



Draft

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

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Prepared by

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AND ASSOCIATES**

Where Innovative Strategies
Fund Tomorrow's Communities

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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.

On February 14, 2023, Hercules City Council adopted Resolutions initiating the FY 2023-24 LLAD annual approval process and authorizing the preparation of 5-year financial projections for the City's five LLADs to evaluate their long-term financial health by forecasting revenues and expenditures. This report includes, for each LLAD/Benefit Zone, a 5-year financial projection through FY 2027-28, a trend graph of the 5-year financial projections, and a capital replacement table to determine the recommended target reserve levels for FY 2023-24.

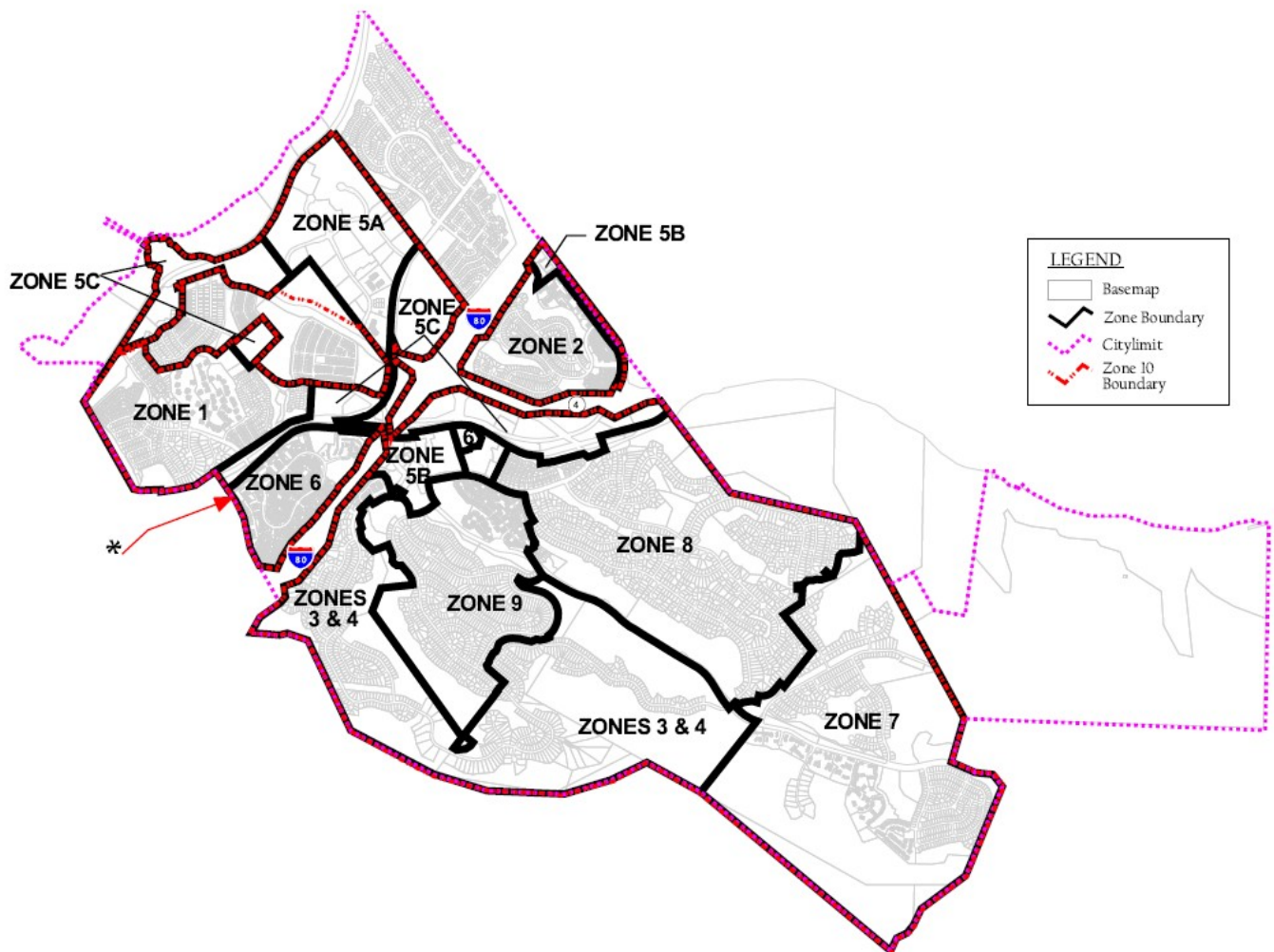
Please note the 5-year financial projections in this report includes costs for programmed 5-year Capital Improvement Projects anticipated to be funded by each LLAD but does not account for the replacement of existing park improvements associated with LLAD No. 83-2 Benefit Zone 10 (Citywide Parks) or projects in the Parks Master Plan as that data is still pending. 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 (comprised of eleven Benefit Zones), LLAD No. 2004-1 (Baywood), and LLAD No. 2005-1 (Bayside) are trending positively over the 5-year projections, in large part due to successful Proposition 218 proceedings conducted between FY 2017-18 to FY 2021-22 approving increases to LLAD assessments for six (6) Benefit Zones of LLAD No. 83-2. LLAD No. 2002-1 (Victoria by the Bay) and LLAD No. 2002-2 (Promenade) are currently 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 2027-28**

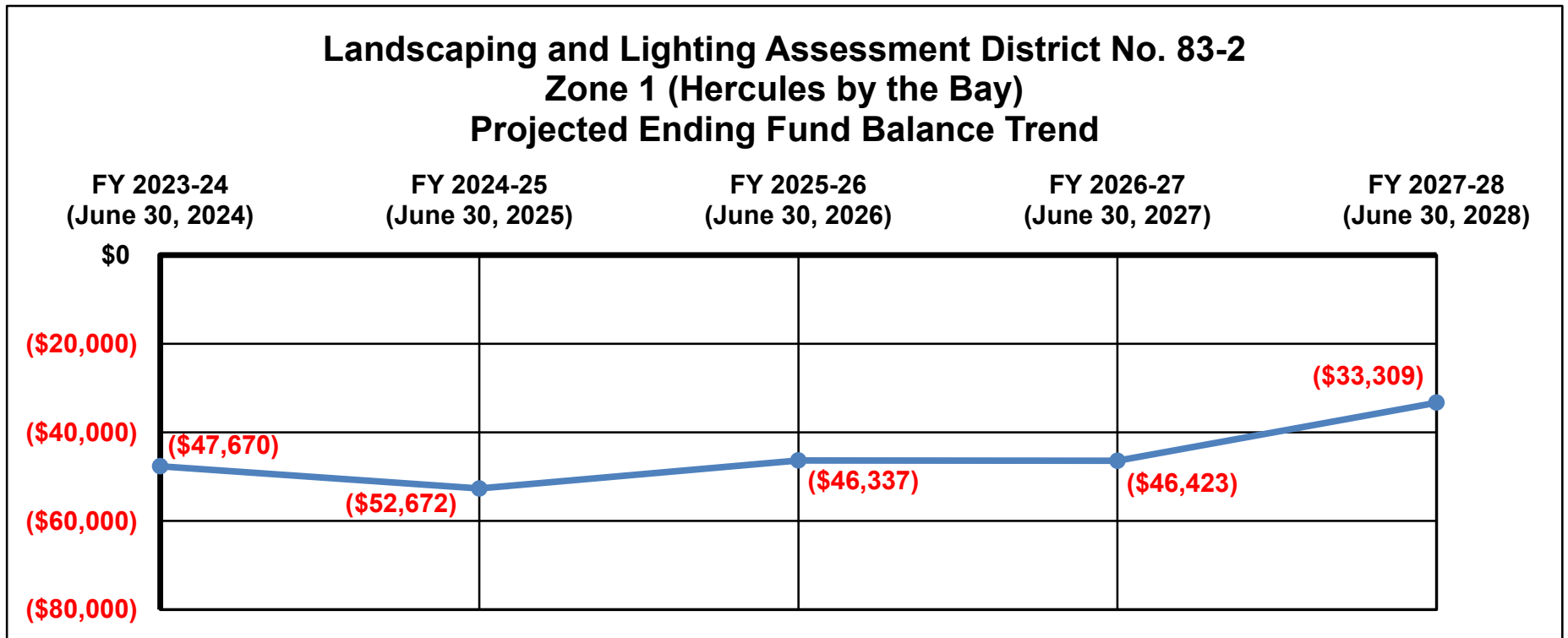
REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$143	\$150	\$157	\$165	\$173
Assessments	\$100,412	\$105,433	\$110,704	\$116,239	\$122,051
General Benefit Contribution	\$892	\$1,146	\$1,002	\$1,299	\$1,118
TOTAL REVENUES:	\$101,304	\$106,578	\$111,706	\$117,539	\$123,169
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$18,846	\$19,788	\$20,778	\$21,817	\$22,907
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$27,703	\$34,045	\$35,019	\$32,403	\$33,903
Landscaping, Open Space, and Associated Repairs	\$9,000	\$9,180	\$9,364	\$9,551	\$9,742
Tree Trimming	\$0	\$10,000	\$0	\$12,000	\$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	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$947	\$947	\$947	\$947	\$947
TOTAL ANNUAL EXPENDITURES:	\$72,316	\$91,321	\$85,112	\$97,366	\$89,796
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Tree Replacement	\$0	\$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:	\$20,259	\$20,259	\$20,259	\$20,259	\$20,259
TOTAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$92,575	\$111,580	\$105,371	\$117,625	\$110,055
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	(\$56,399)	(\$47,670)	(\$52,672)	(\$46,337)	(\$46,423)
Reserve Collection Increase/(Decrease)	\$8,729	(\$5,002)	\$6,336	(\$87)	\$13,114
Ending Balance - Projected June 30	(\$47,670)	(\$52,672)	(\$46,337)	(\$46,423)	(\$33,309)
Recommended Operating Reserves	\$46,288	\$55,790	\$52,685	\$58,813	\$55,028
Available Operating Reserves	(\$47,670)	(\$52,672)	(\$46,337)	(\$46,423)	(\$33,309)
Target Capital Reserves	\$152,126	\$159,733	\$167,719	\$176,105	\$184,910
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

The Cottage Ln, Coventry, and Olympian Hills developments within Zone 1 have a lower maximum allowable assessment rate (\$85.21 per EDU for FY 2023-24) because their interior streetlighting is owned and maintained by an HOA.

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 decrease the fund deficit over the next five years.

The trend graph below assumes the Zone 1 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	2	\$42,436	\$38,192
Pathway - Concrete Repair	3,500	SF	\$10	\$3,500	50	20	\$6,321	\$3,793
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.

\$74,125

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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$1,121,725.18	\$37,390.84
Street Light - Double Head	5	EA	\$5,500	\$27,500	30	29	\$64,805.55	\$2,160.19

*Assumes 3% annual inflation.

