

Combined Community Facilities District Annual Report for Special Taxes Levied

Fiscal Year 2010/11

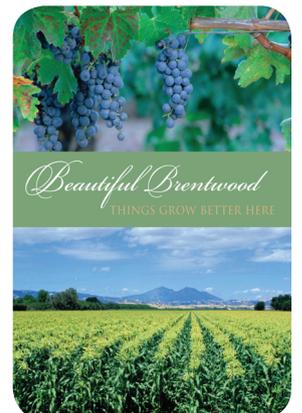


City of Brentwood
150 City Park Way Brentwood, CA 94513



Every year the City selects a theme for the covers of its major financial documents - the Capital Improvement Program (CIP), the Fiscal Model, the Operating Budget, the Cost Allocation Plan, the Comprehensive Annual Financial Report (CAFR) and the Public Facilities Fee Report. *This year each of the covers showcases an aspect of “Beautiful Brentwood.”*

This year the City of Brentwood is one of sixty-five companies chosen by The Bay Area News Group to receive the Top Workplaces Award for 2011. This award recognizes the best places to work in the Bay Area and is based upon feedback from employees.



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EXECUTIVE SUMMARY

The City Council of the City of Brentwood has formed four Community Facilities Districts (CFDs) under the Mello-Roos Community Facilities Act of 1982 since 2002. The CFDs were formed to provide an annual revenue stream from all new development within the City to: 1) fund the purchase, construction and/or expansion of various authorized public facilities and 2) fund the operation and maintenance of authorized improvements and services within the City of Brentwood. These authorized public facilities and services are described within each of the CFD sections.

This FY 2010/11 annual report has been prepared as an informational item to inform any interested person about the special tax rates within each CFD and how those special taxes are utilized. The Mello-Roos Community Facilities Act of 1982 does not require an annual report be prepared unless requested by a person who resides in or owns property in the district. To date, such a request has not been received; however, City staff believes it would be prudent to be pro-active in preparing the report in the event it is ever requested. The Mello-Roos Community Facilities Act of 1982, specifically Section 53343.1 of the California Government Code, provides guidelines for the content of an annual report and states an annual report shall include the following:

- (a) The amount of special taxes collected for the year.
- (b) The amount of other moneys collected for the year and their source, including interest earned.
- (c) The amount of moneys expended for the year.
- (d) A summary of the amount of moneys expended for the following:
 - 1) Facilities, including property.
 - 2) Services.
 - 3) The costs of bonded indebtedness.
 - 4) The costs of collecting the special tax under Section 53340.
 - 5) Other administrative and overhead costs.
- (e) For moneys expended for facilities, including property, an identification of the categories of each type of facility funded with amounts expended in each category, including the total percentage of the cost of each type of facility that was funded with bond proceeds or special taxes.
- (f) For moneys expended for services, an identification of the categories of each type of service funded with amounts expended in each category, including the total percentage of the cost of each type of service that was funded with bond proceeds or special taxes.
- (g) For moneys expended for other administrative costs, an identification of each of these costs.
- (h) The annual report shall contain references to the relevant sections of the resolution of formation of the district so that interested persons may confirm that bond proceeds and special taxes are being used for authorized purposes. The annual report shall be made available to the public upon request.

The following pages include detailed revenue and expenditures for each of the four CFDs formed by the City of Brentwood.

COMMUNITY FACILITIES DISTRICT No. 2

On May 14, 2002 the City Council of the City of Brentwood, through Resolution No. 2544, established Community Facilities District No. 2 (CFD No. 2). A notice of special tax lien has been recorded at the County Recorder's office identifying a continuing lien in force and effect until the special tax obligation is either permanently satisfied on June 30, 2053 or is cancelled by City Council at an earlier date. In compliance with the proceedings governing the formation of CFD No. 2, the special tax has been levied on each taxable parcel within the District according to the provisions of the Rate and Method of Apportionment of Special Taxes. The Rate and Method of Apportionment of Special Taxes is available from the City Clerk.

As of June 30, 2011, CFD No. 2 consisted of 1,931 taxable single family residential parcels, 120 residential condominium parcels and 102.32 acres of taxable non-residential property. Parcels became taxable if a building permit was issued prior to January 1, 2010.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 2 can be found on page 20.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and or services which may be financed by CFD No. 2 are described below.

i. Facilities

a. Open Space Facilities

- Acquisition of open space lands, easements and rights-of-way and necessary incidental costs to acquire the land including title reports, appraisals, etc.
- Construction of trails, drainage structures, fire breaks, etc. to allow for safe pedestrian access within and throughout the open space areas.

ii. Services

a. Public Safety Services

- Emergency medical and public safety personnel salaries, benefits and other associated costs which may include uniforms, safety equipment, etc. which is needed for the daily activities and normal employment of these types of personnel.

b. Open Space Services

- Maintenance and operation of open space and natural wildlands owned or otherwise controlled by the City of Brentwood. Maintenance and operation may include, but is not limited to: maintenance workers and patrol guard salaries, benefits and other associated costs which may include uniforms, safety equipment, etc. which is needed for the daily activities and normal employment of these types of personnel.

c. Flood and Storm Drainage Services

- Maintenance and operation of flood and storm drainage improvements owned or otherwise controlled by the City of Brentwood. Maintenance and operation may include, but is not limited to: maintenance workers salaries, benefits and other associated costs which may include uniforms, maintenance equipment, etc. which is needed for the daily activities and normal employment of these types of personnel.

C. REVENUES AND EXPENDITURES

CFD No. 2 – Table 1 shows the FY 2010/11 revenues and expenditures of special tax funds for CFD No. 2. Per Section 53343.1 of the California Government Code, funds expended for facilities and/or services include an identification of the categories of each type of facility/service funded, and the total percentage of the cost of each type of facility/service funded with either bond proceeds or special taxes. For monies expended for other administrative costs, each of the costs is identified.

CFD No. 2 – TABLE 1 Revenues and Expenditures			
Fund Balance July 1, 2010		\$	22,497
Revenues			
Annual CFD Special Tax		\$	540,264
Interest			2,178
Total Revenues		\$	542,442
Expenditures			Comments
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services			550,000 100% from Special Taxes
Costs of Bonded Indebtedness			-
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration			2,035 100% from Special Taxes
Administration			
CFD Special Tax Administration			5,844 100% from Special Taxes
Investment Administration			102 100% from Special Taxes
	Administration Subtotal		5,946
Total Expenditures		\$	557,981
Fund Balance June 30, 2011		\$	6,958

i. Revenues

a. Special Tax Levy for FY 2010/11

- The maximum special tax rate has been levied each year since FY 2002/03 per the Rate and Method Apportionment of Special Taxes. CFD No. 2 – Table 2 below outlines the FY 2010/11 tax rate calculations and the revenue by parcel classification.

