



Landscaping and Lighting Assessment Districts 5-year Financial Projections Analysis and Findings Report

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Prepared by

**FRANCISCO
AND ASSOCIATES**

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EXECUTIVE SUMMARY

The City of Hercules annually levies and collects special assessments to maintain certain improvements within the City's five Landscape and Lighting Assessment Districts (LLADs). Each LLAD provides continued maintenance, servicing, administration, and operations of various landscape and lighting improvements and other facilities benefiting parcels within each respective LLAD. Each property is assessed only for the cost of the improvements from which benefit is received.

The five LLADs in Hercules provide for well-maintained, attractive landscaping and serviceable streetlighting along public streets as well as fire breaks adjacent to open space. They also provide for the upkeep of playgrounds, fields, park furniture, tennis courts, graffiti abatement, lighting, landscaping, water features, and trails in City parks. The expenses associated with the maintenance of these LLADs include labor, material, equipment, utilities, repairs, and administration.

In the spring of 2023, Francisco & Associates (F&A) prepared a 5-year financial projection for each of the eleven Benefit Zones within LLAD No. 83-2 and LLAD Nos. 2002-1 (Victoria by the Bay LLAD), 2002-2 (Promenade LLAD), 2004-1 (Baywood LLAD), and 2005-1 (Bayside LLAD). The 5-year financial projections provided City staff with information to evaluate the financial health of the LLADs by providing a comprehensive picture that assisted the City in its decision-making process, including the need and timing for conducting Proposition 218 proceedings to increase LLAD assessments. The City conducted Proposition 218 proceedings for the Victoria by the Bay LLAD in the fall of 2023 and again during the first half of 2024 to address an annual and cumulative operating deficit. A significant majority of Victoria by the Bay LLAD property owners opposed an increase to their annual assessments both times, and therefore the funding shortfall still needs to be addressed. As a next step, the City has requested F&A assist with updating the 5-year financial projections for the LLADs using the approved Fiscal Year 2024-25 budgets with a 30% reduction to City personnel and overhead administration costs as a baseline. Below are the key assumptions used to project the budgets from the Fiscal Year 2024-25 baseline through Fiscal Year 2028-29.

- **Assessment Revenue** - A 3% annual increase for all Benefit Zones within LLAD No. 83-2 and LLAD Nos. 2002-1, 2002-2, 2004-1, and 2005-1, except for Benefit Zones 2 and 5B within LLAD No. 83-2 because they currently generate sufficient revenue to cover annual operating and maintenance expenses while also building reserves for future capital improvements and replacement projects.
- **City Personnel and Overhead Administration** - A 3% annual increase in City personnel and overhead administration costs to support operational needs.
- **Landscape Maintenance** - A 2% annual increase in the Landscape, Open Space, and Associated Repairs expenditure line item to ensure ongoing landscape

maintenance. An automatic 2% annual increase has typically been included in City landscape contracts.

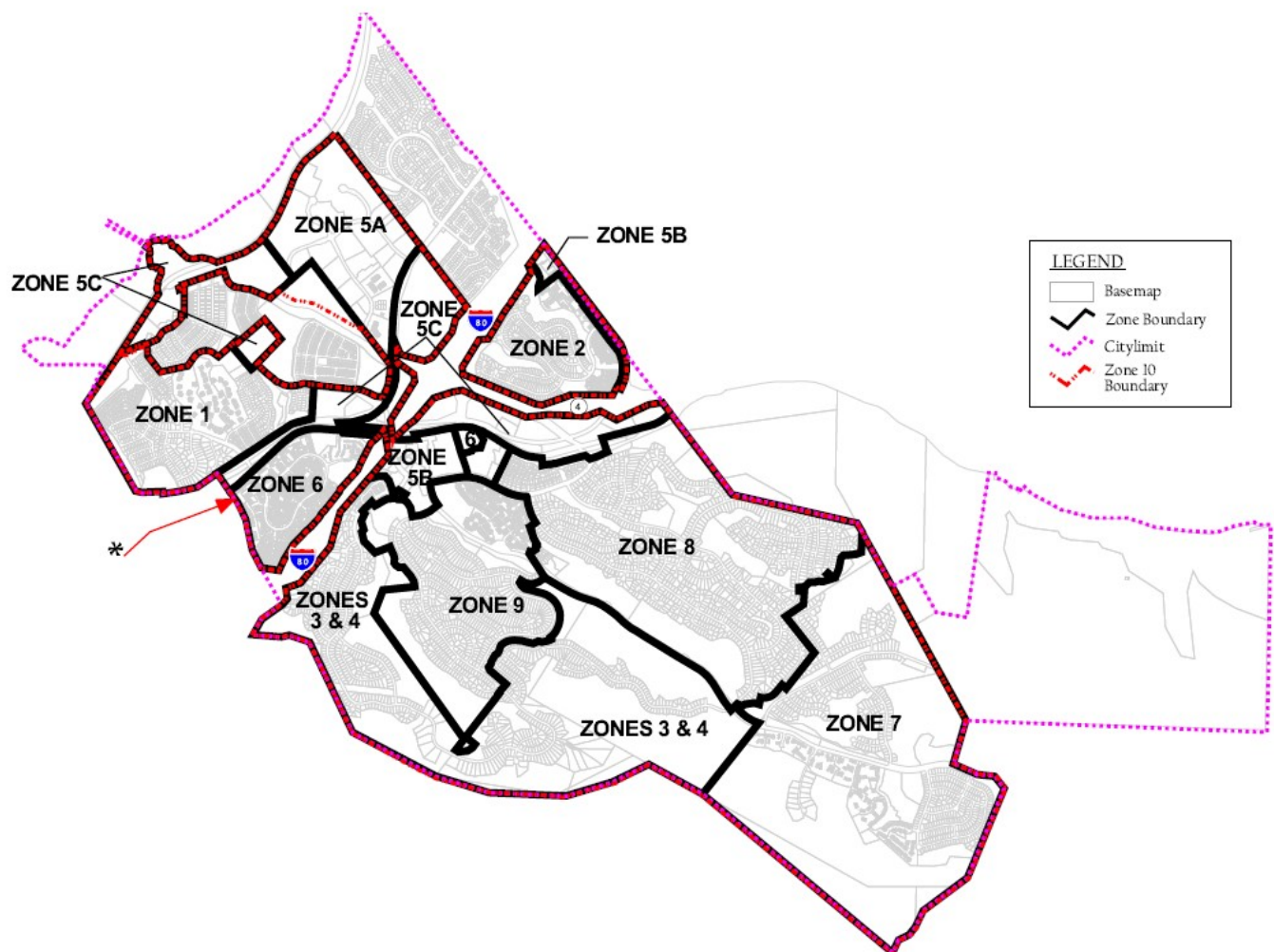
- **Electricity and Streetlighting** - A 5% annual increase in the Electricity and Streetlight Repairs expenditure line item, primarily to address rising Pacific Gas & Electric energy rates.
- **Water Costs** - A 5% annual increase in the Landscape and Facilities Water expenditure line item to account for anticipated East Bay Municipal Utility District rate increases.

Please note the 5-year financial projections in this report includes an analysis to replace existing improvements maintained by each respective LLAD and costs for programmed 5-year Capital Improvement Projects anticipated to be funded by each LLAD, but does not account for the replacement of existing park improvements associated with LLAD No. 83-2 Benefit Zone 10 (Citywide Parks) nor projects in the Parks Master Plan. These park improvements are intended to be funded with grants and other funding sources that become available, to the extent possible.

In short, the operating budgets for LLAD No. 83-2, Baywood LLAD, and Bayside LLAD are trending positively over the 5-year financial projections, in large part due to successful Proposition 218 proceedings conducted between Fiscal Year 2017-18 to Fiscal Year 2021-22 approving increases to LLAD assessments for six (6) Benefit Zones of LLAD No. 83-2. Although incorporating a 30% reduction to City personnel and overhead administration improved the 5-year financial projections for the Victoria by the Bay LLAD and Promenade LLAD, these two LLADs are expected to continue experiencing annual operating deficits primarily due to the need for increased irrigation watering, East Bay Municipal Utility District water rate increases, and additional work associated with regular tree pruning.

SECTION I

LLAD NO. 83-2

5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH,
AND CAPITAL REPLACEMENT ANALYSIS

**BENEFIT ZONE 1
HERCULES BY THE BAY**

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 1 - HERCULES BY THE BAY)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

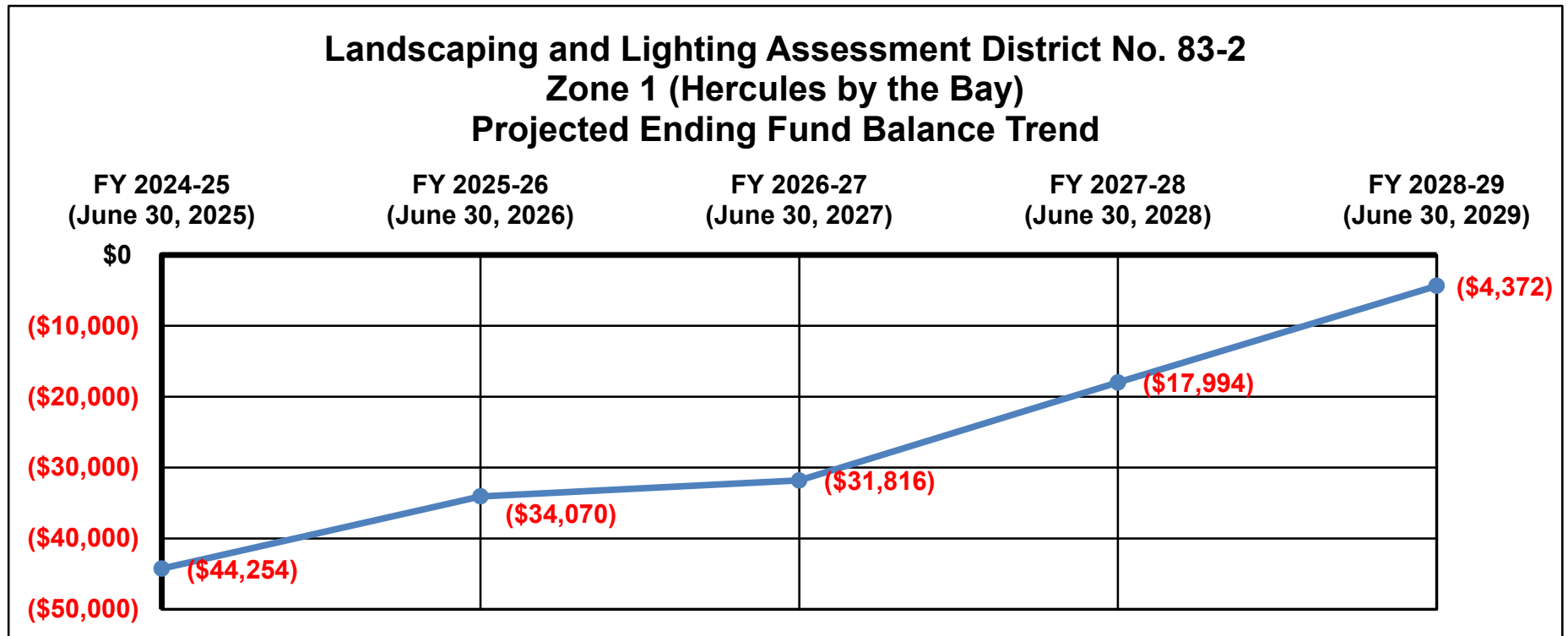
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$146	\$150	\$155	\$159	\$164
Assessments	\$102,795	\$105,879	\$109,055	\$112,327	\$115,697
General Benefit Contribution	\$801	\$844	\$1,129	\$934	\$980
TOTAL REVENUES:	\$103,596	\$106,723	\$110,184	\$113,261	\$116,676
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$14,085	\$14,508	\$14,943	\$15,391	\$15,853
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$28,840	\$34,085	\$31,227	\$32,469	\$33,799
Landscaping, Open Space, and Associated Repairs	\$9,000	\$9,180	\$9,364	\$9,551	\$9,742
Tree Trimming	\$0	\$0	\$12,000	\$0	\$0
Electricity and Streetlight Repairs	\$10,000	\$10,500	\$11,100	\$11,700	\$12,300
Landscape and Facilities Water	\$5,000	\$6,000	\$7,000	\$8,000	\$9,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$976	\$976	\$976	\$976	\$976
TOTAL ANNUAL EXPENDITURES:	\$68,901	\$76,279	\$87,671	\$79,180	\$82,795
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$7,500	\$0	\$0	\$0	\$0
Street Light Pole Replacement (10-year loan repayment)	\$20,259	\$20,259	\$20,259	\$20,259	\$20,259
TOTAL CIP EXPENDITURES:	\$27,759	\$20,259	\$20,259	\$20,259	\$20,259
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$96,660	\$96,538	\$107,930	\$99,439	\$103,054
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	(\$51,190)	(\$44,254)	(\$34,070)	(\$31,816)	(\$17,994)
Reserve Collection Increase/(Decrease)	\$6,936	\$10,185	\$2,254	\$13,822	\$13,622
Ending Balance - Projected June 30	(\$44,254)	(\$34,070)	(\$31,816)	(\$17,994)	(\$4,372)
Recommended Operating Reserves	\$48,330	\$48,269	\$53,965	\$49,720	\$51,527
Available Operating Reserves	(\$44,254)	(\$34,070)	(\$31,816)	(\$17,994)	(\$4,372)
Target Capital Reserves	\$190,333	\$196,043	\$201,925	\$207,982	\$214,222
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. The Cottage Ln, Coventry, and Olympian Hills developments within Zone 1 have a lower maximum allowable assessment rate (\$87.23 per EDU for FY 2024-25) because their interior streetlighting is owned and maintained by an HOA.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Prior to Fiscal Year 2019-20, Zone 1 (Hercules by the Bay) property owners approved an increase to their LLAD assessment to finance the replacement of deteriorated wooden pole streetlights in their neighborhood and gradually eliminate the Zone's fund deficit. Zone 1 is now on pace to fully repay the loan for the wooden pole streetlight replacements and is expected to generate sufficient revenue to pay annual operating and maintenance expenditures and to begin building reserves in Fiscal Year 2029-30.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 1 - HERCULES BY THE BAY) CAPITAL REPLACEMENT ANALYSIS

Railroad Park - LLAD 83-2 (Zone 1)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Benches - Steel	4	EA	\$1,000	\$4,000	30	0	\$4,000	\$4,000
Miscellaneous Irrigation System Replacement	12,800	SF	\$0.05	\$640	1	0	\$640	\$640
Irrigation Controller	1	EA	\$15,000	\$15,000	15	0	\$15,000	\$15,000
Picnic Tables - Wood with steel base	3	EA	\$1,000	\$3,000	25	0	\$3,000	\$3,000
Playground (Ages 5-12) - Little Tykes	1	EA	\$40,000	\$40,000	20	1	\$41,200	\$39,140
Pathway - Concrete Repair	3,500	SF	\$10	\$3,500	50	19	\$6,137	\$3,805
Swing Set - Landscape Structures	2	EA	\$4,000	\$8,000	20	0	\$8,000	\$8,000
Trash Cans - Concrete with Metal Tops	2	EA	\$750	\$1,500	30	0	\$1,500	\$1,500

*Assumes 3% annual inflation.