Totals \$541,950.00

\$78,001.02

FY 2023-24 Total Target Capital Reserve for Zone 1:

\$152,126.26

**BENEFIT ZONE 2
FOXBORO**

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

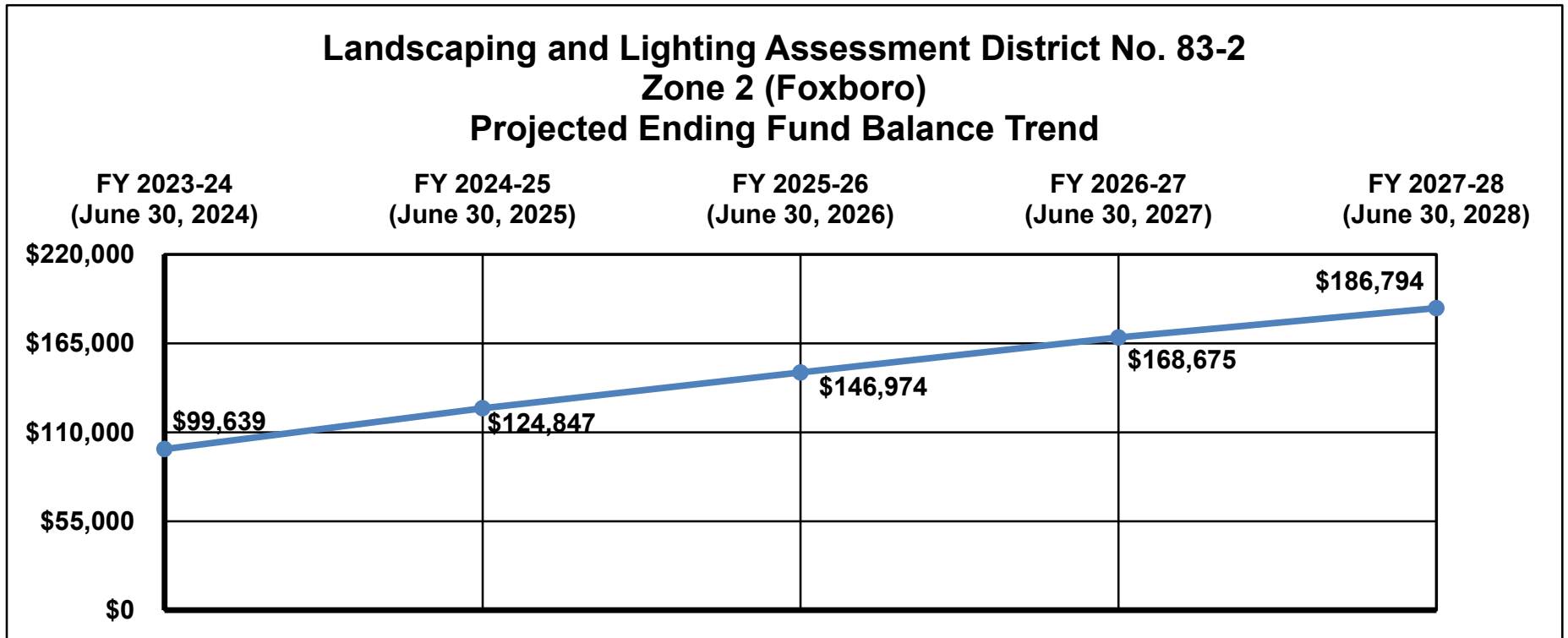
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 2 FOXBORO)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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	\$608	\$655	\$703	\$752	\$802
TOTAL REVENUES:	\$83,569	\$83,616	\$83,663	\$83,712	\$83,762
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$18,846	\$19,788	\$20,778	\$21,817	\$22,907
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$20,871	\$25,649	\$26,383	\$24,412	\$25,542
Landscaping, Open Space, and Associated Repairs	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$5,000	\$5,300	\$5,600	\$5,900	\$6,200
Landscape and Facilities Water	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$750	\$750	\$750	\$750	\$750
TOTAL ANNUAL EXPENDITURES:	\$51,287	\$58,408	\$61,536	\$62,011	\$65,644
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$51,287	\$58,408	\$61,536	\$62,011	\$65,644
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$67,358	\$99,639	\$124,847	\$146,974	\$168,675
Reserve Collection Increase/(Decrease)	\$32,282	\$25,207	\$22,128	\$21,701	\$18,119
Ending Balance - Projected June 30	\$99,639	\$124,847	\$146,974	\$168,675	\$186,794
Recommended Operating Reserves	\$25,644	\$29,204	\$30,768	\$31,006	\$32,822
Available Operating Reserves	\$25,644	\$29,204	\$30,768	\$31,006	\$32,822
Target Capital Reserves	\$28,904	\$30,349	\$31,867	\$33,460	\$35,133
Available Capital Reserves	\$73,996	\$95,642	\$116,206	\$137,670	\$153,972

*EDU = Equivalent Dwelling Unit. Assumes rates will not be increased for FY 2023-24 through 2027-28.

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 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$358,198	\$11,940
Street Light - Double Head	2	EA	\$5,500	\$11,000	30	29	\$25,922	\$864

*Assumes 3% annual inflation.

Totals \$179,100

\$28,904

FY 2023-24 Total Target Capital Reserve for Zone 1:

\$28,904

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

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

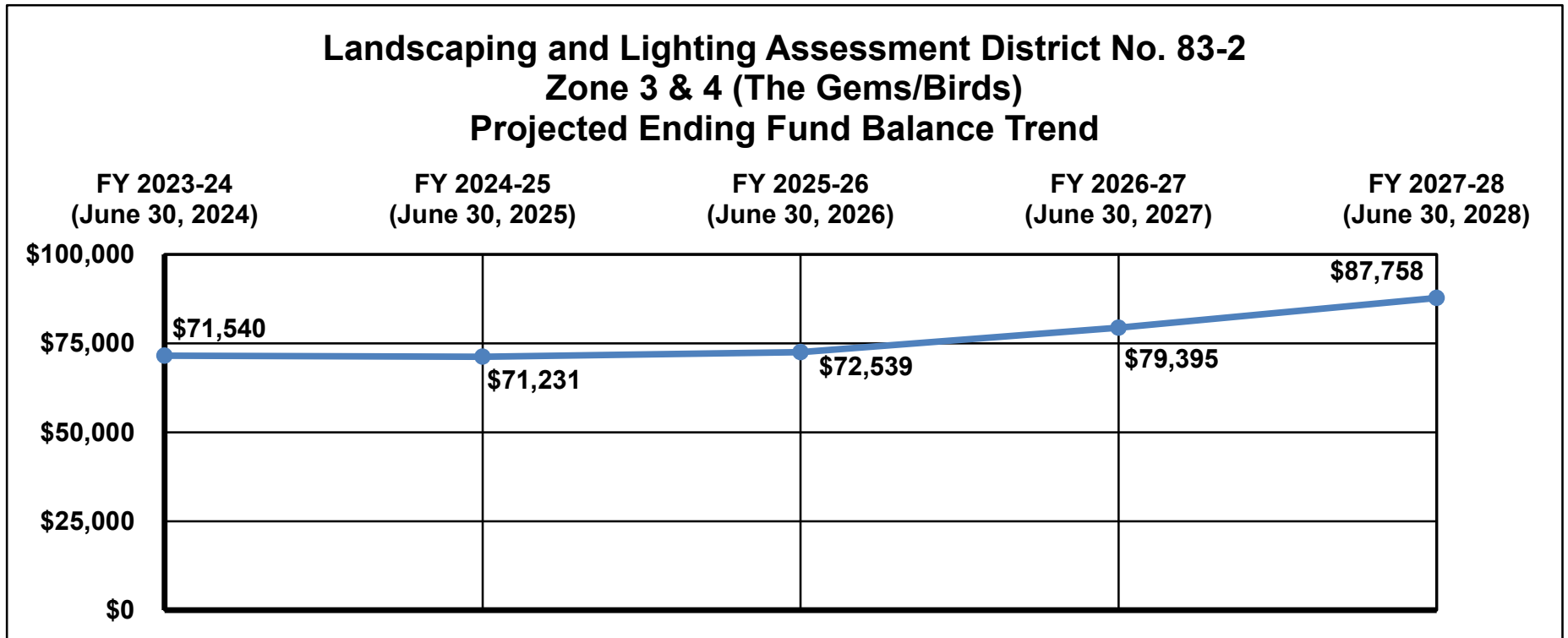
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 3 & 4 - THE GEMS/BIRDS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$139	\$146	\$153	\$161	\$169
Assessments	\$118,006	\$123,907	\$130,102	\$136,607	\$143,438
General Benefit Contribution	\$901	\$963	\$1,036	\$1,110	\$1,188
TOTAL REVENUES:	\$118,907	\$124,870	\$131,138	\$137,718	\$144,625
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$18,846	\$19,788	\$20,778	\$21,817	\$22,907
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$28,345	\$34,834	\$35,831	\$33,154	\$34,689
Landscaping, Open Space, and Associated Repairs	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$9,000	\$9,500	\$10,000	\$10,500	\$11,100
Landscape and Facilities Water	\$9,000	\$10,000	\$11,000	\$12,000	\$13,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$500	\$1,000	\$2,000	\$3,000	\$4,000
County Fees	\$883	\$883	\$883	\$883	\$883
TOTAL ANNUAL EXPENDITURES:	\$73,394	\$82,986	\$87,638	\$88,670	\$94,071
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$115,586	\$125,178	\$129,830	\$130,862	\$136,263
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$68,218	\$71,540	\$71,231	\$72,539	\$79,395
Reserve Collection Increase/(Decrease)	\$3,321	(\$309)	\$1,308	\$6,856	\$8,363
Ending Balance - Projected June 30	\$71,540	\$71,231	\$72,539	\$79,395	\$87,758
Recommended Operating Reserves	\$57,793	\$62,589	\$64,915	\$65,431	\$68,131
Available Operating Reserves	\$57,793	\$62,589	\$64,915	\$65,431	\$68,131
Target Capital Reserves	\$84,880	\$89,124	\$93,580	\$98,259	\$103,172
Available Capital Reserves	\$13,746	\$8,642	\$7,624	\$13,964	\$19,626

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

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 the Zone 3&4 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	10	\$10,751	\$8,601
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	29	\$1,291,398	\$43,047
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	29	\$12,961	\$432
Totals				\$594,300				\$84,880