CFD No. 2 – TABLE 2 Special Tax Revenue Summary for FY 2010/11					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$205.04/residence	\$205.04/residence	1,931	-	\$ 395,932
Condominium	\$153.78/residence	\$153.78/residence	120	-	18,454
Multi-Family	\$102.52/unit	\$102.52/unit	-	-	-
Commercial	\$1,230.24/acre	\$1,230.24/acre	-	61.22	75,315
Industrial	\$1,230.24/acre	\$1,230.24/acre	-	31.62	38,900
Rural	\$205.04/residence	\$205.04/residence	-	-	-
Institutional	\$1,230.24/acre	\$1,230.24/acre	-	9.48	11,663
			2,051	102.32	\$ 540,264

ii. **Expenditures**

- Aside from the minor expenses associated with the costs of collecting the special tax and the administration of the CFD, the funds in CFD No. 2 were expended on Public Safety Services.

D. **SPECIAL TAX ROLL**

A list of each parcel within the boundaries of CFD No. 2 upon which the special tax has been levied for FY 2010/11 may be requested through the City Clerk.

E. **DELINQUENCY RATES**

Each year the special taxes are levied and due concurrently with general ad-valorem property taxes (December and April respectively). If the special taxes are not paid by these deadlines, they are considered delinquent. CFD No. 2 – Table 3 below shows the last six years delinquency rates by fiscal year for CFD No. 2.

CFD No. 2 – TABLE 3 Delinquency History				
Fiscal Year	Amount Levied	Delinquent Amount	Delinquency As of June 30	
05/06	\$ 368,252	\$ 498	0.14%	
06/07	\$ 459,324	\$ 1,593	0.35%	
07/08	\$ 500,540	\$ 676	0.14%	
08/09	\$ 520,174	\$ 5,973	1.15%	
09/10	\$ 529,671	\$ 9,695	1.83%	
10/11	\$ 540,264	\$ 29,063	5.38%	

COMMUNITY FACILITIES DISTRICT No. 3

On June 24, 2003 the City Council of the City of Brentwood, through Resolution No. 2907, established Community Facilities District No. 3 (CFD No. 3). A notice of special tax lien has been recorded at the County Recorder's office identifying a continuing lien in force and effect until the special tax obligation is either permanently satisfied on June 30, 2104 or is cancelled by City Council at an earlier date. In compliance with the proceedings governing the formation of CFD No. 3, the special tax has been levied on each taxable parcel within the District according to the provisions of the Rate and Method of Apportionment of Special Taxes. The Rate and Method of Apportionment of Special Taxes is available from the City Clerk.

As of June 30, 2011, CFD No. 3 consisted of 1,515 taxable single family residential parcels, 11 taxable rural single family residential parcels, 120 taxable multi-family residential units and 35.97 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2010.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 3, and all annexations to date, can be found on page 21.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and or services which may be financed by CFD No. 3 are described below.

i. Facilities

a. Open Space Facilities

- Acquisition of open space lands, easements and rights-of-ways including all necessary incidental costs needed to acquire the lands including title reports, appraisals, etc.
- Construction of trails, bridge structures, drainage structures, fire breaks, necessary appurtenances, etc. to allow for safe pedestrian access within and throughout the open space areas.

b. Police Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of police facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
- Construction and/or acquisition of police facilities, including equipment, furnishings and all incidental costs needed to conduct police services throughout the City.

c. Flood and Storm Drainage Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of flood and storm drainage facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.

- Construction and/or acquisition of flood and storm drainage facilities, including design, construction, administrative, etc. and all other miscellaneous costs needed to comply with local and state regulations.
- d. Joint Use School Facilities
- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of school site joint use facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
 - Construction and/or acquisition of school site joint use facilities, including equipment, furnishings and all incidental costs needed to conduct joint use programs and services throughout the City.
- ii. **Services**
- a. Public Safety Services
- Public safety personnel salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.
- b. Open Space Services
- Maintenance and operation of open space and natural wild lands owned or otherwise controlled by the City of Brentwood including State Park Lands adjacent to the City of Brentwood subject to Joint Use or a Memorandum of Understanding between the City and the State of California. Maintenance and operation may include, but is not limited to: maintenance workers, volunteers and patrol guard salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.
- c. Flood and Storm Drainage Services
- Maintenance and operation of flood and storm drainage improvements owned or otherwise controlled by the City of Brentwood. Maintenance and operation may include but is not limited to: maintenance workers salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.
- d. Joint Use School Site Services
- Maintenance of joint use school/park facilities between the City and the School Districts within the City of Brentwood which includes, but is not limited to, elementary and secondary school park sites and structures servicing the residents of the City of Brentwood. Staff and maintenance workers salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel are also included. Such services shall only be those necessary for the general public use of the joint use school/park facilities and shall not include any costs associated with school use or maintenance.

C. REVENUES AND EXPENDITURES

CFD No. 3 – Table 1 shows the FY 2010/11 revenues and expenditures of special tax funds for CFD No. 3. Per Section 53343.1 of the California Government Code, monies expended for facilities and/or services include an identification of the categories of each type of facility/service funded, and the total percentage of the cost of each type of facility/service funded with either bond proceeds or special taxes. For monies expended for other administrative costs, each of the costs is identified.

CFD No. 3 – TABLE 1			
Revenues and Expenditures			
Fund Balance July 1, 2010		\$	1,834
Revenues			
Annual CFD Special Tax		\$	1,250,239
Interest			2,499
	Total Revenues	\$	1,252,738
Expenditures			
			Comments
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services		1,244,150	100% from Special Taxes
Costs of Bonded Indebtedness			
Continuing Disclosure and Corporate Services		3,767	100% from Special Taxes
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration		1,559	100% from Special Taxes
Administration			
CFD Special Tax Administration		5,844	100% from Special Taxes
Investment Administration		96	100% from Special Taxes
	Administration Subtotal	5,940	
	Total Expenditures	\$	1,255,416
Fund Balance June 30, 2011		\$	(844)

i. Revenues

a. Special Tax Levy for FY 2010/11

- The maximum special tax rate has been levied each year since FY 2003/04 per the Rate and Method Apportionment of Special Taxes. CFD No. 3 – Table 2 below outlines the FY 2010/11 tax rate calculations and the revenue by parcel classification.

