

Solana Beach School District

Community Facilities District No. 2000-1 of the Solana Beach School District Refunding

Fiscal Year 2018/19
Annual District Administration Report

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INTRODUCTION

The information provided in this report is derived primarily from documents developed at the time the District was formed and from data provided by the School District or accessed through the School District. The information sources include the Rate and Method of apportionment, annual budget, debt service schedule(s) and special tax/assessment delinquency data. The development status, prepayments and historical information were accessed through the School District and/or the developer and are maintained by Willdan Financial Services.

The Mello-Roos Community Facilities Act (“Act”) of 1982 came about as a response to the lack of adequate financing for public capital facilities and services in the post-Proposition 13 era. State Legislators Mello and Roos sponsored this Bill, which was enacted into law by the California Legislature and is now Sections 53311 through 53363 of the California Government Code. The Act authorizes a local governmental agency, such as a school district or city, to form a Community Facilities District (“CFD”) or (“District”) within a defined set of boundaries for the purposes of providing public facilities and services. A CFD is formed for financing purposes only, and is governed by the agency that formed it.

A. FORMATION

On November 14, 2000, the School District formed the District by the adoption of Resolution No. 001101. The qualified electors within the District authorized a bonded indebtedness in an aggregate amount not to exceed \$8,000,000 and approved the levy of the special tax in accordance with the rate and method of special tax.

B. BOUNDARIES AND DEVELOPMENT SUMMARY

The Community Facilities District is located in the unincorporated area of the County approximately 21 miles north of downtown San Diego and approximately 10 miles inland from the Pacific Ocean and the coastal cities of Encinitas and Solana Beach, approximately 5 miles east of Interstate 5 and approximately 3.5 miles west of Interstate 15. The Community Facilities District lies within the area of a master-planned community known as “The Crosby at Rancho Santa Fe” and is part of the larger specific plan area known as “Santa Fe Valley.” The Community Facilities District is situated between, and is an extension of the ongoing development of, the communities of Rancho Santa Fe and Rancho Bernardo. The northerly boundary is Del Dios Highway and the southerly boundary is a community known as Santa Fe Hills.

The property within the District currently has been developed as 335 residential parcels classified under the Rate and Method as Developed Property and subject to the Special Tax levy. In addition, the Community Facilities District currently

contains approximately 50.70 acres of undeveloped property not currently subject to the Special Tax levy.

C. BONDS

Pursuant to an Official Statement dated July 13, 2012, the School District issued \$3,560,000 Community Facilities District No. 2000-1 of the Solana Beach School District 2012 Special Tax Refunding Bonds (the “Bonds”).

The Bonds are being issued to (i) refund certain outstanding special tax bonds of the Community Facilities District captioned “\$4,050,000 Community Facilities District No. 2000-1 of the Solana Beach School District, Series A 2001 Special Tax Bonds,” (the “Prior Bonds”) (ii) fund a debt service reserve fund for the 2012 Bonds, and (iii) pay certain costs of issuing the 2012 Bonds. The Prior Bonds were issued to (i) finance, either directly or indirectly, the acquisition and construction of certain school facilities, (ii) fund a reserve fund for the Prior Bonds, (iii) pay interest on the Prior Bonds through September 1, 2002, (iv) pay certain administrative expenses of the District, and (v) pay the costs of issuing the Prior Bonds.

D. FINANCED FACILITIES

The types of facilities financed by the District elementary school facilities, including classrooms, ancillary facilities, on-site office space, furniture, equipment and technology with a useful life of five years, central support and administrative facilities, interim housing and transportation facilities.

I. LEVY SUMMARY OVERVIEW

A. FISCAL YEAR 2018/19 LEVY AMOUNTS

The following table summarizes the amounts levied (including handbilled/direct billed charges) for Fiscal Year 2018/19 for the District.

Parcel Count	Charge Amount
430	\$488,184.16

B. FISCAL YEAR 2018/19 HANDBILL AMOUNTS

The following table summarizes the amounts billed directly to the property owner rather than placed on the Secured Property Tax Roll, due to the tax exempt status in Fiscal Year 2018/19 for the District.