*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for Zone 3&4: \$84,880

**BENEFIT ZONE 5A
BUSINESS PARK**

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

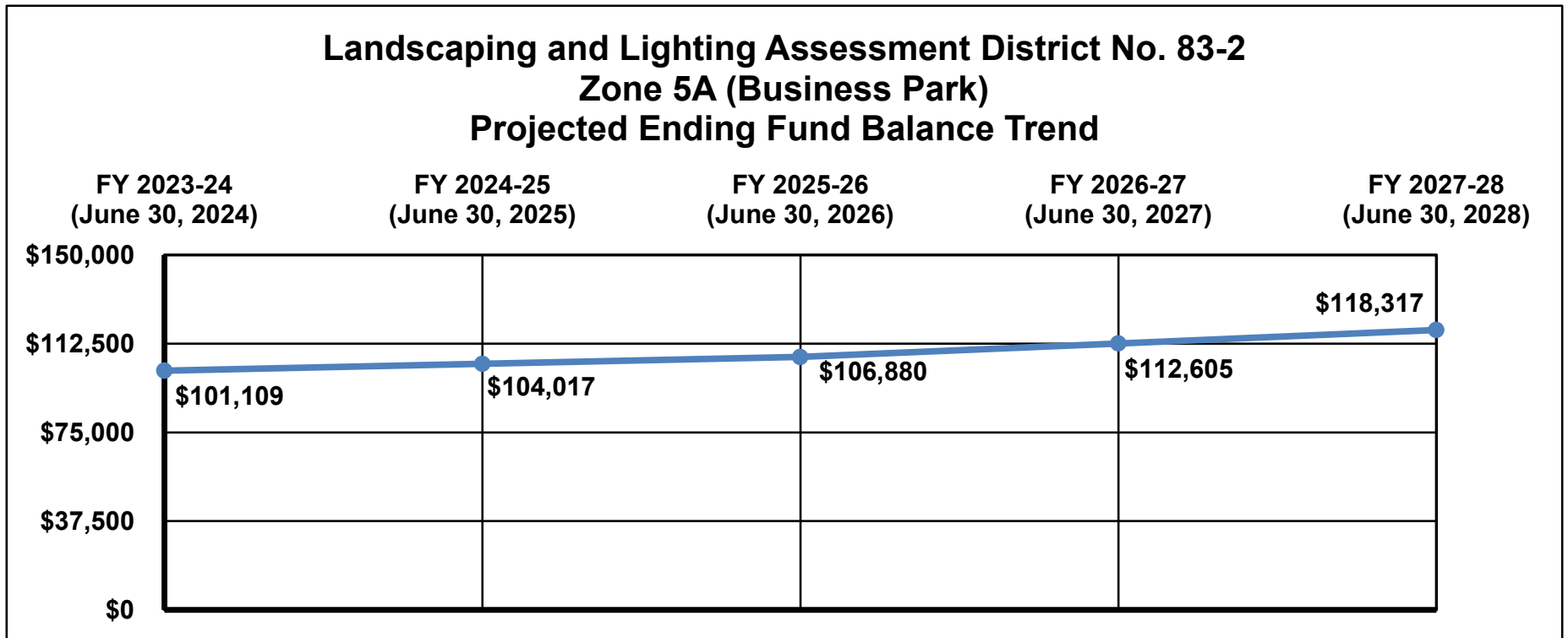
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 5A - BUSINESS PARK)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$147	\$154	\$162	\$170	\$178
Assessments	\$93,420	\$98,091	\$102,995	\$108,145	\$113,552
General Benefit Contribution	\$1,329	\$1,420	\$1,506	\$1,593	\$1,681
TOTAL REVENUES:	\$94,749	\$99,511	\$104,501	\$109,738	\$115,233
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$11,716	\$12,302	\$12,917	\$13,563	\$14,241
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$20,824	\$25,591	\$26,323	\$24,356	\$25,484
Landscaping, Open Space, and Associated Repairs	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989
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	\$30,000	\$33,000	\$35,000	\$37,000	\$39,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$5,600	\$6,000	\$7,000	\$8,000	\$9,000
County Fees	\$310	\$310	\$310	\$310	\$310
TOTAL ANNUAL EXPENDITURES:	\$87,270	\$96,603	\$101,639	\$104,013	\$109,521
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$87,270	\$96,603	\$101,639	\$104,013	\$109,521
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$93,630	\$101,109	\$104,017	\$106,880	\$112,605
Reserve Collection Increase/(Decrease)	\$7,479	\$2,907	\$2,863	\$5,725	\$5,712
Ending Balance - Projected June 30	\$101,109	\$104,017	\$106,880	\$112,605	\$118,317
Recommended Operating Reserves	\$43,635	\$48,302	\$50,819	\$52,006	\$54,760
Available Operating Reserves	\$43,635	\$48,302	\$50,819	\$52,006	\$54,760
Target Capital Reserves	\$46,872	\$49,216	\$51,677	\$54,260	\$56,973
Available Capital Reserves	\$57,475	\$55,715	\$56,060	\$60,599	\$63,557

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by CPI (5.3%) for FY 2023-24.

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 the Zone 5A assessment rate will be increased by the applicable annual change in the Consumer Price Index (5.3%) from prior year, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$273,362	\$9,112
Street Light - Double Head	5	EA	\$5,500	\$27,500	30	29	\$64,806	\$2,160

*Assumes 3% annual cost increase.

Totals \$179,100

\$46,872

FY 2023-24 Total Target Capital Reserve for Zone 5A:

\$46,872

**BENEFIT ZONE 5B
COMMERCIAL**

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

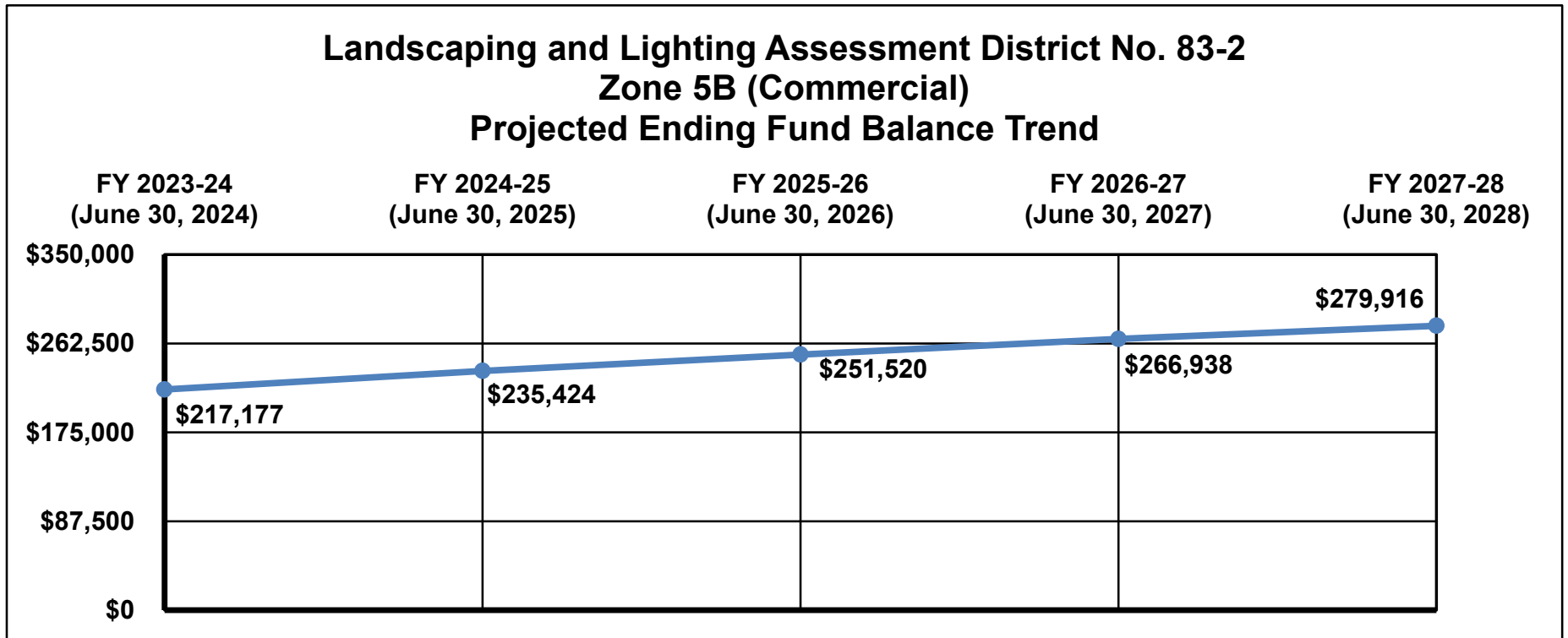
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 5B - COMMERCIAL)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$140	\$140	\$140	\$140	\$140
Assessments	\$49,820	\$49,820	\$49,820	\$49,820	\$49,820
General Benefit Contribution	\$322	\$353	\$389	\$425	\$462
TOTAL REVENUES:	\$50,142	\$50,173	\$50,209	\$50,245	\$50,282
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$11,716	\$12,302	\$12,917	\$13,563	\$14,241
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$11,616	\$14,276	\$14,684	\$13,587	\$14,216
Landscaping, Open Space, and Associated Repairs	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$120	\$200	\$300	\$400	\$500
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$2,200	\$3,000	\$4,000	\$5,000	\$6,000
County Fees	\$267	\$267	\$267	\$267	\$267
TOTAL ANNUAL EXPENDITURES:	\$27,739	\$31,926	\$34,113	\$34,827	\$37,303
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$27,739	\$31,926	\$34,113	\$34,827	\$37,303
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$194,774	\$217,177	\$235,424	\$251,520	\$266,938
Reserve Collection Increase/(Decrease)	\$22,403	\$18,247	\$16,096	\$15,418	\$12,978
Ending Balance - Projected June 30	\$217,177	\$235,424	\$251,520	\$266,938	\$279,916
Recommended Operating Reserves	\$13,870	\$15,963	\$17,056	\$17,414	\$18,652
Available Operating Reserves	\$13,870	\$15,963	\$17,056	\$17,414	\$18,652
Target Capital Reserves	\$2,287	\$2,402	\$2,522	\$2,648	\$2,780
Available Capital Reserves	\$203,307	\$219,461	\$234,464	\$249,524	\$261,265

*EDU = Equivalent Dwelling Unit. Assumes rates will not be increased for FY 2023-24 through 2027-28.

