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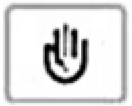
POINTE MARIN CFD BOND SAVINGS PROPOSAL

PUBLIC PARTICIPATION INFORMATION

- Only web-based users have the ability to comment—participants calling-in will only be able to listen to the meeting.

- To comment or ask a question:
  1. Turn on audio by clicking:  and select "computer audio;"
  2. Open "participants" list by clicking:  and find your name;
  3. Click the "Raise hand" icon:  to indicate that you have a comment;
  4. Wait until the host calls your name. Remember to un-mute: 
- Alternatively, send a message by clicking the "chat" icon: 

POINTE MARIN CFD BOND REFUND OVERVIEW

- Pointe Marin Community Facilities District (CFD) was approved in 2002
- $11.9M in 30-year bonds were sold to finance public infrastructure
- Original blended interest rate was ~5.9%
- Bonds were refunded in 2007 for a lower blended rate of ~4.4%
- Bonds were refunded in January 2020 at a blended rate of ~2.5%
- ~$170,000 annual savings from latest refund.

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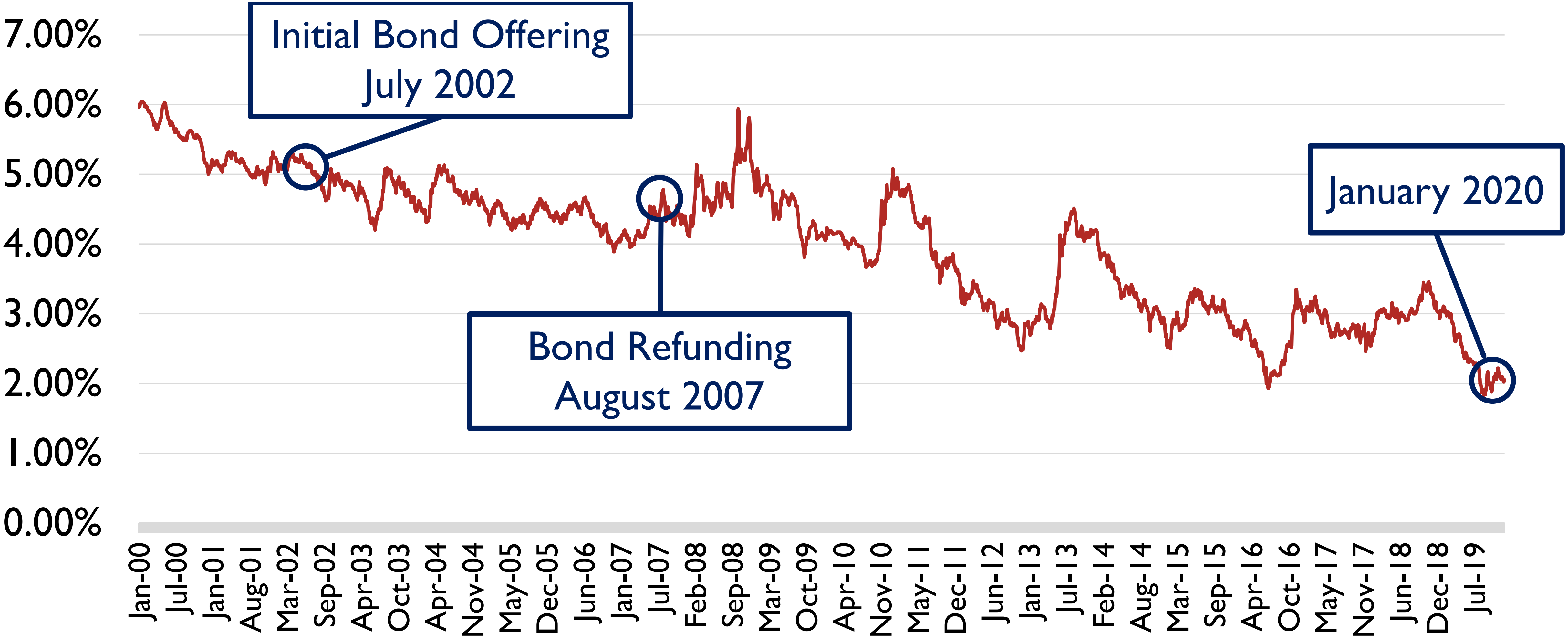
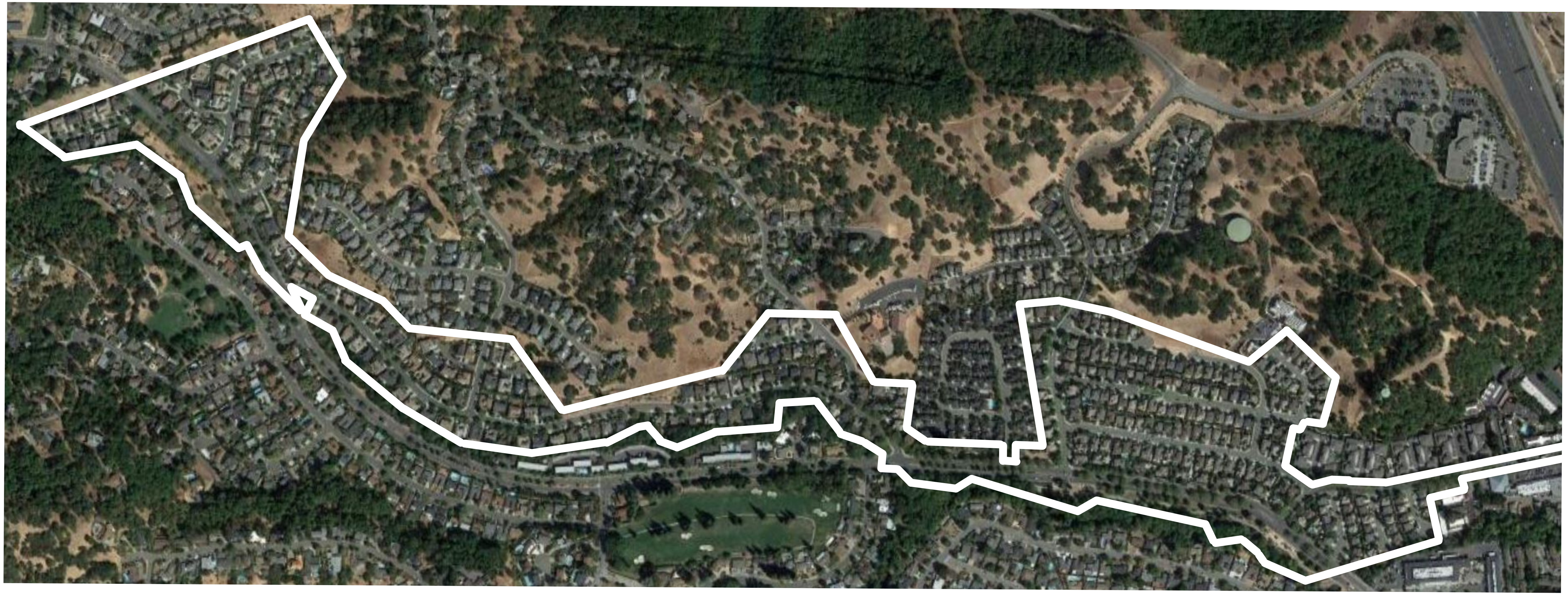
HISTORICAL "AAA" MUNI BOND INTEREST RATES



POINTE MARIN CFD BOUNDARIES



POINTE MARIN CFD RESPONSIBILITIES

- Original construction of streets, sidewalks, storm drains, perimeter walls, linear parks & landscaping in the public right-of-way
- Costs to administer the district
- Maintenance of landscaping, irrigation, and perimeter walls facing the public right-of-way (56 acres)

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2018-19 CFD SPECIAL TAX REPORTING

- $8,155,000 Pointe Marin CFD bond principal outstanding
- $730,792 maintenance reserve funds
- 342 residential units with 11 tax rates based on square footage

Annual tax revenue………..$1,014,716	(a) = b + c + d
Bond debt service……………….$808,566	(b)
Maintenance………….………..$191,150	(c)
District administration…………....$15,000	(d)

