

CITY OF BRENTWOOD

150 CITY PARK WAY
BRENTWOOD, CA 94513



COMBINED COMMUNITY FACILITIES DISTRICT ANNUAL REPORT FOR SPECIAL TAXES LEVIED

FISCAL YEAR 2012/13





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 the many Brentwood “Parks and Trails.”*

COVER: Shown on the cover is the colorful play structure at Sungold Park. Near Sungold Park is the Minnesota Trail.



LIST OF PRINCIPAL OFFICIALS

(As of June 30, 2013)

City Officials

Robert Taylor Mayor
Joel Bryant Vice-Mayor
Steve Barr Council Member
Gene Clare Council Member
Erick Stonebarger Council Member

Executive Team

Paul R. Eldredge City Manager
Damien Brower City Attorney
Craig Bronzan Director of Parks and Recreation
Karen Chew Assistant City Manager
Pamela Ehler City Treasurer / Director of Finance and Information Systems
Mark Evenson Chief of Police
Bailey Grewal Director of Public Works / City Engineer
Casey McCann Director of Community Development



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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 summarized below and described in detail within each of the CFD sections.

FACILITIES	CFD No. 2	CFD No. 3	CFD No. 4	CFD No. 5
Open Space	X	X		
Police		X		
Public Protection & Safety				X
Flood & Storm Drainage		X	X	X
Governmental & Community				X
Joint Use Schools		X	X	X
Library			X	X
Roadway			X	X
Utility Undergrounding			X	X

SERVICES	CFD No. 2	CFD No. 3	CFD No. 4	CFD No. 5
Open Space	X	X	X	
Public Protection & Safety	X	X	X	X
Flood & Storm Drainage	X	X	X	X
Joint Use School/Park		X	X	X

This FY 2012/13 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 proactive 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.



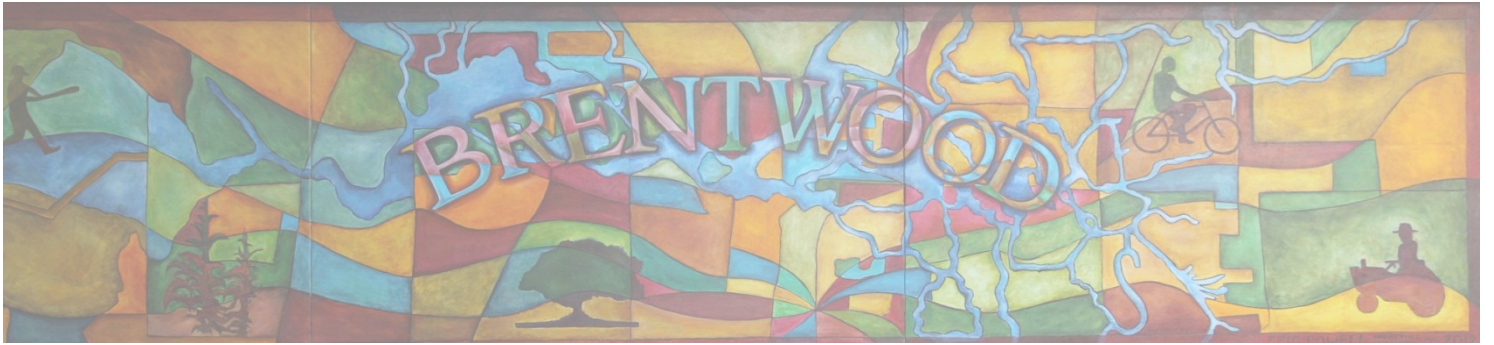
- (e) For moneys expended for facilities, including property, an identification of the categories of each type of facility funded with amounts expended in each category, including the total percentage of the cost of each type of facility that was funded with bond proceeds or special taxes.
- (f) For 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.

A summary of the revenue and expenditures for each of the four CFDs is summarized below and are described in detail within each of the CFD sections.

Revenues and Expenditures Summary					
	CFD No. 2	CFD No. 3	CFD No. 4	CFD No. 5	Total
Fund Balance July 1, 2012	\$ 5,005	\$ 52,801	\$ 38,193	\$ 21,383	\$ 117,382
Revenues					
Annual CFD Special Tax	\$ 559,578	\$ 1,341,381	\$ 1,185,368	\$ 198,905	\$ 3,285,232
Interest	-	795	244	12	1,051
Other	-	6,983	-	-	6,983
Total Revenues	\$ 559,578	\$ 1,349,159	\$ 1,185,612	\$ 198,917	\$ 3,293,266
Expenditures					
Facilities	\$ -	\$ -	\$ -	\$ -	\$ -
Services					
Transfer to General Fund - Public Safety Services	558,000	1,334,469	1,179,672	178,763	3,250,904
Costs of Collecting the Special Tax					
Contra Costa County Property Tax Administration	2,035	1,607	1,345	359	5,346
Administration					
CFD Special Tax Administration	4,532	9,136	9,268	2,180	25,116
Investment Administration	-	76	39	20	135
Administration Subtotal	4,532	9,212	9,307	2,200	25,251
Total Expenditures	\$ 564,567	\$ 1,345,288	\$ 1,190,324	\$ 181,322	\$ 3,281,501
Fund Balance June 30, 2013	\$ 16	\$ 56,672	\$ 33,481	\$ 38,978	\$ 129,147



