



Engineer's Annual Levy Report

Fiscal Year 2019-2020

Temecula Community Services District Service Levels B, C, R and Recycling & Refuse Collection

Prepared For



May 2019



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i. Engineer's Statement

AGENCY: CITY OF TEMECULA
PROJECT: TEMECULA COMMUNITY SERVICES DISTRICT
TO: BOARD OF DIRECTORS
CITY OF TEMECULA
STATE OF CALIFORNIA

REPORT PURSUANT TO GOVERNMENT CODE SECTION 61115

Pursuant to Government Code Section 61115, this Report is prepared and presented to the Board to prescribe Service Level B, Service Level C, Service Level R and Refuse/Recycling Collection rates and charges for the parcels and territories within the District. A Public Hearing is held each year before the Board to allow the public an opportunity to hear and be heard regarding the District. Following consideration of all public comments and written protests at the noticed Public Hearing, and review of the Report, the Board may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report, and confirmation of the Charges, the Board shall order the levy and collection of Charges for Fiscal Year 2019-2020. In such case, the levy information will be submitted to the Riverside County Auditor/Controller and included as Charges on the property tax roll for the various services provided in Fiscal Year 2019-2020.

- SECTION 1** **DESCRIPTION OF SERVICES** of the areas covered and the services provided for the Fiscal Year. The description of services shows and describes the existing improvements and is sufficient in showing and describing the general nature, location, and extent of the improvements.
- SECTION 2** A **BUDGETS AND LEVY SUMMARY** by Service Level of the improvements to be maintained and/or improved for the mentioned Fiscal Year.
- SECTION 3** A description of the **DISTRICT SERVICES AND CHARGES** by Service Level, describing the method used to apportion the District charges.
- SECTION 4** **CHANGES TO THE DISTRICT** contains details of changes that have occurred within the District since its inception that could affect the levy.
- SECTION 5** The **METHOD OF APPORTIONMENT** used to calculate the levy for each of the Service Levels.
- SECTION 6** The **TAX ROLL** information.

i. Engineer's Statement

WHEREAS, upon incorporation of the City of Temecula (the "City"), effective December 1, 1989 voters approved the formation of the Temecula Community Services District (the "District") to provide specified services previously provided by the County of Riverside (the "County") to properties within its jurisdiction. The boundary of the District is coterminous with the City boundary and includes all parcels within the City with the City Council acting as the Board of Directors (the "Board") for the District. The District collects property-related fees and charges ("Charges") in order to provide services and maintain the improvements within the District. The District was formed, and Charges were set and established, pursuant to the Community Services District Law, Title 6, Division 3 of the California Government Code ("CSD Law").

WHEREAS, each fiscal year, an Engineer's Annual Levy Report (the "Report") is prepared, filed, and approved by the Board. This Report describes the District, any changes to the District, and the proposed Charges for the fiscal year. The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessment Number or Assessor's Parcel Number by the Riverside County Assessor's Office. The Riverside County Auditor/Controller uses Assessment Numbers and specific Fund Numbers to identify, on the tax roll, properties charged for District services. The Charges contained in the Report are based on the historical and estimated costs to service properties within the District. The services provided by the District and the corresponding costs are budgeted and charged as separate Service Levels and include all expenditures, deficits, surpluses, and revenues. Each parcel is charged for the services provided to the parcel. The District provides residential street lighting, perimeter landscaping and slope protection, and refuse collection in numerous residential developments as well as unpaved road improvement and maintenance within specified areas of the District.

WHEREAS, Pursuant to Government Code Section 61115 the District has prescribed, revised, and collected rates and charges for residential street lighting ("Service Level B"), perimeter landscaping ("Service Level C"), unpaved road maintenance ("Service Level R"), and Refuse/Recycling Collection services furnished by the District, and has elected to have these rates and charges collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, its general taxes in the manner prescribed by Government Code Section 61115.

i. Engineer's Statement

NOW, THEREFORE, I, Matthew E. Webb, a Professional Civil Engineer (employed at Albert A. Webb Associates and retained through an agreement between Webb Municipal Finance, LLC and my employer), acting on behalf of the Temecula Community Services District, pursuant to the "CSD Law", do hereby submit the following:

The District requested Webb Municipal Finance, LLC, to prepare and file an Engineer's Levy Report for Temecula Community Services District (Levels B, C, R and Refuse/Recycling Collection) pursuant to the Government Code Section 61115, presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations, and servicing of the improvements for Service Levels B, C, R and Refuse/Recycling Collection, for the referenced Fiscal Year, an assessment of the estimated costs of the maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within each Service Level and Refuse/Recycling Collection in proportion to the special benefit received;

This Report and the information contained herein reflect the proposed budget for each of the various services provided by the District and the rates and charges applicable to those services as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the Board of Directors of the Temecula Community Services District. Please note that Albert A. Webb Associates provides engineering advice and related consulting services. Albert A. Webb Associates is not a registered municipal advisor and does not participate in municipal advisory activities, and nothing in this Engineer's Report is, or should be interpreted to be, municipal advisory services or advice.

Executed this _____ day of _____, 2019.

ALBERT A. WEBB ASSOCIATES



MATTHEW E. WEBB
PROFESSIONAL CIVIL ENGINEER NO. 37385
ENGINEER OF WORK
ON BEHALF OF THE CITY OF TEMECULA AND
THE TEMECULA COMMUNITY SERVICES DISTRICT
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessments and all matters in the Engineer's Report were made on the _____ day of _____, 2019, by adoption of Resolution No. _____ by the Board of Directors.

CITY CLERK
CITY OF TEMECULA
STATE OF CALIFORNIA

A copy of the Tax Roll and Engineer's Annual Levy Report were filed in the office of the City Clerk on the _____ day of _____, 2019.

CITY CLERK
CITY OF TEMECULA
STATE OF CALIFORNIA

1. Description of Services

The boundary of the District is coterminous with the City boundary, and includes all parcels within the City. The District provides certain property related services and improvements consisting of four (4) separate and distinct services referred to as "Service Levels". Each parcel within the District is charged proportionately for only those services attributable to the parcel. Each Service Level has differing costs depending upon the services provided. All parcels identified within a Service Level share in the cost of the service. The costs associated with the service are spread among all properties within that Service Level to which the service is provided in accordance with the Method of Apportionment of the specific service level. Services and improvements provided throughout the District include residential street lighting, perimeter landscape maintenance and slope protection, unpaved road improvement construction and maintenance, and a refuse and recycling collection program. The Service Levels are identified as follows:

Service Level B - Residential Street Lighting

Services include the operation, maintenance, utility costs, and administration of residential streetlights.

Service Level C - Perimeter Landscaping

Services include the operation, maintenance, utility costs, improvements, and administration of all perimeter landscaping and slope maintenance areas maintained by the District.

Service Level R - Unpaved Road Maintenance

Services include the operation and administration of certain unpaved streets and roads maintained by the District.

Refuse/Recycling Collection

Services include the operation and administration of the refuse and recycling program for single-family dwellings.

2. Budgets and Levy Summary

The budgets for each Service Level are shown below. Each Service Level provides different and specific services and improvements to various parcels within the District. Only the parcels that the services and improvements are levied for are included in each of the Service Levels. The “Total Levy Units” and the resulting “Charge per Levy Unit” (shown in Table 2-2), reflect a method of apportionment that most fairly spreads the costs of the services to the parcels in that Service Level. The “Total Levy Units” for Service Levels B, C, and Refuse/Recycling Collection is based on a per parcel count. For Service Level R, levy units are based on a Parcel Development Unit (“PDU”), which is similar to a per parcel count but makes a distinction between developed and undeveloped parcels. For a more complete description of the methods used for calculating the “Total Levy Units” used for each Service Level, please refer to Section 5, Method of Apportionment.