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 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	10	\$1,344	\$1,075
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	29	\$12,961	\$432
Totals				\$7,280				\$2,287

*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for Zone 5B: \$2,287

**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 2027-28**

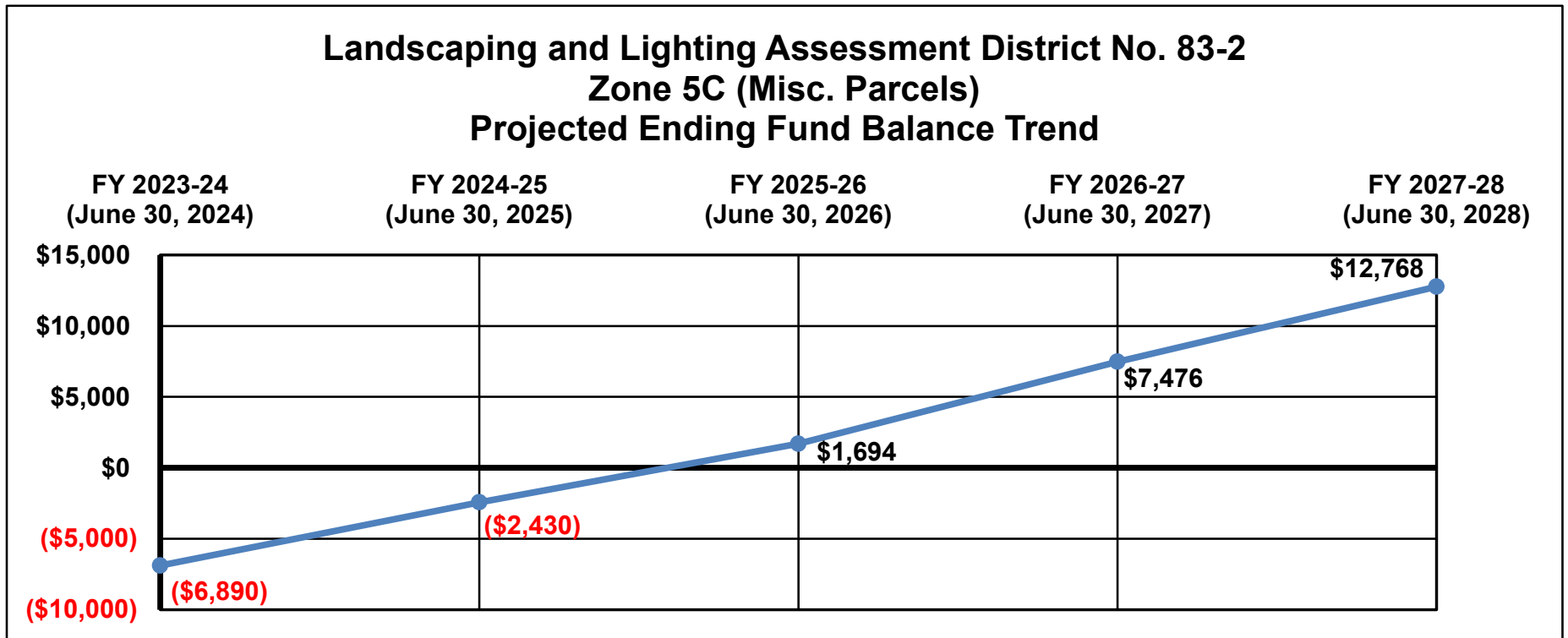
REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$67	\$71	\$74	\$78	\$82
Assessments	\$30,653	\$32,186	\$33,795	\$35,485	\$37,259
General Benefit Contribution	\$180	\$192	\$221	\$250	\$280
TOTAL REVENUES:	\$30,833	\$32,378	\$34,016	\$35,735	\$37,539
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$5,858	\$6,151	\$6,458	\$6,781	\$7,120
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$14,902	\$18,314	\$18,838	\$17,430	\$18,237
Landscaping, Open Space, and Associated Repairs	\$0	\$0	\$0	\$0	\$0
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$250	\$300	\$400	\$500	\$600
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$1,800	\$2,000	\$3,000	\$4,000	\$5,000
County Fees	\$292	\$292	\$292	\$292	\$292
TOTAL ANNUAL EXPENDITURES:	\$23,922	\$27,918	\$29,892	\$29,953	\$32,246
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$23,922	\$27,918	\$29,892	\$29,953	\$32,246
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	(\$13,801)	(\$6,890)	(\$2,430)	\$1,694	\$7,476
Reserve Collection Increase/(Decrease)	\$6,911	\$4,460	\$4,124	\$5,782	\$5,293
Ending Balance - Projected June 30	(\$6,890)	(\$2,430)	\$1,694	\$7,476	\$12,768
Recommended Operating Reserves	\$11,961	\$13,959	\$14,946	\$14,976	\$16,123
Available Operating Reserves	(\$6,890)	(\$2,430)	\$1,694	\$7,476	\$12,768
Target Capital Reserves**	\$0	\$0	\$0	\$0	\$0
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

**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 17-18, 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 expected to begin building reserves in Fiscal Year 2025-26.

The trend graph below assumes the Zone 5C assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



**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 2027-28**

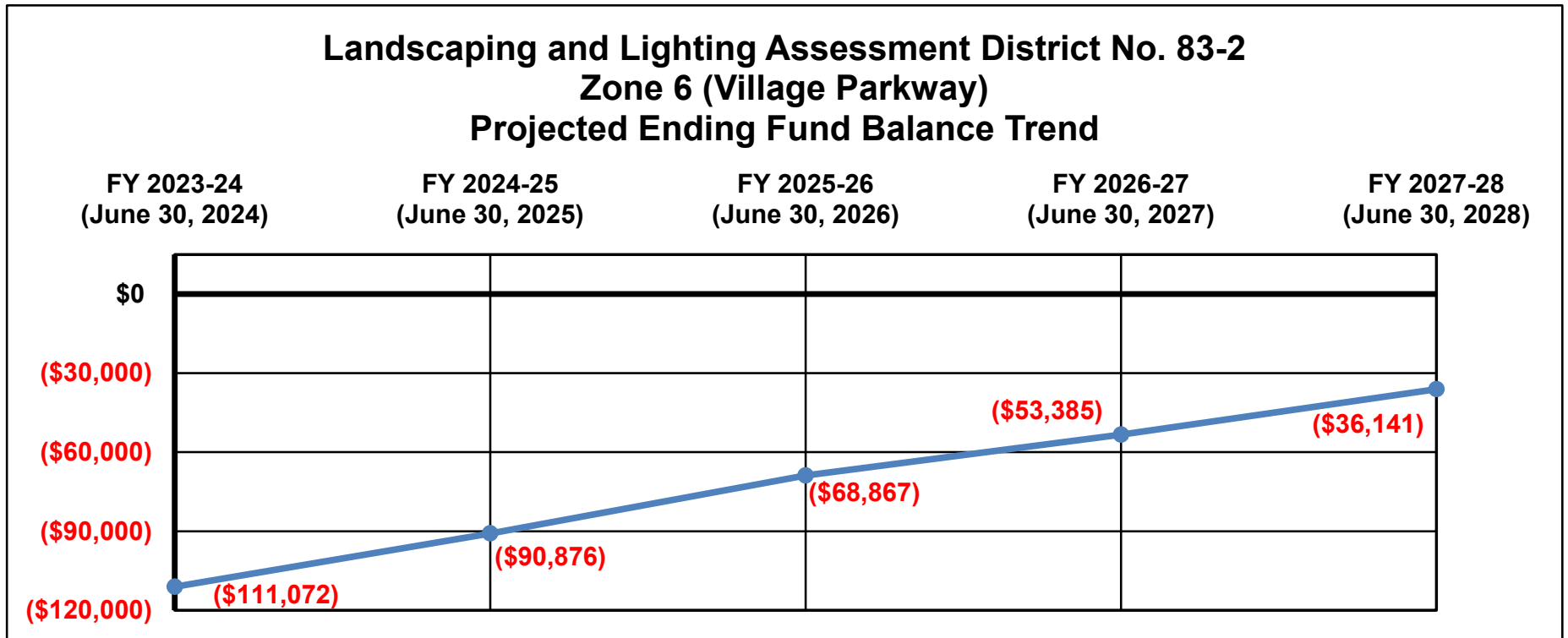
REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$118	\$124	\$130	\$137	\$144
Assessments	\$97,708	\$102,593	\$107,723	\$113,109	\$118,765
General Benefit Contribution	\$653	\$700	\$750	\$1,041	\$1,093
TOTAL REVENUES:	\$98,361	\$103,293	\$108,473	\$114,150	\$119,857
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$18,846	\$19,788	\$20,778	\$21,817	\$22,907
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$24,794	\$30,470	\$31,341	\$29,000	\$30,343
Landscaping, Open Space, and Associated Repairs	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247
Tree Trimming	\$0	\$0	\$0	\$12,000	\$12,000
Electricity and Streetlight Repairs	\$6,000	\$6,300	\$6,700	\$7,100	\$7,500
Landscape and Facilities Water	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$982	\$982	\$982	\$982	\$982
TOTAL ANNUAL EXPENDITURES:	\$57,442	\$65,461	\$68,826	\$81,031	\$84,976
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$75,079	\$83,098	\$86,463	\$98,668	\$102,613
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	(\$134,354)	(\$111,072)	(\$90,876)	(\$68,867)	(\$53,385)
Reserve Collection Increase/(Decrease)	\$23,282	\$20,195	\$22,009	\$15,482	\$17,244
Ending Balance - Projected June 30	(\$111,072)	(\$90,876)	(\$68,867)	(\$53,385)	(\$36,141)
Recommended Operating Reserves	\$37,539	\$41,549	\$43,232	\$49,334	\$51,306
Available Operating Reserves	(\$111,072)	(\$90,876)	(\$68,867)	(\$53,385)	(\$36,141)
Target Capital Reserves	\$55,279	\$58,043	\$60,945	\$63,993	\$67,192
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

The Westwood Duet development within Zone 6 has a higher maximum allowable assessment rate (\$195.67 per EDU for FY 2023-24) because their interior streetlighting is owned and maintained by the City.

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 significantly decrease the fund deficit over the next five years.

The trend graph below assumes the Zone 6 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$499,592	\$16,653
Street Light - Double Head	3	EA	\$5,500	\$16,500	30	29	\$38,883	\$1,296

*Assumes 3% annual cost increase.