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FY 2018-19 CFD MAINTENANCE EXPENSES

0.9 FTE maintenance worker………………….	$92,585.22*	(d)
Equipment and materials……………………….	$14,771.52	(e)
<u>Utilities………………………………………....</u>	<u>$50,059.73</u>	(f)
Total maintenance expenses…………	**$157,416.47**	(g) = d + e + f
<u>Maintenance revenues………………………..</u>	<u>$191,150.00</u>	(c)
Net surplus………………………………….	$33,733.53	(h) = c – g

*1.0 FTE budgeted, but only 0.9 FTE charged due to staffing shortages

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UPCOMING LARGE EXPENSES

1.0 FTE maintenance worker…………………………$101,239

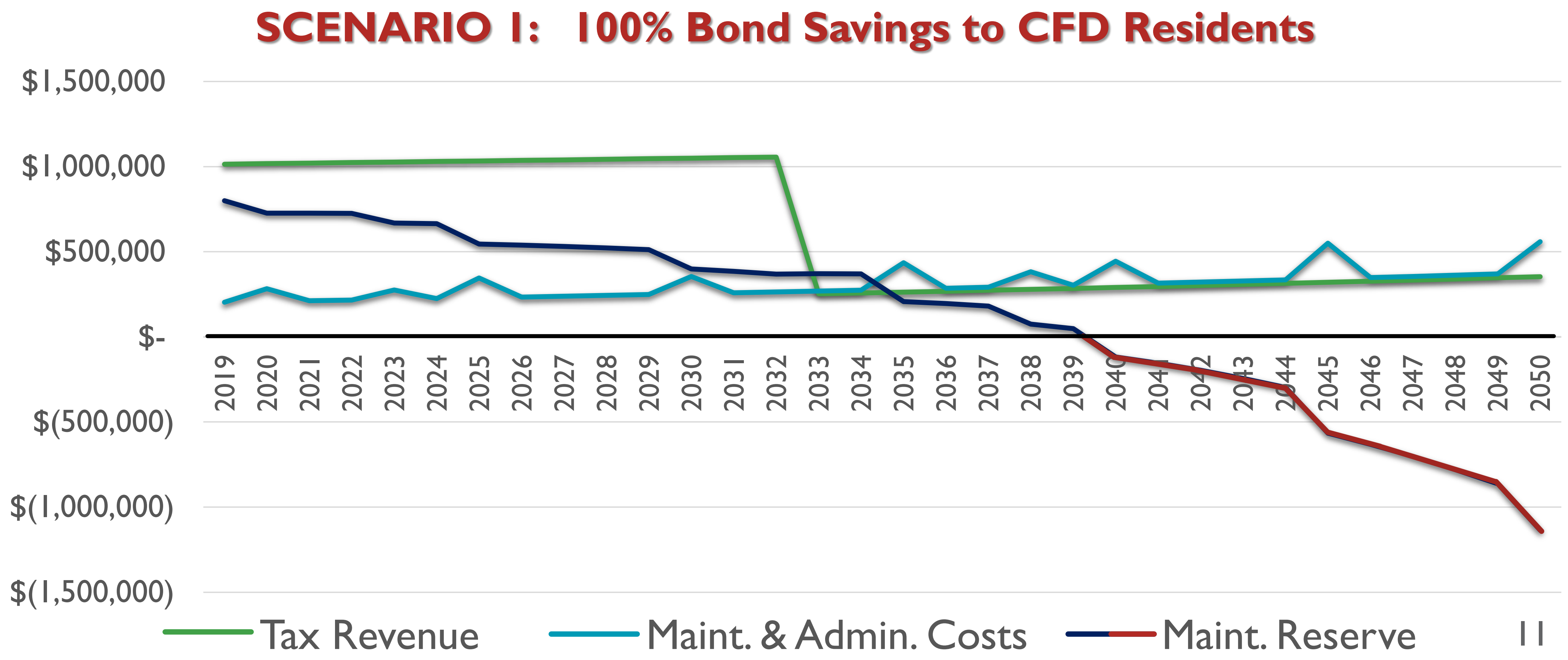
Perimeter wall paint & repairs (~10-15 years)……....$75,000

