



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Grant Yates, City Manager

Prepared by: Jason Simpson, Assistant City Manager

Date: July 9, 2019

Subject: Resolutions Confirming Fiscal Year 2019-20 Special Taxes for Community Facilities Districts CFD 2015-2 (Maintenance Services); and, CFD 2017-1 (Mission Trails Services)

Recommendation

adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF SPECIAL TAXES WITHIN EACH COMMUNITY FACILITIES DISTRICT LISTED BELOW FOR FISCAL YEAR 2019-20

Background

The City is required by the County of Riverside to provide a certified Resolution to the Auditor/Controller's office each year to confirm the special tax within each Community Facilities District (CFD) for the annual property tax roll.

Discussion

The FY 2019-20 budgets for each CFD are comprised of bond debt service payments, administrative costs, service costs and/or collection for construction of future facilities. In addition, for those CFDs that have bond debt, the Mello-Roos Act authorizes the increase of the CFD tax up 10% for projected futures delinquencies. In order to make sure funds are available to pay the required bond debt service payment on the bonds, the levy for each CFD with bond debt has been increased based on the anticipated property tax delinquency rate within each respective CFD.

The table on the following page shows the annual levy amount needed for each district to cover district obligations for FY 2019-20.

**CITY OF LAKE ELSINORE
COMMUNITY FACILITIES DISTRICTS
PRELIMINARY SUMMARY OF FIXED CHARGES
FOR FISCAL YEAR 2019-20**

District	Name	County Fund No.	Levied Parcels	Preliminary FY 2019-20 Levy
CFD 2015-2 Svcs	Zone 6	Pending	1	\$5,537.04
CFD 2017-1	Mission Trail Services	68-0144	1	\$5,928.00
Total				\$11,465.04

Fiscal Impact

There is no fiscal impact directly associated with this item. The County of Riverside requires the resolution as confirmation for the special tax amounts so there is a paperwork trail for them. The City charges administrative fees and an amount sufficient to cover direct costs as well as the required bond debt service principal and interest payments, as required by the bond indentures to the various special districts.

Exhibits

A-Resolution Ordering the Levy