\$75,085

Landscaping & Lighting - LLAD 83-2 (Zone 1)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Median Irrigation System Replacement	5,000	SF	\$0.10	\$500	1	0	\$500.00	\$500.00
Decorative Pavers	1,500	SF	\$5.00	\$7,500	30	0	\$7,500.00	\$7,500.00
Miscellaneous Cul-de-Sac Irrigation System Replacement	4,500	SF	\$0.10	\$450	1	0	\$450.00	\$450.00
Irrigation Controller	2	EA	\$15,000	\$30,000	15	0	\$30,000.00	\$30,000.00
Street Light - Single Head	119	EA	\$4,000	\$476,000	30	28	\$1,089,053.57	\$72,603.57
Street Light - Double Head	5	EA	\$5,500	\$27,500	30	28	\$62,918.01	\$4,194.53

*Assumes 3% annual inflation.

Totals \$541,950.00

\$115,248.11

FY 2024-25 Total Target Capital Reserve for Zone 1:

\$190,333.21

BENEFIT ZONE 2 FOXBORO

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 2 FOXBORO)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

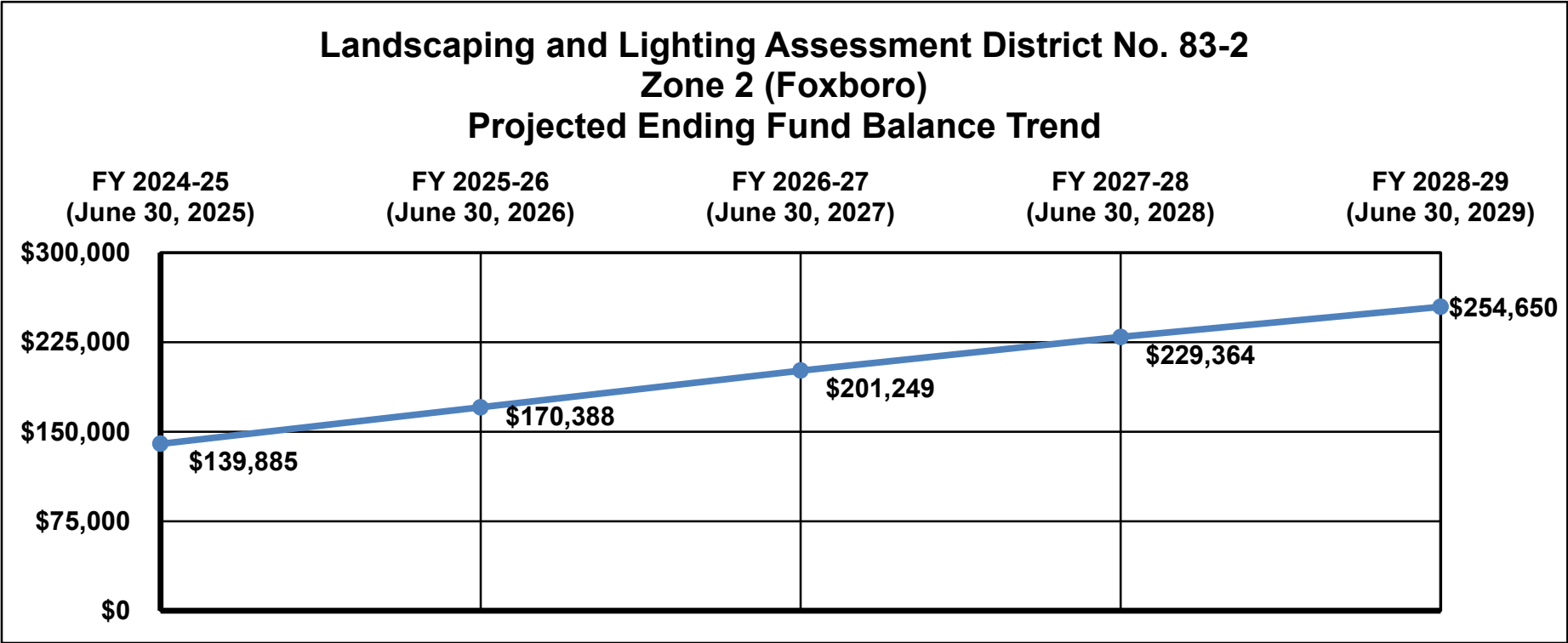
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$130	\$130	\$130	\$130	\$130
Assessments	\$82,960	\$82,960	\$82,960	\$82,960	\$82,960
General Benefit Contribution	\$514	\$546	\$583	\$620	\$657
TOTAL REVENUES:	\$83,475	\$83,507	\$83,544	\$83,581	\$83,618
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$14,085	\$14,508	\$14,943	\$15,391	\$15,853
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$21,728	\$25,679	\$23,526	\$24,462	\$25,464
Landscaping, Open Space, and Associated Repairs	\$3,300	\$3,366	\$3,433	\$3,502	\$3,572
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$4,400	\$4,700	\$5,000	\$5,300	\$5,600
Landscape and Facilities Water	\$2,170	\$3,000	\$4,000	\$5,000	\$6,000
Assessment Engineering Cost	\$1,000	\$1,000	\$1,030	\$1,061	\$1,093
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$750	\$750	\$750	\$750	\$750
TOTAL ANNUAL EXPENDITURES:	\$47,433	\$53,003	\$52,683	\$55,466	\$58,332
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$47,433	\$53,003	\$52,683	\$55,466	\$58,332
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$103,843	\$139,885	\$170,388	\$201,249	\$229,364
Reserve Collection Increase/(Decrease)	\$36,041	\$30,504	\$30,861	\$28,114	\$25,286
Ending Balance - Projected June 30	\$139,885	\$170,388	\$201,249	\$229,364	\$254,650
Recommended Operating Reserves	\$23,717	\$26,502	\$26,341	\$27,733	\$29,166
Available Operating Reserves	\$23,717	\$26,502	\$26,341	\$27,733	\$29,166
Target Capital Reserves	\$40,962	\$42,191	\$43,457	\$44,760	\$46,103
Available Capital Reserves	\$116,168	\$143,887	\$174,908	\$201,631	\$225,484

*EDU = Equivalent Dwelling Unit. Assumes rates will not be increased for FY 2024-25 through 2028-29.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Zone 2 (Foxboro) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures and is in strong position to continue building reserves for future capital improvement and replacement projects.

The trend graph below assumes the Zone 2 assessment rates will not be increased through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 2 - FOXBORO) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Median Irrigation System Replacement	11,000	SF	\$0.10	\$1,100	1	0	\$1,100	\$1,100
Irrigation Controller	1	EA	\$15,000	\$15,000	15	0	\$15,000	\$15,000
Street Light - Single Head	38	EA	\$4,000	\$152,000	30	28	\$347,765	\$23,184
Street Light - Double Head	2	EA	\$5,500	\$11,000	30	28	\$25,167	\$1,678

*Assumes 3% annual inflation.

Totals \$179,100

\$40,962

FY 2024-25 Total Target Capital Reserve for Zone 1:

\$40,962

**BENEFIT ZONE 3&4
GEMS/BIRDS**

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 3 & 4 - THE GEMS/BIRDS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29

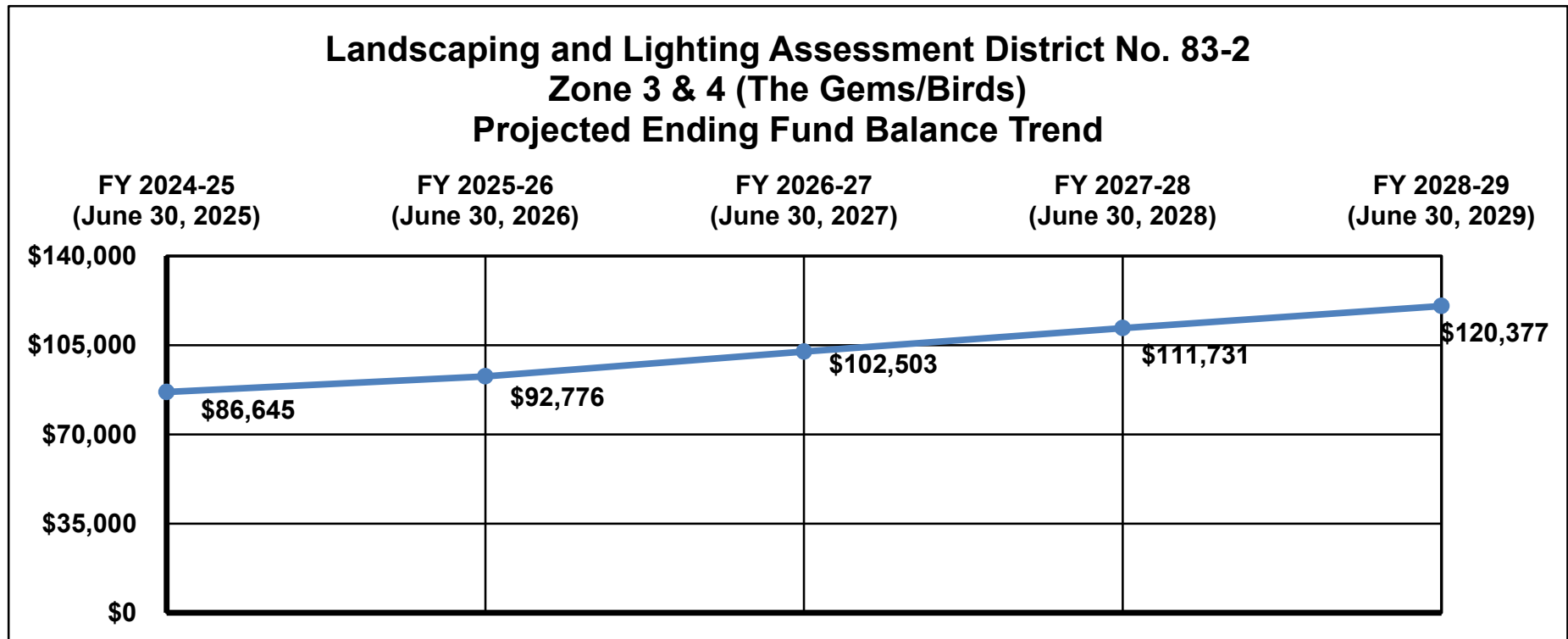
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$141	\$145	\$150	\$154	\$159
Assessments	\$119,915	\$123,513	\$127,218	\$131,035	\$134,966
General Benefit Contribution	\$763	\$823	\$885	\$947	\$1,011
TOTAL REVENUES:	\$120,678	\$124,335	\$128,103	\$131,981	\$135,977
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$7,468	\$7,692	\$7,922	\$8,160	\$8,405
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$29,508	\$34,875	\$31,951	\$33,221	\$34,582
Landscaping, Open Space, and Associated Repairs	\$6,600	\$6,732	\$6,867	\$7,004	\$7,144
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$12,100	\$12,800	\$13,500	\$14,200	\$15,000
Landscape and Facilities Water	\$9,765	\$11,000	\$12,000	\$13,000	\$14,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$314	\$1,000	\$2,000	\$3,000	\$4,000
County Fees	\$883	\$883	\$883	\$883	\$883
TOTAL ANNUAL EXPENDITURES:	\$67,638	\$76,012	\$76,184	\$80,561	\$85,140
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Street Light Pole Replacement (10-year loan repayment)	\$42,192	\$42,192	\$42,192	\$42,192	\$42,192
TOTAL CIP EXPENDITURES:	\$42,192	\$42,192	\$42,192	\$42,192	\$42,192
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$109,830	\$118,204	\$118,376	\$122,753	\$127,332
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$75,797	\$86,645	\$92,776	\$102,503	\$111,731
Reserve Collection Increase/(Decrease)	\$10,848	\$6,132	\$9,727	\$9,228	\$8,645
Ending Balance - Projected June 30	\$86,645	\$92,776	\$102,503	\$111,731	\$120,377
Recommended Operating Reserves	\$54,915	\$59,102	\$59,188	\$61,377	\$63,666
Available Operating Reserves	\$54,915	\$59,102	\$59,188	\$61,377	\$63,666
Target Capital Reserves	\$125,784	\$129,557	\$133,444	\$137,447	\$141,571
Available Capital Reserves	\$31,730	\$33,675	\$43,315	\$50,355	\$56,711

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Prior to Fiscal Year 2021-22, Zone 3&4 (The Gems/Birds) property owners approved an increase to their LLAD assessment to finance the replacement of deteriorated wooden pole streetlights in their neighborhood. Zone 3&4 is on pace to fully repay the loan for the wooden pole streetlight replacements and is in strong position to build reserves for future capital improvement and replacement projects.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 3&4 - THE GEMS/BIRDS) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Cul-de-Sac Irrigation System Replacement	8,000	SF	\$0.10	\$800	1	0	\$800	\$800
Cul-de-Sac - Concrete Repair	8,000	SF	\$10	\$8,000	50	9	\$10,438	\$8,559
Miscellaneous Roadside Irrigation System Replacement	40,000	SF	\$0.05	\$2,000	1	0	\$2,000	\$2,000
Irrigation Controller	2	EA	\$15,000	\$30,000	15	0	\$30,000	\$30,000
Street Light - Single Head	137	EA	\$4,000	\$548,000	30	28	\$1,253,784	\$83,586
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	28	\$12,584	\$839

*Assumes 3% annual cost increase.