Replace irrigation controllers & driplines…………...$50,000

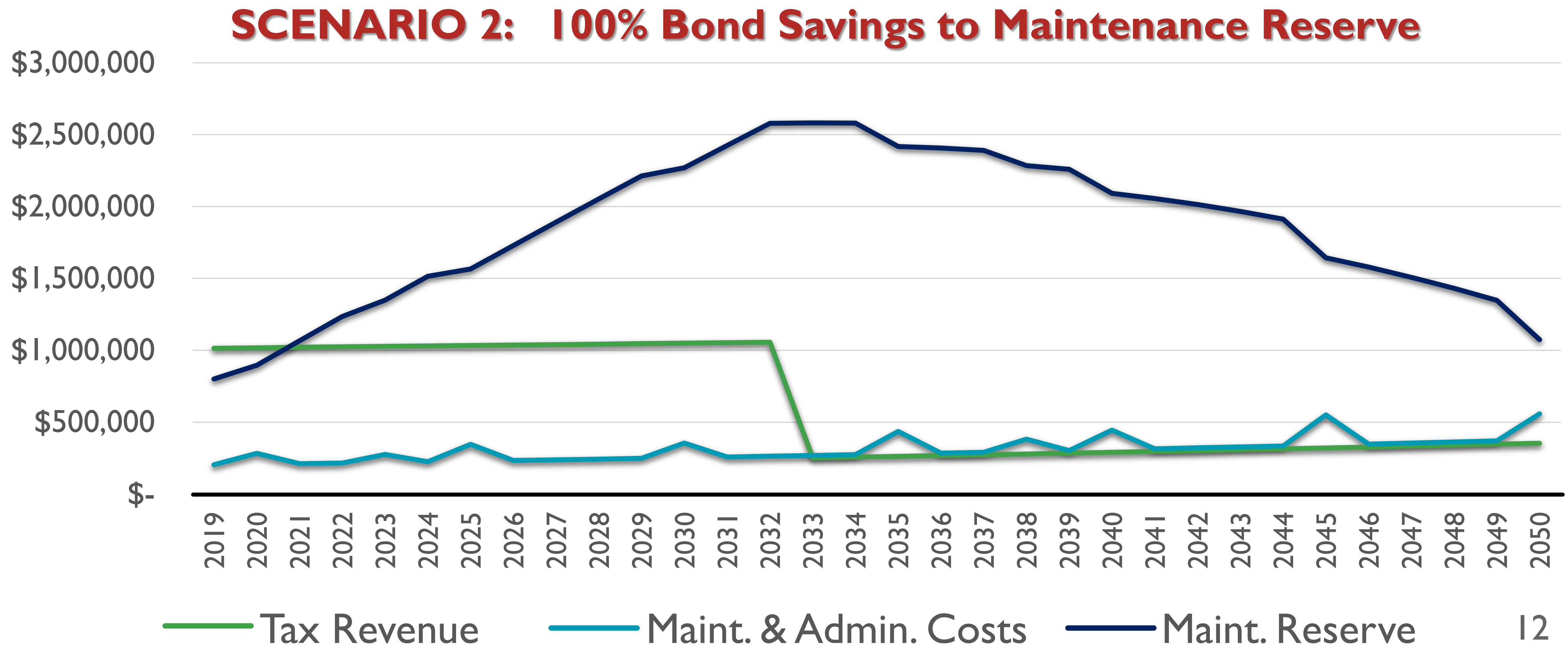
LONG-TERM CFD FINANCIAL OUTLOOK

- Bonds reach maturity on September 1, 2032 (unchanged by refund)
- 0.31% maximum annual special tax rate increase until maturity
- 2.00% maximum annual maintenance tax rate increase thereafter
- Annual maintenance & admin costs are increasing more than tax rate
- Maintenance reserve fund projected deficit by 2040 without refund savings

