or water quality improvements or services to the community it was created to serve.

Under these circumstances, the expenses for the District have been approximately \$21,000 to \$26,000 each year for the last few years.

Projected Expenses

A District being run entirely by volunteers donating most of their own resources is not sustainable, even more so if the District were to undertake to provide any flood control or water quality improvements or services. This section of the memorandum will present the estimated minimum level of annual expenses that would be incurred if the District were to begin to operate in a sustainable manner, with the resources which would be necessary to be in place before it could embark on efforts to provide any flood control or water quality services or improvements. It should be noted that these expenses do not include any one-time costs, such as the purchase of office furniture and equipment, that would also be necessary.

In SCI's extensive experience with public agencies, it has determined that in order for the District to be a sustainable, going concern, it will need to have at least two employees, rather than relying on volunteers. First, it will need a District Manager to run the District. In addition, it will need a part time office assistant, to perform clerical, accounting, and other related functions. Expenses for these two employees will include salaries and wages, worker's compensation insurance, tax burdens, and other benefit costs.

The District will also need to rent office space. It is anticipated that the District will not need a large office, but will need enough space for its two employees and the associated office furniture and equipment needed to run the District.

Below is a summary of the projected expenses for the District in order for it to have the minimum resources necessary to be able to begin to provide any of the improvements or services for which it was formed.

Figure 1 — Projected District Annual Expenses

Salaries & Benefits	
District Manager	\$100,000
Office Assistant (PT)	\$30,000
Benefits, Workers Comp etc.	\$39,000
Professional Services	
Annual Audit, Reporting, 1099s	\$5,600
Legal/Consulting	\$10,000
Web Hosting	\$600
Parcel Tax Preparation	\$600
Insurance	
Annual Policy	\$5,000
Office Expenses	
PO Box	\$100
Office Supplies	\$1,200
Network & computer services	\$1,200
Rent	
Garden Club (board meetings)	\$1,200
District Office	\$15,000
Dues and Memberships	
CSDA	\$1,125
County Charges	
LAFCo Annual Fee	\$300
Parcel Tax Collection Fee	\$705
CCC Election Expenses	\$400
Total Annual Expenses	\$212,030

II. Findings

Feasibility of Continued Operations

The analysis above shows the maximum annual revenues of the District are under \$173,000 while the minimum annual expenses needed to run the District are over \$212,000. Despite its decades of expertise in helping public agencies to increase their available funding, SCI has not been able to identify a viable way for the District to increase its revenues to overcome this annual budget shortfall of almost \$40,000, even without taking into consideration the start-up costs needed to open and set up operations in an office space, or any additional costs associated with constructing any flood control or water quality improvements, or even just maintaining such improvements once they are constructed.

Therefore, it is not feasible for the District to be able to provide the improvements or services for which it was created.

Recommendations

Because the District, since the time of its creation, has not been able to provide any of the flood control improvements or services for which it was created, and our analysis shows it is not feasible for it to provide any such improvements or services in the foreseeable future, it is our recommendation that the Board consider dissolving the District.

In addition, if the Board chooses to dissolve the District, we recommend that the Board also consider rescinding the parcel tax established by Measure Z and associated with the establishment of the District.

If the Board so chooses, it could place a measure on the November 8, 2022 ballot, or a subsequent ballot, to seek voter approval of the dissolution of the District and/or the rescinding of the tax.