2. Budgets and Levy Summary

Table 2-1

Service Levels B, D and R Operating Budget Summary for Fiscal Year Ending June 30, 2020

| Budget Item | Acct No. | Level B 192 | Level D 194 | Level R 195 | Total District |
|---|----------|------------------|--------------------|----------------|--------------------|
| PERSONNEL | | | | | |
| Services | | \$22,103 | \$71,892 | \$0 | \$93,995 |
| Subtotal Personnel Services | | \$22,103 | \$71,892 | \$0 | \$93,995 |
| OPERATIONS MAINTENANCE 5200'S | | | | | |
| Repair & Maintenance Facilities | 5212 | \$0 | \$0 | \$0 | \$0 |
| Office Supplies | 5220 | \$0 | \$0 | \$0 | \$0 |
| Printing | 5222 | \$0 | \$0 | \$0 | \$0 |
| Election Costs (Offset by Developer Deposits) | 5225 | \$0 | \$0 | \$0 | \$0 |
| Dues and Memberships | 5226 | \$0 | \$5,800 | \$0 | \$5,800 |
| Postage and Packaging | 5230 | \$0 | \$0 | \$0 | \$0 |
| Property Tax Administrative Fees | 5231 | \$12,750 | \$15,000 | \$175 | \$27,925 |
| Utilities | 5240 | \$0 | \$0 | \$0 | \$0 |
| Small Tools and Equipment | 5242 | \$0 | \$5,000 | \$0 | \$5,000 |
| Consulting Services | 5248 | \$0 | \$0 | \$0 | \$0 |
| Other Outside Services | 5250 | \$0 | \$18,160 | \$0 | \$18,160 |
| Public Notices | 5256 | \$0 | \$15,000 | \$0 | \$15,000 |
| Staff Training/Education | 5261 | \$0 | \$0 | \$0 | \$0 |
| Mileage | 5262 | \$0 | \$100 | \$0 | \$100 |
| Recognition Program | 5265 | \$0 | \$0 | \$0 | \$0 |
| Subtotal 5200's | | \$12,750 | \$59,060 | \$175 | \$71,985 |
| Waste Hauling | 5315 | \$0 | \$8,420,404 | \$0 | \$8,420,404 |
| Street Lighting | 5319 | \$755,000 | \$0 | \$0 | \$755,000 |
| Subtotal 5300's | | \$755,000 | \$8,420,404 | \$0 | \$9,175,404 |
| Emergency Road Maintenance | 5402 | \$0 | \$0 | \$5,357 | \$5,357 |
| Landscape Maintenance | 5415 | \$0 | \$0 | \$0 | \$0 |
| Landscape Rehabilitation | 5416 | \$0 | \$0 | \$0 | \$0 |
| Subtotal 5400's | | \$0 | \$0 | \$5,357 | \$5,357 |
| Recycling Programs | | \$0 | \$23,000 | \$0 | \$23,000 |
| Subtotal | | \$0 | \$23,000 | \$0 | \$23,000 |
| Capital Outlay | | \$0 | \$0 | \$0 | \$0 |
| Subtotal | | \$0 | \$0 | \$0 | \$0 |
| TOTAL DIRECT DISTRICT COSTS | | \$789,853 | \$8,574,356 | \$5,532 | \$9,369,741 |
| EXPENDITURES/REVENUES | | | | | |
| Contingency Reserve | | \$0 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES / REVENUES | | \$789,853 | \$8,574,356 | \$5,532 | \$9,369,741 |
| CONTRIBUTIONS | | | | | |
| Contributions from Grants | 4025 | \$0 | \$0 | \$0 | \$0 |
| Operation Income | | \$0 | \$0 | \$0 | \$0 |
| Other Contributions | | \$149,086 | \$0 | \$0 | \$149,086 |
| Fund Balance Collection/Contribution | | \$0 | \$85,500 | \$0 | \$85,500 |
| TOTAL COLLECTION/CONTRIBUTIONS | | \$149,086 | \$85,500 | \$0 | \$234,586 |
| Balance to Levy (Budgeted) | | \$640,767 | \$8,488,855 | \$5,532 | \$9,135,155 |

2. Budgets and Levy Summary

Table 2-2
Service Levels C Operating Budget for Fiscal Year Ending June 30, 2020

| Budget FY 2019-2020 | Saddlewood Zone 01 | Winchester Creek Zone 02 | Rancho Highlands Zone 03 | The Vineyards Zone 04 | Signet Series Zone 05 | Woodcrest Country Zone 06 |
|--------------------------------------|-----------------------|--------------------------------|--------------------------------|-----------------------------|-----------------------------|---------------------------------|
| DIRECT COSTS | | | | | | |
| Repair & Maintenance / Facility | \$1,530 | \$1,530 | \$2,040 | \$510 | \$2,625 | \$1,275 |
| Utilities | \$9,700 | \$7,854 | \$12,609 | \$1,571 | \$11,200 | \$4,730 |
| Landscape Contract | \$26,578 | \$20,408 | \$21,504 | \$3,700 | \$18,700 | \$12,182 |
| Rehabilitation | \$2,500 | \$10,000 | \$10,000 | \$0 | \$8,500 | \$4,522 |
| TOTAL DIRECT COSTS | \$40,308 | \$39,792 | \$46,153 | \$5,781 | \$41,025 | \$22,709 |
| INDIRECT COSTS | | | | | | |
| City Admin | \$163 | \$966 | \$163 | \$201 | \$982 | \$493 |
| County Fees | \$232 | \$297 | \$267 | \$151 | \$187 | \$190 |
| Special Tax Consultant | \$0 | \$1,721 | \$1,914 | \$0 | \$1,578 | \$1,024 |
| TOTAL DIRECT COSTS | \$395 | \$2,984 | \$2,344 | \$352 | \$2,747 | \$1,707 |
| TOTAL COSTS | \$40,703 | \$42,776 | \$48,497 | \$6,132 | \$43,772 | \$24,416 |
| Surplus / (Deficit) | (\$2,770.78) | (\$233.71) | (\$1,169.12) | \$261.74 | (\$4,747.49) | \$1,594.18 |
| ADJUSTMENTS | | | | | | |
| Fund Balance Collection/Contribution | (\$2,770.78) | (\$233.71) | (\$1,169.12) | \$261.74 | (\$4,747.49) | \$1,594.18 |
| TOTAL ASSESSMENT | \$37,932 | \$42,542 | \$47,328 | \$6,394 | \$39,025 | \$26,010 |
| EDUs | 327 | 478 | 408 | 139 | 223 | 229 |
| FY 2019-2020 Proposed Rate | \$116.00 | \$89.00 | \$116.00 | \$46.00 | \$175.00 | \$113.58 |
| FY 2018-2019 Maximum Rate | \$116.00 | \$89.00 | \$116.00 | \$46.00 | \$175.00 | \$110.56 |
| FY 2019-2020 Maximum Rate | \$116.00 | \$89.00 | \$116.00 | \$46.00 | \$175.00 | \$113.58 |

2. Budgets and Levy Summary

| Budget FY 2019-2020 | Ridgeview Zone 07 | Village Grove Zone 08 | Rancho Solana Zone 09 | Martinique Zone 10 | Meadowview Zone 11 | Vintage Hills Zone 12 |
|--------------------------------------|----------------------|-----------------------------|-----------------------------|-----------------------|-----------------------|-----------------------------|
| DIRECT COSTS | | | | | | |
| Repair & Maintenance / Facility | \$1,200 | \$5,916 | \$1,275 | \$900 | \$300 | \$4,080 |
| Utilities | \$6,157 | \$35,000 | \$1,500 | \$3,565 | \$1,071 | \$28,815 |
| Landscape Contract | \$6,500 | \$68,949 | \$1,075 | \$3,480 | \$750 | \$44,100 |
| Rehabilitation | \$0 | \$20,000 | \$1,500 | \$1,000 | \$0 | \$15,000 |
| TOTAL DIRECT COSTS | \$13,857 | \$129,865 | \$5,350 | \$8,945 | \$2,121 | \$91,995 |
| INDIRECT COSTS | | | | | | |
| City Admin | \$966 | \$11,505 | \$454 | \$387 | \$749 | \$4,329 |
| County Fees | \$172 | \$428 | \$139 | \$127 | \$97 | \$449 |
| Special Tax Consultant | \$0 | \$5,542 | \$207 | \$0 | \$0 | \$3,899 |
| TOTAL DIRECT COSTS | \$1,138 | \$17,475 | \$800 | \$515 | \$846 | \$8,676 |
| TOTAL COSTS | \$14,995 | \$147,340 | \$6,150 | \$9,459 | \$2,967 | \$100,671 |
| Surplus / (Deficit) | \$1,737.29 | (\$10,315.03) | (\$1,043.51) | \$284.64 | (\$517.29) | (\$4,275.33) |
| ADJUSTMENTS | | | | | | |
| Fund Balance Collection/Contribution | \$1,737.29 | (\$10,315.03) | (\$1,043.51) | \$284.64 | (\$517.29) | (\$4,275.33) |
| TOTAL ASSESSMENT | \$16,732 | \$137,025 | \$5,106 | \$9,744 | \$2,450 | \$96,396 |
| EDUs | 188 | 783 | 111 | 84 | 14 | 831 |
| FY 2019-2020 Proposed Rate | \$89.00 | \$175.00 | \$46.00 | \$116.00 | \$175.00 | \$116.00 |
| FY 2018-2019 Maximum Rate | \$89.00 | \$175.00 | \$46.00 | \$116.00 | \$175.00 | \$116.00 |
| FY 2019-2020 Maximum Rate | \$89.00 | \$175.00 | \$46.00 | \$116.00 | \$175.00 | \$116.00 |

