

MADERA LOCAL AGENCY FORMATION COMMISSION
MUNICIPAL SERVICE REVIEWS
PUBLIC REVIEW DRAFT

COUNTY SERVICE AREAS

APRIL 2008

PREPARED BY:

PMC[®]



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RANCHO CORDOVA, CA 95670
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COUNTY SERVICE AREAS

APRIL 2008

PREPARED FOR:

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1.0 EXECUTIVE SUMMARY

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I. INTRODUCTION

The Municipal Service Review (MSR) and Sphere of Influence (SOI) update, also called the MSR/SOI Update, has been prepared to comply with requirements of the Madera Local Agency Formation Commission (LAFCO), as well as California State Law. The MSR/SOI is a document required by the Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000 (California Government Code §56425 and §56430).

This document contains Municipal Service Reviews and Sphere of Influence updates for two County Service Areas, covering water service (CSA 1) and recreational service (CSA 21). The determinations and findings reached are based upon surveys of agency representatives, meetings, and assessments of existing documents.

II. DISTRICTS ANALYZED IN THIS MSR

County Service Areas

County Service Areas (CSA) are formed in Madera County to provide one or more specialized services to residents. Services provided may include water, sewer, road maintenance, recreation, drainage, etc. The Board of Supervisors acts as the Board of Directors for the CSAs and acts on behalf of property owners within each district. The Madera County Road Department oversees districts providing road maintenance, and the Special Districts, a division of the County Engineering, Department oversees the daily operations of sewer and water districts.

III. MSR ANALYSIS

Each report contains the following sections:

I. Setting. This section provides a description of the geographic service area and Sphere of Influence;

II. Growth and Population. This section presents information on the present and projected service area population, and describes land uses and significant growth areas.

III. Infrastructure. This section analyzes the sufficiency of physical infrastructure and facilities to serve present and projected needs of the area based on current and projected population growth.

IV. Financing Constraints and Opportunities. This section evaluates the finance plans, joint finance projects, and revenue sources of each service provider.

V. Cost Avoidance Opportunities. This section examines current practices, overlapping services, the transfer of costs to the public and inter-agency cooperation for the prospect of cost avoidance.

VI. Rate Restructuring. This section considers the current rate structure, including an analysis of frequency of rate updates.

VII. Opportunities for Shared Facilities. This section examines currently shared resources, facilities, personnel, and systems, as well as opportunities for expanded sharing.

VIII. Government Structure Options. This section reviews alternatives, such as formation and reorganization of new agencies and private sector opportunities. It also reviews previous restructuring efforts, as well as opportunities for and obstacles to restructuring.

IX. Evaluation of Management Efficiencies. This section reviews the current management structure, communication, and efficiency of the service providers

X. Local Accountability and Governance. This section analyzes the governing body, selection process, participation levels, and public access and interest of each district.

XI. Sphere of Influence Recommendations and Determinations. This section reviews the Sphere of Influence boundaries to determine whether any changes to the boundary should be made.

XII. Determinations. This section provides determinations with respect to the analysis factors described above.

IV. CONCLUSIONS

The MSR/SOI updates for the County Service Areas of Madera County will serve as the primary document for Madera LAFCO in its determinations on the provision of services provided by each agency reviewed in this report. This review will ensure that services are provided in the most appropriate manner, considering the characteristics of each CSA.

The information contained in the MSR/SOI update will also be used by LAFCO to determine the appropriate Sphere of Influence for each County Service Area, as well as to pursue changes to service or boundaries if necessary. Questions regarding the MSR/SOI update process can be directed to:

Dave Herb; Executive Officer
Madera County LAFCO
2037 W. Cleveland Ave. MS-G
Madera, CA 93637

2.0 COUNTY SERVICE AREAS

2.1 COUNTY SERVICE AREA NO. 1

COUNTY SERVICE AREA #1

Contact Information

Address: Madera County Resource Management Agency
 2037 Cleveland Avenue
 Madera, California 93637

Phone: 559-661-6333;

Website: <http://www.madera-county.com/engineering/districts/index.html>

Management Information

Manager: Brett Richards; Resource Management Agency

Governing Body: Madera County Board of Supervisors

Board Members: Frank Bigelow term ends 2010
 Vern Moss term ends 2010
 Ronn Dominici term ends 2008
 Max Rodriguez term ends 2008
 Tom Wheeler term ends 2010

Board Meetings: The County Board of Supervisors meets the fist four Tuesdays of each month.

Staffing: One full-time field employee and part-time of one supervisor.

Service Information

Empowered Services: Water

Services Provided: Water

Latent Powers: None

Area Served: Indian Lakes Subdivision

Population Served: 522 lot Indian Lakes Subdivision

Major Infrastructure: four wells, iron and manganese removal plant, a 0.75 MG finished water storage tank, backwash water storage tank, hydro pneumatic tank, pressure reducing valves and new VFD controlled boost pumps water mains installed in 1966, 58,710 feet of distribution system.

Fiscal Information

Budget: \$358,145

Sources of Funding: Taxes and service fees.

Rate Structure: Improved service: \$72 per quarter, standby service: \$6 per quarter.

1.0 COUNTY SERVICE AREA #1

I. SETTING

County Service Area No. 1 (CSA 1), commonly known as Service Area 1, Indian Lakes, or CSA 1, was formed by Madera County Board of Supervisors Resolution No. 66-168 on June 14th 1966. CSA 1 was formed to provide potable water in sufficient quantity as required by the residents for the Indian Lakes Subdivision.