Parcel Count	Charge Amount
0	\$0.00

II. FINANCIAL OBLIGATIONS

A. FISCAL YEAR 2018/19 LEVY COMPONENTS

The following table summarizes the financial obligations of the District.

Uses of Funds	Amount
Principal	\$155,000.00
Interest	105,668.76
Administrative Costs	9,353.02
Available to District for Facilities	218,162.38
Total Charge Amount Levied	\$488,184.16

FOR DETAILED INFORMATION REGARDING BOND(S) ISSUED FOR THIS DISTRICT, PLEASE REFER TO EXHIBIT D (DEBT SERVICE SCHEDULE) OF THIS REPORT.

B. PREPAYMENTS

For Fiscal Year 2018/19, there were no parcels that prepaid their special tax/assessment obligations.

APN	Prepayment Total ⁽¹⁾
N/A	\$0.00
Prepayment Total	\$0.00

⁽¹⁾ Total prepayment amount including but not limited to, reserve credit, redemption amount and premium, investment earnings and administrative fees.

C. HISTORICAL BOND CALL SUMMARY

The following table summarizes historical bond calls performed to date.

Date of Call	Amount	Source of Funds
March 1, 2015	\$5,000.00	Prepayment
Total Bond Call to Date	\$5,000.00	

III. DELINQUENCY AND FORECLOSURE STATUS

A. DELINQUENCY SUMMARY

The following table summarizes delinquencies for the most recent fiscal year and the cumulative for all years with delinquencies as of September 10, 2018.

Summary for Most Recent Fiscal Year		Cumulative Summary for All Years with Delinquencies	
\$10,444.63	2.15%	\$13,096.13	1.35%

FOR A MORE COMPREHENSIVE SUMMARY, PLEASE SEE EXHIBIT C OF THIS REPORT.

B. FORECLOSURE COVENANT

Under Section 53356.1 of the Act, if any delinquency occurs in the payment of the Special Tax, the Community Facilities District may order the institution of a Superior Court action to foreclose the lien therefor within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at judicial foreclosure sale. Such judicial foreclosure action is not mandatory. However, the Community Facilities District has agreed in the Fiscal Agent Agreement that, on or about February 15 and June 15 of each Fiscal Year, an Authorized Officer will compare the amount of Special Taxes to be collected on the December 10 and April 10 installments of the secured property tax bills to the amount of Special Taxes actually received by the Community Facilities District in those installments, and proceed as set forth below:

Individual Delinquencies: If the Authorized Officer determines that any single parcel subject to the Special Tax in the Community Facilities District is delinquent in the payment of Special Taxes in the aggregate amount of \$5,000 or more, then the Authorized Officer will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) foreclosure proceedings shall be commenced by the Community Facilities District within 90 days of such determination.

Aggregate Delinquencies: If the Authorized Officer determines that the total amount of delinquent Special Taxes for the prior Fiscal Year (after both the first and second installments) for the entire Community Facilities District (including the total of individual delinquencies determined as set forth above), exceeds 5% of the total Special Taxes due and payable for the prior Fiscal Year, the Community Facilities District will notify or cause to be notified all property owners who are then delinquent in the payment of Special Taxes and demand immediate payment of the delinquency within 45 days of such determination, and will commence

foreclosure proceedings within 90 days of such determination against each parcel of land in the Community Facilities District with a Special Tax delinquency.

C. DELINQUENCY MANAGEMENT ACTIONS

There is no single parcel delinquent in the aggregate amount of \$5,000 or more and the amount collected is not deficient of more than (5%) five percent of the total amount of the Special Tax levied.

However, Willdan Financial Services has taken the initial steps toward reducing delinquencies by performing the following Delinquency Monitoring Actions since July 1, 2017.

Action(s)	Date Performed	Number of Parcels
Reminder Letter	February 12, 2018	18
Reminder Letter	June 13, 2018	13
Demand Letter	June 13, 2018	22

IV. SPECIAL TAX LEVY AND METHOD OF APPORTIONMENT

The methodology employed to calculate and apportion the special tax is in accordance with the document entitled Rate and Method of Apportionment (“RMA”). The RMA is hereby referenced and summarized but not included in this report, however the official document can be requested and provided by the School District’s special tax administrator Willdan Financial Services.