2. Budgets and Levy Summary

| Budget FY 2019-2020 | Presley Develop. Zone 13 | Morrison Homes Zone 14 | Barclay Estates Zone 15 | Tradewinds Zone 16 | Monte Vista Zone 17 | Temeku Hills Zone 18 |
|--------------------------------------|--------------------------------|------------------------------|-------------------------------|-----------------------|---------------------------|----------------------------|
| DIRECT COSTS | | | | | | |
| Repair & Maintenance / Facility | \$1,020 | \$798 | \$281 | \$1,530 | \$0 | \$3,060 |
| Utilities | \$11,730 | \$6,630 | \$2,692 | \$8,500 | \$949 | \$25,000 |
| Landscape Contract | \$14,900 | \$6,034 | \$5,271 | \$12,900 | \$857 | \$53,927 |
| Rehabilitation | \$5,000 | \$500 | \$500 | \$15,000 | \$0 | \$10,000 |
| TOTAL DIRECT COSTS | \$32,650 | \$13,962 | \$8,744 | \$37,930 | \$1,805 | \$91,988 |
| INDIRECT COSTS | | | | | | |
| City Admin | \$966 | \$302 | \$264 | \$1,089 | \$158 | \$4,095 |
| County Fees | \$411 | \$163 | \$115 | \$184 | \$111 | \$669 |
| Special Tax Consultant | \$1,384 | \$0 | \$0 | \$1,529 | \$0 | \$3,803 |
| TOTAL DIRECT COSTS | \$2,762 | \$464 | \$380 | \$2,802 | \$269 | \$8,566 |
| TOTAL COSTS | \$35,412 | \$14,426 | \$9,123 | \$40,732 | \$2,074 | \$100,553 |
| Surplus / (Deficit) | (\$1,187.96) | \$347.71 | \$676.52 | (\$2,932.17) | \$41.86 | (\$6,543.36) |
| ADJUSTMENTS | | | | | | |
| Fund Balance Collection/Contribution | (\$1,187.96) | \$347.71 | \$676.52 | (\$2,932.17) | \$41.86 | (\$6,543.36) |
| TOTAL ASSESSMENT | \$34,224 | \$14,774 | \$9,800 | \$37,800 | \$2,116 | \$94,010 |
| EDUs | 744 | 166 | 56 | 216 | 46 | 1,343 |
| FY 2019-2020 Proposed Rate | \$46.00 | \$89.00 | \$175.00 | \$175.00 | \$46.00 | \$70.00 |
| FY 2018-2019 Maximum Rate | \$46.00 | \$89.00 | \$175.00 | \$175.00 | \$46.00 | \$70.00 |
| FY 2019-2020 Maximum Rate | \$46.00 | \$89.00 | \$175.00 | \$175.00 | \$46.00 | \$70.00 |

2. Budgets and Levy Summary

| Budget FY 2019-2020 | Chatemar Zone 19 | Crowne Hill Zone 20 | Vail Ranch Zone 21 | Sutton Place Zone 22 | Pheasant Hill Zone 23 | Harveston Zone 24 |
|--------------------------------------|---------------------|---------------------------|--------------------------|----------------------------|-----------------------------|----------------------|
| DIRECT COSTS | | | | | | |
| Repair & Maintenance / Facility | \$1,982 | \$5,471 | \$12,284 | \$214 | \$352 | \$4,284 |
| Utilities | \$6,900 | \$55,000 | \$45,000 | \$1,891 | \$2,500 | \$26,500 |
| Landscape Contract | \$30,100 | \$80,300 | \$131,900 | \$1,946 | \$3,580 | \$76,590 |
| Rehabilitation | \$20,000 | \$30,000 | \$80,000 | \$0 | \$3,000 | \$50,000 |
| TOTAL DIRECT COSTS | \$58,981 | \$170,771 | \$269,184 | \$4,051 | \$9,432 | \$157,374 |
| INDIRECT COSTS | | | | | | |
| City Admin | \$2,700 | \$6,873 | \$8,783 | \$182 | \$278 | \$5,785 |
| County Fees | \$195 | \$528 | \$852 | \$108 | \$272 | \$788 |
| Special Tax Consultant | \$2,202 | \$7,199 | \$9,230 | \$0 | \$340 | \$6,557 |
| TOTAL DIRECT COSTS | \$5,098 | \$14,600 | \$18,865 | \$290 | \$890 | \$13,130 |
| TOTAL COSTS | \$64,079 | \$185,370 | \$288,049 | \$4,341 | \$10,322 | \$170,504 |
| Surplus / (Deficit) | (\$9,629.39) | (\$7,395.44) | (\$59,848.29) | \$66.71 | (\$1,921.63) | (\$8,403.79) |
| ADJUSTMENTS | | | | | | |
| Fund Balance Collection/Contribution | (\$9,629.39) | (\$7,395.44) | (\$59,848.29) | \$66.71 | (\$1,921.63) | (\$8,403.79) |
| TOTAL ASSESSMENT | \$54,450 | \$177,975 | \$228,201 | \$4,408 | \$8,400 | \$162,100 |
| EDUs | 242 | 1,017 | 1,769 | 38 | 420 | 1,621 |
| FY 2019-2020 Proposed Rate | \$225.00 | \$175.00 | \$129.00 | \$116.00 | \$20.00 | \$100.00 |
| FY 2018-2019 Maximum Rate | \$225.00 | \$175.00 | \$129.00 | \$116.00 | \$20.00 | \$100.00 |
| FY 2019-2020 Maximum Rate | \$225.00 | \$175.00 | \$129.00 | \$116.00 | \$20.00 | \$100.00 |

2. Budgets and Levy Summary

| Budget FY 2019-2020 | Serena Hills Zone 25 | Gallery Traditions Zone 26 | Avondale Zone 27 | Wolf Creek Zone 28 | Gallery Portraits Zone 29 |
|--------------------------------------|-------------------------|-------------------------------|---------------------|-----------------------|------------------------------|
| DIRECT COSTS | | | | | |
| Repair & Maintenance / Facility | \$1,651 | \$0 | \$408 | \$6,630 | \$500 |
| Utilities | \$11,000 | \$1,100 | \$4,225 | \$61,200 | \$1,020 |
| Landscape Contract | \$23,680 | \$750 | \$3,852 | \$107,400 | \$1,100 |
| Rehabilitation | \$10,000 | \$0 | \$0 | \$150,000 | \$0 |
| TOTAL DIRECT COSTS | \$46,331 | \$1,850 | \$8,484 | \$325,230 | \$2,620 |
| INDIRECT COSTS | | | | | |
| City Admin | \$1,885 | \$306 | \$278 | \$9,607 | \$182 |
| County Fees | \$186 | \$95 | \$147 | \$868 | \$95 |
| Special Tax Consultant | \$1,780 | \$87 | \$0 | \$9,423 | \$160 |
| TOTAL DIRECT COSTS | \$3,851 | \$488 | \$425 | \$19,898 | \$437 |
| TOTAL COSTS | \$50,182 | \$2,338 | \$8,910 | \$345,128 | \$3,057 |
| Surplus / (Deficit) | (\$6,181.78) | (\$177.68) | \$190.33 | (\$112,154.05) | \$996.92 |
| ADJUSTMENTS | | | | | |
| Fund Balance Collection/Contribution | (\$6,181.78) | (\$177.68) | \$190.33 | (\$112,154.05) | \$996.92 |
| TOTAL ASSESSMENT | \$44,000 | \$2,160 | \$9,100 | \$232,974 | \$4,054 |
| EDUs | 220 | 8 | 130 | 1,806 | 10 |
| FY 2019-2020 Proposed Rate | \$200.00 | \$270.00 | \$70.00 | \$129.00 | \$405.42 |
| FY 2018-2019 Maximum Rate | \$200.00 | \$270.00 | \$70.00 | \$129.00 | \$394.62 |
| FY 2019-2020 Maximum Rate | \$200.00 | \$270.00 | \$70.00 | \$129.00 | \$405.42 |

2. Budgets and Levy Summary

The following Table provides levy information for the various Service Levels within the District, comparing the Budget for Fiscal Year 2019-2020 to the previous fiscal year.