CFD No. 3 – TABLE 2					
Special Tax Revenue Summary for FY 2010/11					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$689.21/residence	\$689.21/residence	1,515	-	\$ 1,044,138
Condominium	\$516.91/residence	\$516.91/residence	-	-	-
Multi-Family	\$344.61/unit	\$344.61/unit	120	-	41,353
Commercial	\$4,369.38/acre	\$4,369.38/acre	-	34.66	151,443
Industrial	\$4,369.38/acre	\$4,369.38/acre	-	1.31	5,724
Rural	\$689.21/residence	\$689.21/residence	11	-	7,581
Institutional	\$4,369.38/acre	\$4,369.38/acre	-	-	-
			1,646	35.97	\$ 1,250,239

ii. **Expenditures**

- Aside from the minor expenses associated with the costs of collecting the special tax and the administration of the CFD, the funds in CFD No. 3 were expended on Public Safety Services.

D. **SPECIAL TAX ROLL**

A list of each parcel within the boundaries of CFD No. 3 upon which the special tax has been levied for FY 2010/11 may be requested through the City Clerk.

E. **DELINQUENCY RATES**

Each year the special taxes are levied and due concurrently with general ad-valorem property taxes (December and April respectively). If the special taxes are not paid by these deadlines, they are considered delinquent. CFD No. 3 – Table 3 below shows the last six years delinquency rates by fiscal year for CFD No. 3.

CFD No. 3 – TABLE 3				
Delinquency History				
Fiscal Year	Amount Levied	Delinquent Amount	Delinquency As of June 30	
05/06	\$ 544,512	\$ -	0.00%	
06/07	\$ 1,012,065	\$ -	0.00%	
07/08	\$ 1,107,376	\$ 5,520	0.50%	
08/09	\$ 1,165,922	\$ 17,063	1.46%	
09/10	\$ 1,189,257	\$ 33,457	2.81%	
10/11	\$ 1,250,238	\$ 50,656	4.05%	

COMMUNITY FACILITIES DISTRICT No. 4

On November 9, 2004 the City Council of the City of Brentwood, through Resolution No. 2004-263, established Community Facilities District No. 4 (CFD No. 4). A notice of special tax lien was recorded at the County Recorder's office. The special tax lien for CFD No. 4 is a continuing lien which shall continue in force and effect until the special tax obligation is permanently satisfied on June 30, 2105 or is cancelled by City Council at an earlier date. In compliance with the proceedings governing the formation of CFD No. 4, the special tax has been levied on each taxable parcel within the District according to the provisions of the Rate and Method of Apportionment of Special Taxes. The Rate and Method of Apportionment of Special Taxes is available from the City Clerk.

Currently CFD No. 4 consists of 1,010 taxable single family residential parcels, 86 taxable rural single family residential parcels, 284 taxable multi-family residential units and 45.86 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2010.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 4 can be found on page 22.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and services which may be financed by CFD No. 4 are described below.

i. Facilities

a. Flood and Storm Drainage Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of flood and storm drainage facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
- Construction and/or acquisition of flood and storm drainage facilities, including design, construction, administration etc. and all other miscellaneous costs needed to comply with local and state regulations.

b. Joint Use School Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of school site joint use facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
- Construction and/or acquisition of school site joint use facilities, including equipment, furnishings and all incidental costs needed to conduct joint use programs and services throughout the City.

c. Roadway Rehabilitation Facilities

- Acquisition of lands, easements and rights-of-way needed for the purposes of roadway rehabilitation, including all necessary incidental costs including title reports, appraisals, etc.
- Rehabilitation of roadways, including but not limited to pavement, curb, gutter, sidewalk, pavement sealing, etc. to repair, improve and extend the life of the roadway.

d. Library Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of library facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
- Construction and/or acquisition of library facilities, including equipment, furnishings and all incidental costs needed. This may include the expansion or rehabilitation of existing libraries.

e. Undergrounding of Utility Transmission and Distribution Facilities

- Acquisition of lands, easements and rights-of-way needed for the undergrounding of utility transmission and distribution facilities, including all necessary incidental costs such as, but not limited to, title reports, appraisals, etc.
- Undergrounding of utility transmission and distribution facilities, including construction, equipment, furnishings and all incidental costs related thereto.

i. **Services**

a. Public Safety Services

- Public safety personnel salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.

b. Open Space Services

- Maintenance and operation of open space and natural wild lands owned or otherwise controlled by the City of Brentwood including State Park Lands adjacent to the City of Brentwood subject to Joint Use or a Memorandum of Understanding between the City and the State of California. Maintenance and operation may include, but is not limited to: maintenance workers, volunteers and patrol guard salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.

c. Flood and Storm Drainage Services

- Maintenance and operation of flood and storm drainage improvements owned or otherwise controlled by the City of Brentwood. Maintenance and operation may include, but is not limited to: maintenance workers salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel.

d. Joint Use School Site Services

- Maintenance of joint use school/park facilities between the City and the School Districts within the City of Brentwood which includes, but is not limited to, elementary and secondary school park sites and structures servicing the residents of the City of Brentwood. Staff and maintenance workers salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal employment of these types of personnel are also included. Such services shall only be those necessary for the general public use of the joint use school/park facilities and shall not include any costs associated with school use or maintenance.

C. REVENUES AND EXPENDITURES

CFD No. 4 – Table 1 shows the FY 2010/11 revenues and expenditures of special tax funds for CFD No. 4. Per Section 53343.1 of the California Government Code, monies expended for facilities and/or services include an identification of the categories of each type of facility/service funded, and the total percentage of the cost of each type of facility/service funded with either bond proceeds or special taxes. For monies expended for other administrative costs, each of the costs is identified.

CFD No. 4 – TABLE 1 Revenues and Expenditures			
Fund Balance July 1, 2010		\$	-
Revenues			
Annual CFD Special Tax for Facilities		\$	-
Annual CFD Special Tax for Services			1,053,605
Interest			2,081
Total Revenues		\$	1,055,686
Expenditures			Comments
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services			1,044,999 100% from Special Taxes
Costs of Bonded Indebtedness			
Continuing Disclosure and Corporate Services			904 100% from Special Taxes
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration			1,252 100% from Special Taxes
Administration			
CFD Special Tax Administration			5,844 100% from Special Taxes
Investment Administration			79 100% from Special Taxes
Administration Subtotal			5,923
Total Expenditures		\$	1,053,078
Fund Balance June 30, 2011		\$	2,608

i. Revenues

a. Special Tax Levy for FY 2010/11

- The maximum special tax rate was levied each year, for both facilities and services, from FY 2005/06 to FY 2007/08. Since then, the actual levied rate was reduced to equal the levied rates within CFDs No. 3 and No. 5. CFD No. 4 – Table 2 below outlines the FY 2010/11 tax rate calculations and the revenue by parcel classification for services.