Totals \$594,300

\$125,784

FY 2024-25 Total Target Capital Reserve for Zone 3&4:

\$125,784

BENEFIT ZONE 5A BUSINESS PARK

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 5A - BUSINESS PARK)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

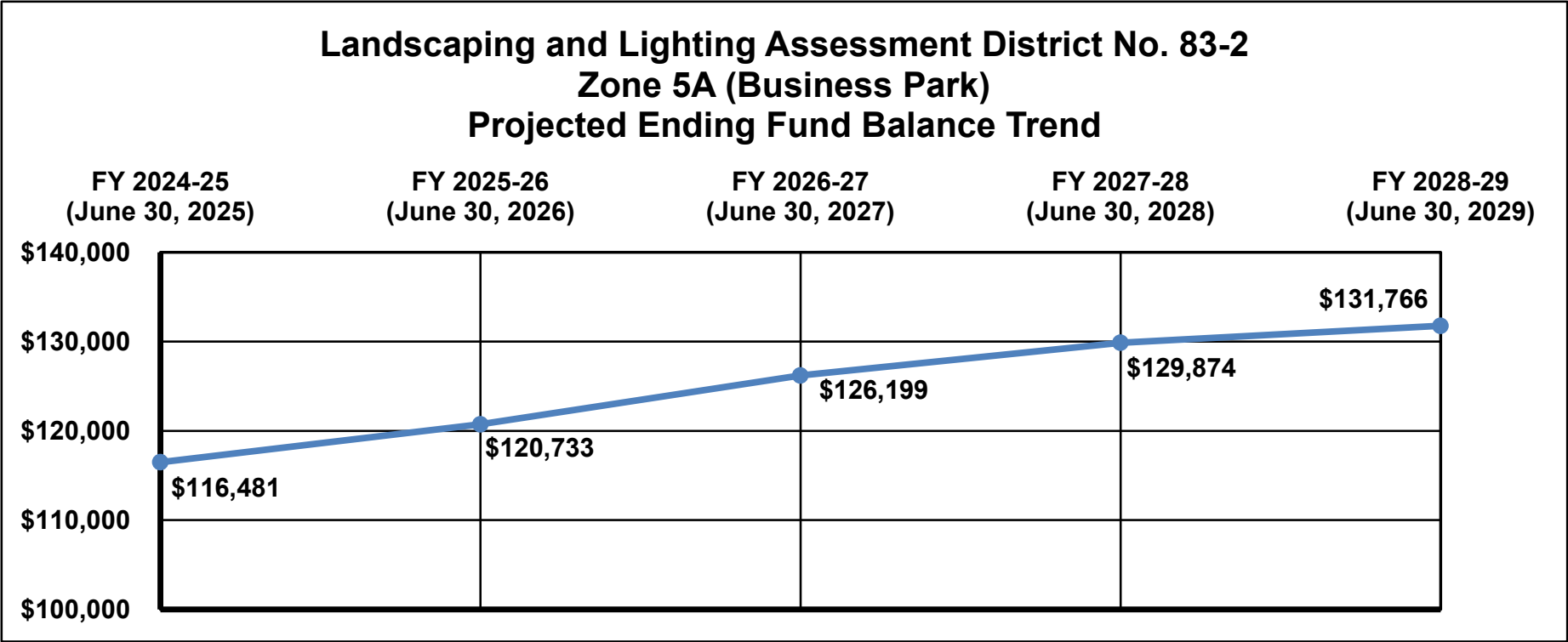
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$150	\$154	\$159	\$164	\$169
Assessments	\$95,626	\$98,495	\$101,450	\$104,493	\$107,628
General Benefit Contribution	\$1,315	\$1,400	\$1,480	\$1,559	\$1,639
TOTAL REVENUES:	\$96,941	\$99,895	\$102,930	\$106,053	\$109,268
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$8,659	\$8,919	\$9,186	\$9,462	\$9,746
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$21,678	\$25,621	\$23,473	\$24,406	\$25,406
Landscaping, Open Space, and Associated Repairs	\$13,200	\$13,464	\$13,733	\$14,008	\$14,288
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$6,000	\$6,300	\$6,700	\$7,100	\$7,500
Landscape and Facilities Water	\$32,550	\$35,000	\$37,000	\$39,000	\$41,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$4,015	\$5,000	\$6,000	\$7,000	\$8,000
County Fees	\$310	\$310	\$310	\$310	\$310
TOTAL ANNUAL EXPENDITURES:	\$87,412	\$95,644	\$97,463	\$102,379	\$107,375
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$87,412	\$95,644	\$97,463	\$102,379	\$107,375
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$106,952	\$116,481	\$120,733	\$126,199	\$129,874
Reserve Collection Increase/(Decrease)	\$9,529	\$4,252	\$5,467	\$3,674	\$1,893
Ending Balance - Projected June 30	\$116,481	\$120,733	\$126,199	\$129,874	\$131,766
Recommended Operating Reserves	\$43,706	\$47,822	\$48,732	\$51,189	\$53,687
Available Operating Reserves	\$43,706	\$47,822	\$48,732	\$51,189	\$53,687
Target Capital Reserves	\$57,488	\$59,212	\$60,989	\$62,819	\$64,703
Available Capital Reserves	\$72,775	\$72,911	\$77,468	\$78,684	\$78,079

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Zone 5A (Business Park) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures and is in strong position to continue building reserves for future capital improvement and replacement projects.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 5A - BUSINESS PARK) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Median Irrigation System Replacement	20,500	SF	\$0.10	\$2,050	1	0	\$2,050	\$2,050
Miscellaneous Median Irrigation System Replacement	23,000	SF	\$0.10	\$2,300	1	0	\$2,300	\$2,300
Miscellaneous Median Irrigation System Replacement	12,500	SF	\$0.10	\$1,250	1	0	\$1,250	\$1,250
Irrigation Controller	2	EA	\$15,000	\$30,000	15	0	\$30,000	\$30,000
Street Light - Single Head	29	EA	\$4,000	\$116,000	30	28	\$265,400	\$17,693
Street Light - Double Head	5	EA	\$5,500	\$27,500	30	28	\$62,918	\$4,195

*Assumes 3% annual cost increase.

Totals \$179,100

\$57,488

FY 2024-25 Total Target Capital Reserve for Zone 5A:

\$57,488

BENEFIT ZONE 5B COMMERCIAL

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 5B - COMMERCIAL)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

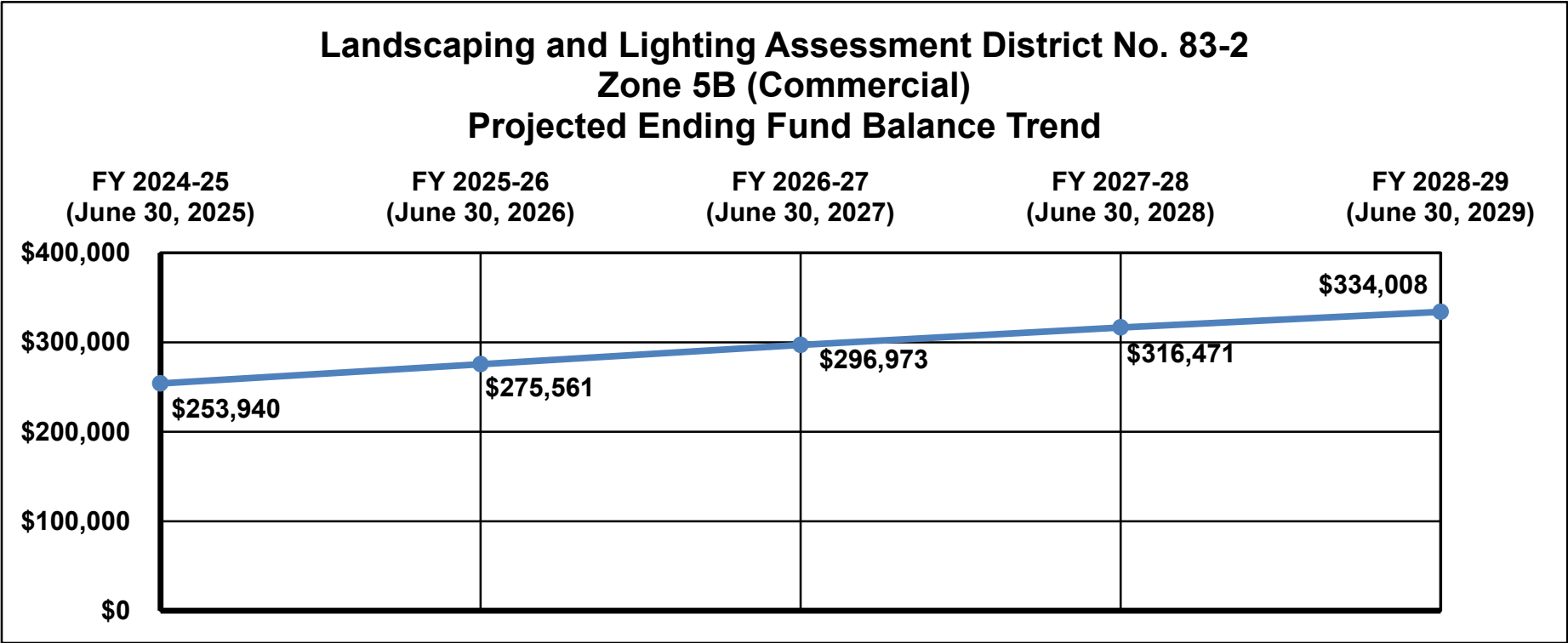
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$140	\$140	\$140	\$140	\$140
Assessments	\$49,160	\$49,160	\$49,160	\$49,160	\$49,160
General Benefit Contribution	\$258	\$274	\$303	\$331	\$360
TOTAL REVENUES:	\$49,418	\$49,434	\$49,463	\$49,491	\$49,520
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$8,659	\$8,919	\$9,186	\$9,462	\$9,746
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$11,933	\$14,103	\$12,921	\$13,435	\$13,985
Landscaping, Open Space, and Associated Repairs	\$1,100	\$1,122	\$1,144	\$1,167	\$1,191
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$300	\$400	\$500	\$600	\$700
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$1,000	\$1,000	\$1,030	\$1,061	\$1,093
Incidental / Direct Admin Cost**	\$1,551	\$2,000	\$3,000	\$4,000	\$5,000
County Fees	\$269	\$269	\$269	\$269	\$269
TOTAL ANNUAL EXPENDITURES:	\$24,812	\$27,813	\$28,050	\$29,994	\$31,983
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$24,812	\$27,813	\$28,050	\$29,994	\$31,983
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$229,334	\$253,940	\$275,561	\$296,973	\$316,471
Reserve Collection Increase/(Decrease)	\$24,606	\$21,621	\$21,412	\$19,498	\$17,537
Ending Balance - Projected June 30	\$253,940	\$275,561	\$296,973	\$316,471	\$334,008
Recommended Operating Reserves	\$12,406	\$13,907	\$14,025	\$14,997	\$15,991
Available Operating Reserves	\$12,406	\$13,907	\$14,025	\$14,997	\$15,991
Target Capital Reserves	\$2,689	\$2,769	\$2,853	\$2,938	\$3,026
Available Capital Reserves	\$241,534	\$261,655	\$282,948	\$301,474	\$318,017

*EDU = Equivalent Dwelling Unit. Assumes rates will not be increased for FY 2024-25 through 2028-29.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Zone 5B (Commercial) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures and is in strong position to continue building reserves for future capital improvement and replacement projects.

The trend graph below assumes the Zone 5B assessment rates will not be increased through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 5B - COMMERCIAL PARCELS) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Roadside Irrigation System Replacement	9,000	SF	\$0.05	\$450	1	0	\$450	\$450
Miscellaneous Median Irrigation System Replacement	3,300	SF	\$0.10	\$330	1	0	\$330	\$330
Medians - Concrete Repair	1,000	SF	\$10	\$1,000	50	9	\$1,305	\$1,070
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	28	\$12,584	\$839
Totals				\$7,280				\$2,689

*Assumes 3% annual cost increase.

FY 2024-25 Total Target Capital Reserve for Zone 5B: \$2,689

**BENEFIT ZONE 5C
MISC. PARCELS**

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE 5C - MISC. PARCELS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$69	\$71	\$73	\$75	\$77
Assessments	\$31,378	\$32,319	\$33,289	\$34,288	\$35,316
General Benefit Contribution	\$145	\$166	\$191	\$216	\$242
TOTAL REVENUES:	\$31,524	\$32,485	\$33,480	\$34,504	\$35,558
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$4,330	\$4,459	\$4,593	\$4,731	\$4,873
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$15,514	\$18,335	\$16,798	\$17,466	\$18,181
Landscaping, Open Space, and Associated Repairs	\$0	\$0	\$0	\$0	\$0
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$400	\$500	\$600	\$700	\$800
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$1,247	\$2,000	\$3,000	\$4,000	\$5,000
County Fees	\$292	\$292	\$292	\$292	\$292
TOTAL ANNUAL EXPENDITURES:	\$22,783	\$26,616	\$26,344	\$28,281	\$30,271
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$22,783	\$26,616	\$26,344	\$28,281	\$30,271
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	(\$7,751)	\$990	\$6,859	\$13,995	\$20,218
Reserve Collection Increase/(Decrease)	\$8,742	\$5,869	\$7,136	\$6,223	\$5,287
Ending Balance - Projected June 30	\$990	\$6,859	\$13,995	\$20,218	\$25,505
Recommended Operating Reserves	\$11,391	\$13,308	\$13,172	\$14,141	\$15,136
Available Operating Reserves	\$990	\$6,859	\$13,172	\$14,141	\$15,136
Target Capital Reserves***	\$0	\$0	\$0	\$0	\$0
Available Capital Reserves	\$0	\$0	\$824	\$6,078	\$10,369

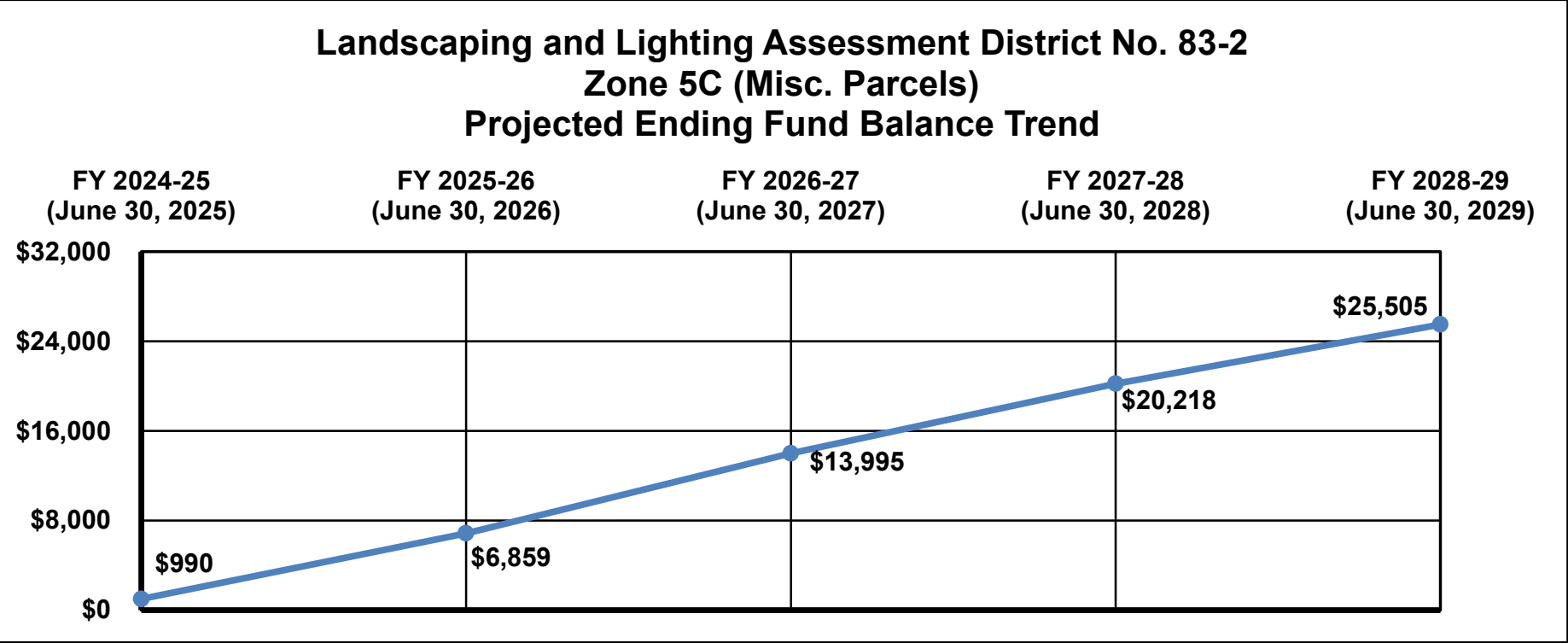
*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

***There are no local improvements associated with Benefit Zone 5C and therefore there is no Capital Replacement Analysis required for this Zone. Zone 5C generates revenue to pay for its share of Arterial Roadway landscaping and streetlighting improvements.