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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, 2013, CFD No. 2 consisted of 1,931 taxable single family residential parcels, 120 residential condominium parcels and 100.57 acres of taxable non-residential property. Parcels became taxable if a building permit was issued prior to January 1, 2012.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 2 can be found on page 27.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and 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 2012/13 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, 2012		\$	5,005
Revenues			
Annual CFD Special Tax		\$	559,578
Interest			-
	Total Revenues	\$	559,578
Expenditures			Comments
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services		558,000	100% from Special Taxes
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration		2,035	100% from Special Taxes
Administration			
CFD Special Tax Administration		4,532	100% from Special Taxes
	Administration Subtotal		4,532
	Total Expenditures	\$	564,567
Fund Balance June 30, 2013		\$	16

i. Revenues

a. Special Tax Levy for FY 2012/13

- 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 on the following page outlines the FY 2012/13 tax rate calculations and the revenue by parcel classification.



CFD No. 2 – TABLE 2					
Special Tax Revenue Summary for FY 2012/13					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$213/residence	\$213/residence	1,931	-	\$ 411,728
Condominium	\$160/residence	\$160/residence	120	-	19,190
Multi-Family	\$107/unit	\$107/unit	-	-	-
Commercial	\$1,279/acre	\$1,279/acre	-	64.47	82,477
Industrial	\$1,279/acre	\$1,279/acre	-	31.62	40,452
Rural	\$213/residence	\$213/residence	-	-	-
Institutional	\$1,279/acre	\$1,279/acre	-	4.48	5,731
			2,051	100.57	\$ 559,578

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.

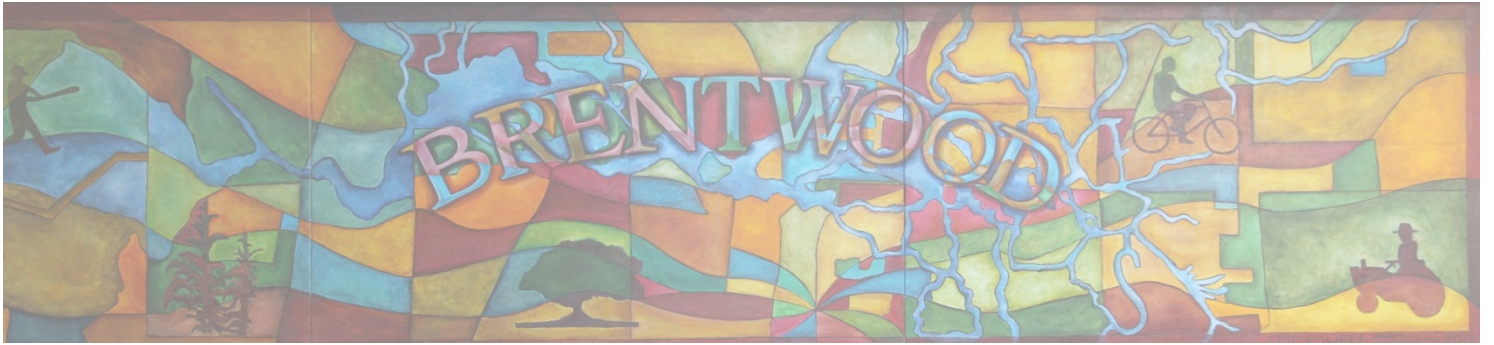
D. SPECIAL TAX ROLL

A list of each parcel within the boundaries of CFD No. 2 upon which the special tax has been levied for FY 2012/13 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 eight 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%	
11/12	\$ 555,145	\$ 25,802	4.65%	
12/13	\$ 559,578	\$ 16,338	2.92%	



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, 2013, CFD No. 3 consisted of 1,578 taxable single family residential parcels, 1 taxable rural single family residential parcels, 120 taxable multi-family residential units and 35.98 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2012.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 3 can be found on page 28.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and 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 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 worker, volunteer 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 2012/13 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, 2012	\$ 52,801	
Revenues		
Annual CFD Special Tax	\$ 1,341,381	
Interest	795	
Other	6,983	
Total Revenues	\$ 1,349,159	
Expenditures		Comments
Facilities	\$ -	
Services		
Transfer to General Fund - Public Safety Services	1,334,469	100% from Special Taxes
Costs of Collecting the Special Tax		
Contra Costa County Property Tax Administration	1,607	100% from Special Taxes
Administration		
CFD Special Tax Administration	9,136	100% from Special Taxes
Investment Administration	76	100% from Special Taxes
Administration Subtotal	9,212	
Total Expenditures	\$ 1,345,288	
Fund Balance June 30, 2013	\$ 56,672	

i. Revenues

a. Special Tax Levy for FY 2012/13

- 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 2012/13 tax rate calculations and the revenue by parcel classification.

CFD No. 3 – TABLE 2					
Special Tax Revenue Summary for FY 2012/13					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$717/residence	\$717/residence	1,578	-	\$ 1,131,521
Condominium	\$538/residence	\$538/residence	-	-	-
Multi-Family	\$359/unit	\$359/unit	120	-	43,024
Commercial	\$4,617/acre	\$4,617/acre	-	34.67	160,071
Industrial	\$4,617/acre	\$4,617/acre	-	1.31	6,048
Rural	\$717/residence	\$717/residence	1	-	717
Institutional	\$4,617/acre	\$4,617/acre	-	-	-
			1,699	35.98	\$ 1,341,381

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 2012/13 may be requested through the City Clerk.