Totals \$265,830

\$55,279

FY 2023-24 Total Target Capital Reserve for Zone 6:

\$55,279

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 2027-28**

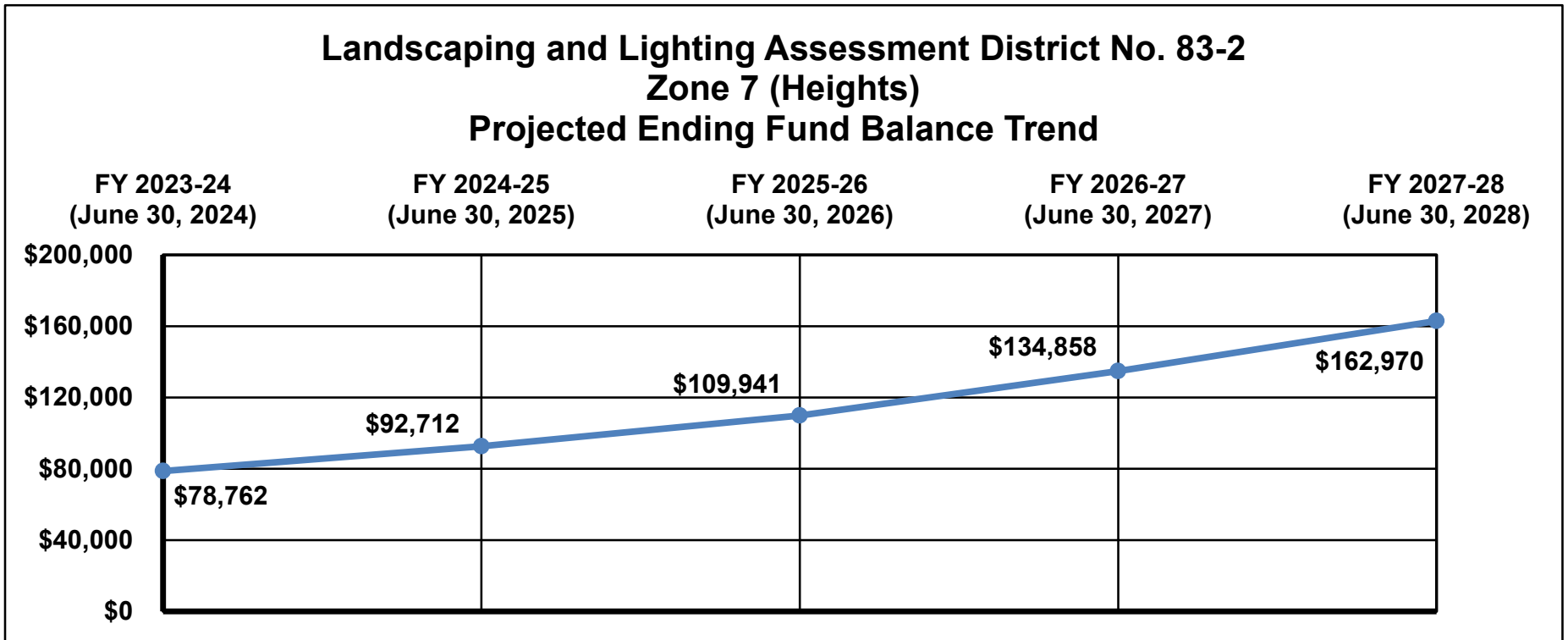
REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$148	\$156	\$163	\$172	\$180
Assessments	\$119,431	\$125,403	\$131,673	\$138,256	\$145,169
General Benefit Contribution	\$745	\$779	\$818	\$857	\$897
TOTAL REVENUES:	\$120,176	\$126,182	\$132,490	\$139,113	\$146,066
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$21,305	\$22,370	\$23,489	\$24,663	\$25,896
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$32,054	\$39,392	\$40,519	\$37,492	\$39,228
Landscaping, Open Space, and Associated Repairs	\$2,000	\$2,040	\$2,081	\$2,122	\$2,165
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$12,000	\$12,600	\$13,300	\$14,000	\$14,700
Landscape and Facilities Water	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$1,102	\$1,102	\$1,102	\$1,102	\$1,102
TOTAL ANNUAL EXPENDITURES:	\$69,281	\$78,365	\$81,394	\$80,328	\$84,088
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$103,148	\$112,232	\$115,261	\$114,195	\$117,955
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$61,734	\$78,762	\$92,712	\$109,941	\$134,858
Reserve Collection Increase/(Decrease)	\$17,028	\$13,950	\$17,229	\$24,918	\$28,112
Ending Balance - Projected June 30	\$78,762	\$92,712	\$109,941	\$134,858	\$162,970
Recommended Operating Reserves	\$51,574	\$56,116	\$57,631	\$57,098	\$58,977
Available Operating Reserves	\$51,574	\$56,116	\$57,631	\$57,098	\$58,977
Target Capital Reserves	\$40,847	\$42,889	\$45,034	\$47,286	\$49,650
Available Capital Reserves	\$27,188	\$36,596	\$52,310	\$77,760	\$103,993

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

The Bay Pointe, Bravo, and Caprice developments within Zone 7 have a lower maximum allowable assessment rate (\$86.07 per EDU for FY 2023-24) because their interior streetlighting is owned and maintained by an HOA.

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 the Zone 7 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
Street Light - Single Head	130	EA	\$4,000	\$520,000	30	29	\$1,225,414	\$40,847

*Assumes 3% annual cost increase.

Totals \$520,000.00

\$40,847

FY 2023-24 Total Target Capital Reserve for Zone 7:

\$40,847

**BENEFIT ZONE 8
TREES AND FLOWERS**

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

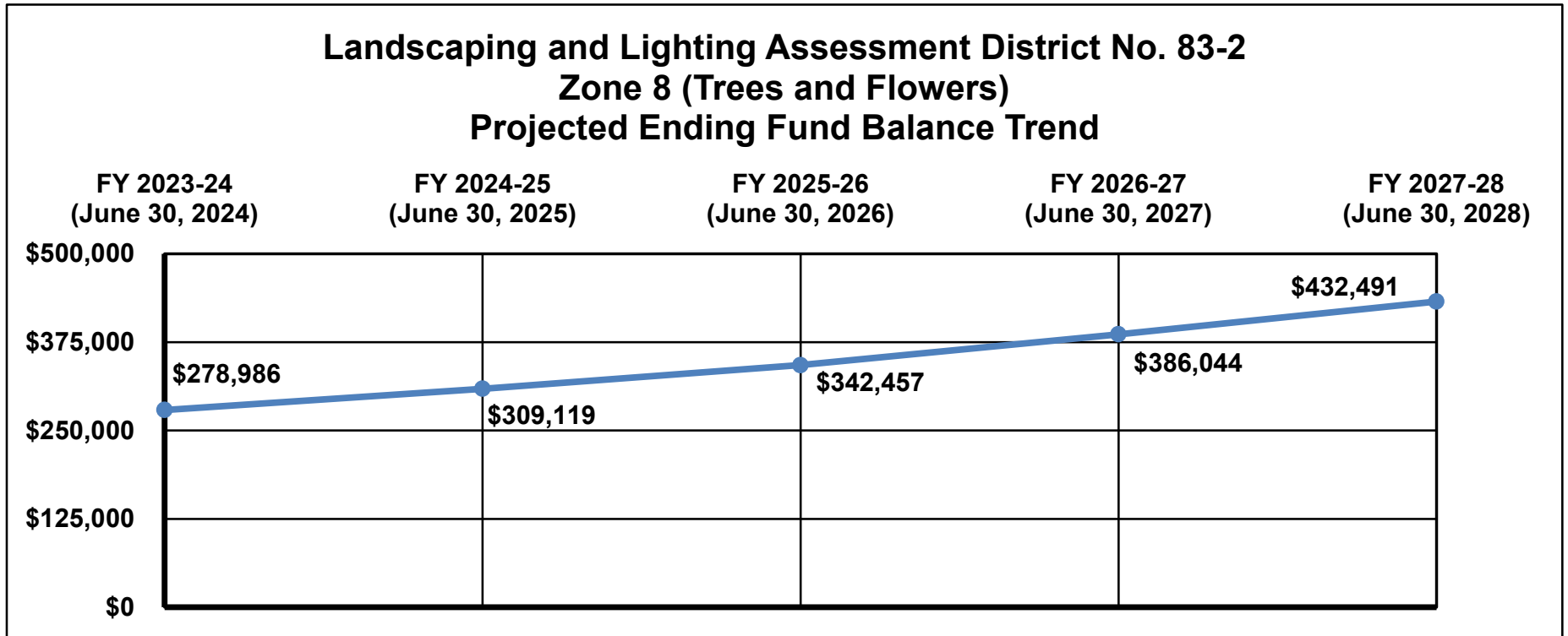
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 8 - TREES AND FLOWERS)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$125	\$132	\$138	\$145	\$152
Assessments	\$200,889	\$210,934	\$221,481	\$232,555	\$244,182
General Benefit Contribution	\$2,269	\$2,378	\$2,490	\$2,608	\$2,729
TOTAL REVENUES:	\$203,158	\$213,312	\$223,971	\$235,163	\$246,911
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$21,335	\$22,402	\$23,522	\$24,698	\$25,933
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$52,304	\$64,278	\$66,117	\$61,177	\$64,010
Landscaping, Open Space, and Associated Repairs	\$27,000	\$27,540	\$28,091	\$28,653	\$29,226
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$55,000	\$57,800	\$60,700	\$63,800	\$67,000
Landscape and Facilities Water	\$8,000	\$9,000	\$10,000	\$11,000	\$12,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$1,299	\$1,299	\$1,299	\$1,299	\$1,299
TOTAL ANNUAL EXPENDITURES:	\$165,758	\$183,179	\$190,632	\$191,576	\$200,464
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$165,758	\$183,179	\$190,632	\$191,576	\$200,464
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$241,585	\$278,986	\$309,119	\$342,457	\$386,044
Reserve Collection Increase/(Decrease)	\$37,401	\$30,133	\$33,338	\$43,587	\$46,448
Ending Balance - Projected June 30	\$278,986	\$309,119	\$342,457	\$386,044	\$432,491
Recommended Operating Reserves	\$82,879	\$91,590	\$95,316	\$95,788	\$100,232
Available Operating Reserves	\$82,879	\$91,590	\$95,316	\$95,788	\$100,232
Target Capital Reserves	\$209,674	\$220,158	\$231,166	\$242,724	\$254,860
Available Capital Reserves	\$196,107	\$217,529	\$247,141	\$290,256	\$332,259

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by CPI (5.3%) for FY 2023-24.

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 the Zone 8 assessment rate will be increased by the applicable annual change in the Consumer Price Index (5.3%) from prior year, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
Benches - Wood	2	EA	\$1,000	\$2,000	10	0	\$2,000.00	\$2,000.00
Miscellaneous Irrigation System Replacement	10,000	SF	\$0.05	\$500	1	0	\$500.00	\$500.00
Irrigation Controller	1	EA	\$15,000	\$15,000	15	0	\$15,000.00	\$15,000.00
Park Lighting - Wood Pole with glass head	1	EA	\$1,600	\$1,600	20	0	\$1,600.00	\$1,600.00
Asphalt Resurface	7,000	SF	\$5	\$35,000	30	0	\$35,000.00	\$35,000.00
Swing Set - with Sand Surface	1	EA	\$6,500	\$6,500	20	0	\$6,500.00	\$6,500.00
Trash Cans - Concrete with Plastic Tops	1	EA	\$750	\$750	30	0	\$750.00	\$750.00
Pathway - Concrete Repair	1,100	SF	\$10	\$1,100	50	10	\$1,478.31	\$1,182.65
Totals				\$62,450.00				\$62,532.65

*Assumed 3% annual cost increase.