Table 2-3
Year over Year Budget Comparison

| | | FISCAL YEAR 2018-2019 ENROLLMENTS | | | | FISCAL YEAR 2019-2020 PROJECTIONS | | | | |
|---|----------|-----------------------------------|------------------|--------------------|----------------|-----------------------------------|------------------|------------------------|--------------------|----------------|
| District | Fund No. | Parcels | Total Levy Units | Charge / Levy Unit | Total Levy | Parcels | Total Levy Units | % Change per Levy Unit | Charge / Levy Unit | Total Levy |
| Service Level B - Residential Street Lighting | | | | | | | | | | |
| Single-Family Residential | | 24,612 | 24,612 | \$25.68 | \$632,036.16 | 24,612 | 24,612 | 0.00% | \$25.68 | \$632,036.16 |
| Condominium | | 680 | 340 | \$25.68 | \$8,731.20 | 680 | 340 | 0.00% | \$25.68 | \$8,731.20 |
| 68-2914 | | 25,292 | 24,952 | | \$640,767.36 | 25,292 | 24,952 | | | \$640,767.36 |
| Service Level C - Perimeter Landscaping ⁽¹⁾⁽²⁾ | | | | | | | | | | |
| Zone 1 | 68-2930 | 327 | 327 | \$116.00 | \$37,932.00 | 327 | 327 | 0.00% | \$116.00 | \$37,932.00 |
| Zone 2 | 68-2931 | 478 | 478 | \$89.00 | \$42,542.00 | 478 | 478 | 0.00% | \$89.00 | \$42,542.00 |
| Zone 3 | 68-2932 | 408 | 408 | \$116.00 | \$47,328.00 | 408 | 408 | 0.00% | \$116.00 | \$47,328.00 |
| Zone 4 | 68-2933 | 139 | 139 | \$46.00 | \$6,394.00 | 139 | 139 | 0.00% | \$46.00 | \$6,394.00 |
| Zone 5 | 68-2934 | 223 | 223 | \$175.00 | \$39,025.00 | 223 | 223 | 0.00% | \$175.00 | \$39,025.00 |
| Zone 6 | 68-2935 | 229 | 229 | \$110.56 | \$25,318.24 | 229 | 229 | 2.73% | \$113.58 | \$26,009.82 |
| Zone 7 | 68-2936 | 188 | 188 | \$89.00 | \$16,732.00 | 188 | 188 | 0.00% | \$89.00 | \$16,732.00 |
| Zone 8 | 68-2937 | 783 | 783 | \$175.00 | \$137,025.00 | 783 | 783 | 0.00% | \$175.00 | \$137,025.00 |
| Zone 9 | 68-2938 | 111 | 111 | \$46.00 | \$5,106.00 | 111 | 111 | 0.00% | \$46.00 | \$5,106.00 |
| Zone 10 | 68-2939 | 84 | 84 | \$116.00 | \$9,744.00 | 84 | 84 | 0.00% | \$116.00 | \$9,744.00 |
| Zone 11 | 68-2940 | 14 | 14 | \$175.00 | \$2,450.00 | 14 | 14 | 0.00% | \$175.00 | \$2,450.00 |
| Zone 12 | 68-2941 | 831 | 831 | \$116.00 | \$96,396.00 | 831 | 831 | 0.00% | \$116.00 | \$96,396.00 |
| Zone 13 | 68-2942 | 744 | 744 | \$46.00 | \$34,224.00 | 744 | 744 | 0.00% | \$46.00 | \$34,224.00 |
| Zone 14 | 68-2943 | 166 | 166 | \$89.00 | \$14,774.00 | 166 | 166 | 0.00% | \$89.00 | \$14,774.00 |
| Zone 15 | 68-2944 | 56 | 56 | \$175.00 | \$9,800.00 | 56 | 56 | 0.00% | \$175.00 | \$9,800.00 |
| Zone 16 | 68-2945 | 216 | 216 | \$175.00 | \$37,800.00 | 216 | 216 | 0.00% | \$175.00 | \$37,800.00 |
| Zone 17 | 68-2946 | 46 | 46 | \$46.00 | \$2,116.00 | 46 | 46 | 0.00% | \$46.00 | \$2,116.00 |
| Zone 18 | 68-2947 | 1,343 | 1,343 | \$70.00 | \$94,010.00 | 1,343 | 1,343 | 0.00% | \$70.00 | \$94,010.00 |
| Zone 19 | 68-2948 | 242 | 242 | \$225.00 | \$54,450.00 | 242 | 242 | 0.00% | \$225.00 | \$54,450.00 |
| Zone 20 | 68-2949 | 1,017 | 1,017 | \$175.00 | \$177,975.00 | 1,017 | 1,017 | 0.00% | \$175.00 | \$177,975.00 |
| Zone 21 | 68-2950 | 1,769 | 1,769 | \$129.00 | \$228,201.00 | 1,769 | 1,769 | 0.00% | \$129.00 | \$228,201.00 |
| Zone 22 | 68-2951 | 38 | 38 | \$116.00 | \$4,408.00 | 38 | 38 | 0.00% | \$116.00 | \$4,408.00 |
| Zone 23 | 68-2952 | 420 | 420 | \$20.00 | \$8,400.00 | 420 | 420 | 0.00% | \$20.00 | \$8,400.00 |
| Zone 24 | 68-2953 | 1,621 | 1,621 | \$100.00 | \$162,100.00 | 1,621 | 1,621 | 0.00% | \$100.00 | \$162,100.00 |
| Zone 25 | 68-2954 | 220 | 220 | \$200.00 | \$44,000.00 | 220 | 220 | 0.00% | \$200.00 | \$44,000.00 |
| Zone 26 | 68-2955 | 8 | 8 | \$270.00 | \$2,160.00 | 8 | 8 | 0.00% | \$270.00 | \$2,160.00 |
| Zone 27 | 68-2956 | 130 | 130 | \$70.00 | \$9,100.00 | 130 | 130 | 0.00% | \$70.00 | \$9,100.00 |
| Zone 28 | 68-2957 | 1,806 | 1,806 | \$129.00 | \$232,974.00 | 1,806 | 1,806 | 0.00% | \$129.00 | \$232,974.00 |
| Zone 29 | 68-2958 | 10 | 10 | \$394.63 | \$3,946.20 | 10 | 10 | 2.73% | \$405.42 | \$4,054.20 |
| Zone 30 | N/A | 0 | N/A | N/A | N/A | 0 | N/A | N/A | N/A | N/A |
| Zone 31 | N/A | 0 | N/A | N/A | N/A | 0 | N/A | N/A | N/A | N/A |
| Zone 32 | N/A | 0 | N/A | N/A | N/A | 0 | N/A | N/A | N/A | N/A |
| Total | | 13,667 | 13,667 | | \$1,586,430.44 | 13,667 | 13,667 | | | \$1,587,230.02 |
| Service Level R - Road Maintenance | | | | | | | | | | |
| Rate Level 1 | 68-2917 | 55 | 48 | \$115.26 | \$5,532.48 | 55 | 48 | 0.00% | \$115.26 | \$5,532.48 |
| Citywide Recycling/Refuse Collection | | | | | | | | | | |
| 68-2916 | | 28,388 | 28,388 | \$281.52 | \$7,991,789.76 | 28,446 | 28,446 | | \$298.42 | \$8,488,855.32 |

⁽¹⁾ The maximum rate per Levy Unit, for Zones 6, 29, 31 and 32 will escalate by the lesser of 5% or the percentage increase in the Consumer Price Index ("CPI"). For Fiscal Year 2019-2020 the increase will be 2.73%, the percentage increase in the Annual CPI.

⁽²⁾ Zones 30, 31, & 32 will not be levied for Fiscal Year 2019-2020 as the project areas will be maintained by an HOA.