Prior to Fiscal Year 2017-18, Zone 5C (Misc. Parcels) property owners approved an increase to their LLAD assessment to eliminate the Zone's annual operating and maintenance deficit and cumulative fund deficit. Zone 5C is now generating sufficient revenue to pay annual operating and maintenance expenditures and is to begin building reserves in Fiscal Year 2024-25.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



**BENEFIT ZONE 6
VILLAGE PARKWAY**

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 6 - VILLAGE PARKWAY)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

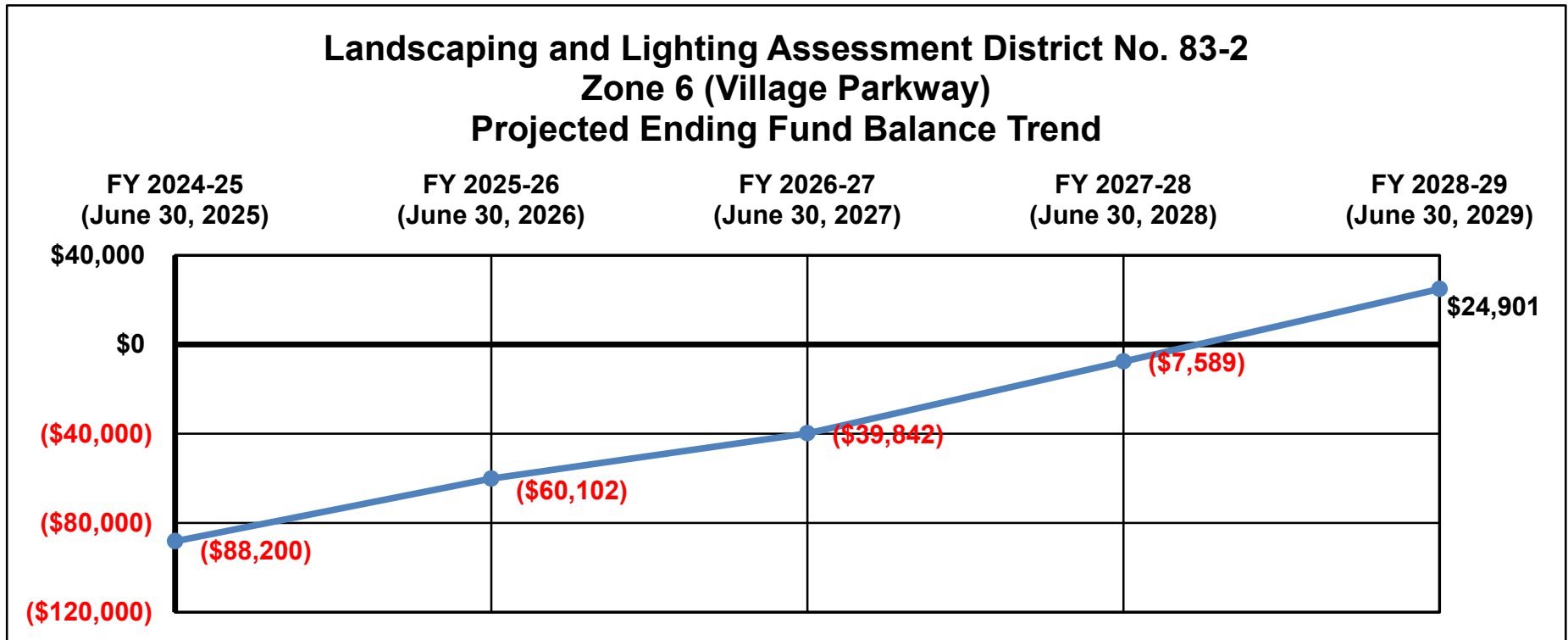
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$120	\$124	\$127	\$131	\$135
Assessments	\$99,147	\$102,121	\$105,185	\$108,340	\$111,590
General Benefit Contribution	\$499	\$528	\$803	\$600	\$637
TOTAL REVENUES:	\$99,645	\$102,649	\$105,988	\$108,940	\$112,227
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$10,903	\$11,230	\$11,567	\$11,914	\$12,272
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$25,811	\$30,505	\$27,948	\$29,059	\$30,249
Landscaping, Open Space, and Associated Repairs	\$3,300	\$3,366	\$3,433	\$3,502	\$3,572
Tree Trimming	\$0	\$0	\$12,000	\$0	\$0
Electricity and Streetlight Repairs	\$5,500	\$5,800	\$6,100	\$6,500	\$6,900
Landscape and Facilities Water	\$3,255	\$4,000	\$5,000	\$6,000	\$7,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$982	\$982	\$982	\$982	\$982
TOTAL ANNUAL EXPENDITURES:	\$50,751	\$56,914	\$68,091	\$59,050	\$62,100
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Street Light Pole Replacement (10-year loan repayment)	\$17,637	\$17,637	\$17,637	\$17,637	\$17,637
TOTAL CIP EXPENDITURES:	\$17,637	\$17,637	\$17,637	\$17,637	\$17,637
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$68,388	\$74,551	\$85,728	\$76,687	\$79,737
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	(\$119,457)	(\$88,200)	(\$60,102)	(\$39,842)	(\$7,589)
Reserve Collection Increase/(Decrease)	\$31,257	\$28,098	\$20,260	\$32,253	\$32,490
Ending Balance - Projected June 30	(\$88,200)	(\$60,102)	(\$39,842)	(\$7,589)	\$24,901
Recommended Operating Reserves	\$34,194	\$37,275	\$42,864	\$38,343	\$39,869
Available Operating Reserves	(\$88,200)	(\$60,102)	(\$39,842)	(\$7,589)	\$24,901
Target Capital Reserves	\$72,183	\$74,348	\$76,579	\$78,876	\$81,242
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. The Westwood Duet development within Zone 6 has a higher maximum allowable assessment rate (\$198.19 per EDU for FY 2024-25) because their interior streetlighting is owned and maintained by the City.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Prior to Fiscal Year 2021-22, Zone 6 (Village Parkway) property owners approved an increase to their LLAD assessment to finance the replacement of deteriorated wooden pole streetlights in their neighborhood, restore maintenance service levels, and gradually eliminate the Zone's cumulative fund deficit. Zone 6 is on pace to fully repay the loan for the wooden pole streetlight replacements and is expected to fully decrease the fund deficit by Fiscal Year 2028-29.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 6 - VILLAGE PARKWAY) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Median Irrigation System Replacement	8,000	SF	\$0.10	\$800	1	0	\$800	\$800
Decorative Pavers	1,100	SF	\$5	\$5,500	30	0	\$5,500	\$5,500
Miscellaneous Median Irrigation System Replacement	10,300	SF	\$0.10	\$1,030	1	0	\$1,030	\$1,030
Irrigation Controller	2	EA	\$15,000	\$30,000	15	0	\$30,000	\$30,000
Street Light - Single Head	53	EA	\$4,000	\$212,000	30	28	\$485,041	\$32,336
Street Light - Double Head	3	EA	\$5,500	\$16,500	30	28	\$37,751	\$2,517

*Assumes 3% annual cost increase.

Totals\$265,830\$72,183

FY 2024-25 Total Target Capital Reserve for Zone 6:\$72,183

BENEFIT ZONE 7 HEIGHTS

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 7 - HEIGHTS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

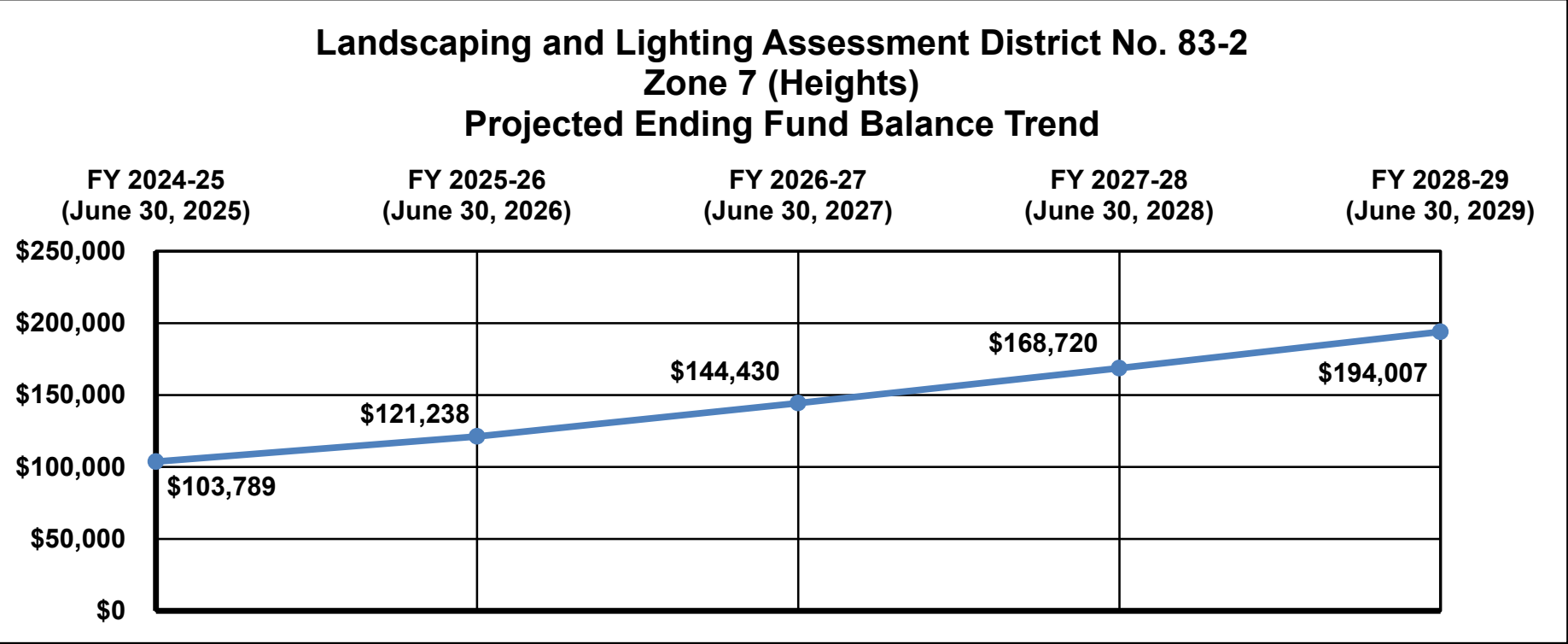
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$152	\$156	\$161	\$166	\$171
Assessments	\$122,261	\$125,928	\$129,706	\$133,597	\$137,605
General Benefit Contribution	\$691	\$718	\$745	\$773	\$803
TOTAL REVENUES:	\$122,951	\$126,646	\$130,451	\$134,370	\$138,408
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$15,938	\$16,416	\$16,909	\$17,416	\$17,939
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$33,369	\$39,438	\$36,131	\$37,568	\$39,107
Landscaping, Open Space, and Associated Repairs	\$2,200	\$2,244	\$2,289	\$2,335	\$2,381
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$14,300	\$15,100	\$15,900	\$16,700	\$17,600
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$1,102	\$1,102	\$1,102	\$1,102	\$1,102
TOTAL ANNUAL EXPENDITURES:	\$67,910	\$75,331	\$73,392	\$76,214	\$79,254
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Street Light Pole Replacement (10-year loan repayment)	\$33,867	\$33,867	\$33,867	\$33,867	\$33,867
TOTAL CIP EXPENDITURES:	\$33,867	\$33,867	\$33,867	\$33,867	\$33,867
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$101,777	\$109,198	\$107,259	\$110,081	\$113,121
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$82,614	\$103,789	\$121,238	\$144,430	\$168,720
Reserve Collection Increase/(Decrease)	\$21,175	\$17,449	\$23,192	\$24,290	\$25,287
Ending Balance - Projected June 30	\$103,789	\$121,238	\$144,430	\$168,720	\$194,007
Recommended Operating Reserves	\$50,888	\$54,599	\$53,630	\$55,040	\$56,561
Available Operating Reserves	\$50,888	\$54,599	\$53,630	\$55,040	\$56,561
Target Capital Reserves	\$79,315	\$81,694	\$84,145	\$86,669	\$89,270
Available Capital Reserves	\$52,901	\$66,639	\$90,801	\$113,680	\$137,446

*EDU = Equivalent Dwelling Unit. The Bay Pointe, Bravo, and Caprice developments within Zone 7 have a lower maximum allowable assessment rate (\$88.10 per EDU for FY 2024-25) because their interior streetlighting is owned and maintained by an HOA.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Prior to Fiscal Year 2021-22, Zone 7 (Heights) property owners approved an increase to their LLAD assessment to finance the replacement of deteriorated wooden pole streetlights in their neighborhood. Zone 7 is on pace to fully repay the loan for the wooden pole streetlight replacements and is in strong position to build reserves for future capital improvement and replacement projects.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 7 - HEIGHTS) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Street Light - Single Head	130	EA	\$4,000	\$520,000	30	28	\$1,189,722	\$79,315

*Assumes 3% annual cost increase.