The CSA consists of the approximately 522 lots of the Indian Lakes Subdivision surrounding the intersection of Road 417 and Delaware Road in Madera County. The CSA's boundary is shown in **Figure 2.1-1**. CSA 1 has a contract with the California Department of Forestry and Fire Protection (CDF) to provide water service to the Indian Lakes Fire Station. The new fire station is not within the CSA's boundary or SOL. The CSA has indicated plans to annex the fire station into its boundaries. District boundaries are otherwise appropriate to the Indian Lakes Subdivision proper and do not overlap with any other water purveyor. CSA 1 does not provide any services other than water.

II. GROWTH AND POPULATION

Since CSA 1 has a fixed area of service, growth is expected to be limited to subdivision buildout and is not an immediate concern. Planning for future service demands is dictated by deficiencies, if any, in water quantity or quality. Currently, there is no abnormal demand for maintenance on the system.

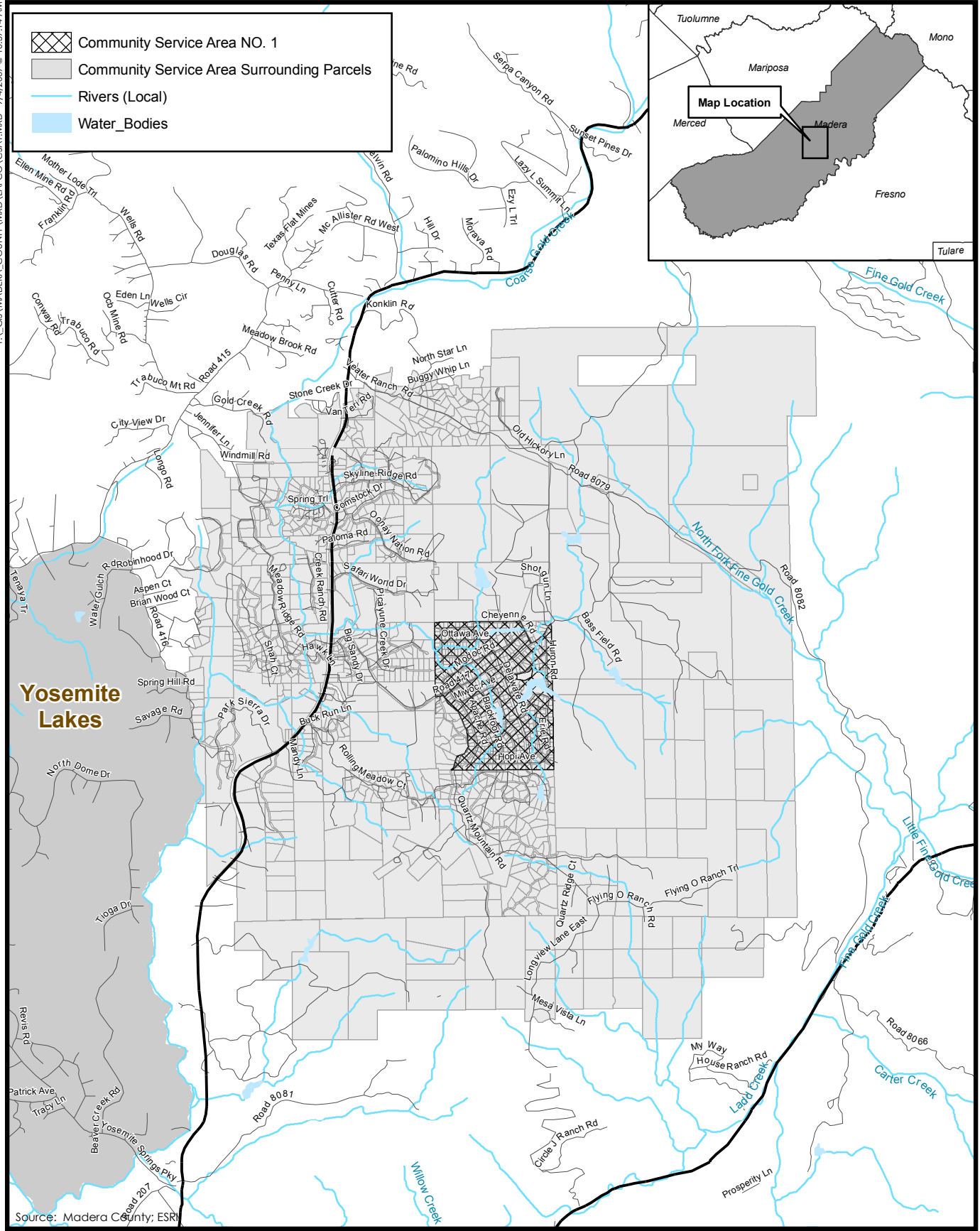
Adjacent to the boundary of CSA 1, the Indian Lakes Fire Station was completed in late 2007. The CSA is currently providing water service to the fire station, outside of the CSA boundaries and Sphere of Influence. CSA 1 plans to annex the fire station into its boundaries. Annexation of the fire station would increase the CSA's area by approximately 1.24 acres, is not anticipated to lead to further growth of the CSA.

III. INFRASTRUCTURE

CSA 1 has an adequate water supply to meet current demands. However, with continual dropping of the water table and increasing demands, the adequacy of water supplies will remain in question. Madera County continues to increase water supply since taking over the system in 1988. Four wells have been drilled, which brought in an excess of 500 gpm. In 2000, improvements were made to the system including an Iron and Manganese removal plant, 0.75 MG finished water storage tank, backwash water storage tank, a hydro pneumatic tank, pressure reducing valves and new VFD controlled boost pumps.

