

**CITY MANAGER'S REPORT
DECEMBER 9, 2019 REGULAR CITY COUNCIL REGULAR MEETING**

ITEM: **COMMUNITY FACILITIES DISTRICTS ANNUAL BOND
ACCOUNTABILITY REPORT FOR FY 2018/19**

RECOMMENDATION: **Receive Report for Bonded and Non Bonded
Community Facilities Districts**

SUMMARY:

As mandated by the California Government Code sections 53411 and 50075.3, City Staff is submitting the Annual Bond Accountability Report for the City's Community Facilities Districts ("CFDs") for FY ended June 30, 2019.

BACKGROUND:

Senate Bill 165 enacted the Local Agency Special Tax Bond Accountability Act. This Act requires the annual preparation of a report containing specific information concerning the use of the proceeds or annual special taxes for CFDs. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code. There are seven CFDs included in the FY 2018/19 annual report, three bonded CFDs and four non-bonded services CFDs shown on separate pages (see Attachment "A" for a detailed listing).

Section 53411 and 50075.3 of the California Government Code requires the chief fiscal officer of the issuing local agency to file the annual report with its governing body no later than Jan 1 every year.

REASON FOR RECOMMENDATION:

The report will ensure compliance with Sections 53410, 53411 and 50075.3 of the California Government Code.

FISCAL IMPACT:

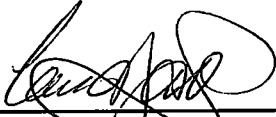
Staff time to prepare report.

ATTACHMENTS:

- A. Annual CFD Report for FY Ending June 30, 2019.

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DECEMBER 9, 2019 CITY COUNCIL REGULAR MEETING
COMMUNITY FACILITIES DISTRICTS ANNUAL BOND ACCOUNTABILITY
REPORT FOR FY 2018/19**

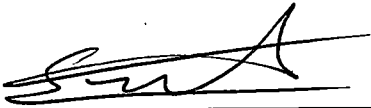
APPROVALS:



Cari James
Finance Director

11/19/19

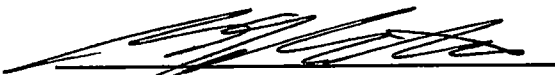
Date



Salvador Navarrete
City Attorney

11-20-19

Date



Stephen Salvatore
City Manager

11.21.19

Date

**CITY OF LATHROP
BONDED COMMUNITY FACILITIES DISTRICTS REPORT
FOR FY ENDED 6/30/2019**

District	Initial Amount Deposited to Improvement Fund or Project Costs (1)	6/30/2019 Balance (2)	Expended Amount	Project Status (3)
CFD 2003-1 (Mossdale Village - Water)	\$6,716,563.00	\$0.00	\$6,716,563.00	Complete
CFD 2003-2 (Joint Wastewater)	\$6,096,532.33	\$0.00	\$6,096,532.33	Complete
CFD 2006-1 (Central Lathrop Specific Plan Infrastructure)	\$37,263,908.50	\$0.00	\$37,263,908.50	Ongoing

Note (1)

For CFD 2006-1 amount excludes \$4,000,000 initially deposited in the Escrow Fund per the Bond Indenture.

Note (2)

For CFD 2006-1, bond were redeemed on January 16, 2019 and the district was closed.

Note (3)

For CFD 2003-2, the project is now complete.

For CFD 2006-1, the Improvement Fund proceeds of the initial issuance are almost completely expended, however the CFD is authorized for an additional \$150 million of special tax bonds and future proceeds are meant to fund a portion of a project within an overall estimated cost (in 2006 dollars) of \$271 million.

**CITY OF LATHROP
NON-BONDED COMMUNITY FACILITIES DISTRICTS REPORT
FOR FY ENDED 6/30/2019**

District	7/1/2018 Balance (1)	Special Taxes collected during FY 2018/19 (2)	Expended Amount and Encumbrances (3)	6/30/2019 Balance (4)	Project Status (5)
CFD 04-1 (Mossdale Services)	\$182,084.62	\$2,251,163.97	\$2,272,748.75	\$160,499.84	Ongoing
CFD 2005-1 (Historic Lathrop Services)	\$54,714.08	\$47,843.13	\$56,795.36	\$45,761.85	Ongoing
CFD 2006-2 (Central Lathrop Specific Plan Services)	\$169.00	\$221,490.68	\$390,411.97	-\$168,752.29	Ongoing
CFD No. 2013-1 (River Islands)	\$118,265.34	\$279,358.81	\$275,891.25	\$121,732.90	Ongoing

Note (1)

Beginning balances include previous year encumbrances carried forward for payment in the subsequent fiscal year.

Note (2)

For CFD 04-1 this amount represents the annual special taxes remitted by the San Joaquin County Auditor-Controller, building permit collections, interest earnings, and a transfer for capital equipment replacement.

For CFD 2005-1 this amount represents the annual special tax amounts remitted by the San Joaquin County Auditor-Controller and interest earnings.

For CFD 2006-2 this amount represents the annual special tax amounts remitted by San Joaquin County Auditor-Controller and interest earnings. The total tax amount is comprised of the total public safety component (\$221,400), and the actual receipts of the general governmental component (levied in the amount of \$199,151.96). (This CFD was partially removed from the San Joaquin County Teeter Plan beginning in FY 2010/11, and only the public safety portion of the annual budget is remitted via the Teeter Plan. The general governmental portion is a separate County tax code and remittance only includes actual collections.)

For CFD 2013-1 this amount represents the annual special tax amounts remitted by the San Joaquin County Auditor-Controller and interest earnings.

Note (3)

For CFD 2006-2, City staff reduced the level of service to the CLSP area (except for Public Safety), thus reducing payables; in response to San Joaquin County partial suspension of Teeter Plan funding to the CFD in October 2012. This was done in an effort to preserve the fund balance, which is anticipated to be needed in future fiscal years, to augment ongoing CFD revenue, as the CLSP area develops at a slower rate than originally anticipated.

Note (4)

For CFD 2006-2, the district was closed out on April 17, 2019 and the negative balance will be paid by the developer.

Note (5)

All CFDs listed above are intended to provide funding for ongoing, perpetual operations and maintenance services.