File #: 18-505, **Version:** 1

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SUBJECT: Supplemental Appropriation in the Amount of $500 in Fund 342 - Fahrens Park Assessment (Debt Service) for Additional Administrative Expense

REPORT IN BRIEF
Considers approving a $500 supplemental appropriation to cover administrative fees in the Fahrens Park Debt Service Fund.

RECOMMENDATION
City Council - Adopt a motion approving a supplemental appropriation in the amount of $500 from the unappropriated, unreserved fund balance of Fund 342 - Fahrens Park Assessment (Debt Service) to cover administrative fees.

ALTERNATIVES
1. Approve as recommended by staff; or,
2. Return to staff with specific direction; or,
3. Deny.

AUTHORITY
Article XI, Fiscal Administration of the Merced Municipal Code - At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least five members.

CITY COUNCIL PRIORITIES
As provided in the Fiscal Year 2018-19 budget.

DISCUSSION
In 2002, the City sold bonds and confirmed assessments for the formation of the Specific Plan Assessment District No. 2002 (Fahrens Park), (the "District"), pursuant to the Municipal Improvement Act of 1913, Division 12 of the California Streets and Highways Code. The public improvements funded by the District consist principally of roadway, water, drainage, and sewer improvements, which provide improved access and services to the properties within the District boundaries, which are owned, operated and maintained by the City.

Generally, the District lies in the northwestern portion of the City north of Buena Vista Drive, south of Yosemite Avenue between Highway 59 and North “R” Street. The total area within the District consists of approximately 147 acres.

In 2004, the City completed proceedings and confirmed reassessments for the Reassessment

District No. 2004 (FahrensPark), (the “2004 Reassessment District”), pursuant to the Refunding Act.

The assessments are collected in semi-annual installments on the County tax roll on which general taxes on real property are collected. These annual installments are paid into the Debt Service Fund held by the Finance Officer of the City, transferred to the Fiscal Agent and used to pay principal and interest for the bonds plus administrative fees.

For fiscal year 2018-19 fiscal agent fees were budgeted at $1,100. The district recently received an invoice for $1,200. The requested appropriation will cover the additional amount of the invoice and leave a small amount for contingency.

IMPACT ON CITY RESOURCES

A supplemental appropriation in the amount of $500 is available from Fund 342 - Fahrens Park Assessment (Debt Service) unreserved, unappropriated Fund Balance.

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