TOWN OF
APPLE VALLEY, CALIFORNIA

AGENDA MATTER

Subject Item:

REALLOCATION OF LEGAL FEES CHARGED TO THE GOLF COURSE FUND FOR WATER AND REVERSIONARY RIGHTS TO THE WASTEWATER FUND

SUMMARY STATEMENT:

Now that the water and reversionary rights settlement has occurred, staff is recommending that legal expenditures previously charged to the Golf Course Fund and General Fund, should, more appropriately, be charged to the Wastewater Fund.

A nexus has been established that those rights belong to the Wastewater Fund and the costs associated in obtaining those rights should therefore be included in that fund to more accurately represent the total cost of the water and reversionary rights. The total costs are $633,423 that were charged to the General Fund and Golf Course Fund. However, those legal expenses charged to the General Fund have since been reclassified to the Golf Course Fund so the total amount will be credited out of the Golf Course Fund to the Wastewater Fund.

Recommended Action:

Authorize the transfer of Legal expenditures related to water and reversionary rights ($633,423) to the Wastewater Fund and, in accordance with Town Policy, amend the Wastewater legal expense budget in an equal amount. Credit the Golf Course Fund $633,423 Legal Expenditure Account accordingly.

Proposed by: Kevin N. Smith, Interim Finance Director **Item Number** _____

T.M. Approval: _____ **Budgeted Item: Budgeted Item** ☐ **Yes** ☒ **No** ☐ **N/A**