Totals \$520,000.00 \$79,315

FY 2024-25 Total Target Capital Reserve for Zone 7: \$79,315

BENEFIT ZONE 8 TREES AND FLOWERS

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 8 - TREES AND FLOWERS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

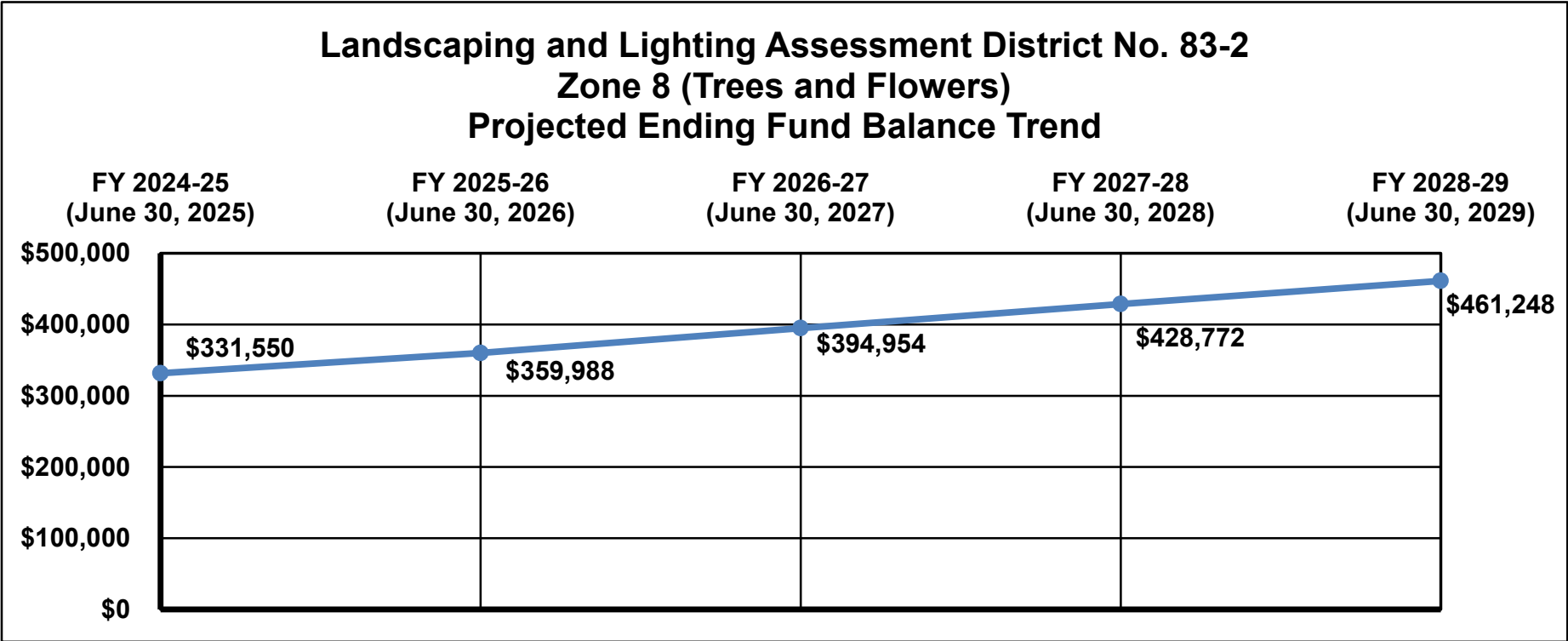
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$128	\$132	\$136	\$140	\$145
Assessments	\$205,630	\$211,799	\$218,153	\$224,697	\$231,438
General Benefit Contribution	\$2,320	\$2,429	\$2,535	\$2,644	\$2,758
TOTAL REVENUES:	\$207,950	\$214,227	\$220,688	\$227,342	\$234,196
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$15,938	\$16,416	\$16,909	\$17,416	\$17,939
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$54,450	\$64,353	\$58,957	\$61,302	\$63,813
Landscaping, Open Space, and Associated Repairs	\$29,700	\$30,294	\$30,900	\$31,518	\$32,148
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$59,400	\$62,400	\$65,600	\$68,900	\$72,400
Landscape and Facilities Water	\$8,680	\$10,000	\$11,000	\$12,000	\$13,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$1,295	\$1,295	\$1,295	\$1,295	\$1,295
TOTAL ANNUAL EXPENDITURES:	\$170,464	\$185,789	\$185,722	\$193,524	\$201,720
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$170,464	\$185,789	\$185,722	\$193,524	\$201,720
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$294,063	\$331,550	\$359,988	\$394,954	\$428,772
Reserve Collection Increase/(Decrease)	\$37,486	\$28,439	\$34,966	\$33,818	\$32,476
Ending Balance - Projected June 30	\$331,550	\$359,988	\$394,954	\$428,772	\$461,248
Recommended Operating Reserves	\$85,232	\$92,894	\$92,861	\$96,762	\$100,860
Available Operating Reserves	\$85,232	\$92,894	\$92,861	\$96,762	\$100,860
Target Capital Reserves	\$198,045	\$203,986	\$210,106	\$216,409	\$222,902
Available Capital Reserves	\$246,318	\$267,094	\$302,093	\$332,010	\$360,388

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Zone 8 (Trees and Flowers) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures and is in strong position to continue building reserves for future capital improvement and replacement projects.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 8 - TREES AND FLOWERS) CAPITAL REPLACEMENT ANALYSIS

Beechnut Park - LLAD 83-2 (Zone 8)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
New Beechnut Mini Park	1	EA	\$250,000	\$250,000	30	30	\$606,815.62	\$40,454.37

*Assumed 3% annual cost increase.

Totals \$250,000.00

\$40,454.37

Landscaping & Lighting - LLAD 83-2 (Zone 8)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Irrigation Controller	6	EA	\$15,000	\$90,000	15	0	\$90,000	\$90,000
Miscellaneous Cul-de-Sac Irrigation System Replacement	31,200	SF	\$0.10	\$3,120	1	0	\$3,120	\$3,120
Cul-de-Sac - Concrete Repair	31,200	SF	\$10	\$31,200	50	9	\$40,709	\$33,381
Miscellaneous Median Irrigation System Replacement	3,350	SF	\$0.10	\$335	1	0	\$335	\$335
Medians - Concrete Repair	3,350	SF	\$10	\$3,350	50	9	\$4,371	\$3,584
Miscellaneous Median Irrigation System Replacement	4,450	SF	\$0.10	\$445	1	0	\$445	\$445
Medians - Concrete Repair	4,450	SF	\$10	\$4,450	50	9	\$5,806	\$4,761
Street Light - Single Head	36	EA	\$4,000	\$144,000	30	28	\$329,462	\$21,964

*Assumes 3% annual cost increase.

Totals \$276,900

\$157,591

FY 2024-25 Total Target Capital Reserve for Zone 8:

\$198,045

**BENEFIT ZONE 9
BIRDS AND COUNTRY RUN**

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***
- ***CAPITAL REPLACEMENT ANALYSIS***

**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 9 - BIRDS AND COUNTRY RUN)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

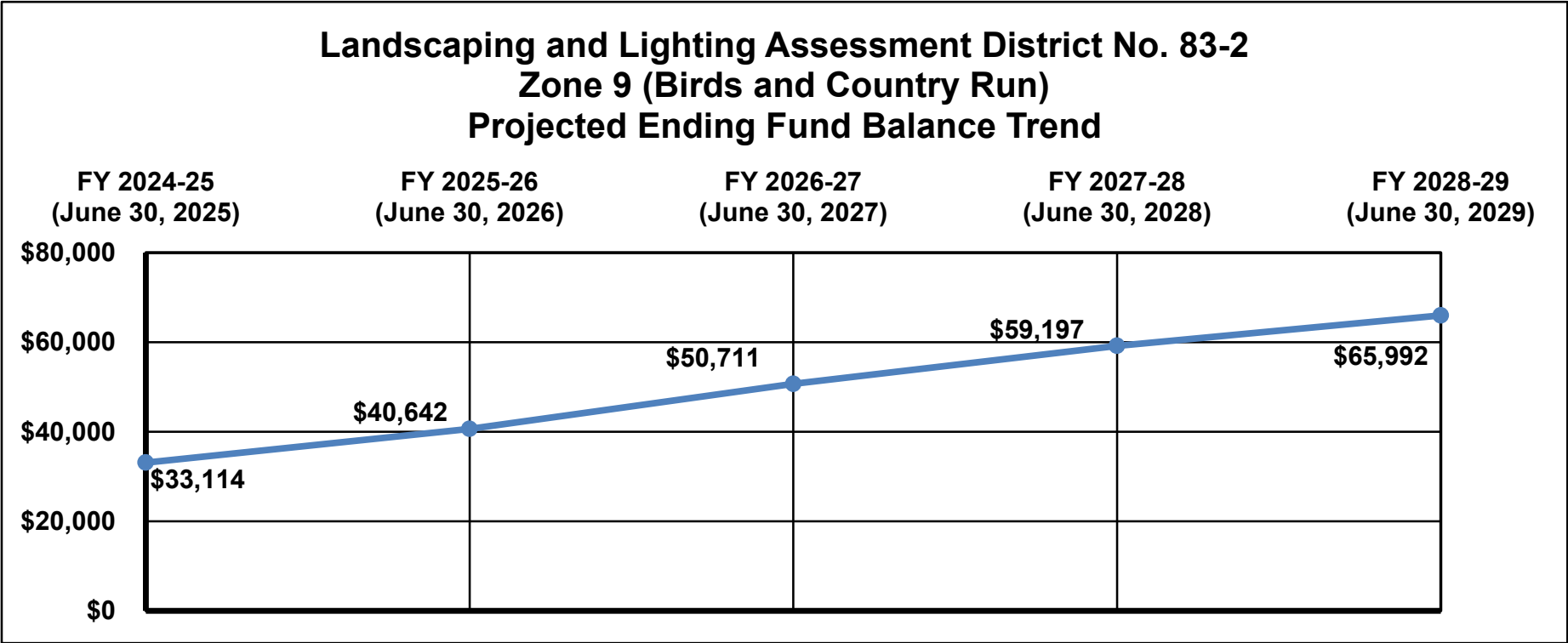
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$113	\$117	\$120	\$124	\$128
Assessments	\$96,231	\$99,118	\$102,092	\$105,155	\$108,309
General Benefit Contribution	\$1,112	\$1,174	\$1,241	\$1,310	\$1,382
TOTAL REVENUES:	\$97,344	\$100,292	\$103,333	\$106,465	\$109,691
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$14,123	\$14,546	\$14,983	\$15,432	\$15,895
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$28,831	\$34,075	\$31,218	\$32,459	\$33,789
Landscaping, Open Space, and Associated Repairs	\$4,400	\$4,488	\$4,578	\$4,669	\$4,763
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$33,000	\$34,700	\$36,500	\$38,400	\$40,400
Landscape and Facilities Water	\$2,170	\$3,000	\$4,000	\$5,000	\$6,000
Assessment Engineering Cost	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
Incidental / Direct Admin Cost**	\$0	\$0	\$0	\$0	\$0
County Fees	\$925	\$925	\$925	\$925	\$925
TOTAL ANNUAL EXPENDITURES:	\$84,449	\$92,764	\$93,264	\$97,978	\$102,897
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$84,449	\$92,764	\$93,264	\$97,978	\$102,897
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$20,219	\$33,114	\$40,642	\$50,711	\$59,197
Reserve Collection Increase/(Decrease)	\$12,895	\$7,528	\$10,069	\$8,487	\$6,795
Ending Balance - Projected June 30	\$33,114	\$40,642	\$50,711	\$59,197	\$65,992
Recommended Operating Reserves	\$42,224	\$46,382	\$46,632	\$48,989	\$51,448
Available Operating Reserves	\$33,114	\$40,642	\$46,632	\$48,989	\$51,448
Target Capital Reserves	\$53,874	\$55,491	\$57,155	\$58,870	\$60,636
Available Capital Reserves	\$0	\$0	\$4,079	\$10,208	\$14,544

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Prior to Fiscal Year 2018-19, Zone 9 (Birds and Country Run) property owners approved an increase to their LLAD assessment to eliminate the Zone's annual operating and maintenance deficit and cumulative fund deficit. Zone 9 is now generating sufficient assessment revenue to pay annual operating and maintenance expenditures and is expected to continue building reserves.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 83-2 (ZONE 9 - BIRDS AND COUNTRY RUN) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Median Irrigation System Replacement	1,500	SF	\$0.10	\$150	1	0	\$150	\$150
Medians - Concrete Repair	500	SF	\$10	\$500	50	9	\$652	\$535
Miscellaneous Cul-de-Sac Irrigation System Replacement	7,000	SF	\$0.10	\$700	1	0	\$700	\$700
Irrigation Controller	3	EA	\$15,000	\$45,000	15	0	\$45,000	\$45,000
Cul-de-Sac - Concrete Repair	7,000	SF	\$10	\$7,000	50	9	\$9,133	\$7,489

*Assumes 3% annual cost increase.

Totals\$53,350\$53,874

FY 2024-25 Total Target Capital Reserve for Zone 9: \$53,874

BENEFIT ZONE 10 CITYWIDE PARKS

- ***5-YEAR FINANCIAL PROJECTIONS***
- ***TREND GRAPH***

**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 83-2
(ZONE NO. 10 - CITYWIDE PARKS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$153	\$158	\$162	\$167	\$172
Assessments	\$1,260,754	\$1,298,577	\$1,337,534	\$1,377,660	\$1,418,990
Transfers from LLAD Zones 1 and 7 (Repayment for Street Lights)	\$54,126	\$54,126	\$54,126	\$54,126	\$54,126
General Benefit Contribution	\$19,845	\$21,450	\$22,778	\$21,737	\$22,405
TOTAL REVENUES:	\$1,334,725	\$1,374,152	\$1,414,438	\$1,453,523	\$1,495,521
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$280,467	\$288,881	\$297,547	\$306,474	\$315,668
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$0	\$0	\$0	\$0	\$0
Landscaping, Open Space, and Associated Repairs	\$396,000	\$403,920	\$411,998	\$420,238	\$428,643
Tree Trimming	\$0	\$50,000	\$85,000	\$0	\$0
Electricity and Streetlight Repairs	\$27,500	\$28,900	\$30,400	\$32,000	\$33,600
Landscape and Facilities Water	\$184,450	\$194,000	\$204,000	\$215,000	\$226,000
Assessment Engineering Cost	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
Incidental / Direct Admin Cost**	\$91,235	\$94,000	\$97,000	\$100,000	\$103,000
County Fees	\$6,595	\$6,595	\$6,595	\$6,595	\$6,595
TOTAL ANNUAL EXPENDITURES:	\$992,246	\$1,072,476	\$1,138,906	\$1,086,863	\$1,120,259
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$60,000	\$50,000	\$50,000	\$50,000	\$50,000
Other Capital Improvement Projects	\$0	\$50,000	\$50,000	\$50,000	\$50,000
TOTAL CIP EXPENDITURES:	\$60,000	\$100,000	\$100,000	\$100,000	\$100,000
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$1,052,246	\$1,172,476	\$1,238,906	\$1,186,863	\$1,220,259
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$152,021	\$434,499	\$636,176	\$811,708	\$1,078,368
Reserve Collection Increase/(Decrease)	\$282,479	\$201,676	\$175,532	\$266,660	\$275,262
Ending Balance - Projected June 30	\$434,499	\$636,176	\$811,708	\$1,078,368	\$1,353,630
Recommended Operating Reserves	\$526,123	\$586,238	\$619,453	\$593,432	\$610,130
Available Operating Reserves	\$434,499	\$586,238	\$619,453	\$593,432	\$610,130
Target Capital Reserves***	\$0	\$0	\$0	\$0	\$0
Available Capital Reserves	\$0	\$49,938	\$192,255	\$484,936	\$743,500

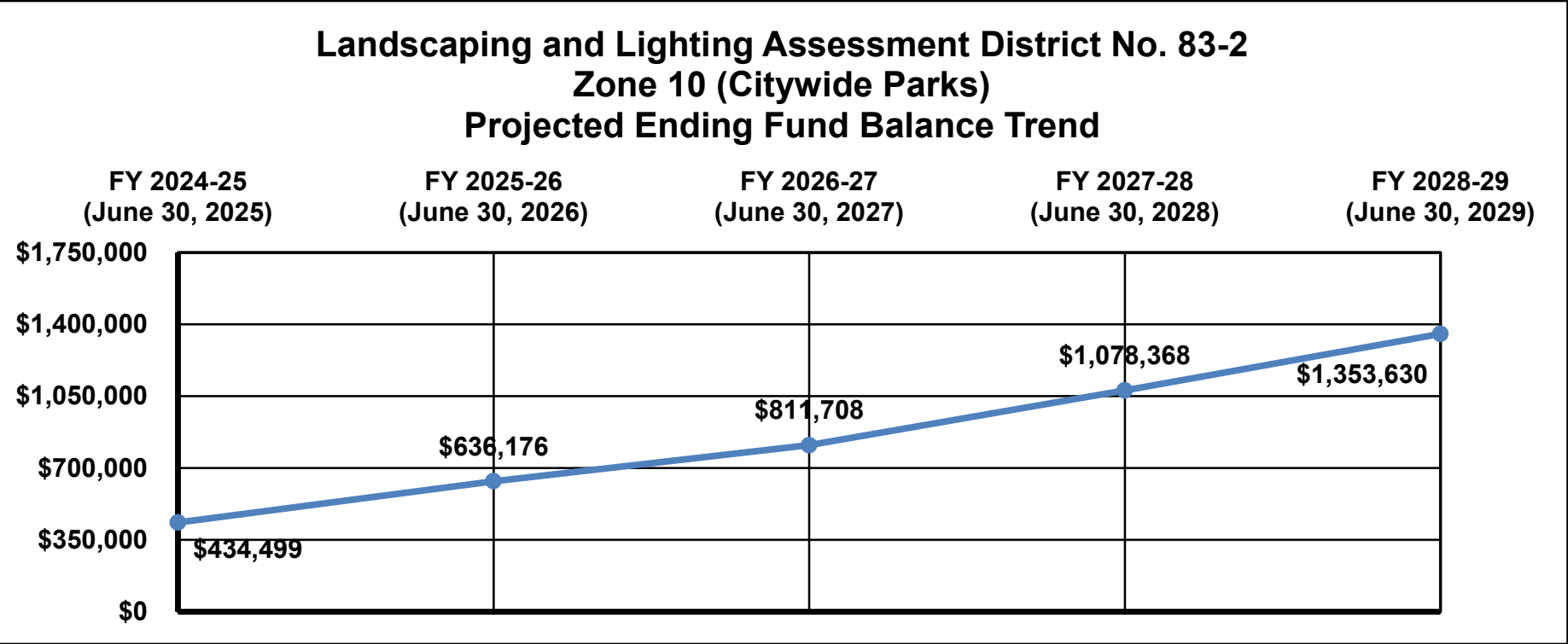
*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

***The replacement of existing park improvements associated with LLAD 83-2 Benefit Zone 10 (Citywide Parks) and projects in the Parks Master Plan are intended to be funded with grants and other funding sources that become available, to the extent possible. Therefore, there is no Capital Replacement Analysis required.