The distribution system was originally installed in 1966 and is primarily composed of six inch mortar lined steel pipes, with an approximate total length of 58,710 feet. Water mains for new development are constructed as needed, and equipment is replaced when necessary. CSA 1 indicated that infrastructure is adequate, with current levels of maintenance.

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Source: Madera County; ESRI

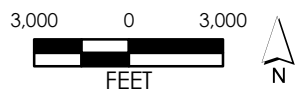


Figure 2.1-1
Community Service Area #1



IV. FINANCING AND RATE RESTRUCTURING

This section analyzes the financial operations of the CSA, including financial statements, audits, and other budgetary documents, to assess long-term financial viability. County Service Area No. 1 relies upon property taxes and property assessments for financing. CSA 1 collects cost of service fees at a rate set by the Madera County Board of Supervisors. The last rate increase was on April 1, 2000. The current rate for improved service is \$72 per quarter. For standby service the rate is \$6 per quarter. An additional charge of \$1.51 per cubic foot is applied when water use exceeds 10,500 cubic feet per quarter.

CSA 1 provided its proposed budget for the year ending June 30, 2008 (FY 07-08), including the actual expenditures for FY 06-07 and FY 05-06. Revenues for FY 05-06 and FY 06-07 were \$160,744 and \$188,412, respectively. With expenditures of \$176,260 and \$209,925 for those same years, the CSA operated with a net loss of \$15,516 in FY 05-06 and a net loss of \$20,925 in FY 06-07. The CSA's final cash balance at the end of FY 05-06 was \$216,091, and at the end of FY 06-07 was \$195,165. The CSA also provided the proposed budget for FY 07-08. The proposed budget shows revenues of \$198,820 and expenditures of \$358,145, indicating a net loss of \$159,325 for FY 07-08.

Although the CSA's financial statement and budget shows expenditures greater than revenues for these years and a decreasing ending cash balance, the District Engineer indicated that this does not represent a risk to the CSA's long-term viability. This is because some of the CSA's expenditures are actually transfers of cash, into the CSA's long-term savings funds. This appears to be a net operating loss in the budget, but actually reflects increased savings for the CSA. Additionally, the CSA's FY 07-08 budget indicates conservatively high estimates of contingencies, which are not anticipated to be required. From the CSA's FY 07-08 budget of \$358,145, the CSA has \$75,000 devoted to contingencies and another \$50,000 devoted towards the CSA's long term savings funds. The CSA's savings increased over the past two years, despite the appearance of deficit spending. The CSA's fund balance was \$34,776 at the end of FY 05-06 and was \$38,518 at the end of FY 06-07. The projected balance at the end of FY 07-08 is \$51,818. This amount will be even greater if the CSA does not utilize the \$75,000 allotted for contingencies. The remaining contingencies at the end of FY 07-08 will be applied to the OCA fund. The CSA is operating efficiently with a long term savings plan that offsets annual spending.

CSA 1 has two outstanding Rural Utility Service loans, which were used to finance construction of a water treatment plant. The first is being repaid by funds collected through taxes. The second is being repaid by an \$8 per quarter rate increase which began when fees were adjusted April 1, 2000. Additionally, the District collects a \$2,267 connection fee from unimproved parcels. This fee was adopted April 11, 2006 in order to alleviate budget deficit.

V. COST AVOIDANCE OPPORTUNITIES

CSA 1 is managed by the County, and shares facilities and personnel with other County Service Areas and Maintenance Districts. CSA 1 utilizes a competitive process for the award of water systems studies and improvement projects. CSA 1 is not involved in any Joint Powers agreements. No other cost avoidance opportunities were identified.

VI. OPPORTUNITIES FOR SHARED FACILITIES

CSA 1 is managed by the County and shares facilities with other County Service Areas and Maintenance Districts.

VII. GOVERNMENT STRUCTURE AND MANAGEMENT EFFICIENCIES

County Service Area Number 1 is a dependent special district which is governed by an outside legislative body; the County Board of Supervisors. There are five supervisors who are elected to four year terms, in a registered voter election. Currently, the terms for the supervisors representing two of the districts expire in 2008, with the remaining three expiring in 2011.

CSA 1, in its current legal form, is able to function under its government structure. The existing structure of CSA 1 as a county service area is sufficient to allow it to continue service provision in the foreseeable future. There are no legal or administrative limitations affecting the CSA's future service provision. Services provided are adequate within the CSA's existing boundaries and, with the annexation of the fire station, services would not extend beyond designated boundaries.

Management of the CSA is handled by County staff. Currently, 26 County personnel are responsible for operation of the Madera County CSAs and Maintenance Districts (MDs). One field employee and part-time of one supervisor are available for operation of CSA 1. Staffing is adequate for the provision of services and no volunteers are utilized. Water system studies and improvement projects are contracted out using a competitive bid process. Please refer to **Figure 2.1-2: CSA No. 1 Organizational Chart**.

