



## **STAFF REPORT TO THE CITY COUNCIL**

**DATE:** Regular Meeting of December 11, 2018

**TO:** Members of the City Council

**SUBMITTED BY:** David Biggs, City Manager

**SUBJECT:** Close-Out of the 1991-01 Sewer Assessment District and the 2001 Alfred Nobel Assessment District

### **RECOMMENDED ACTION:**

Informational Only, Receive and File.

### **FISCAL IMPACT OF RECOMMENDATION:**

This represents the movement of money between funds and has no impact on overall fund balances, though it does result in funds available for future appropriation and expenditure.

### **DISCUSSION:**

There are remaining balances from two assessment districts which were financed by bonds. These assessment district bonds have been paid off since 2015 or before and the remaining bond reserve funds have never been closed out.

Pursuant to Section 8784 of the Streets and Highways Code, these balances may be transferred to the general fund of the city. In the case of the 1991-01 Sewer Bonds, the balance of \$162,772.42 will be transferred to the Sewer Fund for repair and maintenance. The Alfred Nobel Assessment District (Northshore Business Park) has a current balance of \$364,001.48. Of this amount approximately \$17,500 is needed to pay for the close-out report and the Arbitrage Rebate Report. The balance of \$346,501.48 will be transferred to the Citywide Lighting and Landscaping District Zone 5A to maintain or enhance improvements in the Alfred Nobel Assessment District. Between the time this report was prepared and the actual transfer, there may be minor adjustments to the final amounts transferred for interest and expenses associated with the close-out.

### **REFERENCE:**

***STREETS AND HIGHWAYS CODE - SHC DIVISION 10. THE IMPROVEMENT BOND  
ACT OF 1915***

8784. If there is a surplus remaining in the redemption fund after payment of all bonds and the interest thereon, that surplus shall first be applied to repayment to the city of any special taxes levied by it for the purpose of advancing funds under Part 13 (commencing with [Section 8800](#) ) less its recovery on the sale or redemption of the properties assessed, and also of any costs incurred by it under this division. The remainder shall be repaid in accordance with the provisions of [Section 8783](#) to persons paying supplemental assessments, if any, and the balance may be proportionately credited upon the final installments due upon the assessments securing the bonds and repaid to those persons whose assessments have been previously paid or may be transferred to the general fund of the city.

**ATTACHMENTS:**

None

***Financial Impact***

**Description:** Close-Out of Assessment Districts

**Funding Source:**

1991-01 Sewer Assessment District	
Account	Amount
380-9999-690-42-00 Transfer –Out	+\$162,772.42
420-0000-490-38-00 Transfer-In-Sewer Fund for Maintenance	(\$162,772.42)
2001 Alfred Nobel Assessment District	
381-9999-690-22-00 Transfer-Out	+346,501.48
220-0000-490-38-10 Transfer-In Citywide L&L District 5	(346,501.48)

**Budget Recap:**

Total Estimated cost:	\$	New Revenue:	\$
Amount Budgeted:	\$	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change:	Yes <input type="checkbox"/> No <input type="checkbox"/>		