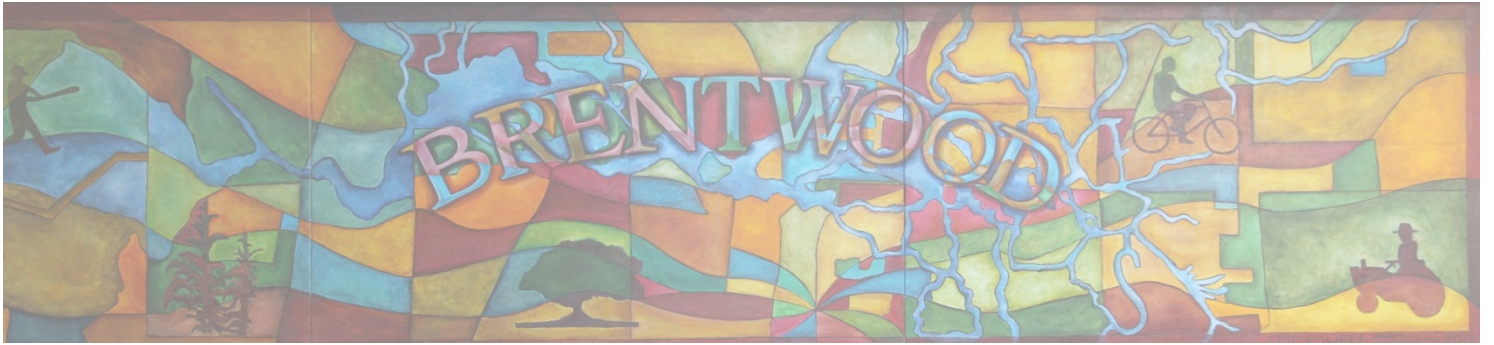
E. DELINQUENCY RATES

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 eight 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%
11/12	\$ 1,294,244	\$ 31,284	2.42%
12/13	\$ 1,341,381	\$ 30,787	2.30%



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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 either 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.

As of June 30, 2013, CFD No. 4 consisted of 1,158 taxable single family residential parcels, 49 taxable rural single family residential parcels, 284 taxable multi-family residential units and 47.24 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2012.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 4 can be found on page 29.

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.

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. 4 – Table 1 shows the FY 2012/13 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, 2012	\$ 38,193	
Revenues		
Annual CFD Special Tax for Facilities	\$ -	
Annual CFD Special Tax for Services	1,185,368	
Interest	244	
Total Revenues	\$ 1,185,612	
Expenditures		Comments
Facilities	\$ -	
Services		
Transfer to General Fund - Public Safety Services	1,179,672	100% from Special Taxes
Costs of Collecting the Special Tax		
Contra Costa County Property Tax Administration	1,345	100% from Special Taxes
Administration		
CFD Special Tax Administration	9,268	100% from Special Taxes
Investment Administration	39	100% from Special Taxes
Administration Subtotal	9,307	
Total Expenditures	\$ 1,190,324	
Fund Balance June 30, 2013	\$ 33,481	

i. Revenues

a. Special Tax Levy for FY 2012/13

- 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 2012/13 tax rate calculations and the revenue by parcel classification for services.



CFD No. 4 – TABLE 2					
Special Tax Revenue Summary for Services - FY 2012/13					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$842/residence	\$717/residence	1,158	-	\$ 830,332
Condominium	\$631/residence	\$538/residence	-	-	-
Multi-Family	\$421/unit	\$359/unit	284	-	101,821
Commercial	\$5,130/acre	\$4,617/acre	-	33.56	154,933
Industrial	\$5,130/acre	\$4,617/acre	-	8.21	37,892
Rural	\$842/residence	\$717/residence	49	-	35,135
Institutional	\$5,130/acre	\$4,617/acre	-	5.47	25,255
			1,491	47.24	\$ 1,185,368

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 2012/13 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 3 below shows the last eight years delinquency rates by fiscal year for CFD No. 4.

CFD No. 4 – TABLE 3				
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%	
11/12	\$ 1,128,423	\$ 31,346	2.78%	
12/13	\$ 1,185,368	\$ 24,992	2.11%	



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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.

As of June 30, 2013, CFD No. 5 consisted of 113 taxable single family residential parcels, 5 taxable rural single family residential parcels and 24.76 acres of taxable non-residential property. Parcels become taxable if a building permit was issued prior to January 1, 2012.

A. BOUNDARY MAP

A map showing the boundary diagram of CFD No. 5 can be found on page 30.

B. FACILITIES AND SERVICES FINANCED BY THE DISTRICT

The public facilities and/or 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 2012/13 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, 2012		\$	21,383
Revenues			
Annual CFD Special Tax		\$	198,905
Interest			12
Total Revenues		\$	198,917
Expenditures		Comments	
Facilities		\$	-
Services			
Transfer to General Fund - Public Safety Services		178,763	100% from Special Taxes
Costs of Collecting the Special Tax			
Contra Costa County Property Tax Administration		359	100% from Special Taxes
Administration			
CFD Special Tax Administration		2,180	100% from Special Taxes
Investment Administration		20	100% from Special Taxes
Administration Subtotal		2,200	
Total Expenditures		\$	181,322
Fund Balance June 30, 2013		\$	38,978

i. Revenues

a. Special Tax Levy for FY 2012/13

- 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 2012/13 tax rate calculations for each parcel classification.