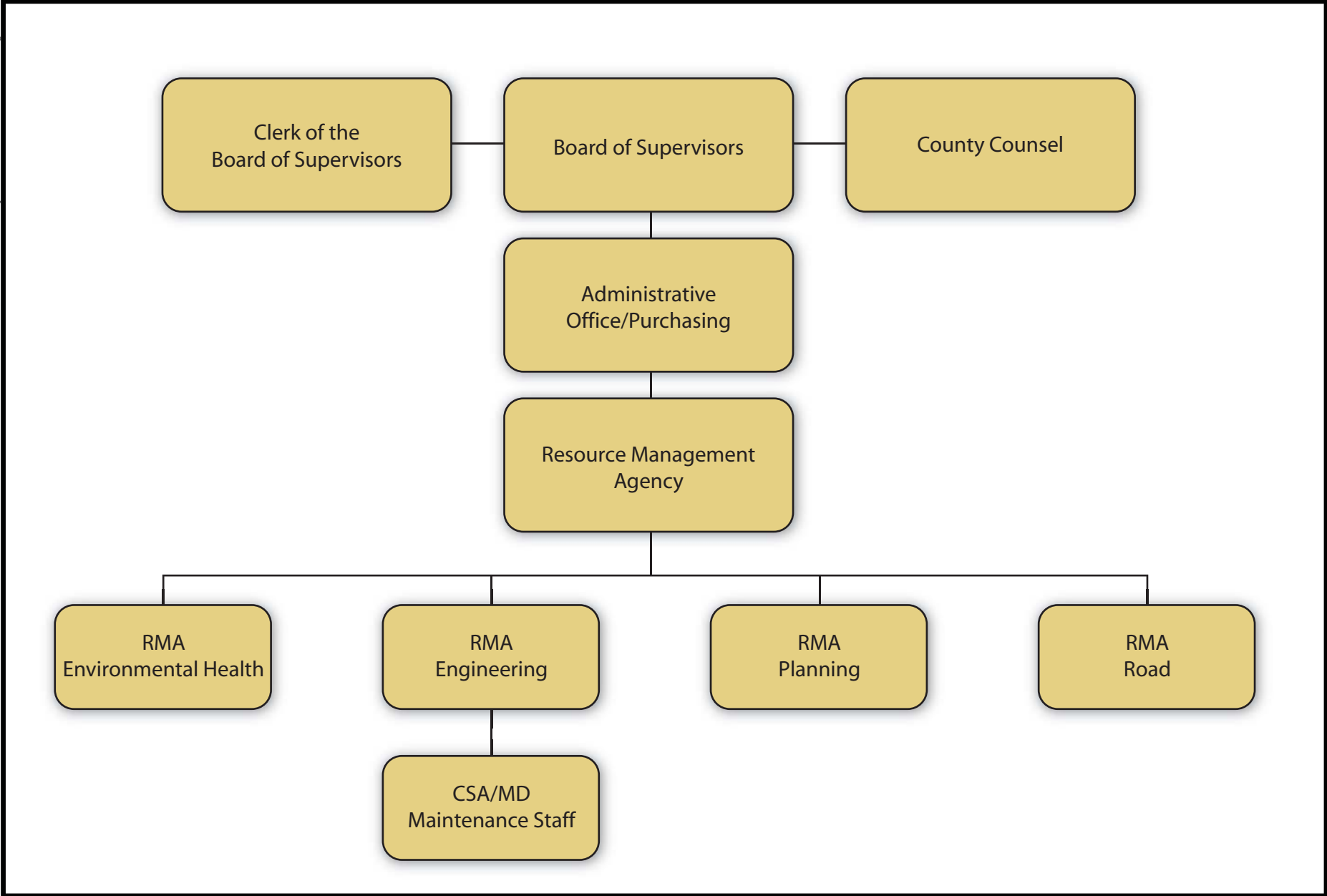


Figure 2.1-2
CSA No. 1 Organizational Structure

VIII. LOCAL ACCOUNTABILITY

The County Board of Supervisors (Board) is elected by the residents of Madera County and acts as the Board of Directors for the CSA. The Board meets the first four Tuesdays of every month, and occasionally meets on Mondays. Board meetings are held in the Board Chambers of the County Government Center in Madera. Items relating to CSA 1 are addressed whenever there are issues which need to be discussed. Board meeting times and locations are posted in the front of the Government Center at 200 West Fourth Street, Madera, CA, at locations in front of the Board Chambers in the Government Center, in the Board Chambers and at the front counter of the Chief Clerk's office. Meeting times can also be found on the County's website; www.madera-county.com.

CSA 1 does not perform customer surveys, however; CSA 1 does have a homeowners association which has an active water committee that communicates regularly with CSA staff and the Madera County Board of Supervisors. CSA 1 is regulated by the State of California Department of Health Services, and is subject to State and Federal Drinking Water Regulations.

CSA 1 produces Consumer Confidence Reports that contain the following information:

- Types of water sources used by the district, and names and location of water sources.
- Drinking water source assessment information.
- Time and place of regular meetings.
- Contaminants that may be present in the source of the water.
- General information on drinking water safety.

IX. SPHERE OF INFLUENCE RECOMMENDATIONS

The Sphere of Influence (SOI) recommendations analyzes the appropriateness of the District's SOI boundaries, relative to the capabilities of the service provider and future growth.

- 1) The present and planned land uses in the area, including agricultural and open space lands.

The area served by County Service Area No. 1 consists of a residential subdivision. Land uses within the CSA are not expected to change.

- 2) The present and probable need for public facilities and services in the area.

Water services are currently provided to the area by County Service Area No. 1. Facilities are improved when there are deficiencies in the service of a particular area and no major infrastructure improvements are anticipated. The District is serving the Fire Station, outside of its current boundaries and SOI.

- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

County Service Area No. 1 has adequate staffing and facilities to provide services. There are no expected changes that would affect the CSA's ability to continue provision of adequate service.

- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

County Service Area No. 1 serves the Indian Lakes Subdivision and the Indian Lakes fire station. No other social or economic communities of interest were identified.

County Service Area No. 1 provides water service to the Indian Lakes fire station. The fire station was completed in late 2007, on a parcel approximately 1.24 acres in size, which is adjacent to the CSA's boundaries and Sphere of Influence. It is recommended that the CSA's boundary and SOI are expanded and the parcel containing the Indian Lakes fire station is annexed into CSA 1. The CSA's boundary and SOI are coterminous and should remain coterminous with the expansion and annexation. No other changes to the SOI or boundary are recommended at this time.

X. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Growth and Population

County Service Area No. 1 has a fixed service area. Additional service demands are dictated by deficiencies, if any, in the current system. Other than the annexation of the recently constructed Indian Lakes fire station, there is no foreseeable growth expected for the District.

Infrastructure

County Service Area No. 1's current infrastructure consists of four wells, an Iron and Manganese removal plant, 0.75 MG finished water storage tank, a backwash water storage tank, a hydro pneumatic tank, pressure reducing valves and new VFD controlled boost pumps. The distribution system consists of mortar lined steel pipes and original water mains installed in 1966. The distribution system is replaced as needed and is maintained adequately to provide water service. CSA 1 is not planning any major infrastructure expansions.

Financing Constraints and Opportunities

County Service Area No. 1 is financed through the collection of service fees at a rate set by the Madera County Board of Supervisors. The CSA has two outstanding Community Service Loans, which are being repaid by previous tax and service rate increases. The CSA operates with expenditures greater than revenues, but is accumulating savings in an OCA fund. The CSA is operating efficiently with a long term savings plan that offsets annual spending.

Rate Restructuring

CSA 1 collects cost of service fees at a rate set by the Madera County Board of Supervisors. The last rate increase was on April 1, 2000. The current rate for improved service is \$72 per quarter. For standby service the rate is \$6 per quarter. An additional charge of \$1.51 per cubic foot is applied when water use exceeds 10,500 cubic feet per quarter. The CSA did not indicate any need to increase service fees at this time.

Cost Avoidance Opportunities

CSA 1 is managed by the County, and shares facilities and personnel with other County Service Areas and Maintenance Districts. CSA 1 utilizes a competitive process for the award of water systems studies and improvement projects. CSA 1 is not involved in any Joint Powers agreements. No other cost avoidance opportunities were identified.

Opportunities for Shared Facilities

County Service Area No. 1 is managed by the County board of Supervisors and shares facilities with other County Service Areas and Maintenance Districts. No other opportunities for shared facilities were identified.

Government Structure Options

County Service Area Number 1 is a dependent special district which is governed by an outside legislative body; the Madera County Board of Supervisors. There are five supervisors who are elected to four-year terms, in a registered voter election. The government structure and boundaries of the District are appropriate and logical for the services provided.

Evaluation of Management Efficiencies

County Service Area No. 1 is governed by the County Board of Supervisors, and is managed by the County Engineering Department, which is part of the County Resource Maintenance Department. There are 26 employees involved in the operation of the County Service Areas and Maintenance Districts, and one field employee and part-time of one supervisor available to CSA 1. Current levels of staffing are sufficient.

Local Accountability

County Service Area No. 1 is governed by the Madera County Board of Supervisors. The Board holds meetings once a week, and discusses items related CSA 1 whenever there are issues which need to be addressed. Meeting notices are posted in several locations, and on the County's website. CSA 1 does have a homeowners association with an active water committee that communicates regularly with CSA staff and the Madera County Board of Supervisors. Additionally, CSA 1 produces Consumer Confidence Reports.

XI. BIBLIOGRAPHY

- Nix, Fred, Assistant Engineer; Madera County Resource Management Agency. Memo RE: Municipal Service Review County Service Area (CSA)-1 & 21. May 2, 2007.
- Herb, Dave; Richards, Brett; Herman, Dave. Telephone and written correspondence RE: Municipal Service Review CSA's 1 and 21. March 2008.

2.2 COUNTY SERVICE AREA NO. 21

COUNTY SERVICE AREA #21

Contact Information

Address: Madera County Resource Management Agency
 2037 Cleveland Avenue
 Madera, California 93637

Phone: 559-661-6333

Website: Homeowners Association; www.cascadel.org

Management Information

Manager: Robert F. DeWall; Auditor/Controller

Governing Body: Madera County Board of Supervisors

Board Members: Frank Bigelow term ends 2010
 Vern Moss term ends 2010
 Ronn Dominici term ends 2008
 Max Rodriguez term ends 2008
 Tom Wheeler term ends 2010

Board Meetings: The County Board of Supervisors meets the fist four Tuesdays of each month.

Staffing: County auditor/controller staff.

Service Information

Empowered Services: Parks and Recreation fee collection

Services Provided: Parks and Recreation fee collection

Latent Powers: None

Area Served: Cascadel Woods Subdivision

Population Served: 159 parcels

Major Infrastructure: None

Fiscal Information

Budget: None – collection and dispersal of fees is handled by already existing county departments.

Sources of Funding: Service fees – collected by CSA and distributed to HOA

Rate Structure: \$100 per parcel per year.