A. RATE AND METHOD OF APPORTIONMENT

Pursuant to Section F of the Rate of Method of Apportionment, commencing with Fiscal Year 2001/02 and for each following fiscal year, the Council shall determine the Special Tax Requirement and shall levy the Special Tax until the total Special Tax levy equals the Special Tax Requirement. *(FOR DETAILED INFORMATION OF THE SPECIAL TAX REQUIREMENT, PLEASE REFER TO SECTION (II) FINANCIAL OBLIGATIONS ABOVE).*

The Special Tax shall be levied on each Assessor’s Parcel of Developed Property up to 100% of the applicable Assigned Special Tax. If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property.

Developed Property means all Assessor’s Parcels in IAA and IAB for which a Building Permit was issued on or before May 1 of the prior Fiscal Year, provided that such Assessor’s Parcels were created on or before January 1 of the prior Fiscal Year and that each such Assessor’s Parcel is associated with a Lot, as determined reasonably by the Board.

B. SPECIAL TAX SPREAD

The following table summarizes the number of parcels in each land use classification according to its square footage as well as the Applied Special Tax Rate for each classification.

Land Use Classification	No. of Parcels	2018/19 Applied Special Tax Rate per Unit	2018/19 Dollars Levied
1 – 3,500 sq. ft. or less	108	\$803.12	\$86,736.96
2 – 3,501 – 4,100 sq. ft.	106	\$1,017.36	107,840.16
3 – 4,101 – 4,700 sq. ft.	83	\$1,178.78	97,838.74
4 – 4,701 – 5,300 sq. ft.	56	\$1,339.20	74,995.20
5 – 5,301 – 5,600 sq. ft.	21	\$1,459.78	30,655.38
6 – 5,601 – 5,900 sq. ft.	14	\$1,540.50	21,567.00
7 – > 5,900 sq. ft.	42	\$1,632.16	68,550.72
Total	430		\$488,184.16

C. MAXIMUM ASSIGNED AND APPLIED SPECIAL TAX RATES

The following table summarizes the percent of the Applied Special Tax to the Maximum Assigned Special Tax rate.

Land Use Classification	2018/19 Maximum Assigned Special Tax Rate	2018/19 Applied Special Tax Rate	Percent of Maximum
1 – 3,500 sq. ft. or less	\$803.12	\$803.12	100.00%
2 – 3,501 – 4,100 sq. ft.	\$1,017.36	\$1,017.36	100.00%
3 – 4,101 – 4,700 sq. ft.	\$1,178.78	\$1,178.78	100.00%
4 – 4,701 – 5,300 sq. ft.	\$1,339.20	\$1,339.20	100.00%
5 – 5,301 – 5,600 sq. ft.	\$1,459.78	\$1,459.78	100.00%
6 – 5,601 – 5,900 sq. ft.	\$1,540.50	\$1,540.50	100.00%
7 – > 5,900 sq. ft.	\$1,632.16	\$1,632.16	100.00%

D. APPLIED SPECIAL TAX PROGRESSION

The following table summarizes the percent change of Fiscal Year 2018/19 Applied Special Tax Rate as compared to Fiscal Year 2017/18 Applied Special Tax Rate.

Land Use Classification	2018/19 Applied Special Tax Rate	2017/18 Applied Special Tax Rate	Percent Change from 2017/18
1 – 3,500 sq. ft. or less	\$803.12	\$803.12	0.00%
2 – 3,501 – 4,100 sq ft.	\$1,017.36	\$1,017.36	0.00%
3 – 4,101 – 4,700 sq. ft.	\$1,178.78	\$1,178.78	0.00%
4 – 4,701 – 5,300 sq. ft.	\$1,339.20	\$1,339.20	0.00%
5 – 5,301 – 5,600 sq. ft.	\$1,459.78	\$1,459.78	0.00%
6 – 5,601 – 5,900 sq. ft.	\$1,540.50	\$1,540.50	0.00%
7 – > 5,900 sq. ft.	\$1,632.16	\$1,632.16	0.00%

PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 2000-1 OF
THE SOLANA BEACH SCHOOL DISTRICT
SAN DIEGO COUNTY
STATE OF CALIFORNIA

(1) Filed in the office of the Clerk of the Board of Education this ____ day of _____, 20__.