CFD No. 5 – TABLE 2					
Special Tax Revenue Summary - FY 2012/13					
Parcel Classification	Maximum Rate	Levied Rate	Number of Taxable Residences/Units	Number of Taxable Acres	Total Revenue
Single Family	\$717/residence	\$717/residence	113	-	\$ 81,026
Condominium	\$538/residence	\$538/residence	-	-	-
Multi-Family	\$359/unit	\$359/unit	-	-	-
Commercial	\$4,617/acre	\$4,617/acre	-	24.76	114,294
Industrial	\$4,617/acre	\$4,617/acre	-	-	-
Rural	\$717/residence	\$717/residence	5	-	3,585
Institutional	\$4,617/acre	\$4,617/acre	-	-	-
			118	24.76	\$ 198,905

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 2012/13 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 eight 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%	
11/12	\$ 143,621	\$ 703	0.49%	
12/13	\$ 198,905	\$ 25,497	12.82%	



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BONDED INDEBTEDNESS

The Mello-Roos Community Facilities Act of 1982 allows local governments to establish Community Facilities Districts, which encompass areas to be served by proposed facilities or services. The CFDs have bonding and taxing authority, so that it can issue bonds to finance public facilities or services and the bonds will be repaid by a special tax levied by the CFD. Therefore, in a Mello-Roos bond financing, users of financed facilities pay for those facilities through the payment of a special tax. Mello-Roos bond financing provides some unique advantages to local government. Mello-Roos bond projects are initiated, approved and operated for and by the local community, so that only projects which are truly positive additions to the area will be done. Mello-Roos bond financing give local government a tool with which to promote appropriate development and to provide the infrastructure needed in developing areas. One of the most important advantages is that those who benefit from financed facilities and services actually pay for them.

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 and a 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, range from \$1,318,306 to \$1,831,665. This is prior to Federal interest rebates relating to the 2009B portion of the bonds and portions paid by Capital Improvement Financing Plan (CIFP) refinance savings as described below.

The taxable portion of the 2009B bonds were sold as “Build America Bonds” (BABs) pursuant to the American Recovery and Reinvestment Act of 2009. The interest on BABs 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 a subsidy will be payable on or about the date the City makes its debt service payments and the total subsidy received in fiscal year 2012/13 was \$1,128,822 which was allocated in entirety to the CFD’s.

Due to the Federal sequestration, certain local government refundable credits, including the BABs rebate, have been reduced beginning with refunds processed on or after March 1, 2013. Refunds processed from March 1, 2013 to September 30, 2013 have been reduced by 8.7% and those processed between October 1, 2013 and September 30, 2014 will be reduced by 7.2%. These reductions have been accounted for in the debt service obligation charts included in this report. Due to the uncertainty of the continuation of sequestration reductions, the debt service obligation charts assume the perpetuation of the current 7.2% reduction in the BABs rebate for the remainder of the debt service obligation.

The Civic Center Project Lease Revenue Bonds, Series 2009A&B (“Civic Center 2009 Bonds”), 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 are from the Successor Agency to the Brentwood Redevelopment Agency which has pledged future tax revenues for the repayment of a portion of the bonds, pledged payments from the 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. The terms of the Civic Center 2009 Bonds can be found in the



Official Statement located on the City website. Payments on the Civic Center 2009 Bonds begin in 2012; however, Federal interest rebates and the timing of CIFP debt service payments have delayed the onset of CFD debt service payments until 2016.

The City of Brentwood utilizes CIFP Bonds to assist in the funding of master-planned infrastructure. CIFP Bonds allow developers to prefund their development fees and facilitate the ability of the City to keep pace with the new infrastructure demands associated with development. As interest rates have dropped, the City has taken advantage of the market and refinanced a portion of the outstanding CIFP

bonds. The refinanced savings have been allocated to pay a portion of the CFD debt service obligations in CFD's 3, 4 and 5, as noted in the Debt Service Obligation schedules. The City is not obligated to transfer the CIFP savings for this specific purpose.

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 were designed to meet the LEED Certified-level standard of the USGBC.
- 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. Phase two of this project consists of an expansion of the Library, from 104 Oak Street into a portion of the offices at 118 and 120 Oak Street. The second phase began in 2013 with the preparation of a needs assessment and development alternatives which have been presented to and reviewed by City Council. City Council has agreed on the development alternative of a tear down of the three Oak Street buildings and the construction of a new library at an estimated cost of \$9.7 million. City staff has been instructed to work with the Finance Ad Hoc Subcommittee to review potential funding sources.