CFD No. 4 – TABLE 2					
Special Tax Revenue Summary for Services - FY 2010/11					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$809.14/residence	\$689.21/residence	1,010	-	\$ 696,102
Condominium	\$606.86/residence	\$516.91/residence	-	-	-
Multi-Family	\$404.57/unit	\$344.60/unit	284	-	97,866
Commercial	\$4,854.86/acre	\$4,369.38/acre	-	32.18	140,607
Industrial	\$4,854.86/acre	\$4,369.38/acre	-	8.21	35,858
Rural	\$809.14/residence	\$689.21/residence	86	-	59,272
Institutional	\$4,854.86/acre	\$4,369.38/acre	-	5.47	23,900
			1,380	45.86	\$ 1,053,605

ii. **Expenditures**

- Aside from the minor expenses associated with the costs of collecting the special tax and the administration of the CFD, the funds in CFD No. 4 were expended on Public Safety Services.

D. **SPECIAL TAX ROLL**

A list of each parcel within the boundaries of CFD No. 4 upon which the special tax has been levied for FY 2010/11 may be requested through the City Clerk.

E. **DELINQUENCY RATES**

Each year the special taxes are levied and due concurrently with general ad-valorem property taxes (December and April respectively). If the special taxes are not paid by these deadlines, they are considered delinquent. CFD No. 4 – Table 4 below shows the last six years delinquency rates by fiscal year for CFD No. 4.

CFD No. 4 – TABLE 4				
Delinquency History				
Fiscal Year	Amount Levied	Delinquent Amount	Delinquency As of June 30	
05/06	\$ 183,265	\$ -	0.00%	
06/07	\$ 640,722	\$ -	0.00%	
07/08	\$ 749,290	\$ 3,231	0.43%	
08/09	\$ 980,404	\$ 3,645	0.37%	
09/10	\$ 1,024,328	\$ 12,725	1.24%	
10/11	\$ 1,053,606	\$ 39,536	3.75%	

COMMUNITY FACILITIES DISTRICT No. 5

On June 26, 2007 the City Council of the City of Brentwood, through Resolution No. 2007-152, established Community Facilities District No. 5 (CFD No. 5). A notice of special tax lien was recorded at the County Recorder's office. The special tax lien for CFD No. 5 is a continuing lien which shall continue in force and effect until the special tax obligation is either permanently satisfied on June 30, 2107 or is cancelled by City Council at an earlier date. In compliance with the proceedings governing the formation of CFD No. 5, the special tax has been levied on each taxable parcel within the District according to the provisions of the Rate and Method of Apportionment of Special Taxes. The Rate and Method of Apportionment of Special Taxes is available from the City Clerk.

Currently CFD No. 5 consists of 28 taxable single family residential parcels, 7 taxable rural single family residential parcels and 19.76 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2010.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 5, and all annexations to date, can be found on page 23.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and services which may be financed by CFD No. 5 are described below.

i. Facilities

a. Public Protection and Safety Facilities

- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of public protection and safety facilities, including but not limited to Emergency Operations Center, Dispatch Center and Mobile Command Center, together with all associated costs including, but not limited to, professional services, title reports and appraisals.
- Construction and/or acquisition of public protection and safety facilities, including, but not limited to, design, construction, administration, equipment, furnishings, and all incidental costs necessary to provide said facilities and public protection and safety services and programs throughout the City.

b. Governmental and Community Facilities

- Governmental and Community Facilities which the City of Brentwood is authorized by law to contribute revenue to, construct, own or operate, including, but not limited to, Community and Cultural Centers, Libraries, Joint Use School Facilities and Downtown Brentwood Infrastructure. This may include the expansion, rehabilitation and/or upgrade of existing facilities.
- Acquisition of lands, easements and rights-of-way needed for the construction and/or acquisition of governmental and community facilities, together with all associated costs including, but not limited to, professional services, title reports and appraisals.

- Construction and/or acquisition of governmental and community facilities, including, but not limited to, design, construction, administration, equipment, furnishings, and all incidental costs necessary to provide said facilities for conducting community and/or joint use programs and services throughout the City.
 - c. Flood and Storm Drainage Facilities
 - Acquisition of lands, easements and rights-of-way needed for the construction, acquisition and/or modification of flood and storm drainage facilities, together with all associated costs including, but not limited to, professional services, title reports and appraisals.
 - Construction, acquisition and/or modification of flood and storm drainage facilities, including, but not limited to, design, construction, administration and equipment together with all other miscellaneous costs necessary for compliance with local, state and federal regulations.
 - d. Roadway Construction and Rehabilitation of Facilities
 - Acquisition of lands, easements and rights-of-way needed for the purposes of roadway construction, modification, rehabilitation and/or widening, together with all associated costs including, but not limited to, professional services, title reports and appraisals.
 - Construction, modification, rehabilitation and/or widening of roadways, including, but not limited to pavement, curb, gutter, sidewalk and pavement sealing, necessary to repair, improve and extend the life of the roadway.
 - e. Undergrounding of Utility Transmission and Distribution Facilities.
 - Acquisition of lands, easements and rights-of-way needed for the undergrounding of utility transmission and distribution facilities, together with all associated costs including, but not limited to, professional services, title reports and appraisals.
 - Undergrounding of utility transmission and distribution facilities, including construction, equipment, furnishings and all incidental costs related thereto.
- ii. **Services**
- a. Public Safety Services
 - Public protection and safety personnel salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal operation of these types of services and the employment of the necessary personnel.
 - b. Joint Use School Site Services
 - Maintenance of joint use school/park facilities and structures between the City and the School Districts within the City of Brentwood which includes, but is not limited to, elementary and secondary school/park sites and structures servicing the residents of the City of Brentwood. Such services shall only be those necessary for the City's share of the general public use of the joint use school park facilities and structures, and shall not include any costs associated with school use or maintenance.

- Personnel salaries, benefits and other associated operation and maintenance costs which are needed for the daily activities and normal operation of these types of services and programs and the employment of the necessary personnel.
- c. Flood and Storm Drainage Services
- Maintenance, operation and inspection for regulatory compliance of flood and storm drainage improvements owned or otherwise controlled by the City of Brentwood.
 - Salaries, benefits and other associated operation, maintenance and regulatory compliance inspection costs which are needed for the daily activities and normal employment of these types of personnel.

C. REVENUES AND EXPENDITURES

A statement showing the revenues and expenditures of special tax funds for CFD No. 5 for FY 2010/11 is presented below in CFD No. 5 – Table 1. Per Section 53343.1 of the California Government Code, monies expended for facilities include an identification of the categories of each type of facility funded, and the total percentage of the cost of each type of facility funded with either bond proceeds or special taxes. For monies expended for services, the table includes an identification of each type of service funded with amounts expended in each category, including a total percentage of the cost of each type of service funded with either bond proceeds or special taxes. For monies expended for other administrative costs, each of the costs is identified.