Zone 10 (Citywide Parks) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures. At the current assessment rates, major capital improvement projects will need to be funded with grants or other alternative funding sources.

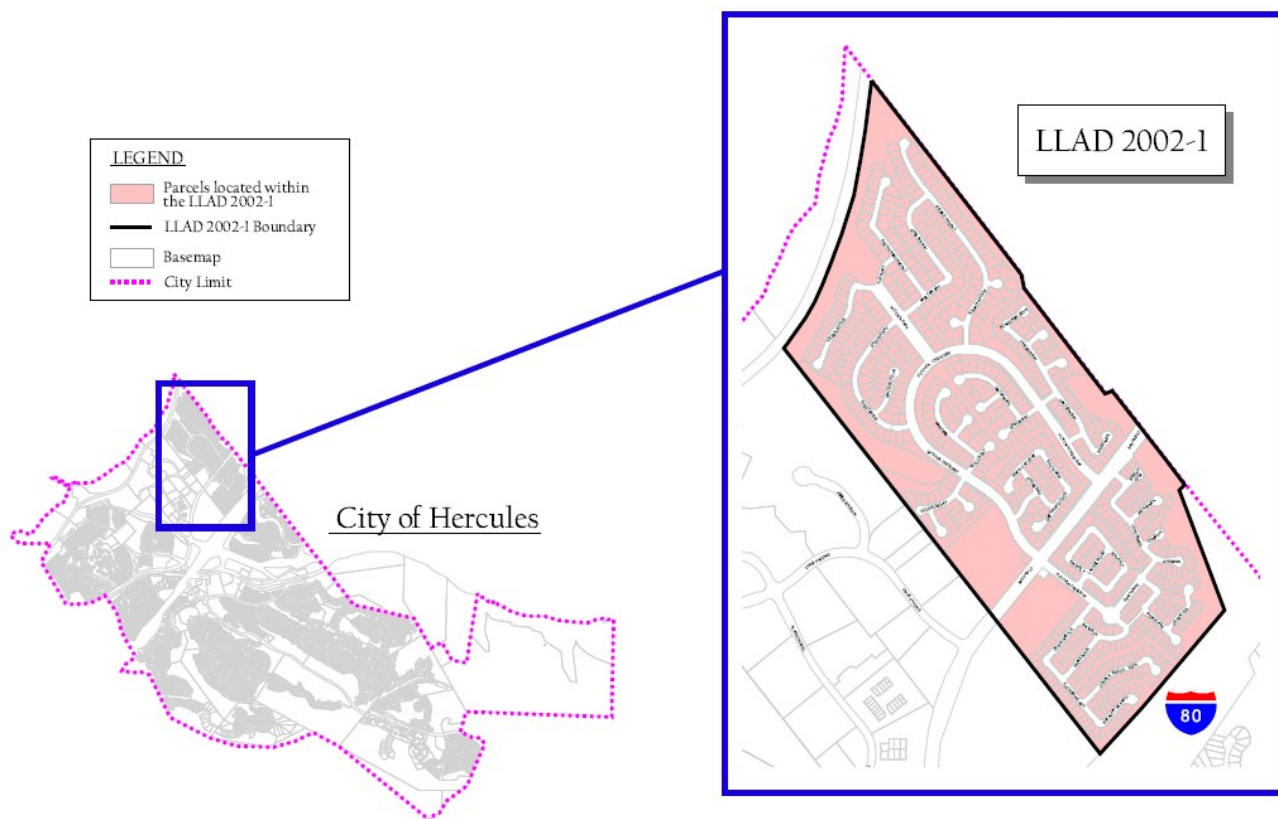
The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



SECTION II

LLAD NO. 2002-1 VICTORIA BY THE BAY

5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH, AND CAPITAL REPLACEMENT ANALYSIS



**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2002-1
(VICTORIA BY THE BAY)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

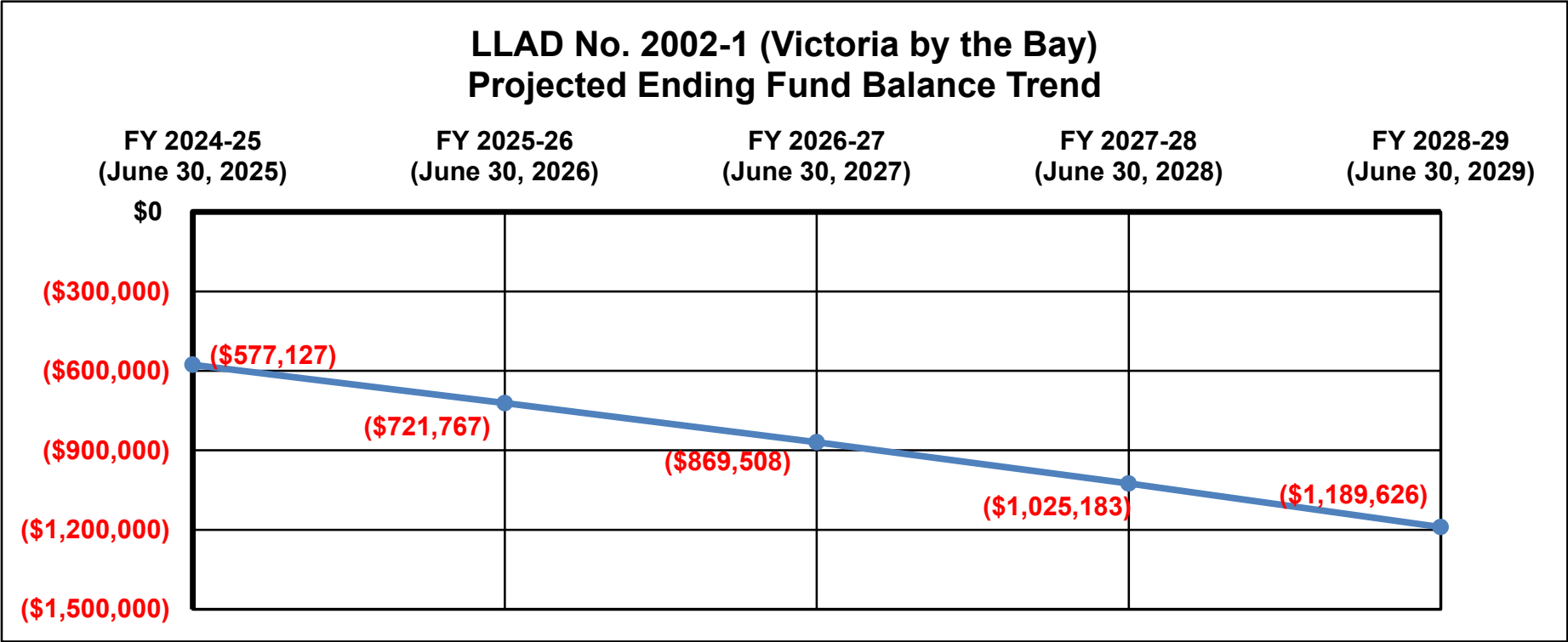
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$617	\$636	\$655	\$674	\$694
Assessments	\$520,569	\$536,186	\$552,272	\$568,840	\$585,905
General Benefit Contribution	\$12,141	\$12,692	\$13,142	\$13,617	\$14,117
TOTAL REVENUES:	\$532,710	\$548,879	\$565,414	\$582,457	\$600,022
ESTIMATED ANNUAL EXPENDITURES					
Personnel**	\$85,643	\$88,212	\$90,859	\$93,584	\$96,392
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$28,685	\$33,902	\$31,060	\$32,295	\$33,617
Landscaping, Open Space, and Associated Repairs	\$195,000	\$198,900	\$202,878	\$206,936	\$211,074
Tree Trimming	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000
Electricity and Streetlight Repairs	\$50,000	\$52,500	\$55,200	\$58,000	\$60,900
Landscape and Facilities Water	\$225,000	\$237,000	\$249,000	\$262,000	\$276,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Incidental / Direct Admin Cost**	\$20,565	\$22,000	\$23,000	\$24,000	\$25,000
County Fees	\$854	\$854	\$854	\$854	\$854
TOTAL ANNUAL EXPENDITURES:	\$635,747	\$668,518	\$688,155	\$713,132	\$739,465
CAPITAL IMPROVEMENT PROJECTS (CIP)					
Tree Replacement	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
TOTAL EXPENDITURES					
TOTAL ANNUAL AND CIP EXPENDITURES:	\$660,747	\$693,518	\$713,155	\$738,132	\$764,465
FUND BALANCE INFORMATION					
Beginning Balance - July 1	(\$449,090)	(\$577,127)	(\$721,767)	(\$869,508)	(\$1,025,183)
Reserve Collection Increase/(Decrease)	(\$128,037)	(\$144,640)	(\$147,741)	(\$155,675)	(\$164,443)
Ending Balance - Projected June 30	(\$577,127)	(\$721,767)	(\$869,508)	(\$1,025,183)	(\$1,189,626)
Recommended Operating Reserves	\$330,374	\$346,759	\$356,577	\$369,066	\$382,233
Available Operating Reserves	(\$577,127)	(\$721,767)	(\$869,508)	(\$1,025,183)	(\$1,189,626)
Target Capital Reserves (Based on attached Capital Replacement Analysis)	\$390,495	\$402,210	\$414,277	\$426,705	\$439,506
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Extreme drought conditions over the last several years have required a significant increase in irrigation watering to keep landscaping alive and healthy. Additionally, East Bay Municipal Utility District water rates have increased 46% over the last five years. As a result, water costs have increased dramatically for LLAD maintained areas. Additionally, trees in the new urbanist developments north of I-80 have matured, both in height and width, such that they now need to be pruned regularly by a contract tree trimming company. This is new, additional work is beyond the scope of the current landscaping contract and is an additional cost to the LLADs. The Victoria by the Bay LLAD has been most impacted by these increases in cost and is experiencing a rapidly increasing operating and fund deficit, which is expected to continue at the current levels of service.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 2002-1 (VICTORIA BY THE BAY) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Roadside Irrigation System Replacement	150,000	SF	\$0.05	\$7,500	1	0	\$7,500	\$7,500
Irrigation Controller	16	EA	\$15,000	\$240,000	15	0	\$240,000	\$240,000
Street Light - Single Head	233	EA	\$4,000	\$932,000	30	28	\$2,132,349	\$142,157
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	28	\$12,584	\$839

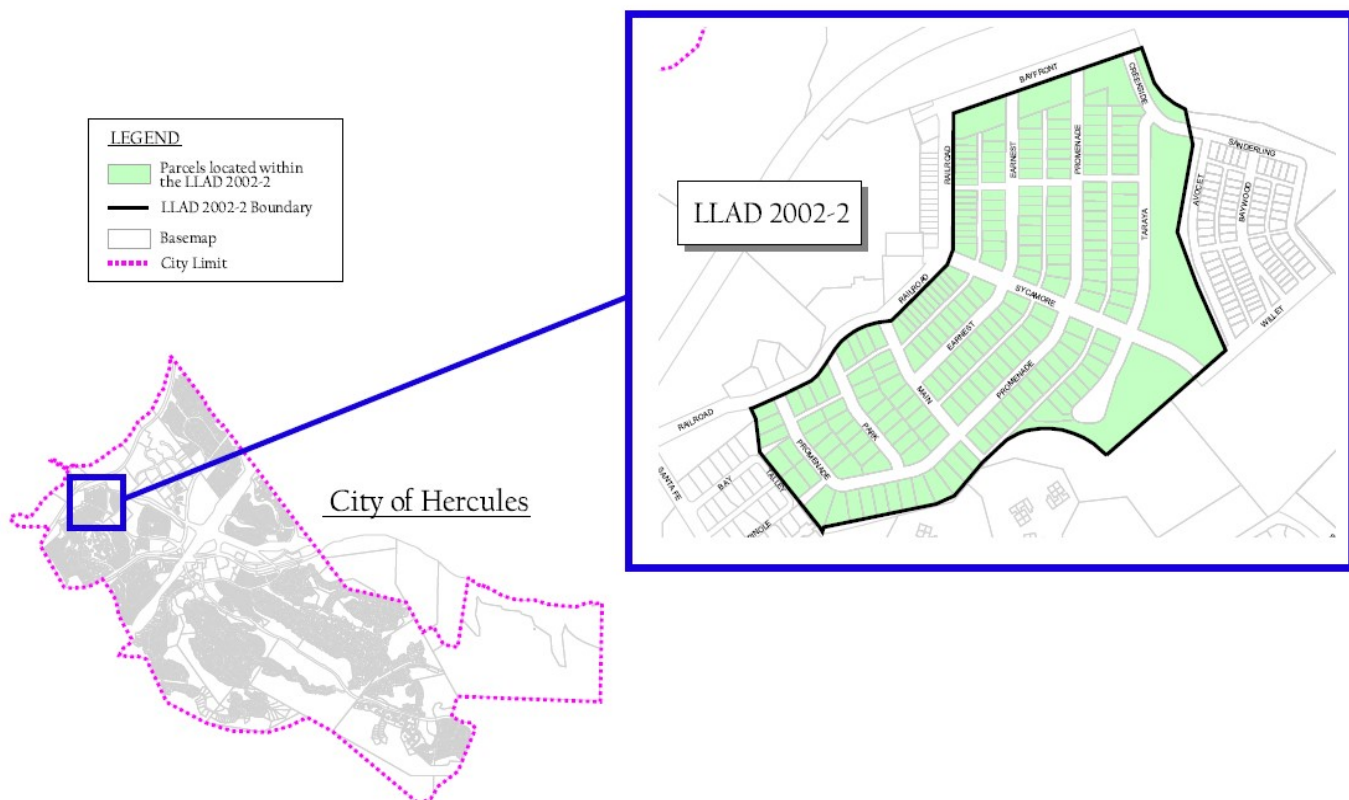
*Assumes 3% annual cost increase.