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	CIP Project Library Relocation Phase II 337-37222	TOTALS	
Project Budget	\$ 1,149,706	\$ 5,018,755	\$ 15,443,961	\$ 2,070,000	\$ 23,682,421	
Funding Sources						
CIP Transfers - CFD Bond Proceeds	\$ 1,000,000	\$ 4,699,712	\$ 2,941,635	\$ 2,070,000	\$ 10,711,347	
CIP Transfers - CFD No. 3 Cash	-	16,728	-	-	16,728	
CIP Transfers - CFD No. 4 Cash	149,706	2,027	-	-	151,733	
CIP Transfers - CFD No. 5 Cash	-	-	-	-	-	
Totals	\$ 1,149,706	\$ 4,718,467	\$ 2,941,635	\$ 2,070,000	\$ 10,879,808	
Total % of Project Cost by Funding Source						
CIP Transfers - CFD Bond Proceeds	86.98%	93.64%	19.05%	100.00%	45.22%	
CIP Transfers - CFD Cash	13.02%	0.37%	0.00%	0.00%	0.72%	
Total % of CFD Funding	100.00%	94.01%	19.05%	100.00%	45.94%	
Percentage Complete	100%	100%	100%	2%		
As of	June 2009	January 2009	January 2012	July 2013		

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	BABs	CIFP	Total	
2014	\$ 206,784	\$ 1,072,799	\$ (791,169)	\$ (488,414)	\$ -	
2015	213,195	1,065,434	(797,615)	(481,014)	-	
2016	333,419	1,054,501	(797,615)	-	590,305	
2017	346,242	1,040,908	(797,615)	-	589,535	
2018	360,669	1,022,875	(789,046)	-	594,498	
2019-2023	2,034,173	4,751,088	(3,664,988)	-	3,120,273	
2024-2028	2,519,874	3,977,231	(3,068,036)	-	3,429,069	
2029-2033	3,189,917	2,916,756	(2,249,986)	-	3,856,687	
2034-2038	4,061,934	1,541,436	(1,189,063)	-	4,414,307	
2039-2040	1,921,965	148,750	(114,745)	-	1,955,970	
Total	\$ 15,188,172	\$ 18,591,778	\$ (14,259,878)	\$ (969,428)	\$ 18,550,644	

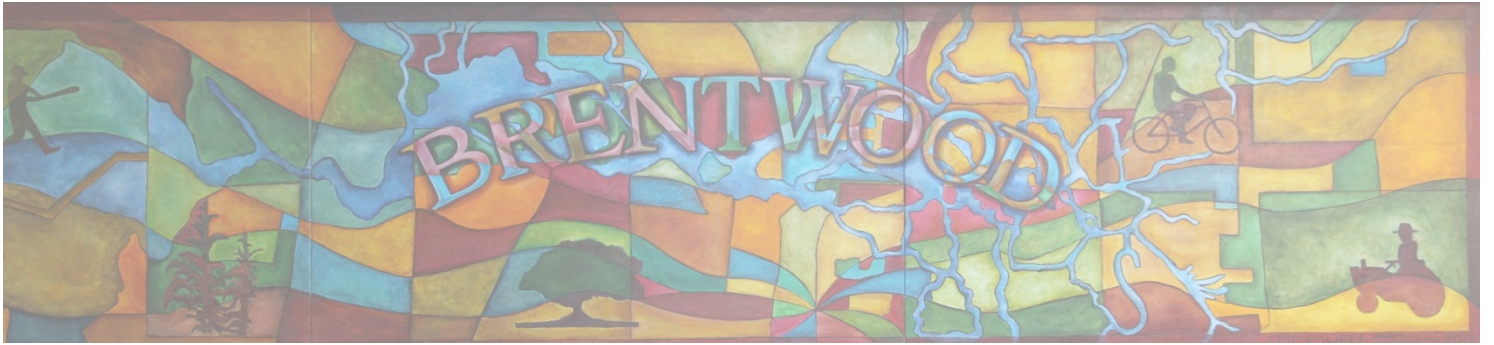


CFD No. 4					
Debt Service Obligations					
Year Ending June 30	Principal	Interest	BABs	CIFP	Total
2014	\$ 49,611	\$ 257,385	\$ (189,816)	\$ (117,180)	\$ -
2015	51,150	255,617	(191,363)	(115,404)	-
2016	79,993	252,995	(191,363)	-	141,625
2017	83,070	249,733	(191,363)	-	141,440
2018	86,531	245,407	(189,306)	-	142,632
2019-2023	488,036	1,139,874	(879,299)	-	748,611
2024-2028	604,565	954,212	(736,079)	-	822,698
2029-2033	765,320	699,784	(539,814)	-	925,290
2034-2038	974,534	369,819	(285,277)	-	1,059,076
2039-2040	461,115	35,688	(27,529)	-	469,274
Total	<u>\$ 3,643,925</u>	<u>\$ 4,460,514</u>	<u>\$ (3,421,209)</u>	<u>\$ (232,584)</u>	<u>\$ 4,450,646</u>

CFD No. 5					
Debt Service Obligations					
Year Ending June 30	Principal	Interest	BABs	CIFP	Total
2014	\$ 15,184	\$ 78,776	\$ (58,096)	\$ (35,864)	\$ -
2015	15,655	78,235	(58,569)	(35,321)	-
2016	24,483	77,432	(58,569)	-	43,346
2017	25,425	76,434	(58,569)	-	43,290
2018	26,484	75,110	(57,940)	-	43,654
2019-2023	149,370	348,874	(269,121)	-	229,123
2024-2028	185,035	292,049	(225,287)	-	251,797
2029-2033	234,236	214,178	(165,217)	-	283,197
2034-2038	298,269	113,188	(87,314)	-	324,143
2039-2040	141,130	10,923	(8,425)	-	143,628
Total	<u>\$ 1,115,271</u>	<u>\$ 1,365,199</u>	<u>\$ (1,047,107)</u>	<u>\$ (71,185)</u>	<u>\$ 1,362,178</u>