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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	10	\$41,930	\$33,544
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	10	\$4,502	\$3,602
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	10	\$5,980	\$4,784
Street Light - Single Head	36	EA	\$4,000	\$144,000	30	29	\$339,345	\$11,312
Totals				\$276,900				\$147,142

*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for Zone 8: \$209,674

**BENEFIT ZONE 9
BIRDS AND COUNTRY RUN**

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

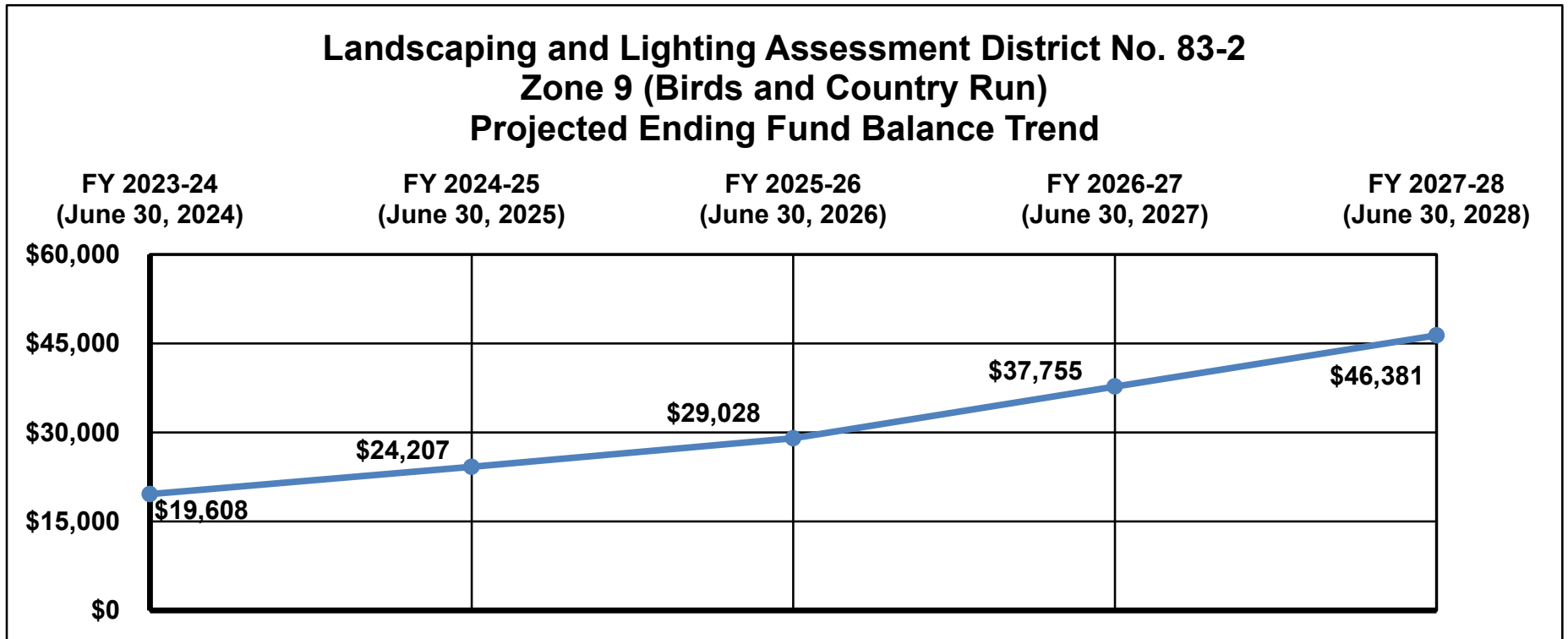
**LANDSCAPING AND LIGHTING DISTRICT NO. 1983-2
(ZONE NO. 9 - BIRDS AND COUNTRY RUN)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$111	\$116	\$122	\$128	\$135
Assessments	\$94,006	\$98,706	\$103,641	\$108,823	\$114,264
General Benefit Contribution	\$1,153	\$1,226	\$1,302	\$1,382	\$1,464
TOTAL REVENUES:	\$95,158	\$99,932	\$104,944	\$110,205	\$115,729
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$18,888	\$19,832	\$20,824	\$21,865	\$22,958
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$27,695	\$34,035	\$35,009	\$32,393	\$33,893
Landscaping, Open Space, and Associated Repairs	\$4,000	\$4,080	\$4,162	\$4,245	\$4,330
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$31,000	\$32,600	\$34,300	\$36,100	\$38,000
Landscape and Facilities Water	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000
Assessment Engineering Cost	\$820	\$861	\$904	\$949	\$997
Incidental / Direct Admin Cost	\$0	\$0	\$0	\$0	\$0
County Fees	\$925	\$925	\$925	\$925	\$925
TOTAL ANNUAL EXPENDITURES:	\$85,328	\$95,333	\$100,123	\$101,477	\$107,103
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$85,328	\$95,333	\$100,123	\$101,477	\$107,103
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$9,778	\$19,608	\$24,207	\$29,028	\$37,755
Reserve Collection Increase/(Decrease)	\$9,831	\$4,599	\$4,820	\$8,728	\$8,626
Ending Balance - Projected June 30	\$19,608	\$24,207	\$29,028	\$37,755	\$46,381
Recommended Operating Reserves	\$42,664	\$47,667	\$50,062	\$50,739	\$53,551
Available Operating Reserves	\$19,608	\$24,207	\$29,028	\$37,755	\$46,381
Target Capital Reserves	\$53,913	\$56,609	\$59,440	\$62,412	\$65,532
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

Prior to Fiscal Year 18-19, 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 the Zone 9 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
Miscellaneous Median Irrigation System Replacement	1,500	SF	\$0.10	\$150	1	0	\$150	\$150
Medians - Concrete Repair	500	SF	\$10	\$500	50	10	\$672	\$538
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	10	\$9,407	\$7,526

*Assumes 3% annual cost increase.

Totals \$53,350 \$53,913

FY 2023-24 Total Target Capital Reserve for Zone 9: \$53,913

**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 2027-28**

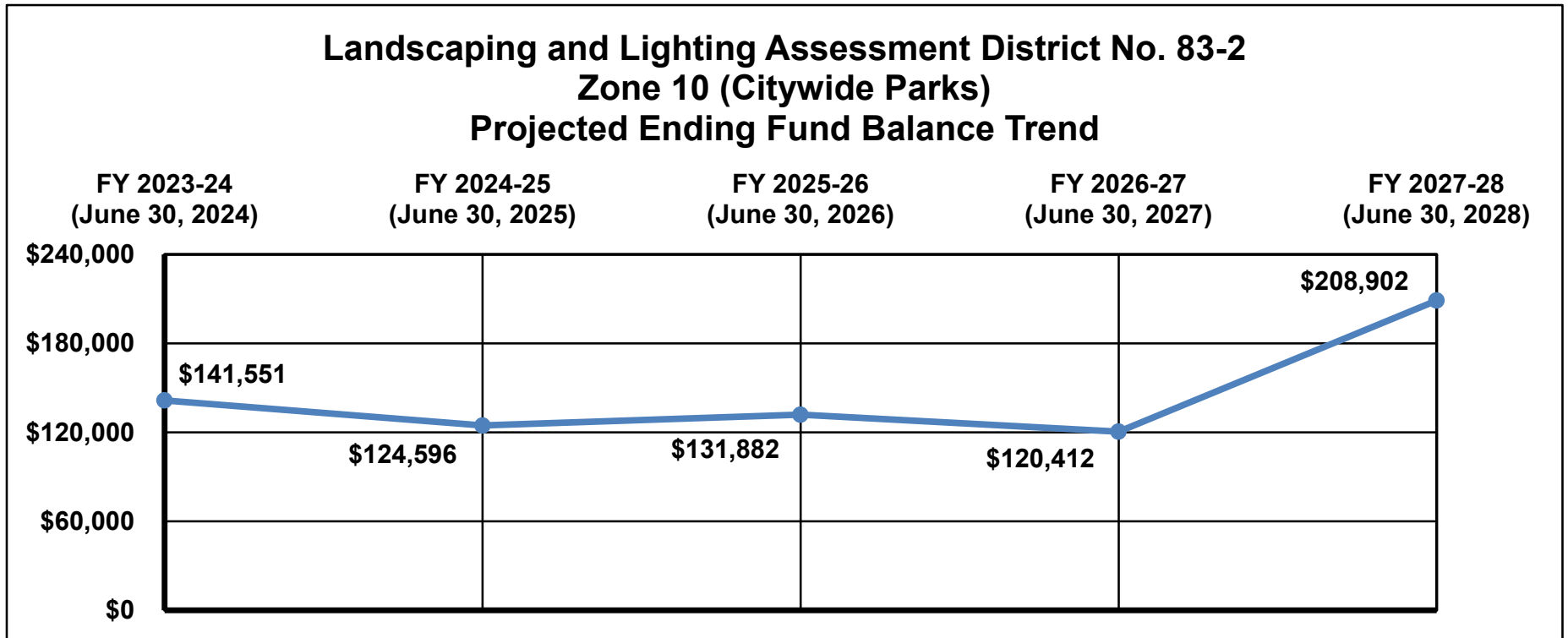
REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$150	\$157	\$165	\$173	\$182
Assessments	\$1,231,584	\$1,293,164	\$1,357,822	\$1,425,713	\$1,496,998
Transfers from LLAD Zones 1 and 7 (Repayment for Street Lights)	\$54,126	\$54,126	\$54,126	\$54,126	\$54,126
General Benefit Contribution	\$23,508	\$25,801	\$26,626	\$28,394	\$27,809
TOTAL REVENUES:	\$1,309,219	\$1,373,090	\$1,438,573	\$1,508,233	\$1,578,933
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$387,997	\$407,397	\$427,767	\$449,155	\$471,613
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$0	\$0	\$0	\$0	\$0
Landscaping, Open Space, and Associated Repairs	\$360,000	\$367,200	\$374,544	\$382,035	\$389,676
Tree Trimming	\$0	\$60,000	\$50,000	\$85,000	\$0
Electricity and Streetlight Repairs	\$25,000	\$26,300	\$27,700	\$29,100	\$30,600
Landscape and Facilities Water	\$170,000	\$185,000	\$195,000	\$205,000	\$216,000
Assessment Engineering Cost	\$2,460	\$2,583	\$2,712	\$2,848	\$2,990
Incidental / Direct Admin Cost	\$223,400	\$235,000	\$247,000	\$260,000	\$273,000
County Fees	\$6,565	\$6,565	\$6,565	\$6,565	\$6,565
TOTAL ANNUAL EXPENDITURES:	\$1,175,422	\$1,290,045	\$1,331,288	\$1,419,703	\$1,390,444
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Tree Replacement	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000
Other Capital Improvement Projects	\$60,000	\$50,000	\$50,000	\$50,000	\$50,000
TOTAL CIP EXPENDITURES:	\$160,000	\$100,000	\$100,000	\$100,000	\$100,000
TOTAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$1,335,422	\$1,390,045	\$1,431,288	\$1,519,703	\$1,490,444
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$167,754	\$141,551	\$124,596	\$131,882	\$120,412
Reserve Collection Increase/(Decrease)	(\$26,203)	(\$16,954)	\$7,286	(\$11,470)	\$88,490
Ending Balance - Projected June 30	\$141,551	\$124,596	\$131,882	\$120,412	\$208,902
Recommended Operating Reserves	\$667,711	\$695,022	\$715,644	\$759,851	\$745,222
Available Operating Reserves	\$141,551	\$124,596	\$131,882	\$120,412	\$208,902
Target Capital Reserves**	\$0	\$0	\$0	\$0	\$0
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

**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 Zone 10 Capital Replacement Analysis included in this report.

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.

