

**CITY MANAGER'S REPORT
NOVEMBER 13, 2023 CITY COUNCIL REGULAR MEETING**

**ITEM: COMMUNITY FACILITIES DISTRICTS ANNUAL BOND
ACCOUNTABILITY REPORT FOR FY 2022/23**

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

SUMMARY:

As mandated by 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, 2023.

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 2022/23 annual report, three bonded CFDs and four non-bonded services CFDs shown on separate pages (see Attachment "A" for a detailed listing).

Section's 53411 and 50075.3 of the California Government Code require the Chief Fiscal Officer of the issuing local agency to file the annual report with its governing body no later than January 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:

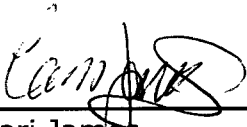
Staff time to prepare report.

ATTACHMENTS:

- A. Annual CFD Report for FY Ending June 30, 2023.

**CITY MANAGER'S REPORT
NOVEMBER 13, 2023 CITY COUNCIL REGULAR MEETING
COMMUNITY FACILITIES DISTRICTS ANNUAL BOND ACCOUNTABILITY
REPORT FOR FY 2022/23**


APPROVALS:



Cari James
Finance Director

10/30/2023

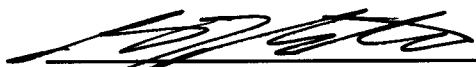
Date



Salvador Navarrete
City Attorney

10.30.2023

Date



Stephen Salvatore
City Manager

11.1.23

Date

SB 165: LOCAL AGENCY SPECIAL TAX & BOND ACCOUNTABILITY ACT

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act (the "Act"). This Act requires that any local special tax or local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001 in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This Section of this report intends to comply with Sections 50075.3 and 53411 of the California Government Code that states:

"The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

1. The amount of funds collected and expended.
2. The status of any project required or authorized to be funded as identified in subdivision (a) of Sections 50075.1 [and] 53410."

The requirements of the Act apply to the funds for the following districts:

**\$7,285,000 City of Lathrop
Community Facilities District No. 2003-1
(Mossdale Village) Special Tax Refunding Bonds, 2013 Series A
Date: April 2003**

PURPOSE OF SPECIAL TAX

Bonds were issued to pay for the Mossdale Landing Urban Design Concept Project's and the Lathrop Station Urban Design Concept Parcel's share of the water delivery system established under the South County Surface Water Project, including water transmission and delivery facilities, as well as potable water facilities from City Well No. 22. The improvements are complete.

**\$7,535,000 City of Lathrop
Community Facilities District No. 2003-2
(Joint Wastewater Project) Special Tax Bonds, Series 2003
Date: October 2003**

PURPOSE OF SPECIAL TAX

Bonds were issued to pay for acquisition of capacity in the wastewater treatment facilities and sanitary sewer facilities. The improvements are complete.

City of Lathrop
Community Facilities District No. 04-01 (Mosssdale Services)
Date: 6/22/2004

PURPOSE OF SPECIAL TAX

The Special Tax pays for certain services including parks, parkways, open spaces, flood and storm protection, as well as police protection.

City of Lathrop
Community Facilities District No. 2005-1 (Historic Lathrop Services)
Date: 11/15/2005

PURPOSE OF SPECIAL TAX

The Special Tax pays for fire protection and suppression services, maintenance of parks, parkways and open space, flood and storm protection services, and police protection services.

City of Lathrop
Community Facilities District No. 2013-1 (River Islands Public Services and Facilities)
Date: 11/4/2013

PURPOSE OF SPECIAL TAX

The Special Tax pays for public services and maintenance of public infrastructure within the River Islands area as well as local facilities including roadways, bridges, water and sewer infrastructure, public landscaping, and related improvements.

City of Lathrop
Community Facilities District No. 2018-1
(Central Lathrop Specific Plan Facilities), 2019 Special Tax Bonds
Improvement Area No. 1 Bonds: \$12,630,000
Improvement Area No. 2 Bonds: \$7,945,000
Improvement Area No. 3 Bonds: \$15,625,000
Improvement Area No. 4 Bonds: \$5,565,000
Improvement Area No. 5 Bonds: \$3,970,000
Date: 11/19/18

PURPOSE OF SPECIAL TAX

Bonds were issued to refinance the costs of public infrastructure, and to facilitate the prepayment, waiver and termination of all of the Special Tax on parcels within the City's Community Facilities District No. 2006-1.