CFD No. 5 – TABLE 1			
Revenues and Expenditures			
Fund Balance July 1, 2010		\$	8,766
Revenues			
Annual CFD Special Tax		\$	110,439
Interest			292
	Total Revenues	\$	110,731
Expenditures			Comments
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services		105,000	100% from Special Taxes
Costs of Bonded Indebtedness			
Continuing Disclosure and Corporate Services		276	100% from Special Taxes
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration		288	100% from Special Taxes
Administration			
CFD Special Tax Administration		5,844	100% from Special Taxes
Investment Administration		11	100% from Special Taxes
	Administration Subtotal	5,855	
	Total Expenditures	\$	111,419
Fund Balance June 30, 2011		\$	8,078

i. Revenues

a. Special Tax Levy for FY 2010/11

- The maximum special tax rate has been increased each year since FY 2006/07. The special tax rate levied each year since FY 2006/07 has been at the maximum rate. Please see CFD No. 5 – Table 2 below for the FY 2010/11 tax rate calculations for each parcel classification.

CFD No. 5 – TABLE 2 Special Tax Revenue Summary - FY 2010/11					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$689.21/residence	\$689.21/residence	28	-	\$ 19,298
Condominium	\$516.90/residence	\$516.90/residence	-	-	-
Multi-Family	\$344.60/unit	\$344.60/unit	-	-	-
Commercial	\$4,369.38/acre	\$4,369.38/acre	-	19.76	86,317
Industrial	\$4,369.38/acre	\$4,369.38/acre	-	-	-
Rural	\$689.21/residence	\$689.21/residence	7	-	4,824
Institutional	\$4,369.38/acre	\$4,369.38/acre	-	-	-
			35	19.76	\$ 110,439

ii. Expenditures

- Aside from the minor expenses associated with the costs of collecting the special tax and the administration of the CFD, the funds in CFD No. 5 were expended on Public Safety Services.

D. SPECIAL TAX ROLL

A list of each parcel within the boundaries of CFD No. 5 upon which the special tax has been levied for FY 2010/11 may be requested through the City Clerk.

E. DELINQUENCY RATES

Each year the special taxes are levied and due concurrently with general ad-valorem property taxes (December and April respectively). If the special taxes are not paid by these deadlines, they are considered delinquent. CFD No. 5 – Table 3 below shows the last six years delinquency rates by fiscal year for CFD No. 5.

CFD No. 5 – TABLE 3 Delinquency History				
Fiscal Year	Amount Levied	Delinquent Amount	Delinquency As of June 30	
05/06	\$ -	\$ -	0.00%	
06/07	\$ -	\$ -	0.00%	
07/08	\$ -	\$ -	0.00%	
08/09	\$ 48,221	\$ -	0.00%	
09/10	\$ 87,327	\$ 2,326	2.66%	
10/11	\$ 110,439	\$ 23,180	20.99%	

BONDED INDEBTEDNESS

On October 16, 2009, the Brentwood Infrastructure Financing Authority (“Authority”) issued \$48,000,000 in Civic Center Project Lease Revenue Bonds, Series 2009A \$4,055,000 and Taxable Series 2009B \$43,945,000 to finance the construction of a new City Hall, new Community Center, new Senior Center, plus library improvements and other public capital improvements of which \$20,210,526 is the Community Facility Districts portion. Total annual debt service payments from the CFD’s, including interest at 3.00 percent to 7.647 percent (prior to Federal interest rebates relating to the 2009B portion of the bonds as described below), range from \$1,318,306 to \$1,831,665.

The Civic Center Project Lease Revenue Bonds, Series 2009A&B, are secured by a lien on and pledge of revenues under the Trust Agreement. “Revenues” means all amounts received by the Trustee as payment on principal and interest. The City’s revenue sources, as described in the Official Statement, are from the Brentwood Redevelopment Agency which has pledged payments pursuant to the reimbursement agreement, pledged payments from the Community Facilities Districts (CFD) local obligations and pledged payments from the CIFP revenues. However, should these revenue sources not be sufficient to cover the principal and interest payments due in any year, the City is obligated under the facilities lease to pay such shortfall from the General Fund. Payments on the Civic Center 2009 Bonds begin in 2012.

The taxable portion of the 2009B bonds were sold as “Build America Bonds” pursuant to the American Recovery and Reinvestment Act of 2009. The interest on Build America Bonds is not tax-exempt and therefore the bonds carry a higher interest rate. However, this higher interest rate will be offset by a subsidy payable by the United States Treasury to the Authority or its designee equal to 35 percent of the interest payable on the bonds. Such subsidy will be payable on or about the date the City makes its debt service payments and the total subsidy received in fiscal year 2010/11 was \$1,128,822. The CFD portion was \$475,293.

A. FACILITIES FINANCED BY THE DISTRICTS

- i. Brentwood Senior Activity Center** - The development and construction of the Brentwood Senior Activity Center, an approximately 8,375 sq. ft. facility directly south of the Aquatic Center. This facility provides three meeting/classroom spaces, a large kitchen, a multi-purpose space of approximately 3,400 sq. ft., parking, a bus turnout, including a bus shelter on Balfour Road, landscaping, lighting and an art element. The project was completed in January 2009.
- ii. Brentwood Community Center** - Construction of a 32,000 sq. ft., two story Community Center with a maximum 30-ft. height. The Community Center includes expanded services and offerings including space for art, multi-purpose rooms, banquet facilities, catering kitchen, activity rooms, exercise rooms, and exterior event spaces. All new structures are designed to meet the LEED Certified-level standard of the USGBC. The project is a work in progress.
- iii. Relocation of the Existing Library** - In order to construct the Civic Center, the existing library was relocated. Phase One of the project consisted of building an interim library in the 104 Oak Street portion of the City Hall annex building and consolidating staff in the remaining portion of the building. The first phase of this project was completed in June 2009. The second phase will be started in 2012.

B. BOND PROCEEDS AND STATUS OF CONSTRUCTION

The current status of these facilities is shown below.

CFD Bond Proceeds & Status of Construction of the Facilities					
	CIP Project Library Relocation Phase I 337-37194	CIP Project Brentwood Senior Activity Center 522-52280	CIP Project Community Center 337-37195	TOTALS	
Cost of Project	\$ 1,149,706	\$ 5,018,755	\$ 15,443,961	\$ 21,612,423	
Funding Sources					
CIP Transfers - CFD No. 3 Bond Proceeds	\$ -	\$ 1,823,742	\$ 3,925,948	\$ 5,749,690	
CIP Transfers - CFD No. 4 Bond Proceeds	91,704	2,875,971	-	2,967,675	
CIP Transfers - CFD No. 5 Bond Proceeds	908,296	-	-	908,296	
CIP Transfers - CFD No. 3 Cash	-	16,728	-	16,728	
CIP Transfers - CFD No. 4 Cash	149,706	2,027	-	151,734	
CIP Transfers - CFD No. 5 Cash	-	-	-	-	
Totals	\$ 1,149,706	\$ 4,718,467	\$ 3,925,948	\$ 9,794,122	
Total % of Project Cost by Funding Source					
CIP Transfers - CFD Bond Proceeds	86.98%	93.64%	25.42%	44.54%	
CIP Transfers - CFD Cash	13.02%	0.37%	0.00%	0.78%	
Total % of CFD Funding	100.00%	94.02%	25.42%	45.32%	
Percentage Complete	100%	100%	57%		
Completion Date	June 2009	January 2009	January 2012		

C. DEBT SERVICE

The debt service obligations for each CFD are shown below.