1.0 COUNTY SERVICE AREA #21

I. SETTING

County Service Area 21 (CSA 21) was created in 1984 as the result of a request to the County Board from the property owners within Cascadel Woods subdivision. CSA 21 was formed by LAFCO Resolution Number 84-8 for the sole purpose of initiating fee assessments for the purchase of recreation property within the Cascadel Woods subdivision. The formation documentation of the CSA allows only the provision of recreational facilities for Cascadel Woods. CSA 21 collects funds for the maintenance of recreational facilities and disperses funds to the Cascadel Home-Owners Association (HOA).

II. GROWTH AND POPULATION

LAFCo Resolution 95-3, in June 1995, called for the area known as Cascadel Heights (CSA No. 21 Detachment No. 1), covering 68.81 acres, to be detached from the CSA. CSA 21 consists of approximately 159 parcels, including a recreational facility. The CSA area is shown in **Figure 2.2-1**.

The CSA is planning the annexation of a single parcel into its boundaries and SOI. A single parcel (APN 060-220-002) within the CSA underwent a lot line adjustment (lot line adjustment # 2628), which added approximately 0.31 acres to the parcel. The CSA plans to expand the boundary and SOI in order to annex the additional area into the CSA. No other plans for annexation or expansion of the SOI are planned.

III. INFRASTRUCTURE

CSA 21 does not maintain roads or any other infrastructure or facilities. Nor does CSA 21 provide water, sewer or other services. The sole purpose of CSA 21 is to collect funds for the HOA and disperse funds to the HOA, as needed, for maintenance of recreational facilities. The CSA does not own or maintain any infrastructure or facilities for CSA 21. All maintenance of the club house and open space area is conducted by the HOA.

County Service Area 21 utilizes County facilities for the performance of collecting fees and distributing funds to the Cascadel Homeowners Association. The CSA does not require any additional infrastructure to perform these services.

IV. FINANCING AND RATE RESTRUCTURING

The County maintains a contract with the HOA for CSA 21 to collect and disperse funds for the maintenance of recreational facilities within the Cascadel subdivision, including open space and a club house. In 1998 a District-wide vote established assessments of \$100 per parcel per year. The County Auditor/Controller's office conducts collection of fees and other accounting for the CSA and disperses funds, to the HOA, upon request. The HOA requests funds from the CSA to perform necessary maintenance to the clubhouse and surrounding open space area. Funds collected by the CSA are solely collected for the maintenance of the clubhouse and surrounding open space and are not to be used for other activities performed by the HOA, such as roads maintenance.

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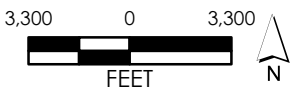
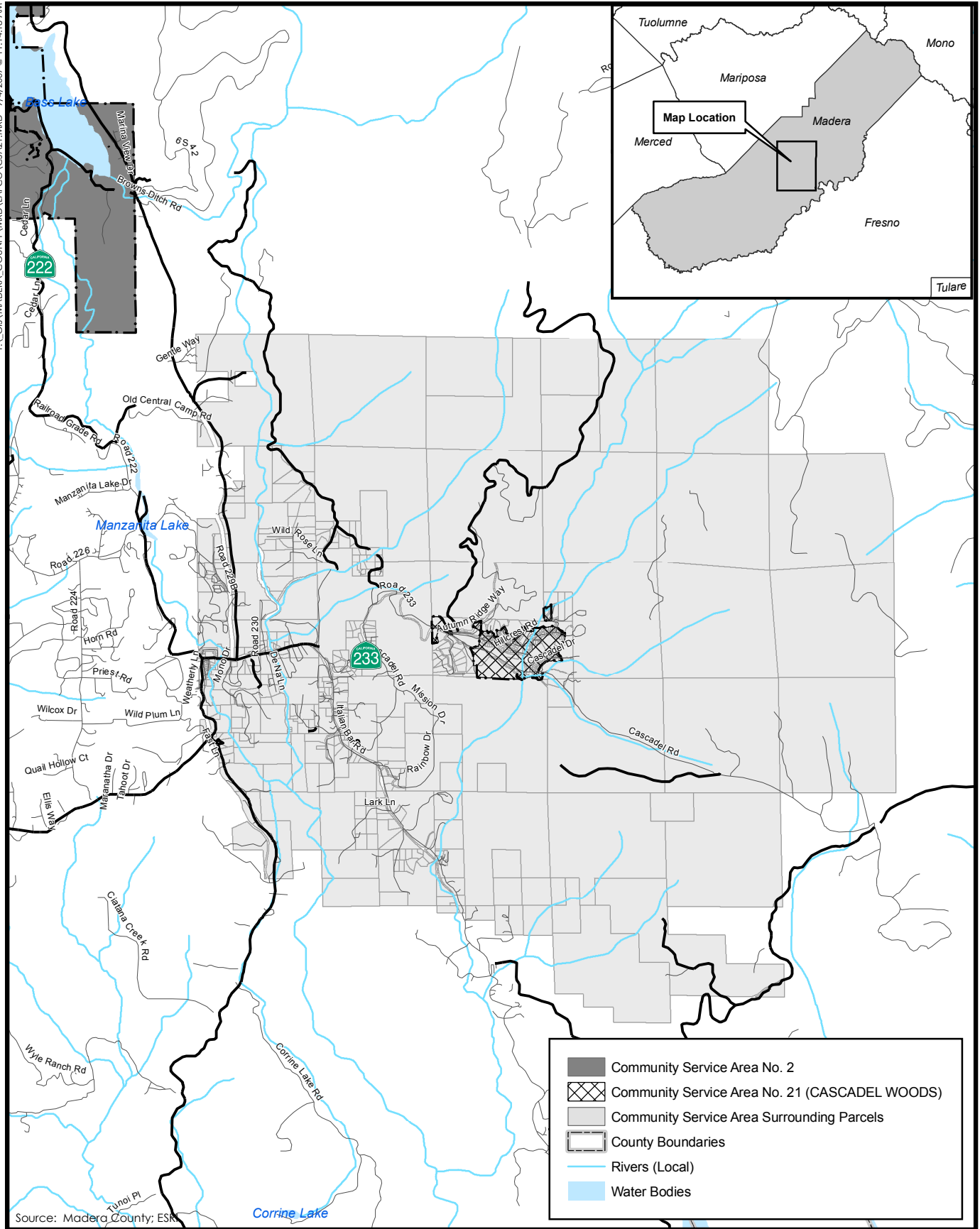