Totals \$1,185,000.00

\$390,495

FY 2024-25 Total Target Capital Reserve for LLAD 2002-1:

\$390,495

SECTION III**LLAD NO. 2002-2
PROMENADE****5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH, AND
CAPITAL REPLACEMENT ANALYSIS**

**LANDSCAPING AND LIGHTING DISTRICT NO. 2002-2
(PROMENADE)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

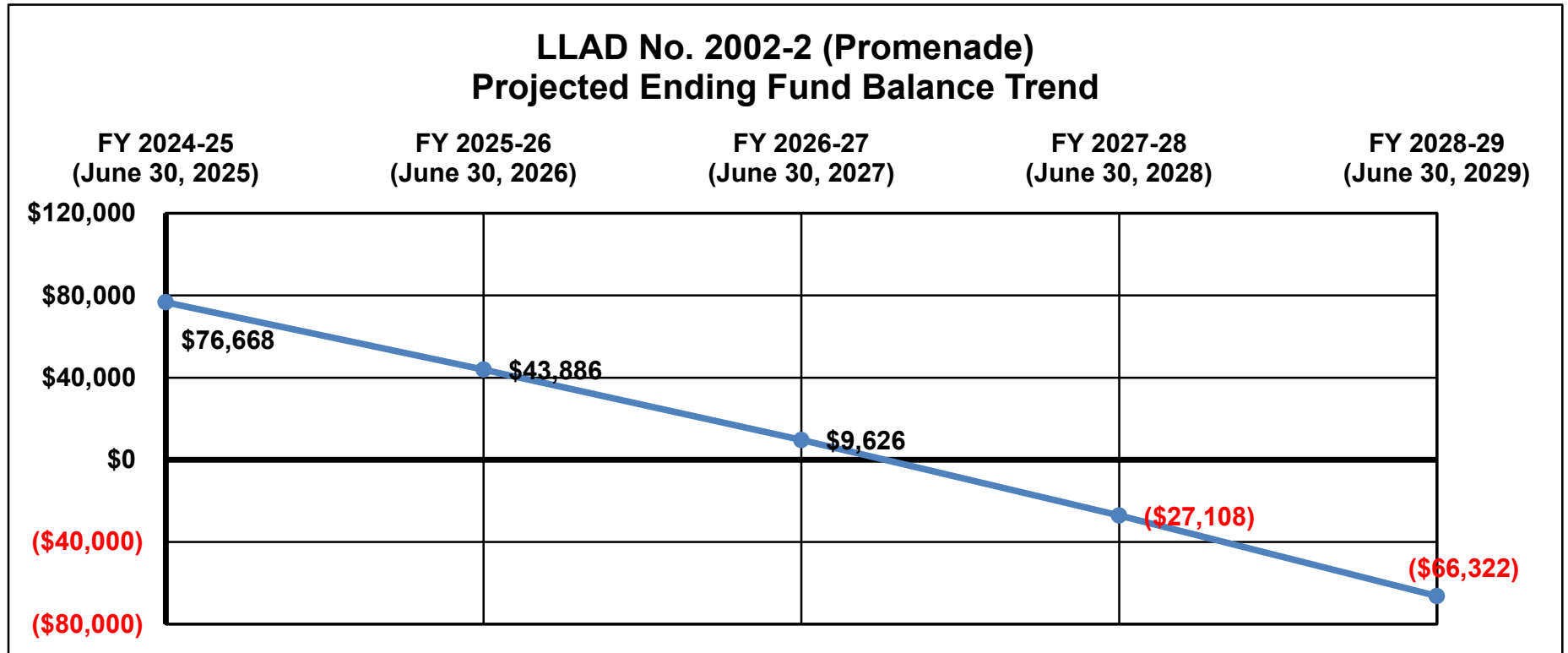
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$777	\$800	\$824	\$849	\$874
Assessments	\$178,701	\$184,062	\$189,584	\$195,271	\$201,130
General Benefit Contribution	\$4,041	\$4,237	\$4,395	\$4,555	\$4,718
TOTAL REVENUES:	\$182,742	\$188,299	\$193,979	\$199,827	\$205,848
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$7,821	\$9,243	\$8,468	\$8,805	\$9,166
Landscaping, Open Space, and Associated Repairs	\$59,400	\$60,588	\$61,800	\$63,036	\$64,296
Tree Trimming	\$22,000	\$24,000	\$24,000	\$24,000	\$24,000
Electricity and Streetlight Repairs	\$14,300	\$15,100	\$15,900	\$16,700	\$17,600
Landscape and Facilities Water	\$67,270	\$71,000	\$75,000	\$79,000	\$83,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Incidental / Direct Admin Cost**	\$8,847	\$10,000	\$11,000	\$12,000	\$13,000
County Fees	\$421	\$421	\$421	\$421	\$421
TOTAL ANNUAL EXPENDITURES:	\$209,892	\$221,081	\$228,239	\$236,561	\$245,061
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$209,892	\$221,081	\$228,239	\$236,561	\$245,061
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$103,818	\$76,668	\$43,886	\$9,626	(\$27,108)
Reserve Collection Increase/(Decrease)	(\$27,150)	(\$32,782)	(\$34,260)	(\$36,735)	(\$39,213)
Ending Balance - Projected June 30	\$76,668	\$43,886	\$9,626	(\$27,108)	(\$66,322)
Recommended Operating Reserves	\$104,946	\$110,540	\$114,120	\$118,281	\$122,530
Available Operating Reserves	\$76,668	\$43,886	\$9,626	(\$27,108)	(\$66,322)
Target Capital Reserves	\$179,839	\$185,234	\$190,791	\$196,515	\$202,410
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Extreme drought conditions over the last several years have required a significant increase in irrigation watering to keep landscaping alive and healthy. Additionally, East Bay Municipal Utility District water rates have increased 46% over the last five years. As a result, water costs have increased dramatically for LLAD maintained areas. Additionally, trees in the new urbanist developments north of I-80 have matured, both in height and width, such that they now need to be pruned regularly by a contract tree trimming company. This is new, additional work is beyond the scope of the current landscaping contract and is an additional cost to the LLADs. The Promenade LLAD has been significantly impacted by these increases in cost and is experiencing an annual operating deficit which is expected to continue at the current levels of service.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.

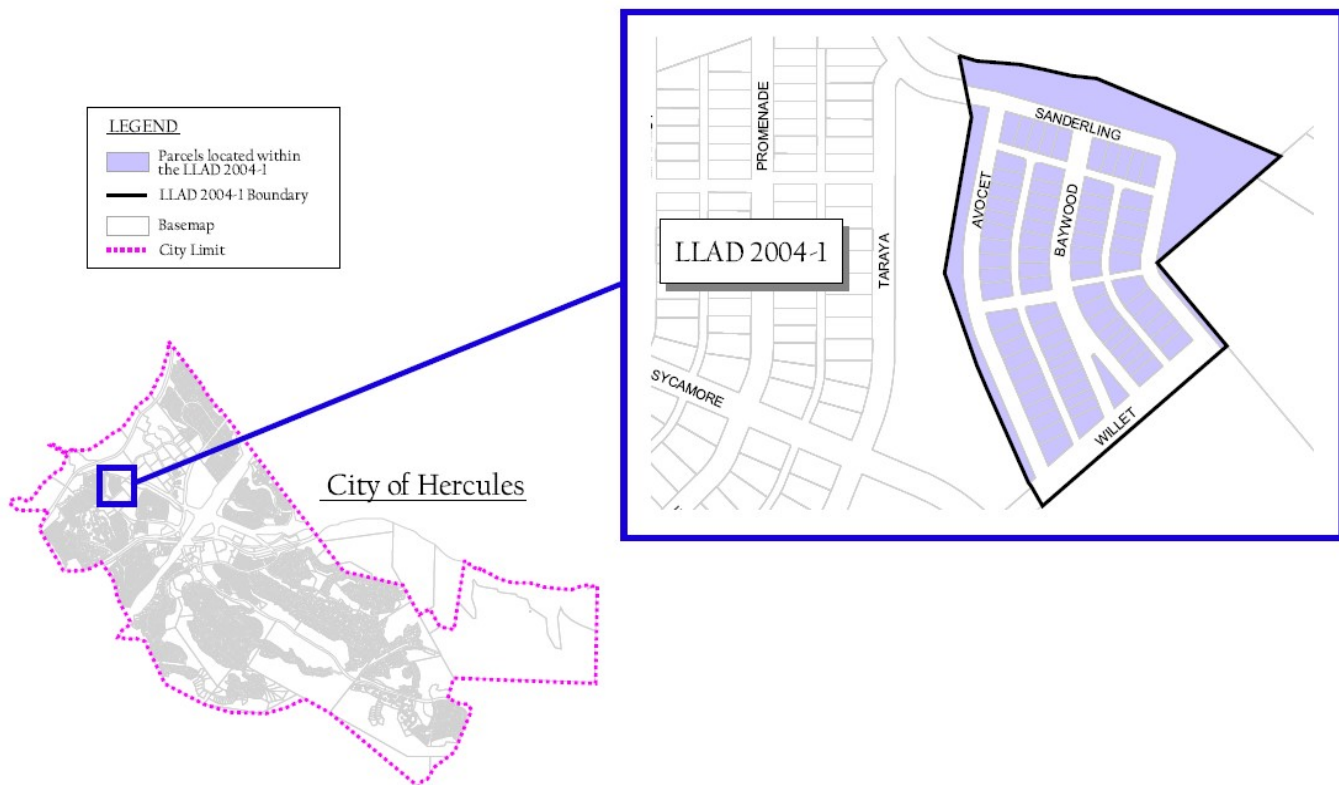


LLAD No. 2002-2 (PROMENADE) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Miscellaneous Roadside Irrigation System Replacement	50,000	SF	\$0.05	\$2,500	1	0	\$2,500	\$2,500
Miscellaneous Median Irrigation System Replacement	4,500	SF	\$0.10	\$450	1	0	\$450	\$450
Irrigation Controller	5	EA	\$15,000	\$75,000	15	0	\$75,000	\$75,000
Street Light - Single Head	167	EA	\$4,000	\$668,000	30	28	\$1,528,336	\$101,889
Totals				\$745,950.00				\$179,839

*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for LLAD 2002-2: \$179,839

SECTION IV**LLAD NO. 2004-1
BAYWOOD****5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH, AND
CAPITAL REPLACEMENT ANALYSIS**

**LANDSCAPING AND LIGHTING DISTRICT NO. 2004-1
(BAYWOOD)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

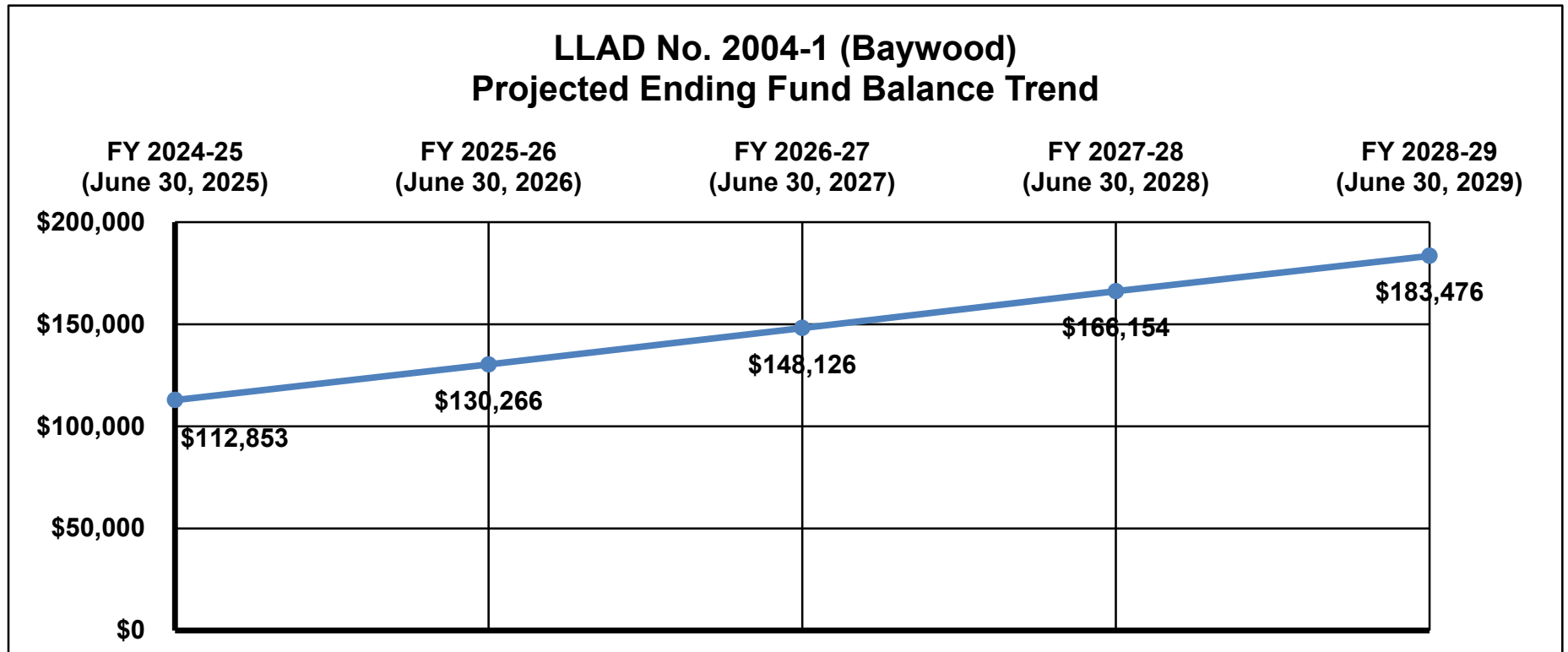
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$2,192	\$2,258	\$2,325	\$2,395	\$2,467
Assessments	\$177,884	\$183,221	\$188,717	\$194,379	\$200,210
General Benefit Contribution	\$2,876	\$3,017	\$3,126	\$3,236	\$3,366
TOTAL REVENUES:	\$180,761	\$186,238	\$191,843	\$197,615	\$203,577
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$36,176	\$37,261	\$38,379	\$39,530	\$40,716
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$2,759	\$3,261	\$2,988	\$3,107	\$3,234
Landscaping, Open Space, and Associated Repairs	\$45,100	\$46,002	\$46,922	\$47,860	\$48,818
Tree Trimming	\$12,000	\$14,000	\$14,000	\$14,000	\$14,000
Electricity and Streetlight Repairs	\$4,000	\$4,200	\$4,500	\$4,800	\$5,100
Landscape and Facilities Water	\$34,720	\$37,000	\$39,000	\$41,000	\$44,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Incidental / Direct Admin Cost**	\$8,511	\$9,000	\$10,000	\$11,000	\$12,000
County Fees	\$311	\$311	\$311	\$311	\$311
TOTAL ANNUAL EXPENDITURES:	\$146,578	\$154,126	\$159,283	\$164,887	\$171,555
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement (10-year loan repayment)	\$14,700	\$14,700	\$14,700	\$14,700	\$14,700
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$14,700	\$14,700	\$14,700	\$14,700	\$14,700
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$161,278	\$168,826	\$173,983	\$179,587	\$186,255
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$93,370	\$112,853	\$130,266	\$148,126	\$166,154
Reserve Collection Increase/(Decrease)	\$19,483	\$17,413	\$17,861	\$18,028	\$17,321
Ending Balance - Projected June 30	\$112,853	\$130,266	\$148,126	\$166,154	\$183,476
Recommended Operating Reserves	\$80,639	\$84,413	\$86,991	\$89,793	\$93,128
Available Operating Reserves	\$80,639	\$84,413	\$86,991	\$89,793	\$93,128
Target Capital Reserves	\$296,304	\$305,193	\$314,349	\$323,780	\$333,493
Available Capital Reserves	\$32,214	\$45,853	\$61,135	\$76,361	\$90,348

*EDU = Equivalent Dwelling Unit. The FY 2024-25 Maximum Rate = \$2,872.97

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

Historically, the Baywood LLAD properties have been assessed well below their maximum assessment rates. The assessment rates for this LLAD were increased by 7% for Fiscal Year 2024-25 to generate sufficient revenue to keep up with inflationary cost increases, repay a loan for the replacement of trees that were a safety hazard for the neighborhood, and to perform regular tree pruning.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29. These proposed assessment rates are well below the maximum allowable assessment rates for LLAD 2004-1.