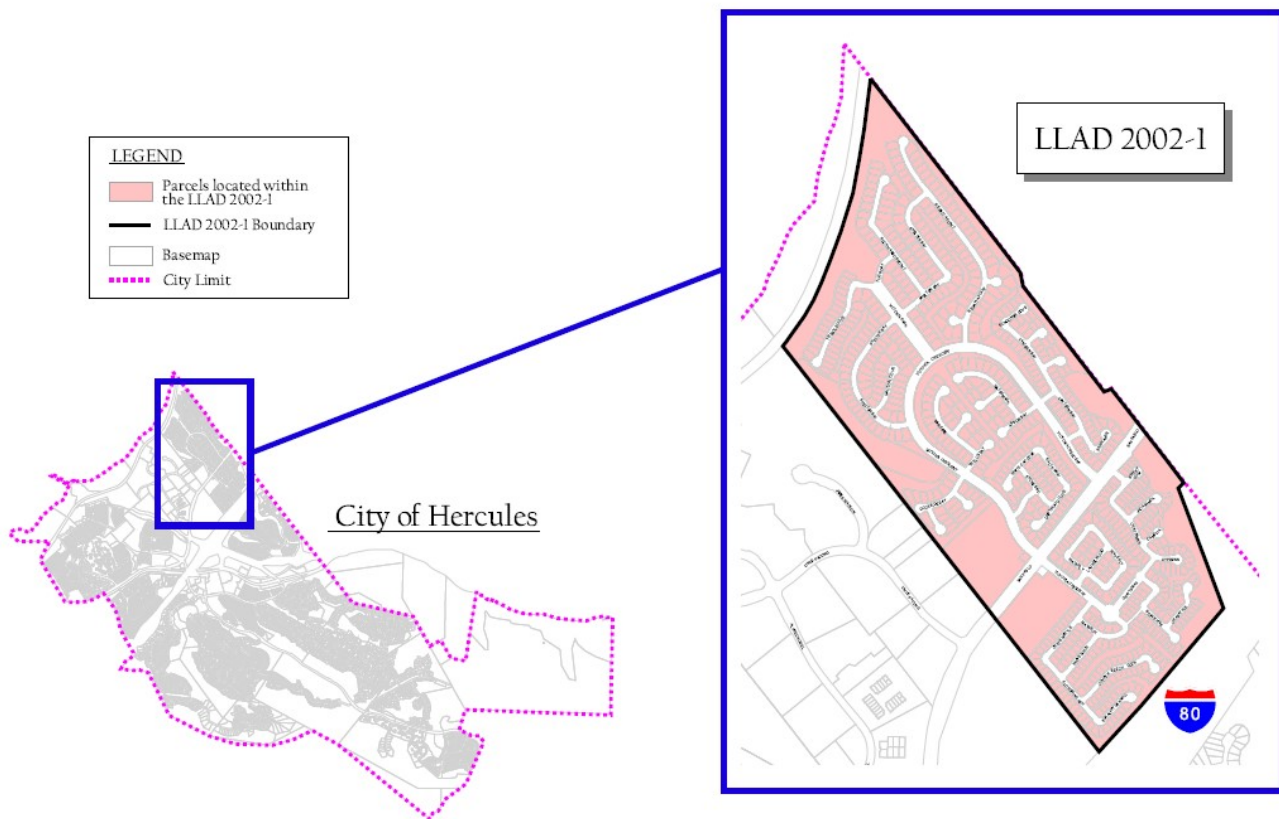
The trend graph below assumes the Zone 10 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



SECTION II

LLAD NO. 2002-1 VICTORIA BY THE BAY

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



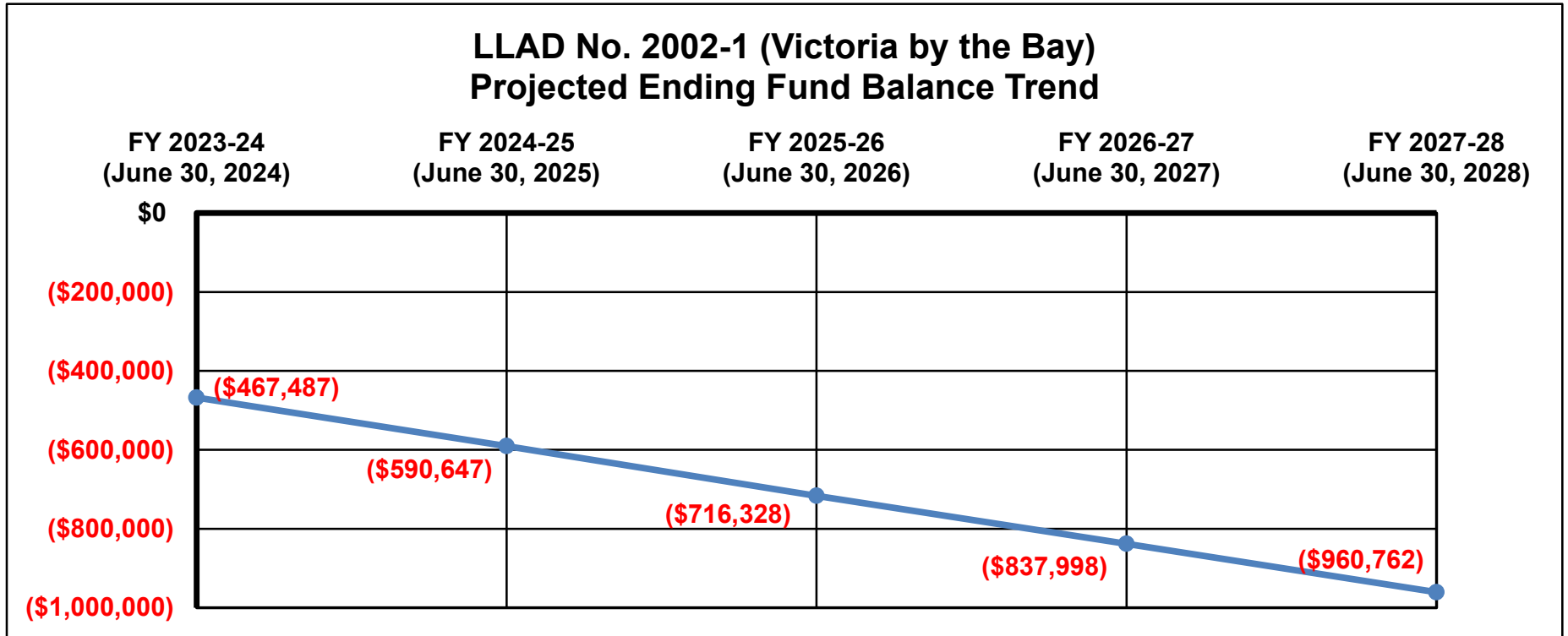
**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2002-1
(VICTORIA BY THE BAY)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$603	\$633	\$665	\$698	\$733
Assessments	\$508,538	\$533,965	\$560,663	\$588,696	\$618,131
General Benefit Contribution	\$12,048	\$12,720	\$13,296	\$13,840	\$14,432
TOTAL REVENUES:	\$520,585	\$546,684	\$573,959	\$602,536	\$632,563
ESTIMATED ANNUAL EXPENDITURES					
Personnel	\$100,632	\$105,664	\$110,947	\$116,494	\$122,319
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$27,554	\$33,862	\$34,831	\$32,229	\$33,721
Landscaping, Open Space, and Associated Repairs	\$168,000	\$171,360	\$174,787	\$178,283	\$181,849
Tree Trimming	\$27,000	\$27,000	\$30,000	\$30,000	\$30,000
Electricity and Streetlight Repairs	\$16,000	\$16,800	\$17,700	\$18,600	\$19,600
Landscape and Facilities Water	\$250,000	\$272,000	\$286,000	\$301,000	\$317,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$4,100	\$4,305	\$4,520	\$4,746	\$4,984
Incidental / Direct Admin Cost	\$35,800	\$38,000	\$40,000	\$42,000	\$45,000
County Fees	\$854	\$854	\$854	\$854	\$854
TOTAL ANNUAL EXPENDITURES:	\$629,940	\$669,845	\$699,639	\$724,206	\$755,326
CAPITAL IMPROVEMENT PROJECTS (CIP)					
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					
TOTAL ANNUAL AND CIP EXPENDITURES:	\$629,940	\$669,845	\$699,639	\$724,206	\$755,326
FUND BALANCE INFORMATION					
Beginning Balance - July 1	(\$358,132)	(\$467,487)	(\$590,647)	(\$716,328)	(\$837,998)
Reserve Collection Increase/(Decrease)	(\$109,355)	(\$123,161)	(\$125,680)	(\$121,671)	(\$122,763)
Ending Balance - Projected June 30	(\$467,487)	(\$590,647)	(\$716,328)	(\$837,998)	(\$960,762)
Recommended Operating Reserves	\$314,970	\$334,922	\$349,820	\$362,103	\$377,663
Available Operating Reserves	(\$467,487)	(\$590,647)	(\$716,328)	(\$837,998)	(\$960,762)
Target Capital Reserves (Based on attached Capital Replacement Analysis)	\$321,143	\$337,200	\$354,060	\$371,763	\$390,351
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

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 the LLAD 2002-1 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$2,196,319	\$73,211
Street Light - Double Head	1	EA	\$5,500	\$5,500	30	29	\$12,961	\$432

*Assumes 3% annual cost increase.