3. District Services and Charges

Service Level B, Residential Street Lighting

Service Level B includes all developed single-family residential parcels, condominiums, and residential vacant lots for which the District provides ongoing servicing, operation, and maintenance of local street lighting improvements. The current rate and charges for Service Level B is \$25.68 per residential lot (\$12.84 per condominium unit within Specific Plans), and shall be applied to developed and undeveloped residential parcels within the following Tracts and subdivisions for Fiscal Year 2019-2020.

Table 3-1
Service Level B

| Tracts | | | | | | | | | | |
|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 04153-00 | 19872-05 | 20882-01 | 21675-04 | 23063-03 | 23101-05 | 23267-02 | 24135-03 | 27827-01 | 29928-00 | 31053-03 |
| 04188-00 | 19939-00 | 20882-02 | 21675-05 | 23063-04 | 23101-06 | 23267-03 | 24136-00 | 27827-02 | 29928-01 | 31276-00 |
| 04457-00 | 19939-01 | 20882-03 | 21675-06 | 23063-05 | 23125-00 | 23267-04 | 24136-01 | 27827-03 | 29928-02 | 31344-00 |
| 06559-00 | 19939-02 | 20987-00 | 21760-00 | 23063-06 | 23125-01 | 23371-00 | 24136-02 | 28309-00 | 29928-03 | 31898-00 |
| 07401-00 | 20079-00 | 21067-00 | 21765-00 | 23063-07 | 23125-02 | 23371-01 | 24136-03 | 28480-00 | 29929-00 | 32104-00 |
| 07402-00 | 20079-01 | 21082-00 | 22148-00 | 23063-08 | 23125-03 | 23371-02 | 24182-01 | 28482-00 | 29929-01 | 32169-00 |
| 08369-00 | 20079-02 | 21082-01 | 22203-00 | 23064-00 | 23126-00 | 23371-03 | 24182-02 | 28482-01 | 30088-00 | 32170-00 |
| 08369-01 | 20079-03 | 21082-02 | 22204-00 | 23064-01 | 23128-00 | 23371-04 | 24182-03 | 28482-02 | 30264-00 | 32319-00 |
| 08369-02 | 20130-00 | 21082-03 | 22208-00 | 23064-02 | 23142-00 | 23371-05 | 24182-04 | 28482-03 | 30264-01 | 32436-00 |
| 11087-01 | 20130-01 | 21082-04 | 22593-00 | 23064-03 | 23143-00 | 23371-06 | 24183-00 | 28503-00 | 30264-02 | 32436-01 |
| 11087-02 | 20130-02 | 21340-00 | 22593-01 | 23065-00 | 23143-01 | 23371-07 | 24183-01 | 28510-00 | 30264-03 | 32437-00 |
| 12189-01 | 20130-03 | 21340-01 | 22593-02 | 23065-01 | 23143-02 | 23371-08 | 24184-00 | 28510-01 | 30264-04 | 32437-01 |
| 12189-02 | 20130-04 | 21340-02 | 22627-00 | 23065-03 | 23143-03 | 23371-09 | 24184-01 | 28510-02 | 30264-05 | 32437-02 |
| 12189-03 | 20130-05 | 21340-03 | 22627-01 | 23065-04 | 23143-04 | 23371-10 | 24185-00 | 28510-03 | 30264-06 | 32437-03 |
| 12189-04 | 20130-06 | 21340-04 | 22715-00 | 23065-05 | 23143-06 | 23371-11 | 24185-01 | 28526-00 | 30264-07 | 33124-00 |
| 12189-05 | 20153-00 | 21340-05 | 22715-01 | 23066-01 | 23143-07 | 23371-14 | 24185-02 | 28553-00 | 30264-08 | 33125-00 |
| 12189-06 | 20154-00 | 21340-06 | 22715-02 | 23066-02 | 23143-08 | 23483-00 | 24186-00 | 28553-01 | 30264-09 | 34698-00 |
| 12189-07 | 20319-00 | 21340-07 | 22716-00 | 23066-03 | 23143-09 | 24131-00 | 24186-01 | 28810-00 | 30264-10 | Old Town |
| 13060-01 | 20643-00 | 21430-01 | 22716-01 | 23066-04 | 23143-10 | 24131-01 | 24186-02 | 28980-00 | 30264-11 | PM 24387 |
| 13060-02 | 20644-00 | 21561-00 | 22716-02 | 23066-05 | 23143-11 | 24131-02 | 24186-03 | 29033-00 | 30264-12 | PM 26488 |
| 13060-03 | 20703-01 | 21672-01 | 22716-03 | 23067-02 | 23173-00 | 24131-03 | 24187-00 | 29036-00 | 30264-13 | PM 27493 |
| 13060-04 | 20703-02 | 21672-02 | 22716-04 | 23067-03 | 23173-01 | 24132-00 | 24187-01 | 29133-00 | 30264-14 | PM 28122 |
| 13060-05 | 20703-03 | 21672-03 | 22761-00 | 23067-04 | 23173-02 | 24132-01 | 24187-02 | 29203-00 | 30264-15 | |
| 13060-06 | 20735-01 | 21672-04 | 22762-00 | 23067-05 | 23173-03 | 24133-00 | 24188-00 | 29286-00 | 30667-00 | |
| 13060-07 | 20735-02 | 21673-00 | 22786-00 | 23100-01 | 23173-04 | 24133-01 | 24188-01 | 29734-00 | 30667-01 | |
| 13060-08 | 20735-03 | 21673-01 | 22915-00 | 23100-02 | 23174-01 | 24133-02 | 24188-02 | 29798-00 | 30667-02 | |
| 18518-00 | 20735-04 | 21673-02 | 22915-01 | 23100-03 | 23174-02 | 24133-03 | 24188-03 | 29798-01 | 30667-03 | |
| 18518-01 | 20735-05 | 21673-03 | 22915-02 | 23100-04 | 23174-03 | 24133-04 | 24232-00 | 29798-02 | 30668-00 | |
| 18518-02 | 20735-06 | 21674-00 | 22915-03 | 23100-05 | 23174-04 | 24133-05 | 25004-00 | 29798-03 | 30668-01 | |
| 18518-03 | 20735-07 | 21674-01 | 22916-00 | 23100-06 | 23174-05 | 24134-00 | 25004-01 | 29798-04 | 30668-02 | |
| 18583-00 | 20735-08 | 21674-02 | 22916-01 | 23100-07 | 23174-06 | 24134-01 | 25892-00 | 29798-05 | 30669-00 | |
| 19872-00 | 20735-09 | 21674-03 | 22916-02 | 23100-08 | 23177-00 | 24134-02 | 26488-00 | 29798-06 | 30669-01 | |
| 19872-01 | 20848-00 | 21675-00 | 22916-03 | 23101-01 | 23209-00 | 24134-03 | 26828-00 | 29798-07 | 30669-02 | |
| 19872-02 | 20879-00 | 21675-01 | 22962-00 | 23101-02 | 23220-00 | 24135-00 | 26828-01 | 29798-08 | 31053-00 | |
| 19872-03 | 20879-01 | 21675-02 | 23063-01 | 23101-03 | 23267-00 | 24135-01 | 26828-02 | 29798-09 | 31053-01 | |
| 19872-04 | 20882-00 | 21675-03 | 23063-02 | 23101-04 | 23267-01 | 24135-02 | 27827-00 | 29798-10 | 31053-02 | |

3. District Services and Charges

Service Level C, Perimeter Landscaping

Service level C includes all developed single family and condominium residential parcels and residential vacant lots for which the District provides on-going servicing, operation, and maintenance of perimeter landscaped areas and slopes within the public rights-of-way and dedicated easements adjacent to and associated with certain tracts and subdivisions. The level of maintenance required in these tracts and subdivisions varies depending on operating costs. Thirty-two (32) Zones with corresponding rates have been established within Service Level C.

In recent fiscal years, the cost of maintaining the perimeter landscaping for most zones in Service Level C, far exceeds the maximum assessment that can be levied against the parcels in these zones. As a result, it has been necessary for City staff to reduce services and activities and/or reduce or eliminate the collection of funding for long term repairs, replacements and rehabilitation. Recognizing that these revenue shortfalls are expected to continue and may likely increase over the years as a result of inflation, in conjunction with this Report the City is balloting property owners within Zones 1, 4, 7, 10, 11, 14, 15, 17, 22 and 27 for increased maximum assessments and an inflationary adjustment that would fully fund the estimated costs needed to provide the improvements for each respective Zone.