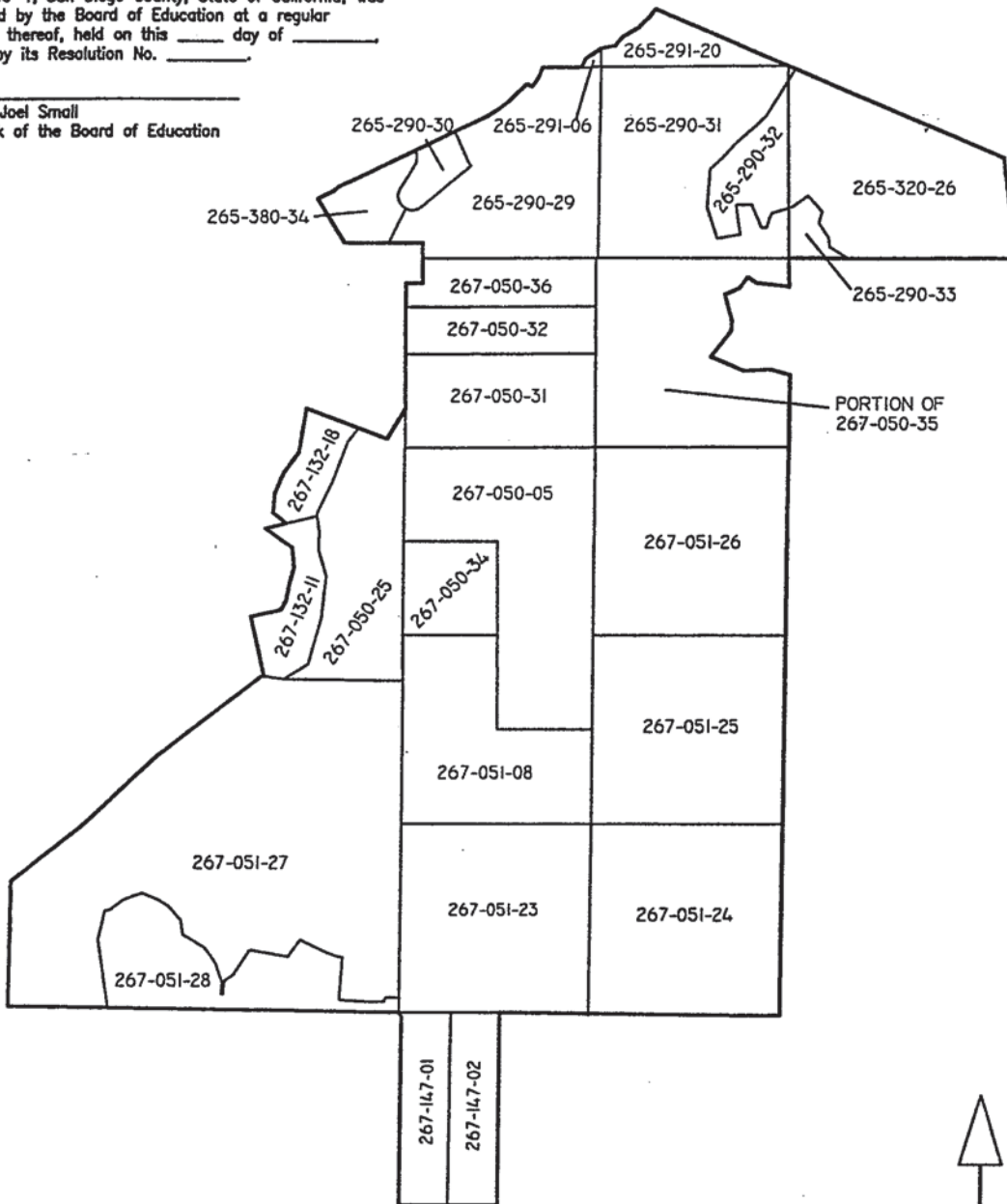
Mr. Joel Small
Clerk of the Board of Education

(3) Filed this ____ day of _____, 20__ at the hour of ____ o'clock __m, in Book ____ of Maps of Assessment and Community Facilities Districts at page ____ and as instrument No. _____ in the office of the County Recorder of San Diego County, State of California.

