



# City of Woodland

## REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR  
AND CITY COUNCIL

DATE: December 2, 2008

SUBJECT: Spring Lake Maintenance CFD Annual 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 Maintenance Community Facilities District (CFD) was established in 2005. Each year staff and the CFD administrator prepare 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 Spring Lake Community Facilities District Local Agency Special Tax and Bond Accountability Report for the Fiscal Year Ended June 30, 2008.

### **Background**

The Spring Lake Specific Plan (SLSP) was adopted by Council in December 2001. A portion of the park requirement for the SLSP was satisfied through purchase of ~28 acres of the 40 acre Sports Park. In order to help fund the cost of operations of the Sports Park, the landowners within the SLSP voted in favor of forming a CFD.

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”) has been prepared for the Spring Lake Maintenance Community Facilities District (“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. This report is attached for the Council’s review.

**Discussion**

On March 22, 2005, 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 sports park facilities maintenance services and incidental expenses related to the administration of the CFD. Sports Park Maintenance costs that can be funded by the CFD include, but are not limited to, athletic fields, snack bars, restrooms, multi-use paths, parking lots and park roadways. The authorized costs of service include the cost of labor, materials, administration, personnel, equipment and utilities.

The City is legally required to maintain a separate fund to account for revenues and expenditures related to the CFD. The source of revenue in this fund is the annual CFD levy paid by the Spring Lake homeowners. Only properties for which the City has issued a building permit are required to pay the annual levy; undeveloped property is not subject to these fees. To date, expenditures for the district represent the CFD administration costs, which include calculating the annual CFD rates, monitoring the special tax levy collected by the County, and providing for compliance with State and Federal laws and reporting requirements.

Upon completion of the first phase of the Sports Park, the City will charge park maintenance costs specific to the Sports Park to this fund. These costs will be recorded in the 2008-09 Accountability Report.

**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.

<i><b>Description</b></i>	<i><b>Amount</b></i>
<b>Beginning Reserve Balance</b>	\$20,187.03
<b>Special Tax Collections</b> Special Tax Deposits & Interest	\$63,427.52
<b>Expenditures</b> Administrative Expenses	\$6,452.71
<b>Balance as of June 30, 2008</b>	<b>\$77,161.84</b>

**Public Contact**

Posting of the City Council agenda.

**Recommendation for Action**

Staff recommends that the City Council accept the Spring Lake Community Facilities District Local Agency Special Tax and Bond Accountability Report for the Fiscal Year Ended June 30, 2008.

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Senior Accountant

Reviewed by: Amber D'Amato  
Finance Officer

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Mark G. Deven  
City Manager

Attachment



**CITY OF WOODLAND  
SPRING LAKE MAINTENANCE  
COMMUNITY FACILITIES DISTRICT**

**LOCAL AGENCY SPECIAL TAX ACCOUNTABILITY  
REPORT  
FISCAL YEAR ENDED JUNE 30, 2008**

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## **BACKGROUND**

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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 1, 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 a special tax and/or issuing a bond measure by January 1, commencing January 1, 2002 and each year thereafter and shall contain a description of the following:

- (1) The amount of funds collected and expended.
- (2) The status of any project required or authorized to be funded by the special tax measure.

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

## **I. SUMMARY**

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On March 22, 2005, the City Council (“Council”) of the City established the CFD pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”). The CFD is authorized to levy a special tax to generally provide for sports park facilities maintenance services and incidental expenses related to the administration of the CFD. Sports Park Maintenance costs that can be funded by the CFD include, but are not limited to athletic fields, snack bars, restrooms, multi-use paths, parking lots and park roadways. The authorized costs of services include the costs of labor, material, administration, personnel, equipment and utilities.

## II. SPECIAL TAX COLLECTIONS & EXPENDITURES

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A separate account is held by the City for the deposit of special taxes levied by the CFD and for the disbursement of authorized expenditures. 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
<b>BEGINNING BALANCE AS OF JULY 1, 2007</b>	<b>\$20,187.03</b>
<b><i>Special Tax Collections</i></b>	
Special Tax Collections	<u>63,427.52</u>
<i>Subtotal Collections</i>	<u>63,427.52</u>
<b><i>Expenditures</i></b>	
Administrative Expenses	(6,452.71)
Park Maintenance Costs	0.00
Reserve Fund <sup>1</sup>	<u>0.00</u>
<i>Subtotal Expenditures</i>	<u>(6,452.71)</u>
<b>ENDING BALANCE AS OF JUNE 30, 2008</b>	<b>\$77,161.84</b>

<sup>1</sup> A reserve fund may be established and funded through a portion of the annual special tax levy to provide for cash flow reserves necessary to fund authorized capital expenditures.

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