The current rates and charges for Service Level C is per residential lot and shall be applied to developed and undeveloped residential parcels within the following Tracts and subdivisions for Fiscal Year 2019-2020.

Table 3-2
Service Level C

| Zone No. 1 | Maximum Rate: \$116.00 | Proposed Rate: \$116.00 |
|--------------------|-------------------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Saddlewood | 18518-00 18518-01 18518-02 18518-03 | |

| Zone No. 2 | Maximum Rate: \$89.00 | Proposed Rate: \$89.00 |
|--------------------|--|------------------------|
| Tract Name: | Tract Numbers: | |
| Winchester Creek | 20130-00 20130-01 20130-02 20130-03 20130-04 20130-05 20130-06 21340-00 21340-01 21340-02 21340-03 21340-04 21340-05 21340-06 | |

| Zone No. 3 | Maximum Rate: \$116.00 | Proposed Rate: \$116.00 |
|--------------------|--|-------------------------|
| Tract Name: | Tract Numbers: | |
| Rancho Highlands | 20643-00 20644-00 21760-00 22203-00 22204-00 22761-00 22762-00 | |

| Zone No. 4 | Maximum Rate: \$46.00 | Proposed Rate: \$46.00 |
|--------------------|-----------------------|------------------------|
| Tract Name: | Tract Numbers: | |
| The Vineyards | 20879-00 20879-01 | |

| Zone No. 5 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
|--------------------|-------------------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Signet Series | 20882-00 20882-01 20882-02 20882-03 | |

| Zone No. 6 ⁽³⁾ | Maximum Rate: \$113.58 | Proposed Rate: \$113.58 |
|---------------------------|------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Woodcrest Country | 21561-00 22208-00 | |

⁽³⁾ Beginning Fiscal Year 2009-2010, the base rate for Zone 6 was \$95.00. Each year thereafter, beginning Fiscal Year 2010-2011 the maximum rate as approved by the property owners is annually adjustable by the lesser of the percentage increase in the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index ("CPI") of All Urban Consumers for the Riverside-San Bernardino-Orange County Area (formerly Los Angeles-Riverside-Orange County Area), for the previous calendar year or 5%. For Fiscal Year 2019-2020 the adjustment is 2.73%, the percentage increase in the CPI.

| Zone No. 7 | Maximum Rate: \$89.00 | Proposed Rate: \$89.00 |
|--------------------|--|------------------------|
| Tract Name: | Tract Numbers: | |
| Ridgeview | 20735-07 20735-08 20735-09 20881-00 21764-00 | |

3. District Services and Charges

| | | |
|---------------------|--|--|
| Zone No. 8 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
| Tract Name: | Tract Numbers: | |
| Village Grove | 21672-01 21672-02 21672-03 21672-04 21673-00 21637-01 21637-02 | 21673-03 21674-00 21674-01 21674-02 21674-03 21675-00 21675-01 |
| | 21675-02 21675-03 21675-04 21675-05 21675-06 | |
| Zone No. 9 | Maximum Rate: \$46.00 | Proposed Rate: \$46.00 |
| Tract Name: | Tract Numbers: | |
| Rancho Solana | 22593-00 22593-01 22593-02 | |
| Zone No. 10 | Maximum Rate: \$116.00 | Proposed Rate: \$116.00 |
| Tract Name: | Tract Numbers: | |
| Martinique | 23128-00 | |
| Zone No. 11 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
| Tract Name: | Tract Numbers: | |
| Meadow View | 21765-00 | |
| Zone No. 12 | Maximum Rate: \$116.00 | Proposed Rate: \$116.00 |
| Tract Name: | Tract Numbers: | |
| Vintage Hills | 22715-00 22715-01 22715-02 22716-00 22716-01 22716-02 22716-03 | 22716-04 22915-00 22915-01 22915-02 22915-03 22916-00 22916-01 |
| | 22916-02 22916-03 | |
| Zone No. 13 | Maximum Rate: \$46.00 | Proposed Rate: \$46.00 |
| Tract Name: | Tract Numbers: | |
| Presley Development | 23267-00 23267-01 23267-02 23267-03 23267-04 26861-00 26861-01 | 26861-02 26861-03 |
| Zone No. 14 | Maximum Rate: \$89.00 | Proposed Rate: \$89.00 |
| Tract Name: | Tract Numbers: | |
| Morrison Homes | 22148-00 | |
| Zone No. 15 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
| Tract Name: | Tract Numbers: | |
| Barclay Estates | 25004-01 | |
| Zone No. 16 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
| Tract Name: | Tract Numbers: | |
| Tradewinds | 23125-00 23125-01 23125-02 23125-03 | |
| Zone No. 17 | Maximum Rate: \$46.00 | Proposed Rate: \$46.00 |
| Tract Name: | Tract Numbers: | |
| Monte Vista | 28309-00 | |
| Zone No. 18 | Maximum Rate: \$70.00 | Proposed Rate: \$70.00 |
| Tract Name: | Tract Numbers: | |
| Temeku Hills | 23371-00 23371-01 23371-02 23371-03 23771-04 23771-05 23371-06 | 23371-07 23371-08 23371-09 23371-10 23371-11 23371-14 28482-00 |
| | 28482-01 28482-02 28482-03 28526-00 29033-00 | |
| Zone No. 19 | Maximum Rate: \$225.00 | Proposed Rate: \$225.00 |
| Tract Name: | Tract Numbers: | |
| Chantemar | 28510-00 28510-01 28510-02 28510-03 | |

3. District Services and Charges

| Zone No. 20 | Maximum Rate: \$175.00 | Proposed Rate: \$175.00 |
|--------------------|--|-------------------------|
| Tract Name: | Tract Numbers: | |
| Crowne Hill | 23143-00 23143-02 23413-03 23413-04 23413-01 23413-03 23413-04 | |
| | 23413-06 23413-07 23413-08 23413-09 23413-10 23413-11 | |

| Zone No. 21 | Maximum Rate: \$129.00 | Proposed Rate: \$129.00 |
|----------------------------|--|-------------------------|
| Tract Name: | Tract Numbers: | |
| Vail Ranch Gated Community | 28832-00 | |
| Vail Ranch Residential | 23173-00 23173-01 23173-02 23173-03 23173-04 23174-01 23174-02 | |
| | 23174-03 23174-04 23174-05 23174-06 28480-00 | |

| Zone No. 22 | Maximum Rate: \$116.00 | Proposed Rate: \$116.00 |
|--------------------|------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Sutton Place | 29286-00 | |

| Zone No. 23 | Maximum Rate: \$20.00 | Proposed Rate: \$20.00 |
|--------------------|--|------------------------|
| Tract Name: | Tract Numbers: | |
| Pheasant Run | 19872 19872-01 19872-02 19872-03 19872-04 19872-05 | |

| Zone No. 24 | Maximum Rate: \$100.00 | Proposed Rate: \$100.00 |
|-----------------------|--|-------------------------|
| Tract Name: | Tract Numbers: | |
| Harveston | 29928 29928-01 29928-02 29928-03 29929 29929-01 30088 | |
| | 30667 30667-01 30667-02 30667-03 30668 30668-01 30668-02 | |
| | 30669 30669-01 30669-02 31053 31053-01 31053-02 31053-03 | |
| | 32436 32436-01 32437 32437-01 32437-02 32437-03 34698 | |
| Harveston Ashville I | 31276 | |
| Harveston Ashville II | 32104 | |
| Harveston Condos | 32169 32170 | |

| Zone No. 25 | Maximum Rate: \$200.00 | Proposed Rate: \$200.00 |
|--------------------|------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Serena Hills | 23209 | |

| Zone No. 26 | Maximum Rate: \$270.00 | Proposed Rate: \$270.00 |
|--------------------------|------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Traditions/Gallery Homes | 29133 | |

| Zone No. 27 | Maximum Rate: \$70.00 | Proposed Rate: \$70.00 |
|--------------------|-------------------------|------------------------|
| Tract Name: | Tract Numbers: | |
| Avondale | 26828 26828-01 26828-02 | |

| Zone No. 28 | Maximum Rate: \$129.00 | Proposed Rate: \$129.00 |
|--------------------|--|-------------------------|
| Tract Name: | Tract Numbers: | |
| Wolf Creek | 29798 29798-01 29798-02 29798-03 29798-04 29798-05 29798-06 | |
| | 29798-07 29798-08 29798-09 30264 30264-01 30264-02 30264-03 | |
| | 30264-04 30264-05 30264-06 30264-07 30264-08 30264-09 30264-10 | |
| | 30264-11 30264-12 30264-13 30264-14 30264-15 31898 33125 | |
| | 32319 33124 | |

| Zone No. 29 ⁽⁴⁾ | Maximum Rate: \$405.42 | Proposed Rate: \$405.42 |
|----------------------------|------------------------|-------------------------|
| Tract Name: | Tract Numbers: | |
| Gallery Portraits | 31344-00 | |