County Recorder of San Diego

(2) I hereby certify that the within map showing the proposed boundaries of Community Facilities District No. 2000-1, San Diego County, State of California, was approved by the Board of Education at a regular meeting thereof, held on this ____ day of _____, 20__ by its Resolution No. _____.

Mr. Joel Small
Clerk of the Board of Education



Proposed Boundaries of Community Facilities District No. 2000-1
 Assessor Parcel Line
 nnn-nnn-nn Assessor Parcel Number

PREPARED BY
DAVID TAUSSIG & ASSOCIATES, INC.


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 SHEET 1 OF 1

Solana Beach School District
Community Facilities District No. 2000-1 of the Solana Beach School District Refunding
REVISED DEBT SERVICE SCHEDULE

Dated Date: 7/31/2012
First Coupon: 3/1/2013
First Maturity: 9/1/2013

Payment Due	Interest Rate	Bond Call	Called Amount	Principal Due	Interest Due	Semi-Annual Payment	Total Annual
3/1/2013					\$71,168.54	\$71,168.54	
9/1/2013	1.00000%			125,000.00	60,712.50	185,712.50	256,881.04
3/1/2014					60,087.50	60,087.50	
9/1/2014	1.37500%			140,000.00	60,087.50	200,087.50	260,175.00
3/1/2015		5,000.00			59,125.00	64,275.00	
9/1/2015	1.75000%			140,000.00	59,015.63	199,015.63	263,290.63
3/1/2016					57,790.63	57,790.63	
9/1/2016	2.00000%			145,000.00	57,790.63	202,790.63	260,581.26
3/1/2017					56,340.63	56,340.63	
9/1/2017	2.25000%			145,000.00	56,340.63	201,340.63	257,681.26
3/1/2018					54,709.38	54,709.38	
9/1/2018	2.50000%			150,000.00	54,709.38	204,709.38	259,418.76
3/1/2019					52,834.38	52,834.38	
9/1/2019	2.75000%			155,000.00	52,834.38	207,834.38	260,668.76
3/1/2020					50,703.13	50,703.13	
9/1/2020	3.00000%			155,000.00	50,703.13	205,703.13	256,406.26
3/1/2021					48,378.13	48,378.13	
9/1/2021	3.12500%			160,000.00	48,378.13	208,378.13	256,756.26
3/1/2022					45,878.13	45,878.13	
9/1/2022	3.37499%			165,000.00	45,878.13	210,878.13	256,756.26
3/1/2023					43,093.76	43,093.76	
9/1/2023	4.00000%			175,000.00	43,093.76	218,093.76	261,187.52
3/1/2024					39,593.76	39,593.76	
9/1/2024	4.00000%			180,000.00	39,593.76	219,593.76	259,187.52
3/1/2025					35,993.76	35,993.76	
9/1/2025	4.00000%			185,000.00	35,993.76	220,993.76	256,987.52
3/1/2026					32,293.76	32,293.76	
9/1/2026	4.00000%			195,000.00	32,293.76	227,293.76	259,587.52
3/1/2027					28,393.76	28,393.76	
9/1/2027	4.00000%			200,000.00	28,393.76	228,393.76	256,787.52
3/1/2028					24,393.76	24,393.76	
9/1/2028	4.12500%			210,000.00	24,393.76	234,393.76	258,787.52
3/1/2029					20,062.51	20,062.51	
9/1/2029	4.25000%			220,000.00	20,062.51	240,062.51	260,125.02
3/1/2030					15,387.51	15,387.51	
9/1/2030	4.25000%			230,000.00	15,387.51	245,387.51	260,775.02
3/1/2031					10,500.01	10,500.01	
9/1/2031	4.37500%			235,000.00	10,500.01	245,500.01	256,000.02
3/1/2032					5,359.38	5,359.38	
9/1/2032	4.37500%		5,000.00	245,000.00	5,359.38	250,359.38	255,718.76
Totals:		\$5,000.00	\$5,000.00	\$3,555,000.00	\$1,613,609.43	\$5,173,759.43	\$5,173,759.43

Outstanding Principal	\$2,710,000.00
Matured Principal	845,000.00
Called Principal	5,000.00
Total Bond Issue	\$3,560,000.00