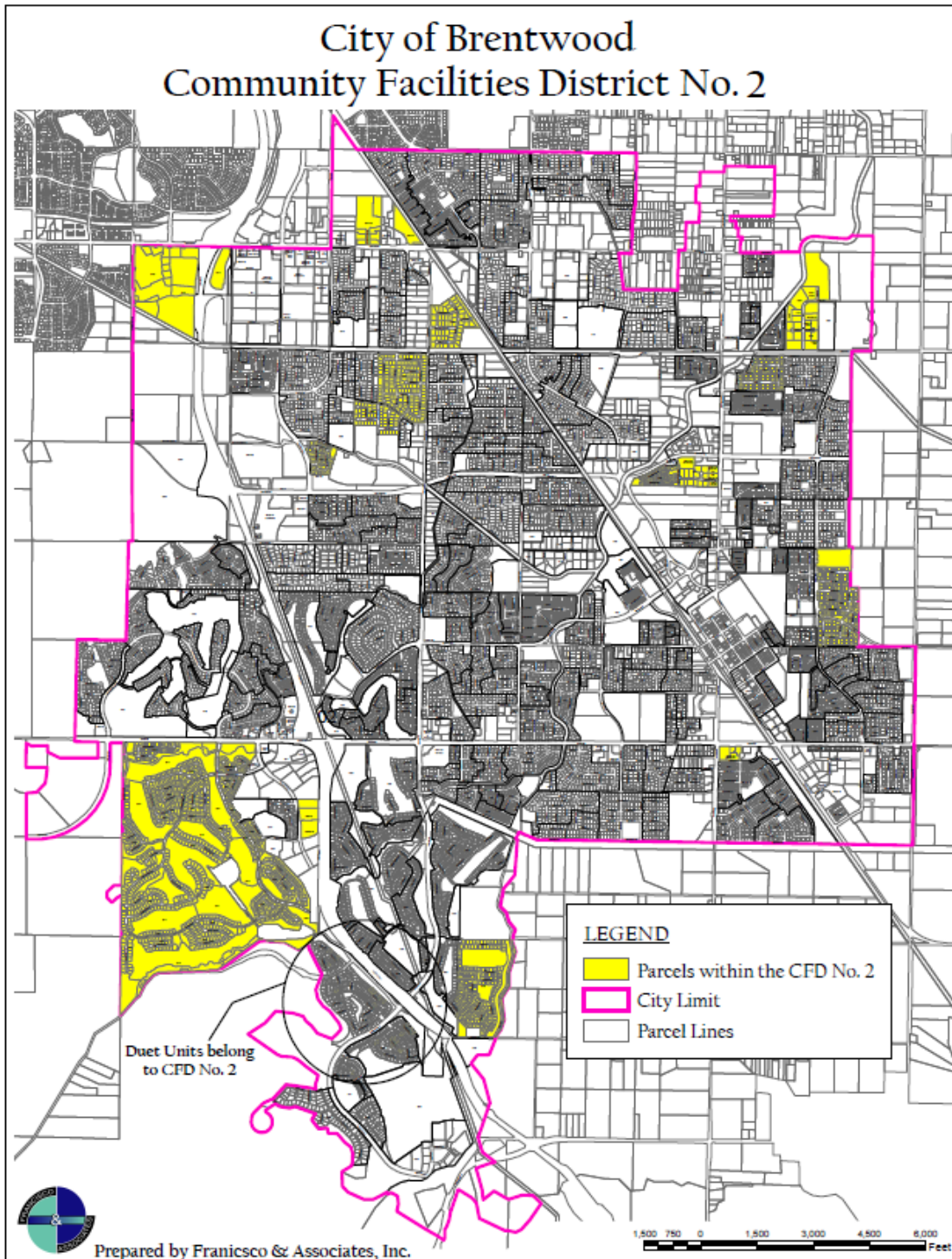


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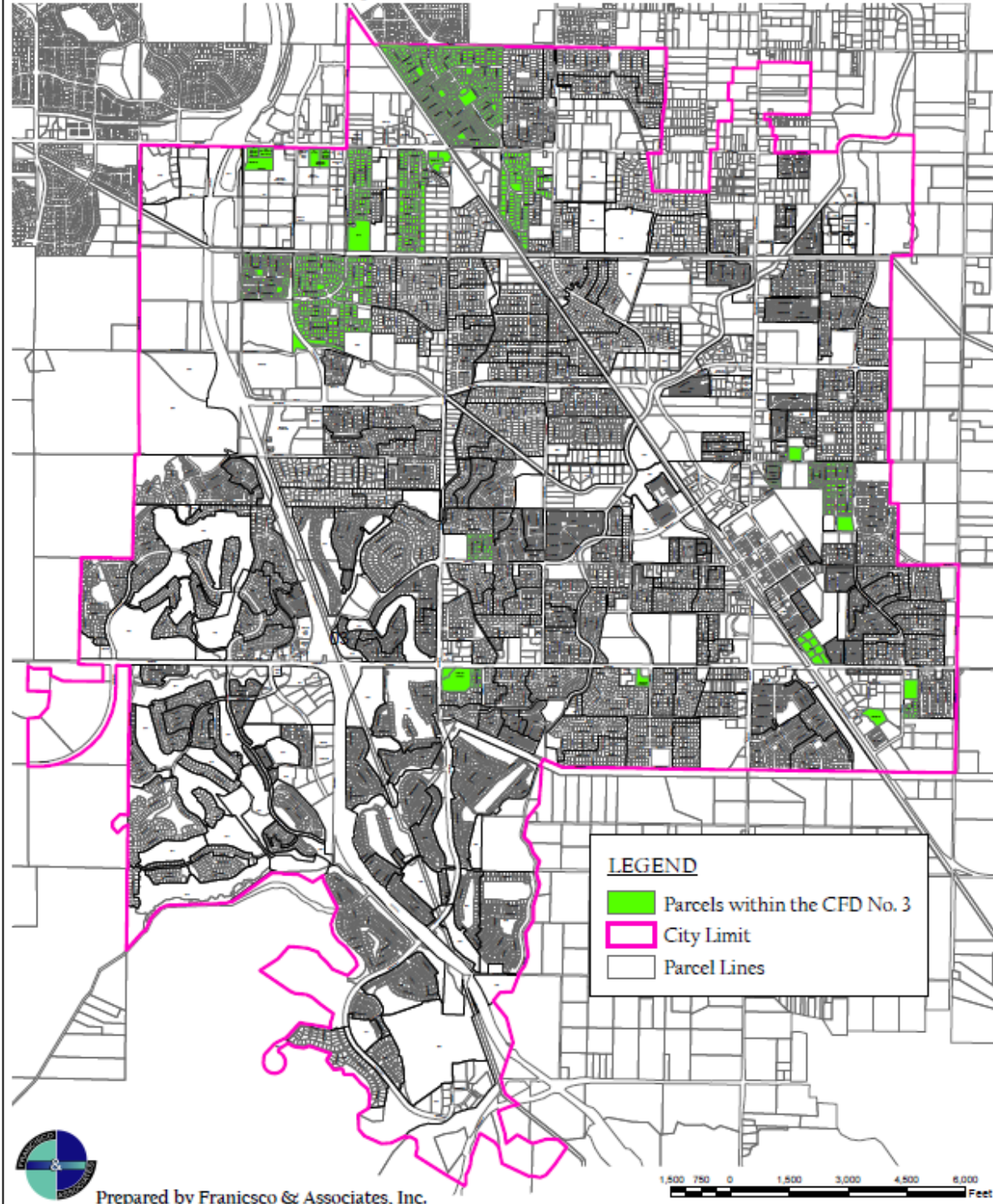