⁽⁴⁾ Beginning Fiscal Year 2006-2007, the base rate for Zone 29 was \$315.00. Each year thereafter, beginning Fiscal Year 2007-2008 for Zone 29 the maximum rate as approved by the property owners is annually adjustable by the lesser of the percentage increase in the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index ("CPI") of All Urban Consumers for the Riverside-San Bernardino-Ontario Area (formerly Los Angeles-Riverside-Orange County Area), for the previous calendar year, or 5%. For Fiscal Year 2019-2020 the adjustment is 2.73%, the percentage increase in the CPI.

3. District Services and Charges

| Zone No. 30 ⁽⁵⁾⁽⁶⁾ | Maximum Rate: \$129.00 | Proposed Rate: \$0.00 |
|-------------------------------|------------------------|-----------------------|
| Tract Name: | Tract Numbers: | |
| Valdemosa | 25004 | |

⁽⁵⁾ The maximum rate for Zone 30 is \$129.00 but will not be levied for Fiscal Year 2018-2019.

⁽⁶⁾ Beginning Fiscal Year 2010-2011, Zone 30 elected to maintain its own perimeter landscaping under the existing Homeowner's Association ("HOA"). As a result the Zone will not be levied under Service Level C for Fiscal Year 2019-2020.

| Zone No. 31 ⁽⁷⁾⁽⁸⁾ | Maximum Rate: \$33.46 | Proposed Rate: \$0.00 |
|-------------------------------|-----------------------|-----------------------|
| Tract Name: | Tract Numbers: | |
| Roripaugh Ranch | TBD | |

⁽⁷⁾ Beginning Fiscal Year 2006-2007, the base rate for Zone 31 was \$26.00. Each year thereafter, beginning Fiscal Year 2007-2008 for Zone 31, the maximum rate as approved by the property owners is annually adjustable by the lesser of the percentage increase in the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index ("CPI") of All Urban Consumers for the Riverside-San Bernardino-Ontario Area (formerly Los Angeles-Riverside-Orange County Area), for the previous calendar year, or 5%. For Fiscal Year 2019-2020 the adjustment is 2.73%, the percentage increase in the CPI.

⁽⁸⁾ Zone 31 elected to have its perimeter landscaping maintained by a Homeowner's Association ("HOA"). As a result, the Zone will not be levied under Service Level C for Fiscal Year 2019-2020.

| Zone No. 32 ⁽⁹⁾⁽¹⁰⁾ | Maximum Rate: \$765.24 | Proposed Rate: \$0.00 |
|--------------------------------|------------------------|-----------------------|
| Tract Name: | Tract Numbers: | |
| Vineyard View | 23103-2 | |

⁽⁹⁾ Beginning Fiscal Year 2008-2009, the base rate for Zone 32 was \$640.00. Each year thereafter, beginning Fiscal Year 2009-2010 for Zone 32, the maximum rates as approved by the property owners are annually adjustable by the lesser of the percentage increase in the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index ("CPI") of All Urban Consumers for the Riverside-San Bernardino-Ontario Area (formerly Los Angeles-Riverside-Orange County Area), for the previous calendar year, or 5%. For Fiscal Year 2018-2019 the adjustment is 2.73%, the percentage increase in the CPI.

⁽¹⁰⁾ Zone 32 elected to have its perimeter landscaping maintained by a Homeowner's Association ("HOA"). As a result, the Zone will not be levied under Service Level C for Fiscal Year 2019-2020.

Service Level R, Road Maintenance

Service Level R provides funding for construction, improvement, service, and maintenance of unpaved public streets and roads within specific areas of the District. The services provided may include, but are not limited to, renovation or restoration due to damage, flood and drainage control, repairs and re-grading, and upgrades of the existing areas as required for unpaved roads. All parcels identified within Service Level R share in the cost of the services provided. The costs associated with the services are spread among all parcels within various areas ("rate levels") of Service Level R in accordance with the Rate and Method of Apportionment for the service level. Service Level R currently has one (1) active rate level, Rate Level R-1. The area for Rate Level R-2 has been fully paved and therefore an assessment is currently not required. Only the parcels within Rate Level R-1 boundary area will be charged for the costs associated with servicing and maintaining the roads and streets in the area.

- **RATE LEVEL R-1** – This rate level consists of fifty-five (55) assessable parcels that have direct access to roads or streets that are serviced and maintained through the District. This rate level provides funding for the servicing and maintenance of Kimberly Lane, Greenwood Lane, Liefer Road, Gatlin Road, and Pala Vista. A total of 1.546 miles of roads are serviced and maintained in this area. The current maximum rates and charges in R-1 are \$115.26 per single-family residential lot and \$57.62 per vacant residential lot and shall be applied at the maximum rates for developed and undeveloped residential parcels within R-1 for Fiscal Year 2019-2020.
- **RATE LEVEL R-2** – This rate level consists of forty (40) assessable parcels that have direct access to Santiago Road. This area has been fully paved and no longer requires service under this District.

Refuse/Recycling Collection

The Refuse/Recycling Collection Service Level provides for the operation and administration of the refuse collection program, including recycling services for all developed residential homes (or "Households") within the District. The rate and charge for Fiscal Year 2019-2020 Refuse/Recycling Collection is \$298.42 per Household and will be applied to all parcels that have been identified as developed residential homes.

4. Changes to the District

Changes or modifications to the District structure, if any, could include but are not limited to, changes or expansion in the existing improvements or in the types of services provided, addition of new services or Service Levels, restructuring of the current Service Levels, inclusion of parcels into the District or Service Levels, or revisions to the method of apportionment. Changes or modifications within the District that may affect the levy are outlined in the following.

Notable Previous Modifications to the District

Two Service Levels Replaced with a Special Tax

On March 4, 1997, the voters of Temecula approved a Special Tax to fund citywide community services. This Special Tax replaced two existing Service Levels, previously charged through the Community Services District. Beginning in Fiscal Year 1997-1998 the below two Service Levels were replaced by the Special Tax and are no longer charged through the District.

- **COMMUNITY SERVICES, PARKS, AND RECREATION** – This service level provided for the maintenance, service, and operation of all public parks and recreation services within the City.
- **SERVICE LEVEL A, ARTERIAL STREET LIGHTING AND MEDIANS** – This service level provided servicing, operation, and maintenance of traffic signals, street lighting, and landscaped medians along arterial streets.

Service Level R

As of Fiscal Year 2008-2009, the streets have been fully paved and there is no longer a need to assess for unpaved road maintenance (Rate level R-2).

Proposed Modifications to the District for Fiscal Year 2019-2020

The most notable modification to the District for Fiscal Year 2019-2020 is related to the addition of improvements and expansion of existing services as a result of new development. When a new residential tract is developed, the District accepts additional improvements for maintenance and servicing. Along with acceptance of the improvements, the parcels within those tracts are included in the appropriate Service Levels. The improvements and services for Service Levels B and C are typically tract or development specific and therefore, all parcels within a tract or development are included in these two Service Levels when the District accepts the improvements. Additionally, individual residential parcels are included in the Refuse/Recycling Collection when a new single-family residential unit is identified, and service is ordered.

Service Level B

There were no additional inclusions or modifications to Service Level B for Fiscal Year 2019-2020.

Service Level C

There are no new inclusions to Service Level C (Perimeter Landscaping) proposed for the Fiscal Year 2019-2020.

Service Level R

There are no new inclusions to Service Level R (Road Maintenance), proposed for Fiscal Year 2019-2020.

