

17.0 TENAJA COMMUNITY SERVICES DISTRICT

The Tenaja CSD provides services related to the improvement and maintenance of roadways. These services are discussed within this MSR.

17.1 LOCATION AND GOVERNANCE

The Tenaja Community Services District was formed in 1985 pursuant to the Community Services District Act of California. The District encompasses approximately 6,400 acres of rural land in the Santa Rosa Coastal Mountain Range between the City of Murrieta and the Cleveland National Forest and includes 513 parcels. The District's SOI is coterminous with its boundary. Figure 17.1 shows the District's location and boundary.

The District is empowered to provide several services, which include:

- Collection, treatment, or disposal of sewage, waste, and storm water
- Constructing, opening, widening, extending, straightening, surfacing, and maintaining, in whole or in part, streets within the District
- Construction and improvement of bridges, culverts, curbs, gutters, and drains

However, at this time the District only provides the services related to the improvement and maintenance of streets. The District's routine maintenance includes: culvert cleaning, tree trimming, pavement repair, overlays, striping, sign repair and replacement, shoulder replacement, and other related activities. The District's role in implementing projects is that of a facilitator or coordinator for engineering, plans, construction, utilities, and funding. All actual construction work is completed by contractors or other entities hired by the District.

The District is governed by a five-member Board of Directors who are residents of the District and elected by residents to four-year terms. The Board holds regularly scheduled meetings on the first Thursday of each month at the District office location. The District posts agendas at the District office on the Friday before each month. In addition, agenda packets of each Board meeting are available on request at a cost of \$84.00 per year.

17.2 FINANCIAL INFORMATION AND SERVICE PROVISION

Each year the District adopts a budget. A copy of the proposed budget and estimated year-to-date expenditures are mailed to each property owner prior to the public hearing for the adoption of the budget. The District obtains revenue from assessments on parcels within the District. Assessments on land within the District are imposed per acre and are paid to the Tax Collector of the County of Riverside. The District levies both general assessments to all parcels within the District and assessments related to zones of benefit. All of the assessments are levied pursuant to the requirements

of Proposition 218, which requires voter approval. Properties within the areas being improved are included in the respective zone of benefit. The following details the assessments levied by the District:

- **General Assessment.** The District assesses \$25 per acre to fund general District administrative costs and costs related to maintaining the main arterial road system. The main arterial road system includes: Tenaja Road, Via Volcano, Calle Pino, and a small portion of Avocado Mesa Road. All other streets are considered a “special benefit” or “Zone of Benefit.”
- **Zone of Benefit 4.** Financing of \$449,515 was procured in FY 1999–2000 to finance street improvements that included a portion of Rancho California Road from Via Volcano, Calle De Mucho to Avocado Mesa Road, and a small portion of Avocado Mesa Road. Assessments for the repayment of this loan are being collected over a period of 15 years beginning December 10, 1999.
- **Zone of Benefit 2/3.** This project is currently underway. The funding of the project is from both loans and assessments. The District is providing street improvements as sufficient funds accrue through the collection of taxes and assessments. The street improvements include: Corona Calle Camino, Avocado Mesa Road to Avenida Perla Bonita, and a portion of Avenida Perla Bonita. Current assessments are \$1,732.55 per parcel per year.
- **Zone of Benefit 8.** This project includes utility and street improvements being completed by Rancho Water District. The street improvements include Avenida Escala from Tenaja Road to Avenida Bosque and Hacienda Drive to Avenida Bosque. This assessment is for maintenance only and not the actual improvements. Current assessments are \$285.95 per parcel per year.

As of June 2006, the District’s most recently completed financial audit is for the fiscal year ending June 30, 2003. As shown in Table 17.A, the District’s expenditures in 2003 exceeded revenues. The District’s budget for FY 2005–06 is balanced and is expected to result in revenues that meet expenditures.

Table 17.A: Tenaja CSD Summary of Total Revenues and Total Expenses

	2003	2004	2005	2006*
Total Expenses	\$1,028,445	N/A	N/A	\$163,089.42
Total Revenues	\$612,310	N/A	N/A	\$163,089.42
Net Revenues (Loss)	(\$416,135)	N/A	N/A	\$0

Source: Tenaja CSD Financial Statements for the fiscal year ending 2003; Tenaja CSD Budget fiscal year 2005–06.
*Budgeted amounts for 2006, not actual.

Of the District’s 2003 total expenditures, \$652,293 (63 percent) was used for road maintenance, construction, and engineering costs. The remainder of the expenditures were costs related to personnel, debt service (\$200,438, or 19.5 percent), and administration for the District. The District’s 2005–2006 budget indicates that \$50,000 (30.1 percent) of expenditures are to be used for road maintenance and engineering services and that the remainder of costs are related to personnel and administration. Debt service was not noted on the 2005–2006 budget. Utilizing the District’s expenditures as a whole, the cost of providing services to each of the 513 parcels was \$2,004.77 in the fiscal year ending 2003 and expected to be \$317.91 in the fiscal year ending 2006.

The District has stated that maintenance and roadway deficiencies exist due to the funding constraints imposed by Proposition 218. The areas of deficiency include weed cutting, tree trimming, and roadway maintenance. The District has stated that at times roadway maintenance is implemented in a less expensive manner versus a more thorough manner to save costs.

The District invests any idle funds in the State Local Agency Investment Fund. At the end of FY 2003 the District had \$642,068 invested. As mentioned previously, the District has long-term debt related to funding infrastructure projects. At the end of FY 2003, the District had \$406,884 in long-term debt.

The District's reserve policy is to maintain a minimum of six months of expenditures in reserve. The six-month time is designated because the District receives its assessments through the County tax collector, and there may be a lapse between obtaining revenue and the need to pay expenditures. The District does not have any adopted policies related to purchasing.