City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 21, 2008

SUBJECT: Spring Lake Bond Accountability Report

Report in Brief

Specific sections of the California Government Code require annual reporting for voter-approved special taxes issued subsequent to January 2001. The Spring Lake Community Facilities District (CFD) bonds were issued in 2004. Each year staff prepares a report summarizing the financial activity of the CFD and certifying that the use of the funds is consistent with the purpose of the CFD. The report is required to be accepted by the City Council.

Staff recommends that the City Council accept the attached report.

Background

The Spring Lake Specific Plan (SLSP) was adopted by Council in December 2001. The cost to build the required infrastructure first phase of development (the Initial Facilities Requirement, or IFR) was estimated to be approximately $47 million. In order to help fund this obligation, the landowners within the Spring Lake Specific Plan voted in favor of issuing bonds and levying a special tax on their properties in June 2004.

The Local Agency Special Tax and Bond Accountability Act ("Accountability Act") was enacted by California State Legislature through Senate Bill 165 to provide accountability measures for any local special tax and/or bond measure subject to voter approval on or after January 2001. According to the requirements of the Accountability Act (*Sections 50075.1 and 53410 of the Government Code of the State of California*), an annual report must be filed by the local agency levying the special tax and/or issuing a bond measure and shall contain a description of the following:

1. A statement indicating the specific purposes of the special tax/and or bond measure.
2. A requirement that the proceeds of the special tax and/or bond measure be applied only to the specific purpose intended.

3. The creation of an account into which proceeds of the special tax or bond be deposited.
4. The amount of funds collected and expended.

This report ("Accountability Report") is being prepared for the Spring Lake Community Facilities District 2004-1 ("CFD") of the City of Woodland ("City") for the fiscal year ended June 30, 2008 pursuant to and in accordance with the requirements outlined in the Accountability Act.

Discussion

In September 2004, the City Council of the City established the CFD pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"). The CFD is authorized to levy a special tax generally to provide for construction of backbone infrastructure for the first phase of development, known as the Initial Facilities Requirement ("IFR") in the Spring Lake Specific Plan area. The authorized costs include construction of capital facilities and costs of administration.

Total bond proceeds of $27,674,441 were received and deposited into the construction fund. As of June 30, 2008 all bond proceeds have been expended on capital construction costs.

A separate fund is held by the City for the deposit of special taxes levied by the CFD and for the disbursement of authorized expenditures

Fiscal Impact

The table below provides a description of the collection of special taxes and the funds disbursed for authorized expenditures in fiscal year 2007/2008.

Description	***Amount***
Special Tax Collections	
Special Tax Deposits	$2,430,327
Interest Earnings	$108,977
Expenditures	
Administrative Expenses	$23,994
Bond Payments	$2,399,088
Balance as of June 30, 2008	**$116,222**

The total proceeds of the CFD bonds discussed in this report are not sufficient to fund the infrastructure in the Spring Lake Specific Plan. Additional sources of funding include cash advances from developers and Spring Lake Infrastructure Fees (SLIF). These and other sources of funding would need to be secured in order for future phases of the Spring Lake Specific Plan to be built.

Public Contact

Posting of the City Council agenda.

Recommendation for Action

Staff recommends that the City Council accept the attached report.

Prepared by: Kim McKinney
Senior Accountant

Reviewed by: Amber D'Amato
Asst. Finance Director

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Mark G. Deven
City Manager

Attachments

City of Woodland

Spring Lake Community Facilities District 2004-1
Local Agency Special Tax and Bond Accountability Report
Fiscal Year Ended June 30, 2008

Background

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Summary

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Special Tax Collections and Expenditures

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