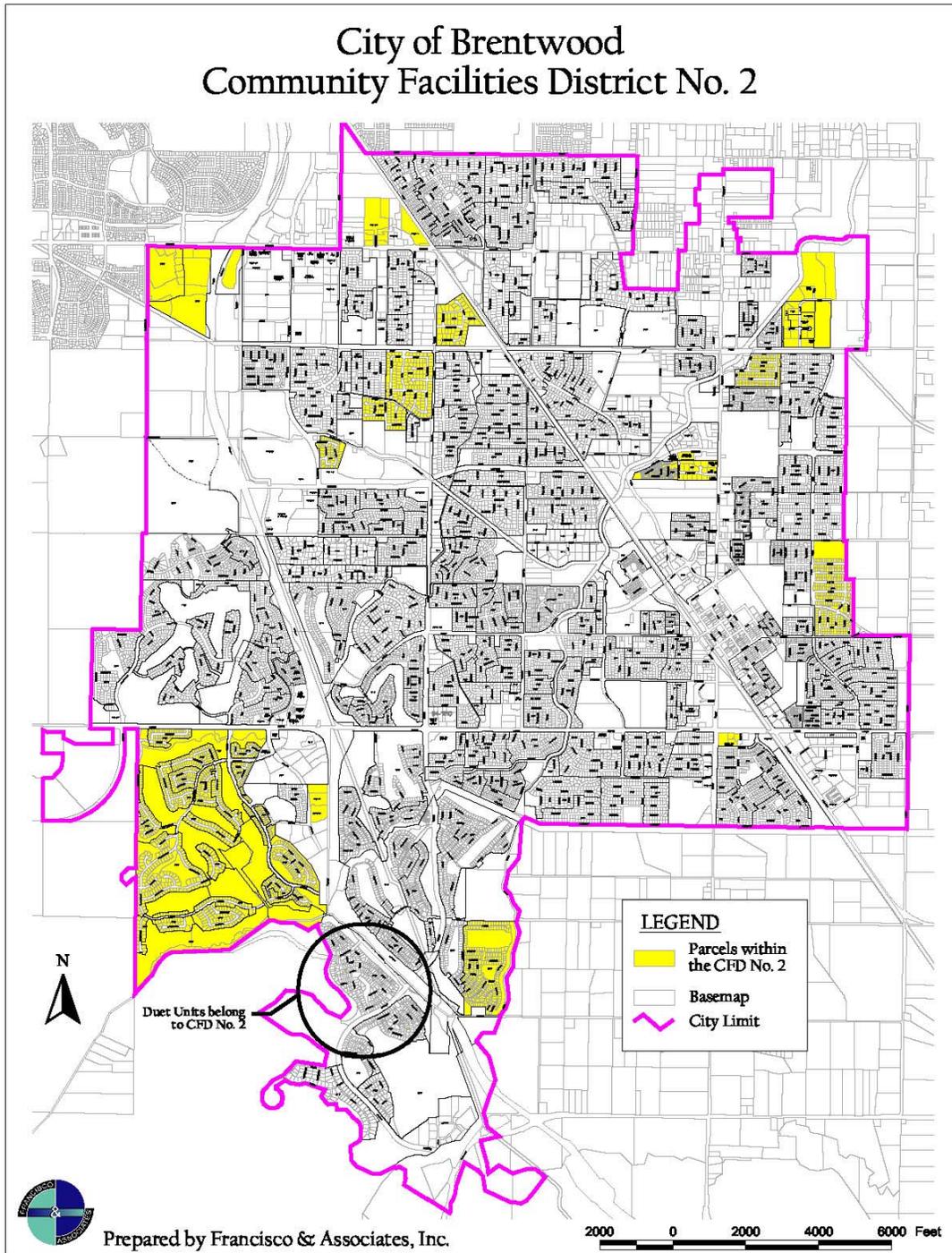
CFD No. 3 Debt Service Obligations			
Year Ending June 30	Principal	Interest	Total
2012	\$ -	\$ 1,081,912	\$ 1,081,912
2013	200,371	1,078,907	1,279,278
2014	206,784	1,072,799	1,279,583
2015	213,195	1,065,434	1,278,629
2016	333,419	1,054,501	1,387,920
2017-2021	1,877,082	4,992,529	6,869,611
2022-2026	2,306,678	4,320,278	6,626,956
2027-2031	2,899,779	3,375,026	6,274,805
2032-2036	3,685,235	1,993,386	5,678,621
2037-2040	3,666,000	717,825	4,383,825
Total	\$ 15,388,543	\$ 20,752,597	\$ 36,141,140

CFD No. 4 Debt Service Obligations			
Year Ending June 30	Principal	Interest	Total
2012	\$ -	\$ 259,571	\$ 259,571
2013	48,073	258,850	306,923
2014	49,611	257,385	306,996
2015	51,150	255,617	306,767
2016	79,993	252,995	332,988
2017-2021	450,347	1,197,801	1,648,148
2022-2026	553,415	1,036,515	1,589,930
2027-2031	695,711	809,732	1,505,443
2032-2036	884,157	478,250	1,362,407
2037-2040	879,542	172,220	1,051,762
Total	<u>\$ 3,691,999</u>	<u>\$ 4,978,936</u>	<u>\$ 8,670,935</u>