LLAD No. 2004-1 (BAYWOOD) CAPITAL REPLACEMENT ANALYSIS

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Street Light - Single Head	37	EA	\$4,000	\$152,000	30	28	\$347,765	\$23,184
Fencing - Wood	1,850	LF	\$15	\$27,750	30	10	\$37,294	\$24,862
Decorative Pavers	45,000	SF	\$5	\$225,000	30	10	\$302,381	\$201,587
Irrigation Controller	3	EA	\$15,000	\$45,000	15	0	\$45,000	\$45,000
Miscellaneous Median Irrigation System Replacement	3,200	SF	\$0.10	\$320	1	0	\$320	\$320
Miscellaneous Roadside Irrigation System Replacement	27,000	SF	\$0.05	\$1,350	1	0	\$1,350	\$1,350

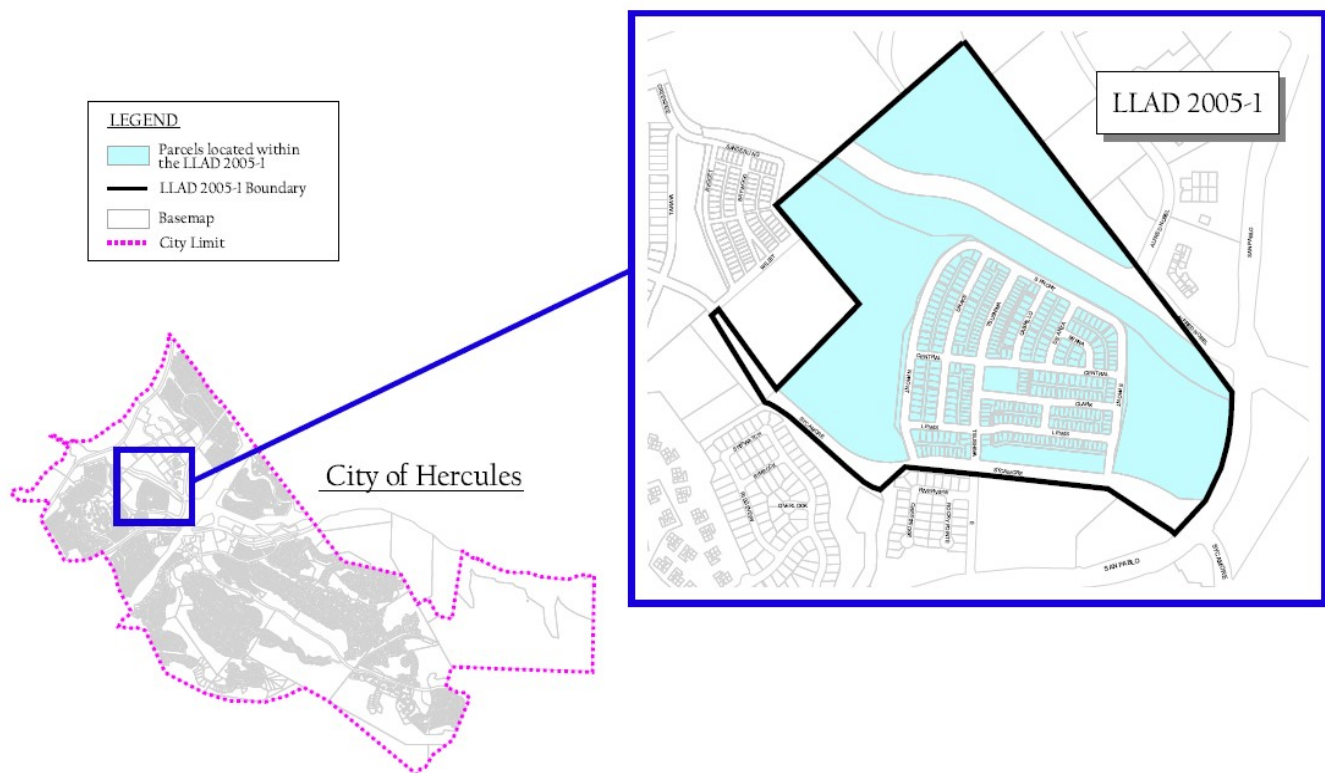
*Assumes 3% annual cost increase.

Totals \$451,420.00

\$296,304

FY 2024-25 Total Target Capital Reserve for LLAD 2004-1:

\$296,304

SECTION V**LLAD NO. 2005-1
BAYSIDE****5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH, AND
CAPITAL REPLACEMENT ANALYSIS**

**LANDSCAPING AND LIGHTING DISTRICT NO. 2005-1
(BAYSIDE)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2028-29**

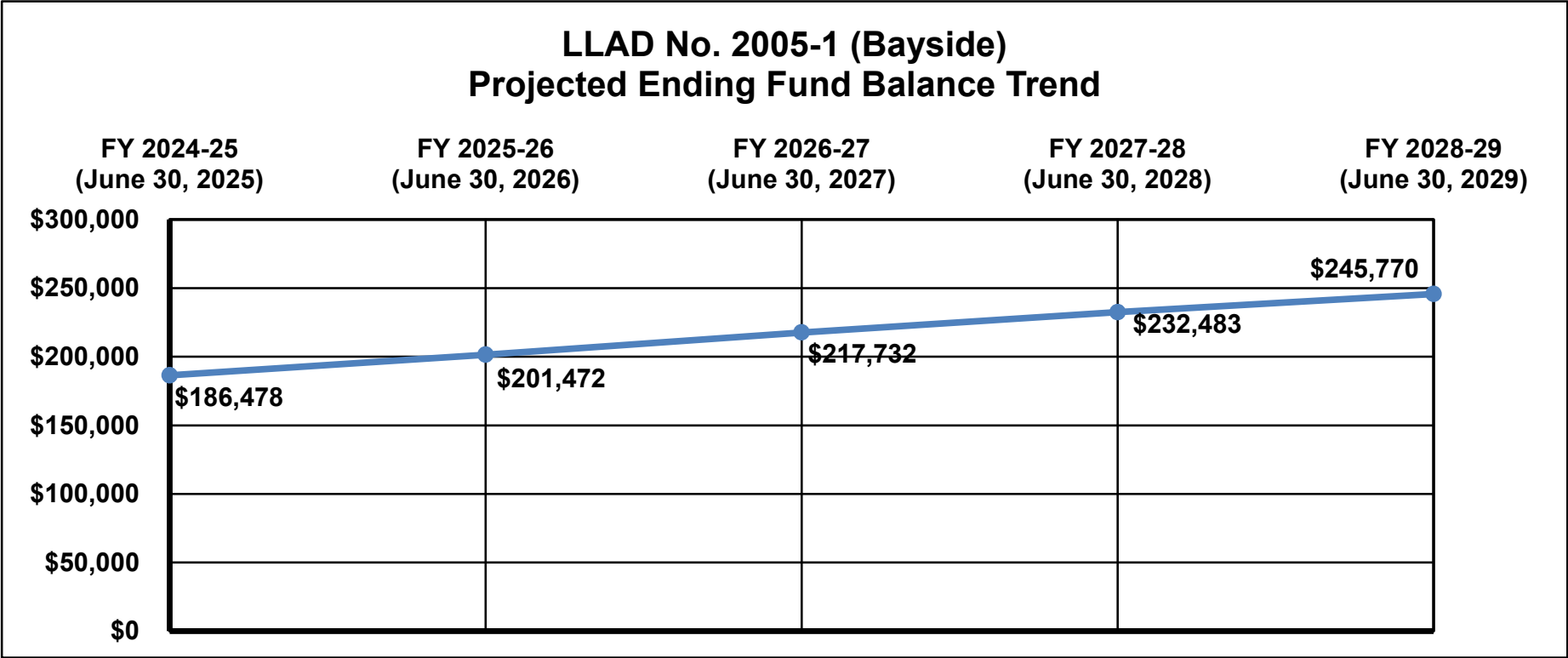
REVENUES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$283	\$292	\$300	\$309	\$319
Assessments	\$162,856	\$167,742	\$172,774	\$177,957	\$183,296
General Benefit Contribution	\$2,546	\$2,646	\$2,762	\$2,881	\$3,002
TOTAL REVENUES:	\$165,402	\$170,387	\$175,536	\$180,838	\$186,297
ESTIMATED ANNUAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Personnel**	\$26,085	\$26,867	\$27,673	\$28,504	\$29,359
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$19,560	\$23,118	\$21,179	\$22,021	\$22,923
Landscaping, Open Space, and Associated Repairs	\$55,000	\$56,100	\$57,222	\$58,366	\$59,534
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$14,850	\$15,600	\$16,400	\$17,300	\$18,200
Landscape and Facilities Water	\$21,700	\$23,000	\$25,000	\$27,000	\$29,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Incidental / Direct Admin Cost**	\$6,070	\$7,000	\$8,000	\$9,000	\$10,000
County Fees	\$618	\$618	\$618	\$618	\$618
TOTAL ANNUAL EXPENDITURES:	\$146,883	\$155,393	\$159,275	\$166,088	\$173,010
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Tree Replacement	\$0	\$0	\$0	\$0	\$0
Other Capital Improvement Projects	\$0	\$0	\$0	\$0	\$0
TOTAL CIP EXPENDITURES:	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
TOTAL ANNUAL AND CIP EXPENDITURES:	\$146,883	\$155,393	\$159,275	\$166,088	\$173,010
FUND BALANCE INFORMATION	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance - July 1	\$167,959	\$186,478	\$201,472	\$217,732	\$232,483
Reserve Collection Increase/(Decrease)	\$18,519	\$14,994	\$16,260	\$14,751	\$13,287
Ending Balance - Projected June 30	\$186,478	\$201,472	\$217,732	\$232,483	\$245,770
Recommended Operating Reserves	\$73,442	\$77,697	\$79,638	\$83,044	\$86,505
Available Operating Reserves	\$73,442	\$77,697	\$79,638	\$83,044	\$86,505
Target Capital Reserves	\$250,472	\$257,986	\$265,725	\$273,697	\$281,908
Available Capital Reserves	\$113,036	\$123,775	\$138,095	\$149,439	\$159,265

*EDU = Equivalent Dwelling Unit.

**Incorporates a 30% reduction to City Personnel and Incidental/Direct Admin costs commencing with Fiscal Year 2024-25.

LLAD No. 2005-1 (Bayside) is generating sufficient assessment revenue to pay for annual operating and maintenance expenditures and is in strong position to continue building reserves for future capital improvement and replacement projects. Trees and planter strips for LLAD No. 2005-1 (Bayside) are maintained by an HOA.

The trend graph below assumes 3% annual assessment increases through Fiscal Year 2028-29.



LLAD No. 2005-1 (BAYSIDE) CAPITAL REPLACEMENT ANALYSIS

Bayside Park - LLAD 2005-1 (Bayside)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Calculation Year	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Recommended Capital Reserve at the end of Useful Life	Target Capital Reserve for FY 2024-25
Benches - Steel/Dumor Inc.	10	EA	\$1,000	\$10,000.00	30	2006	12	\$14,258	\$14,258	\$8,554.57
Drinking Fountain - Steel/Wall Attached	1	EA	\$1,500	\$1,500.00	20	2006	2	\$1,591	\$1,591	\$1,432.22
Gazebo - Steel	1	EA	\$7,500	\$7,500.00	40	2006	22	\$14,371	\$14,371	\$6,466.85
Miscellaneous Irrigation System Replacement	21,600	SF	\$0.05	\$1,080.00	1	2006	0	\$1,080	\$1,080	\$1,080.00
Irrigation Controller	2	EA	\$15,000	\$30,000.00	15	2006	0	\$30,000	\$30,000	\$30,000.00
Park Lighting - Decorative	8	EA	\$2,000	\$16,000.00	25	2006	7	\$19,678	\$19,678	\$14,168.15
Playground (Ages 5-12) - Miracle	1	EA	\$40,000	\$40,000.00	20	2006	2	\$42,436	\$42,436	\$38,192.40
Bathroom - Refurbish	2	EA	\$10,000	\$20,000.00	20	2006	2	\$21,218	\$21,218	\$19,096.20
Tot-Lot - Miracle	1	EA	\$20,000	\$20,000.00	20	2006	2	\$21,218	\$21,218	\$19,096.20
Pathway - Concrete Repair*	3,900	SF	\$10	\$3,900.00	50	2006	32	\$10,043	\$10,043	\$3,615.42
Trash Cans - Plastic Coated Steel	3	EA	\$750	\$2,250.00	25	2006	7	\$2,767	\$2,767	\$1,992.40
Toy Structures - Steel/Plastic	2	EA	\$1,500	\$3,000.00	15	2006	0	\$3,000	\$3,000	\$3,000.00
Columns - Brick Masonry	6	EA	\$500	\$3,000.00	50	2006	32	\$7,725	\$7,725	\$2,781.09
Fencing - Steel	215	LF	\$25	\$5,375.00	30	2006	12	\$7,663	\$7,663	\$4,598.08
Totals								\$197,048.47		\$154,073.56

Landscaping & Lighting - LLAD 2005-1 (Bayside)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2024 dollars)	Total Cost (In 2024 dollars)	Useful Life (yrs)	Calculation Year	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2024-25
Street Light - Single Head	158	EA	\$4,000.00	\$632,000.00	30	2022	28	\$1,445,970.29	\$1,445,970.29	\$96,398.02
Totals								\$1,445,970.29		\$96,398.02

*Assumes 3% annual cost increase.

FY 2024-25 Total Target Capital Reserve for LLAD 2005-1: \$250,471.58