Refuse/Recycling Collection

A total of approximately 60 newly developed residential parcels have been identified and added to Refuse/Recycling Collection for Fiscal Year 2019-2020. These new residential parcels are identified each year and included in Refuse/Recycling Collection based upon the waste hauler's updated service records.

The rate for Fiscal Year 2019-2020 for Refuse/Recycling Collection is \$298.42 per residential parcel. For Fiscal Year 2018-2019, the rate for this service was \$281.52.

For more information, please refer to Section 2, Budgets and Levy Summary. The costs for the District represent actual service costs, as provided in the City's Franchise Agreement with CR&R Waste Services.

5. Method of Apportionment

Method of Apportionment

The cost to provide services within the District will be fairly distributed among each eligible property.

Service Level B (Residential Street Lighting):

The following formula is used to calculate each property's Service Level B charges by the per parcel/unit (residential "lot/unit") method.

$$\text{Total Balance to Levy (Budgeted)} \div (\text{Total Residential Lots} + \text{Assigned Condominium Units}) = \text{Parcel Charge}$$

Service Level C (Perimeter Landscaping and Slopes); and Refuse/Recycling Collection:

The following formula is used to calculate each property's charges by the per parcel (residential "lot") method.

$$\text{Total Balance to Levy (Budgeted)} / \text{Total Residential Lots (in Service Level)} = \text{Parcel Charge}$$

Service Level R (Roads):

The charge per Levy Unit for Service Level R is based on a Parcel Development Unit (PDU), which is similar to a per parcel charge, but makes a distinction between developed and undeveloped parcels.

$$\text{Parcel Development Units} = 1.0 \text{ for Developed Parcels}$$

$$\text{Parcel Development Units} = 0.5 \text{ for Undeveloped Parcels}$$

$$\text{Total Balance to Levy} / \text{Total Parcel PDU (in Rate Level)} = \text{Parcel Charge}$$

The following tables reflect the levy calculations for each Service Level.

Table 5-1

Parcel Charge Calculation Service Level B

| Property Type | Parcel/Unit | x | Charge per Parcel/Unit | = | Parcel/Unit Charge | Multiplier |
|--|-------------|---|------------------------|---|--------------------|-----------------|
| Single Family Residential Lot | 1.00 | | \$25.68 | | \$25.68 | Per Parcel |
| Vacant Residential Lot | 1.00 | | \$25.68 | | \$25.68 | Per Parcel |
| Assigned Condominium Units ⁽¹¹⁾ | 0.50 | | \$25.68 | | \$12.84 | Per Parcel/Unit |

⁽¹¹⁾ Defined as Assigned Condominium Units in Service Level B for which the interior streetlights are privately maintained however, the Assigned Condominium Units benefit from perimeter or collector street lighting funded by Service Level B.

Table 5-2
Parcel Charge Calculation Service Level C

| Property Type and Zone | Parcel/Unit | x | Charge per Parcel | = | Parcel Charge | Multiplier |
|--|-------------|---|-------------------|---|---------------|------------|
| Residential Lot Zone No. 1 | 1.00 | | \$116.00 | | \$116.00 | Per Parcel |
| Residential Lot Zone No. 2 | 1.00 | | \$89.00 | | \$89.00 | Per Parcel |
| Residential Lot Zone No. 3 | 1.00 | | \$116.00 | | \$116.00 | Per Parcel |
| Residential Lot Zone No. 4 | 1.00 | | \$46.00 | | \$46.00 | Per Parcel |
| Residential Lot Zone No. 5 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 6 ⁽¹²⁾ | 1.00 | | \$113.58 | | \$113.58 | Per Parcel |
| Residential Lot Zone No. 7 | 1.00 | | \$89.00 | | \$89.00 | Per Parcel |
| Residential Lot Zone No. 8 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 9 | 1.00 | | \$46.00 | | \$46.00 | Per Parcel |
| Residential Lot Zone No. 10 | 1.00 | | \$116.00 | | \$116.00 | Per Parcel |
| Residential Lot Zone No. 11 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 12 | 1.00 | | \$116.00 | | \$116.00 | Per Parcel |
| Residential Lot Zone No. 13 | 1.00 | | \$46.00 | | \$46.00 | Per Parcel |
| Residential Lot Zone No. 14 | 1.00 | | \$89.00 | | \$89.00 | Per Parcel |
| Residential Lot Zone No. 15 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 16 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 17 | 1.00 | | \$46.00 | | \$46.00 | Per Parcel |
| Residential Lot Zone No. 18 | 1.00 | | \$70.00 | | \$70.00 | Per Parcel |
| Residential Lot Zone No. 19 | 1.00 | | \$225.00 | | \$225.00 | Per Parcel |
| Residential Lot Zone No. 20 | 1.00 | | \$175.00 | | \$175.00 | Per Parcel |
| Residential Lot Zone No. 21 | 1.00 | | \$129.00 | | \$129.00 | Per Parcel |
| Residential Lot Zone No. 22 | 1.00 | | \$116.00 | | \$116.00 | Per Parcel |
| Residential Lot Zone No. 23 | 1.00 | | \$20.00 | | \$20.00 | Per Parcel |
| Residential Lot Zone No. 24 | 1.00 | | \$100.00 | | \$100.00 | Per Parcel |
| Residential Lot Zone No. 25 | 1.00 | | \$200.00 | | \$200.00 | Per Parcel |
| Residential Lot Zone No. 26 | 1.00 | | \$270.00 | | \$270.00 | Per Parcel |
| Residential Lot Zone No. 27 | 1.00 | | \$70.00 | | \$70.00 | Per Parcel |
| Residential Lot Zone No. 28 | 1.00 | | \$129.00 | | \$129.00 | Per Parcel |
| Residential Lot Zone No. 29 ⁽¹²⁾ | 1.00 | | \$405.42 | | \$405.42 | Per Parcel |
| Residential Lot Zone No. 30 ⁽¹³⁾ | 1.00 | | \$129.00 | | \$129.00 | Per Parcel |
| Residential Lot Zone No. 31 ^{(12) (14)} | 1.00 | | \$33.46 | | \$33.46 | Per Parcel |
| Residential Lot Zone No. 32 ^{(12) (14)} | 1.00 | | \$765.24 | | \$765.24 | Per Parcel |

⁽¹²⁾ Beginning Fiscal Year 2007-2008 for Zones 29 and 31, and beginning Fiscal Year 2009-10 for Zones 6 and 32, the maximum rates as approved by the property owners are annually adjustable by the lesser of the percentage increase in the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index ("CPI") of All Urban Consumers for the Riverside-San Bernardino-Ontario Area (formerly Los Angeles-Riverside-Orange County Area), for the previous calendar year, or 5%.

⁽¹³⁾ Beginning Fiscal Year 2010-2011, Zone 30 has elected to maintain its own perimeter landscaping under the existing Homeowner's Association ("HOA"). As a result, the Zone will not be levied under Service Level C for Fiscal Year 2019-2020.

⁽¹⁴⁾ Zones 31 and 32 Zone 31 elected to have the perimeter landscaping maintained by a Homeowner's Association ("HOA"). As a result, the Zones will not be levied under Service Level C for Fiscal Year 2019-2020.

5. Method of Apportionment

Table 5-3

Parcel Charge Calculation Service Level R

| Property Type and Zone | Parcel/Unit | x | Charge per Parcel | = | Parcel Charge | Multiplier |
|-----------------------------------|-------------|---|-------------------|---|---------------|------------|
| Single Family Residential Lot R-1 | 1.00 | | \$115.26 | | \$115.26 | Per Parcel |
| Vacant Residential Lot R-1 | 0.50 | | \$115.26 | | \$57.62 | Per Parcel |

Table 5-4

Parcel Charge Calculation Refuse/Recycling Collection

| Property Type ⁽¹⁵⁾ | Parcel/Unit | x | Charge per Parcel | = | Parcel Charge | Multiplier |
|-------------------------------|-------------|---|-------------------|---|---------------|------------|
| Single Family Residential Lot | 1.00 | | \$298.42 | | \$298.42 | Per Parcel |

⁽¹⁵⁾ Developed residential parcels identified by CR&R for which refuse collections are available.

6. Tax Roll

Parcel identification for each lot or parcel within the District shall be the parcel as shown on the County Assessor's map for the year in which this Report is prepared.

APPENDIX A

Tax Roll
Submitted Under Separate Cover





3750 McCray Street
Riverside, CA 92506
951.200.8600



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