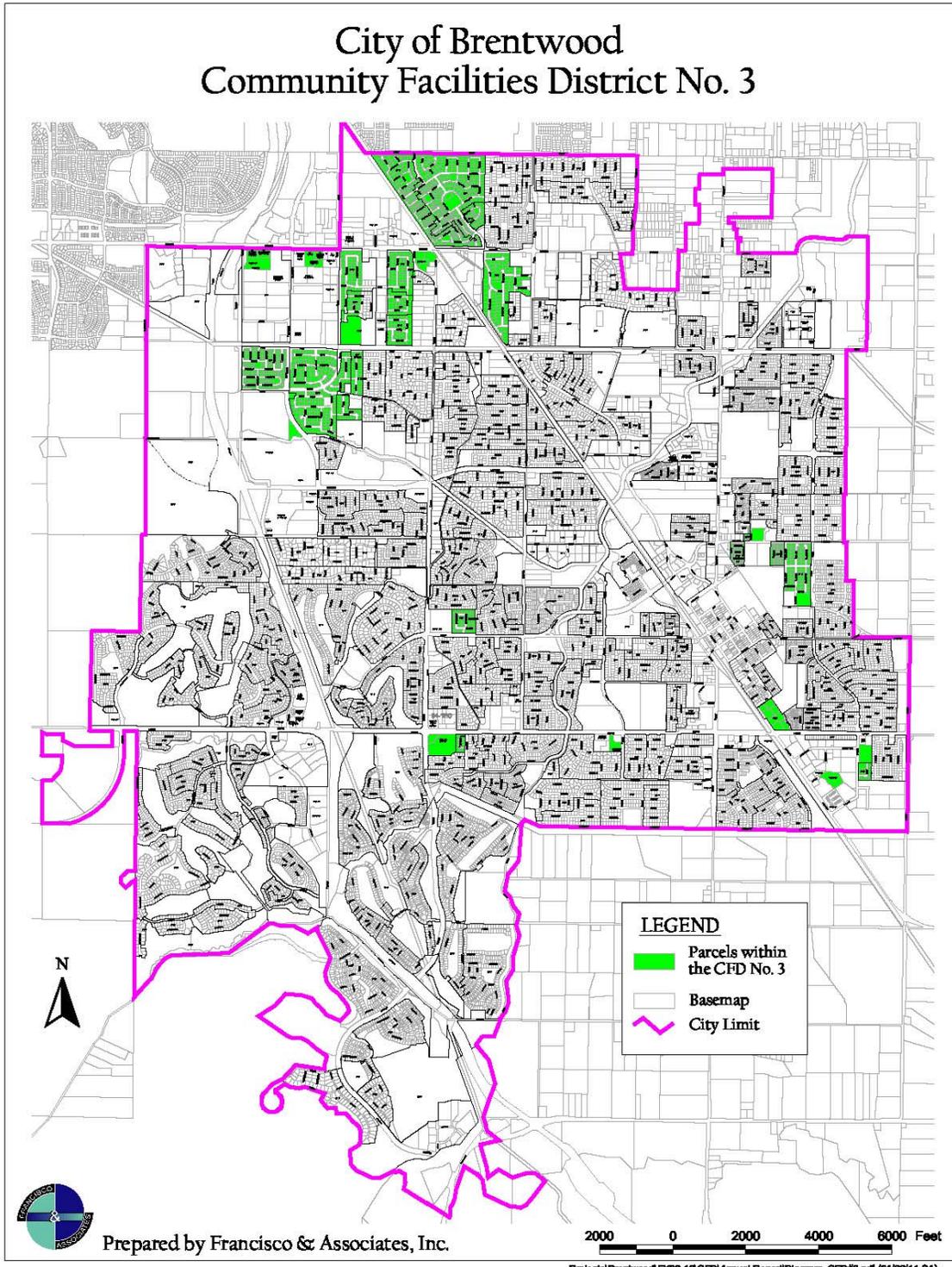
CFD No. 5 Debt Service Obligations			
Year Ending June 30	Principal	Interest	Total
2012	\$ -	\$ 79,445	\$ 79,445
2013	14,713	79,224	93,937
2014	15,184	78,776	93,960
2015	15,655	78,235	93,890
2016	24,483	77,432	101,915
2017-2021	137,835	366,603	504,438
2022-2026	169,380	317,239	486,619
2027-2031	212,931	247,829	460,760
2032-2036	270,608	146,375	416,983
2037-2040	269,195	52,710	321,905
Total	<u>\$ 1,129,984</u>	<u>\$ 1,523,868</u>	<u>\$ 2,653,852</u>