City of Lathrop
Community Facilities District No. 2018-2 (Central Lathrop Specific Plan Facilities)
Date: 11/19/2018

PURPOSE OF SPECIAL TAX

Bonds were issued to refinance costs of public infrastructure, to facilitate the prepayment, waiver, and termination of all of the special tax on parcels within the previously formed Community Facilities District No. 2006-1.

City of Lathrop
Community Facilities District No. 2019-1 (South Lathrop City Services)
Date: 4/8/2019

PURPOSE OF SPECIAL TAX

The Special Tax pays for services including the ongoing maintenance and operation of public roads, medians, streetlights, traffic signals, traffic signs, frontage improvements, landscaping, drainage facilities, and standby charges related to the ongoing maintenance and operation of the local public improvements.

City of Lathrop
Community Facilities District No. 2019-2 (Central Lathrop City Services)
Date: 4/8/2019

PURPOSE OF SPECIAL TAX

The Special Tax pays for services including parks, parkways, and open space; flood and storm protection; police protection; and fire protection.

City of Lathrop
CFD No. 2021-1 (Gateway Business Park City Services)
Date: 6/14/2021

PURPOSE OF SPECIAL TAX

The Special Tax pays for services including maintenance for roads, landscaping, irrigation, and lighting of streets, signals, curbs, gutters, parks, parkways, and open space, flood and storm water drainage, detention, retention and protection services, maintenance (including capital replacement and reserves for capital replacement) and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City or by another local agency.

City of Lathrop
CFD No. 2023-1 (River Islands Public Services and Facilities #2)
Date: June 12, 2023

PURPOSE OF SPECIAL TAX

The Special Tax pays for all direct and incidental costs related to providing public services and maintenance of public infrastructure within the River Islands area. More specifically, the services include, but not be limited to: (i) police protection services, (ii) maintenance of open space, including trails and habitat areas, with services to included, but not be limited to, irrigation and vegetation control; (iii) maintenance of roads and roadways, with services to include, but not be limited to, regularly scheduled street sweeping, repair of public streets, striping of streets and repair and repainting of sound walls and other appurtenances; (iv) storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, (v) landscaping in public areas and in the public right of way along with public streets, including, but not limited to, irrigation, tree trimming and vegetation maintenance and control; and (vi) any other public services authorized to be funded under Section 53313 of the California Government Code.

**CITY OF LATHROP
 BONDED COMMUNITY FACILITIES DISTRICTS REPORT
 FOR FY ENDED 6/30/2023**

District	Initial Amount Deposited to Improvement Fund or Project Costs	6/30/2023 Balance	Expended Amount	Project Status
CFD 2003-1 (Mosssdale 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 2018-1 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Complete
CFD 2018-2 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Complete

**CITY OF LATHROP
NON-BONDED COMMUNITY FACILITIES DISTRICTS REPORT
FOR FY ENDED 6/30/2023**

District	7/1/2022 Balance (1)	Special Taxes collected during FY 2022/23 (2)	Expended Amount and Encumbrances (3)	6/30/2023 Balance (4)	Project Status (5)
CFD 04-1 (Mossdale Services)	\$721,529.31	\$2,702,510.86	\$2,260,194.64	\$1,163,845.53	Ongoing
CFD 2005-1 (Historic Lathrop Services)	\$14,040.89	\$70,632.91	\$60,061.77	\$24,612.03	Ongoing
CFD No. 2013-1 (River Islands)	\$120,288.83	\$1,117,417.28	\$1,118,382.29	\$119,323.82	Ongoing
CFD No. 2019-1 (South Lathrop)	\$811,454.68	\$579,859.91	\$473,242.14	\$918,072.45	Ongoing
CFD No. 2019-2 (Central Lathrop Specific)	\$166,295.51	\$1,067,113.75	\$943,465.02	\$289,944.24	Ongoing
CFD No. 2021-1 (Gateway Business Park City Services)	\$71,658.45	\$154,349.62	\$78,680.61	\$147,327.46	Ongoing
CFD No. 2023-1 (River Islands Public Services and Facilities #2)		\$0.00	\$0.00	\$0.00	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 all other districts this amount represents the annual special tax amounts remitted by the San Joaquin County Auditor-Controller and interest earnings.

Note (3)

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