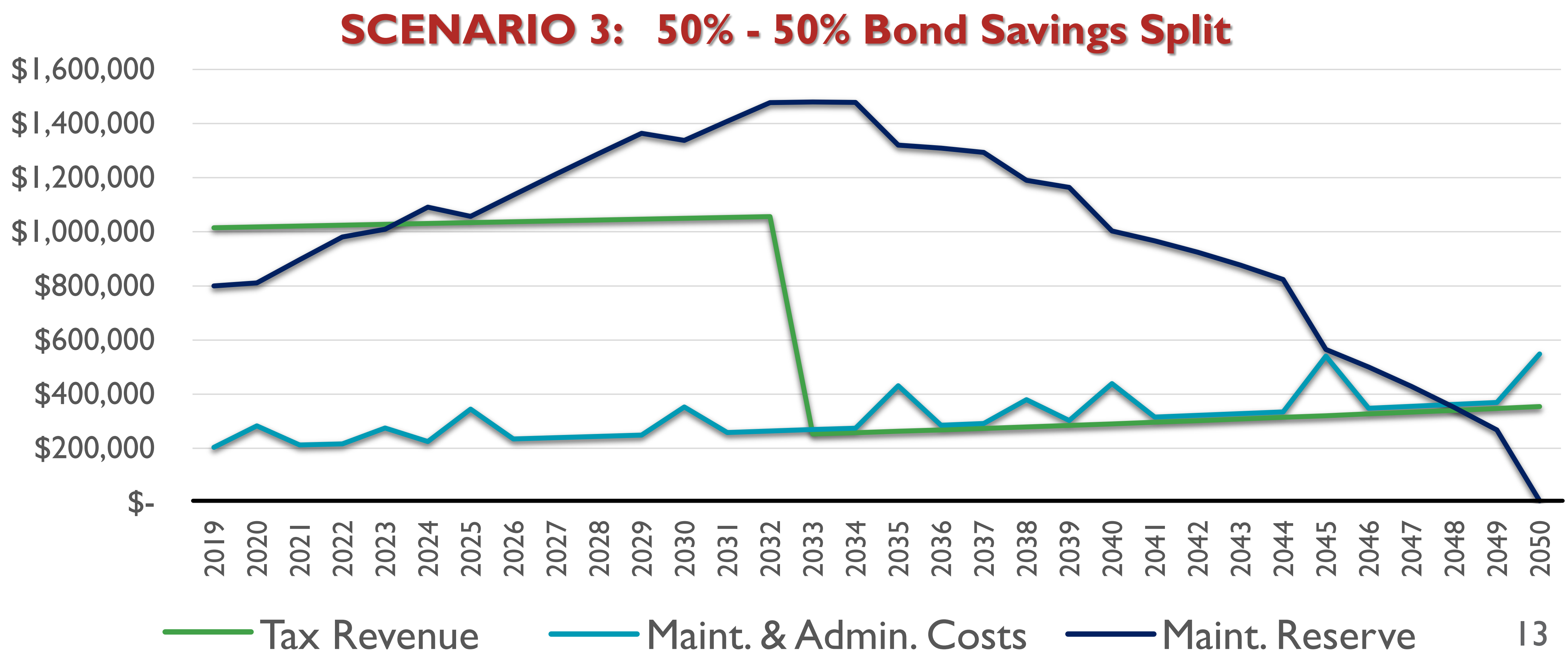
PROJECTED 2050 REVENUE, EXPENSES, & RESERVES



PROJECTED 2050 REVENUE, EXPENSES, & RESERVES



PROJECTED 2050 REVENUE, EXPENSES, & RESERVES



STAFF PROPOSAL

- Bonds refund will generate ~$170,000 interest savings annually
- Reduce next Fiscal Year and subsequent years' CFD special tax assessments by a percentage equal to ~$85,000 (~$249/household) instead of the allowable 0.31% special tax rate increase.

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HOA MAINTENANCE OF CFD FACILITIES?

- Requires voter-approval of CFD residents
- Requires City Council approval
- HOA would collect dues for maintenance activities instead of CFD
- HOA would control maintenance expenditures – Some risk for City
- Stability of HOA could effect maintenance – Some risk for CFD residents

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QUESTIONS/COMMENTS?

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