Figure 2.2-1
Community Service Area #21

V. COST AVOIDANCE OPPORTUNITIES

CSA 21 is managed by the County Auditor/Controller's office. No funds are devoted exclusively to the operation of CSA 21 and CSA 21 is not involved in any Joint Powers agreements. No other cost avoidance opportunities were identified.

VI. OPPORTUNITIES FOR SHARED FACILITIES

CSA 21 is managed by the County Auditor/Controller's office and shares facilities with other county departments and offices. No additional opportunities for shared facilities were identified.

VII. GOVERNMENT STRUCTURE AND MANAGEMENT EFFICIENCIES

County Service Area Number 21 is a dependent special district governed by an outside legislative body; the County Board of Supervisors. There are five supervisors who are elected to four year terms, in a registered voter election. Currently, the terms for the supervisors representing two of the districts expire in 2008, with the remaining three expiring in 2011.

CSA 21, in its current legal form, is able to function under its government structure. The existing structure of CSA 21 as a county service area is sufficient to allow it to continue service provision in the foreseeable future. There are no legal or administrative limitations affecting the CSA's future service provision.

Should financial or operational limitations lead the CSA to pursue alternative government structures, the Cascadel Home-Owners Association may be the next best option for management of fee collection for the recreational facilities. The HOA already provides maintenance and operation of recreational facilities and may be able to collect service fees from residents as well. The HOA would allow residents to retain local control and could allow greater flexibility in increasing special assessments to provide additional funding. This would likely involve the dissolution of the CSA and transfer of all responsibilities to the HOA. A full analysis of the financial and operational impacts of any such transition should be made prior to formal action to change the government structure of the District.

The County does not provide any personnel exclusively for the operation of CSA 21. Operation of fee collection and funds dispersal is performed by the County Auditor/Controller's office and does not require any full time staff or management devoted solely to the execution of the contract between the HOA and CSA 21. The organizational structure of the CSA is shown in **Figure 2.2-2**. Services provided are adequate within the CSA's existing boundaries and, with the annexation of the 0.31-acre parcel, services would not extend beyond designated boundaries.

VIII. LOCAL ACCOUNTABILITY

The County Board of Supervisors (Board) is elected by the residents of Madera County and acts as the Board of Directors for the CSA. The Board meets the first four Tuesdays of every month, and occasionally meets on Mondays. Board meetings are held in the Board Chambers of the County Government Center in Madera. Items relating to CSA 21 are addressed whenever there are issues which need to be discussed. Board meeting times and locations are posted in the front of the Government Center at 200 West Fourth Street, Madera, CA, at locations in front of the Board Chambers in the Government Center, in the Board Chambers and at the front counter of the Chief Clerk's office. Meeting times can also be found on the County's website; www.madera-county.com. The CSA operates under contract with the HOA and members of the HOA communicate with the County, as needed.