CFD BOUNDARY DIAGRAMS

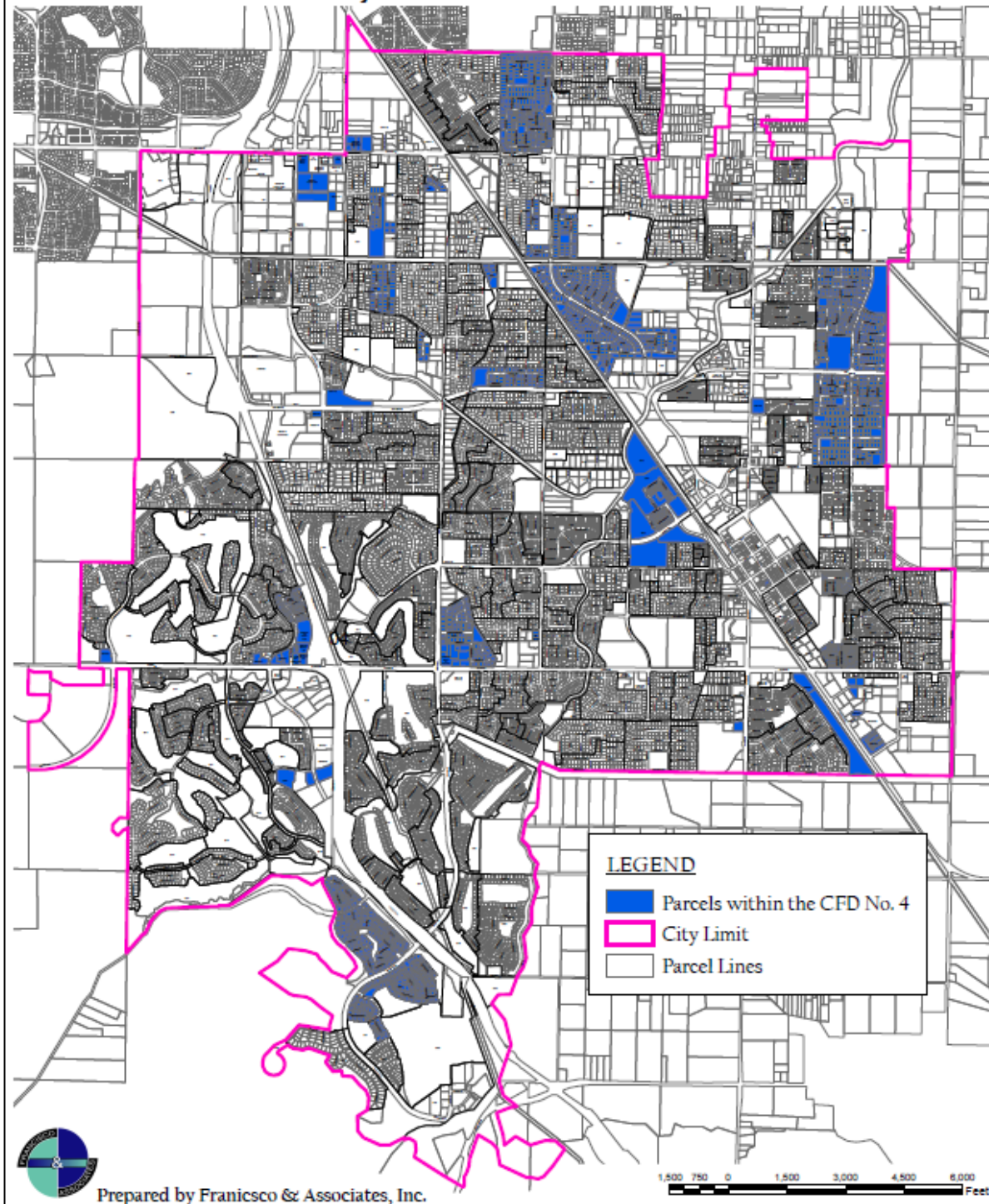
Following are boundary diagrams for each of the CFDs:

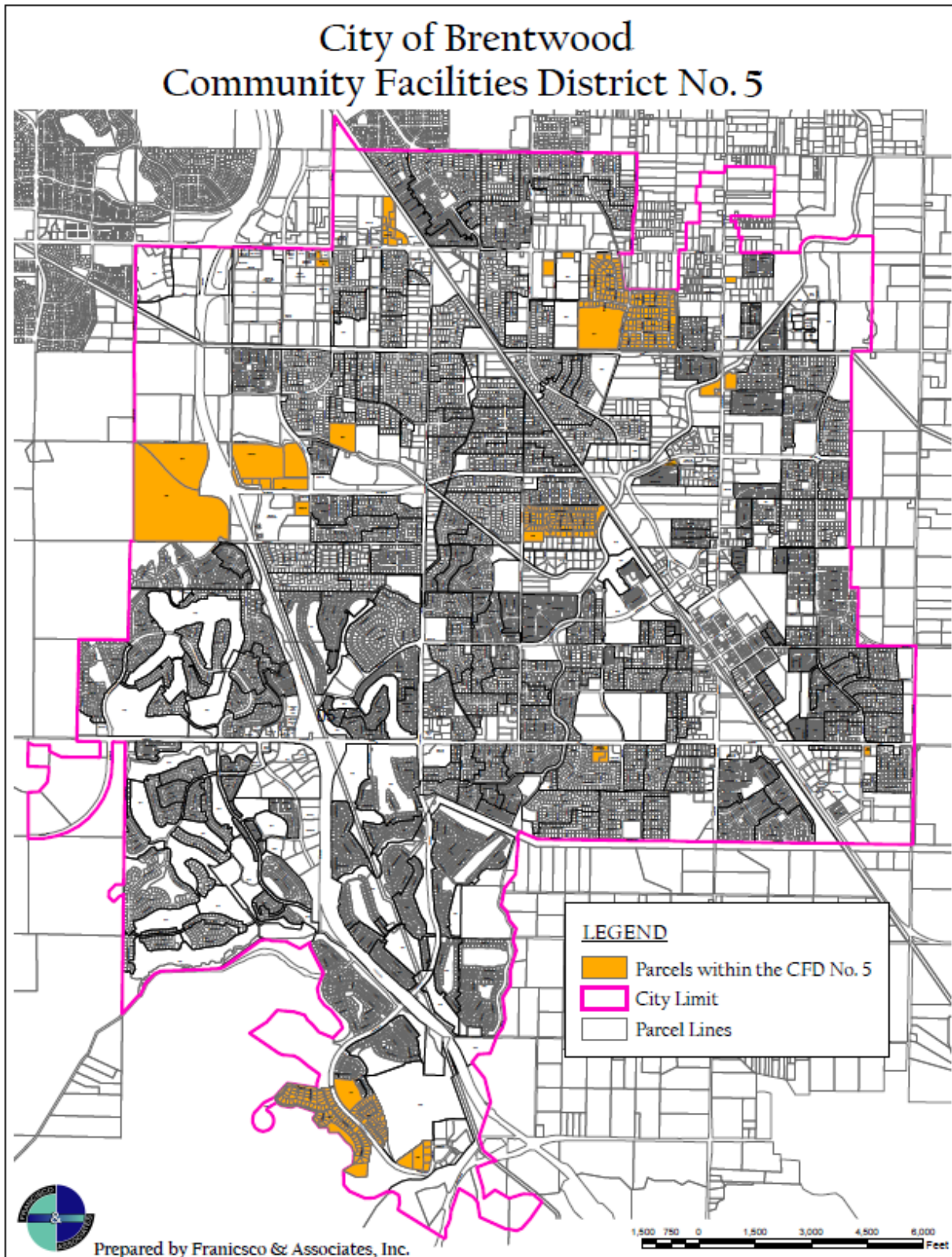


City of Brentwood Community Facilities District No. 3



City of Brentwood Community Facilities District No. 4







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