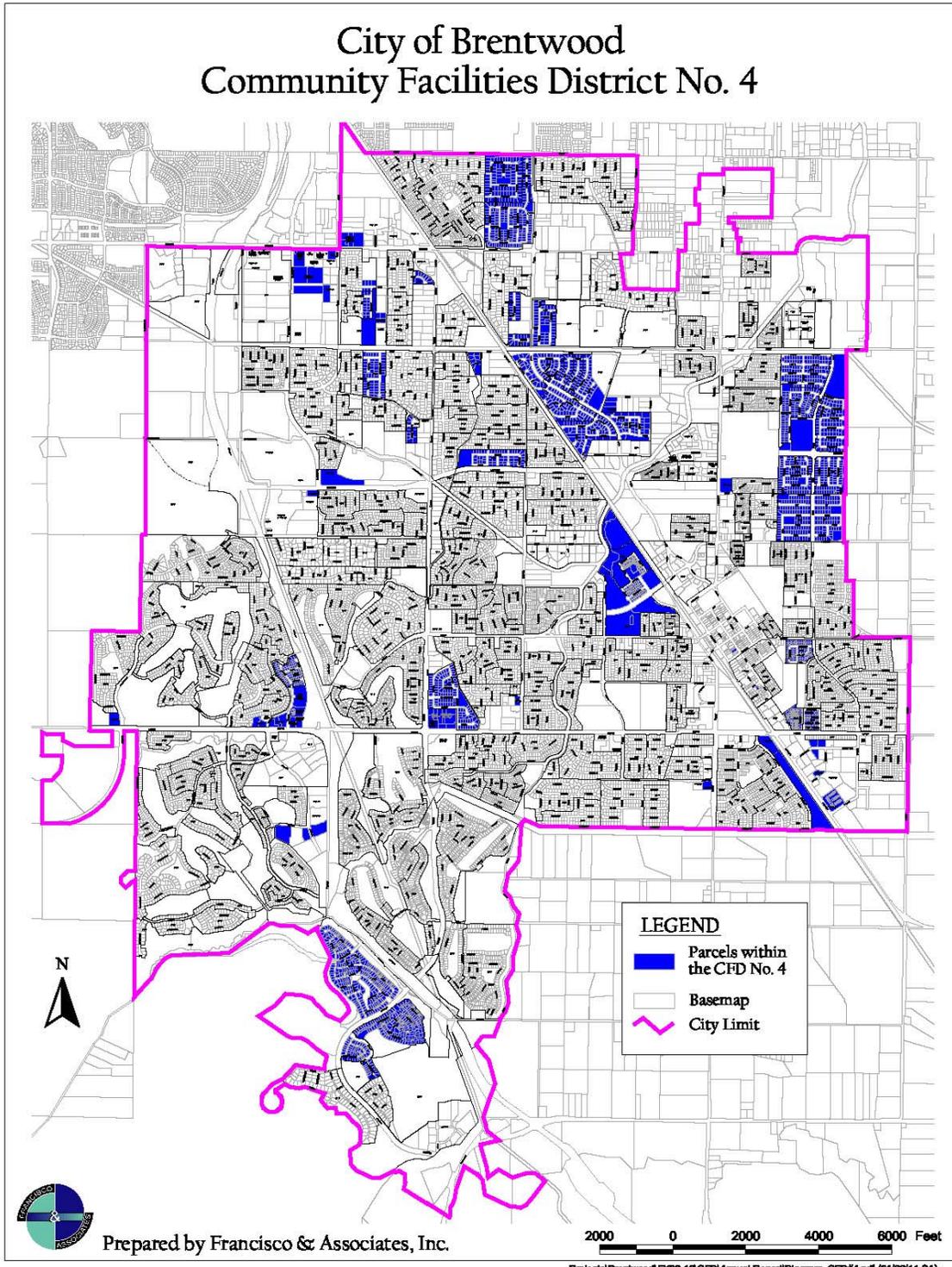
CFD BOUNDARY DIAGRAMS

Following are boundary diagrams for each of the CFDs:



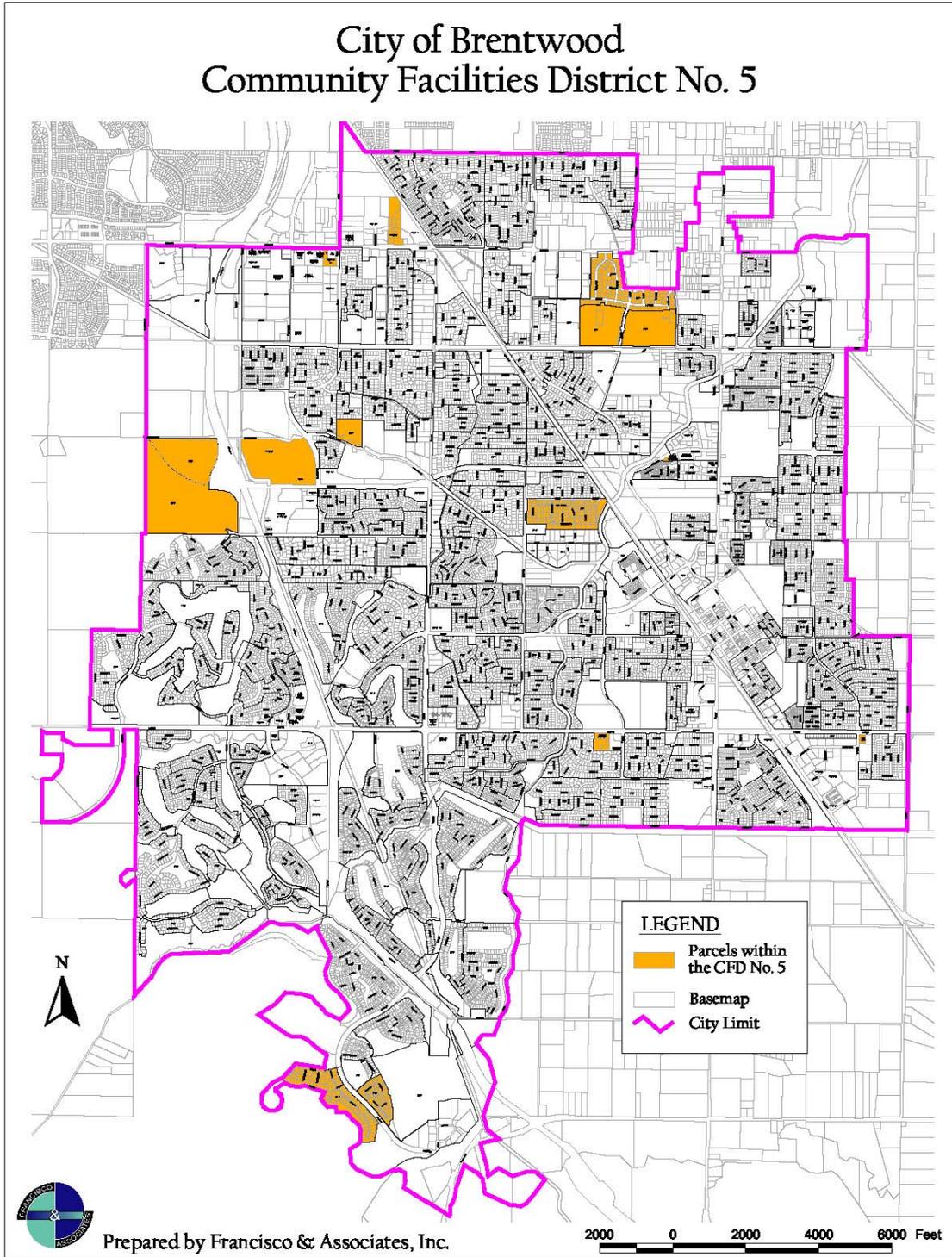
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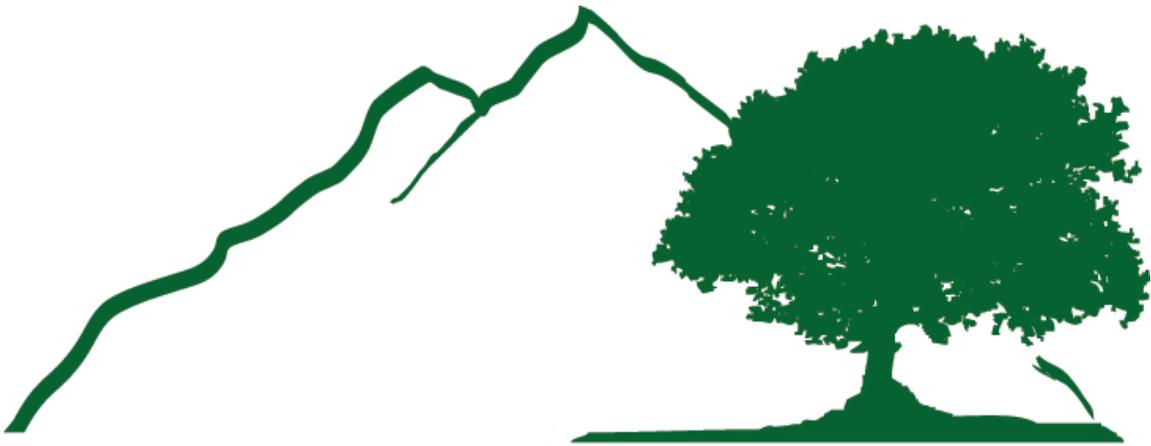




Prepared by Francisco & Associates, Inc.

City of Brentwood Community Facilities District No. 5





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