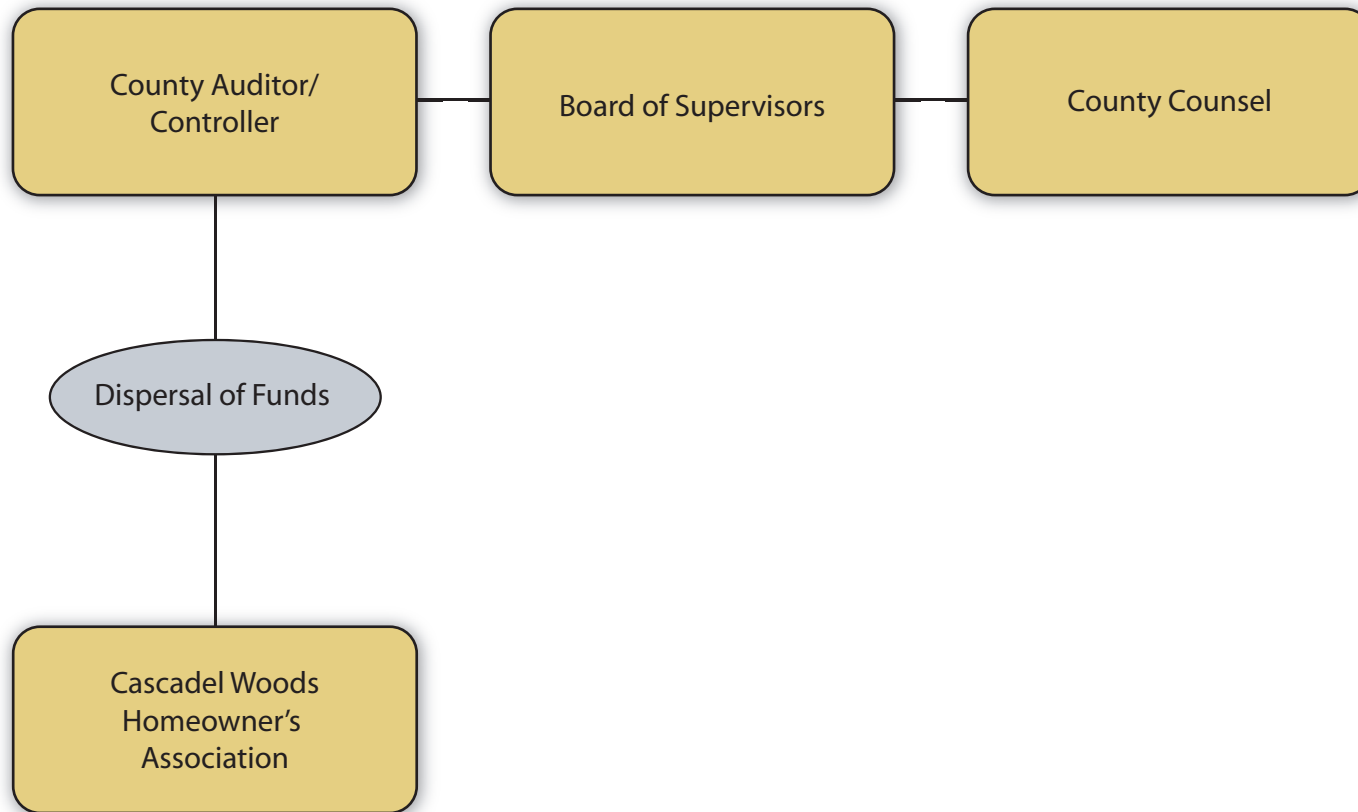


Figure 2.2-2
CSA No. 21 Organizational Structure

SPHERE OF INFLUENCE RECOMMENDATIONS

The Sphere of Influence (SOI) recommendations analyzes the appropriateness of the District's SOI boundaries, relative to the capabilities of the service provider and future growth.

- 1) The present and planned land uses in the area, including agricultural and open space lands.

County Service Area No. 21 contains only residential land uses, and a single recreational area. Land uses are expected to remain the same.

- 2) The present and probable need for public facilities and services in the area.

Present facilities needs are met, and no additional facilities are planned for County Service Area No. 21 .

- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

County Service Area No. 21 provides adequate services, and is anticipated to continue to provide adequate services. Facilities maintenance is the responsibility of the HOA.

- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

There are no social or economic communities of interest in the area of County Service Area No. 21. There are no plans for expansion of the CSA, beyond the annexation of a 0.31-acre parcel resulting from a recent lot line adjustment.

County Service Area No. 21 includes approximately 159 parcels, within the Cascadel Woods subdivision. The boundary and SOI for the CSA are coterminous, as shown in **Figure 2.2-1**. There is a single parcel (APN: 060-220-002) which, as the result of a lot line adjustment, now extends outside of the CSA area. The total area to be annexed into the CSA is 0.31 acres, and is not anticipated to trigger further growth of the CSA. It is recommended that the boundary and SOI of CSA 21 be adjusted to include the entire parcel.

X. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Growth and Population

County Service Area No. 21 currently collects fees from approximately 159 parcels within the Cascadel Woods subdivision. A minimal number of new residences may be constructed within the subdivision, however; no growth is anticipated within the subdivision that would significantly affect the level of service.

Infrastructure

County Service Area No. 21 does not maintain recreational facilities, roads or any other infrastructure or facilities. The sole purpose of CSA 21 is to collect funds for the HOA and disperse funds to the HOA, as needed, for maintenance of recreational facilities. Collection and dispersal of funds is managed by the County Auditor/Controller's office which operates out of already existing County facilities.

Financing Constraints and Opportunities

County Service Area No. 21 is managed by the County Auditor/Controller's office. This is an already existing County department. All funds collected from the CSA 21 area are available to the HOA for maintenance of recreational facilities. CSA 21 did not indicate any financing issues.

Rate Restructuring

County Service Area No. 21 collects \$100 per parcel per year, as established by a 1998 vote. CSA 21 did not indicate plans to increase fees and any plans to increase fees within the CSA would likely be initiated by the HOA.

Cost Avoidance Opportunities

County Service Area No. 21 is managed by the County and utilizes County facilities and personnel to perform the collection and distribution of funds for the HOA. The CSA did not indicate any additional cost avoidance opportunities.

Opportunities for Shared Facilities

County Service Area No. 21 is managed by the County Auditor/Controller's office and shares facilities and personnel with other County departments and offices.

Government Structure Options

County Service Area No. 21 is governed by the County Board of Supervisors. The existing structure of CSA 21 is sufficient to allow it to continue service provision in the foreseeable future. The only alternative government structure would be to disband the CSA and transition back to the HOA. A full analysis of the financial and operational impacts of any such transition should be made prior to formal action to change the government structure of the District.

Evaluation of Management Efficiencies

County Service Area No. 21 is a County organization and utilizes County facilities and staff to perform administration of funds collection and distribution. The CSA did not indicate any need for additional staff or funding to perform these tasks.

Local Accountability

County Service Area No. 21 is governed by the Madera County Board of Supervisors. The Board holds meetings once a week, and discusses items related CSA 21 whenever there are issues which need to be addressed. Meeting notices are posted in several locations, and on the County's website. Further, the CSA distributes funds to the Homeowners Association, which has its own mechanisms for public participation including the HOA website; www.cascadel.org.

XI. BIBLIOGRAPHY

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