Totals \$1,185,000.00

\$321,143

FY 2023-24 Total Target Capital Reserve for LLAD 2002-1: \$321,143

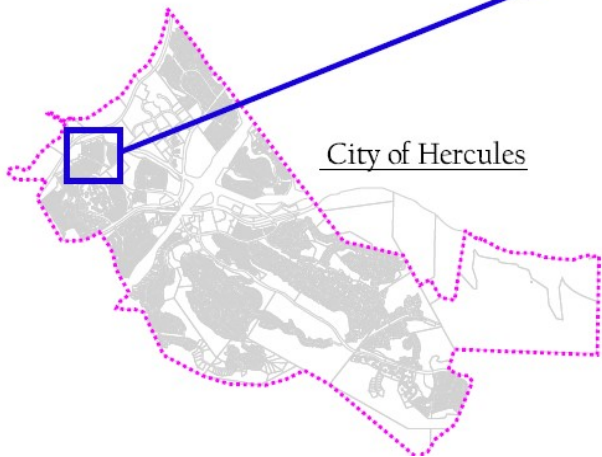
SECTION III

LLAD NO. 2002-2 PROMENADE

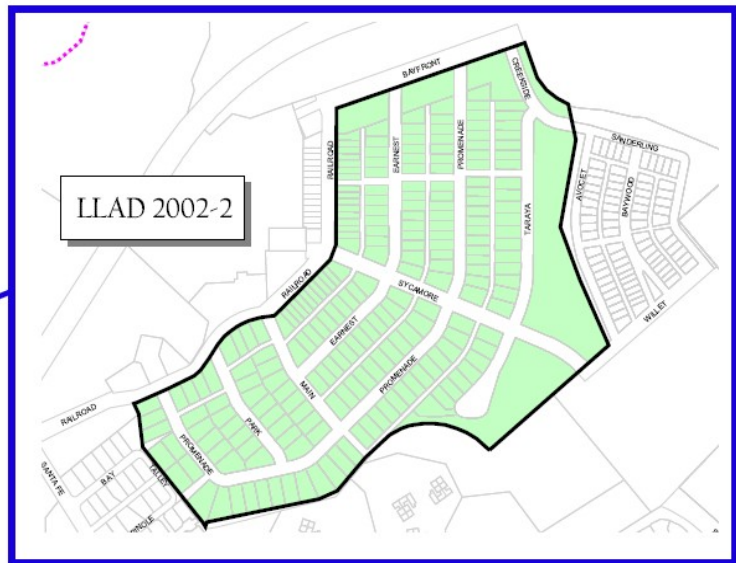
5-YEAR FINANCIAL PROJECTIONS, TREND GRAPH, AND CAPITAL REPLACEMENT ANALYSIS

LEGEND

- Parcels located within the LLAD 2002-2
- LLAD 2002-2 Boundary
- Basemap
- City Limit



City of Hercules



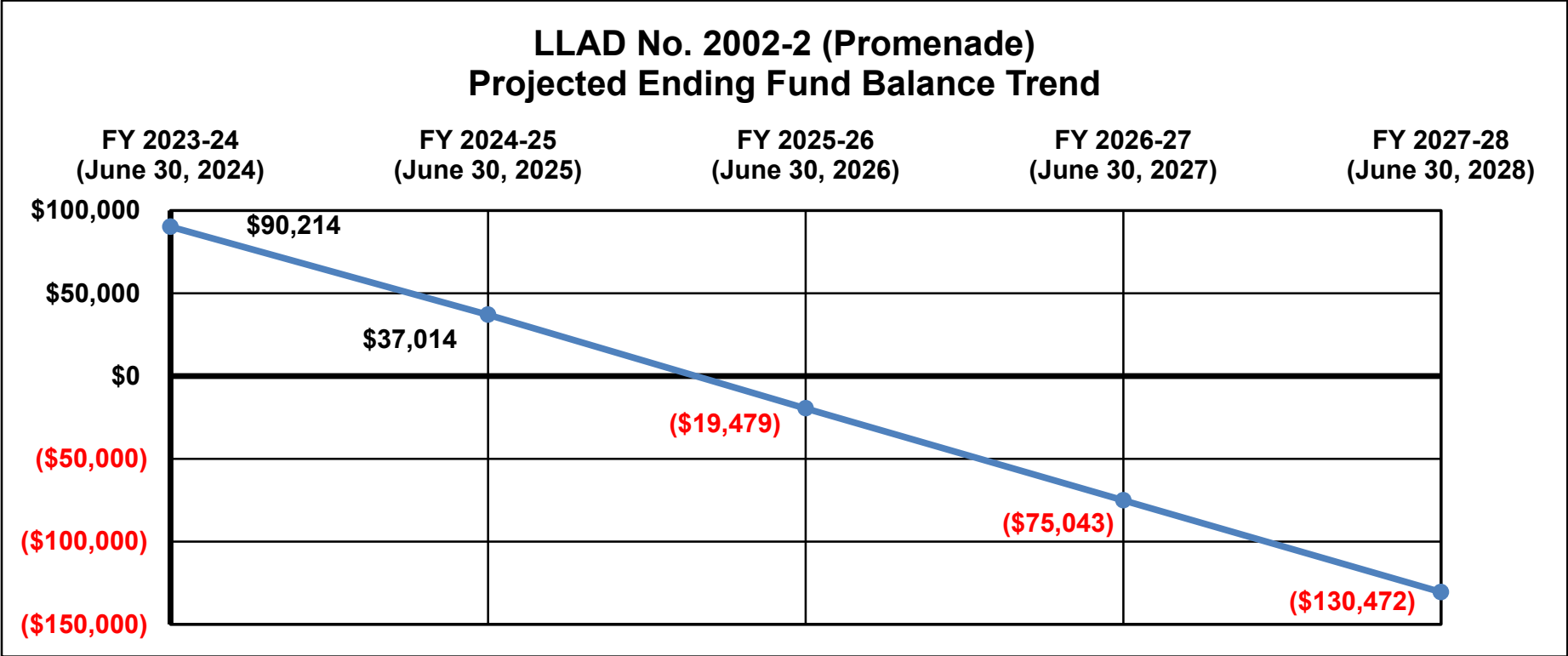
**LANDSCAPING AND LIGHTING DISTRICT NO. 2002-2
(PROMENADE)
5-YEAR PROJECTION THROUGH FISCAL YEAR 2027-28**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$759	\$797	\$837	\$879	\$922
Assessments	\$174,570	\$183,298	\$192,463	\$202,086	\$212,191
General Benefit Contribution	\$4,414	\$4,638	\$4,887	\$5,079	\$5,274
TOTAL REVENUES:	\$178,984	\$187,936	\$197,350	\$207,165	\$217,465
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$47,829	\$50,220	\$52,731	\$55,368	\$58,136
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$7,513	\$9,233	\$9,497	\$8,787	\$9,194
Landscaping, Open Space, and Associated Repairs	\$54,000	\$55,080	\$56,182	\$57,305	\$58,451
Tree Trimming	\$27,000	\$27,000	\$30,000	\$30,000	\$30,000
Electricity and Streetlight Repairs	\$12,000	\$12,600	\$13,300	\$14,000	\$14,700
Landscape and Facilities Water	\$62,000	\$68,000	\$72,000	\$76,000	\$80,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$2,460	\$2,583	\$2,712	\$2,848	\$2,990
Incidental / Direct Admin Cost	\$15,000	\$16,000	\$17,000	\$18,000	\$19,000
County Fees	\$421	\$421	\$421	\$421	\$421
TOTAL ANNUAL EXPENDITURES:	\$228,223	\$241,137	\$253,843	\$262,729	\$272,893
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$228,223	\$241,137	\$253,843	\$262,729	\$272,893
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$139,453	\$90,214	\$37,014	(\$19,479)	(\$75,043)
Reserve Collection Increase/(Decrease)	(\$49,239)	(\$53,201)	(\$56,493)	(\$55,564)	(\$55,428)
Ending Balance - Projected June 30	\$90,214	\$37,014	(\$19,479)	(\$75,043)	(\$130,472)
Recommended Operating Reserves	\$114,111	\$120,569	\$126,921	\$131,365	\$136,447
Available Operating Reserves	\$90,214	\$37,014	(\$19,479)	(\$75,043)	(\$130,472)
Target Capital Reserves	\$130,423	\$136,944	\$143,791	\$150,981	\$158,530
Available Capital Reserves	\$0	\$0	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

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 the LLAD 2002-2 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
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	29	\$1,574,186	\$52,473
Totals				\$745,950.00				\$130,423

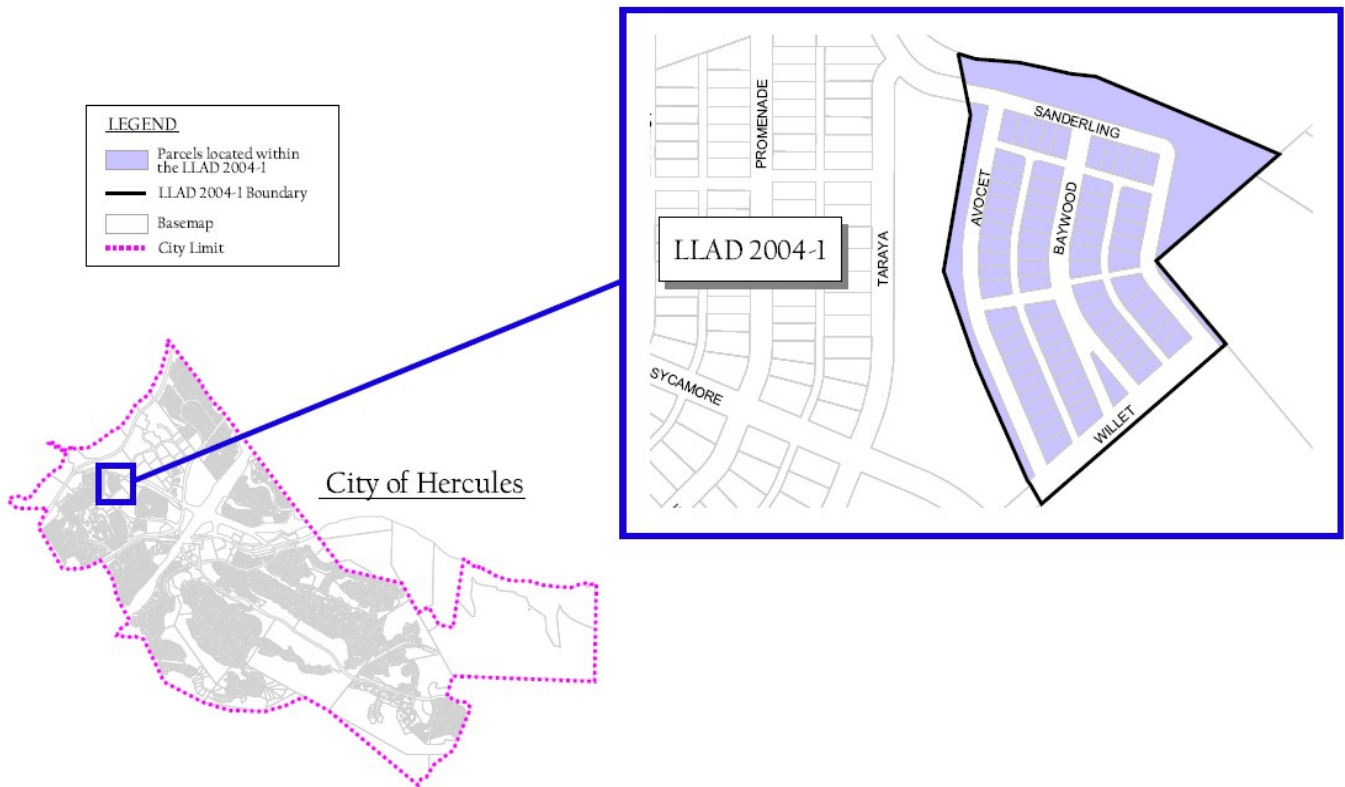
*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for LLAD 2002-2: \$130,423

SECTION IV

LLAD NO. 2004-1 BAYWOOD

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



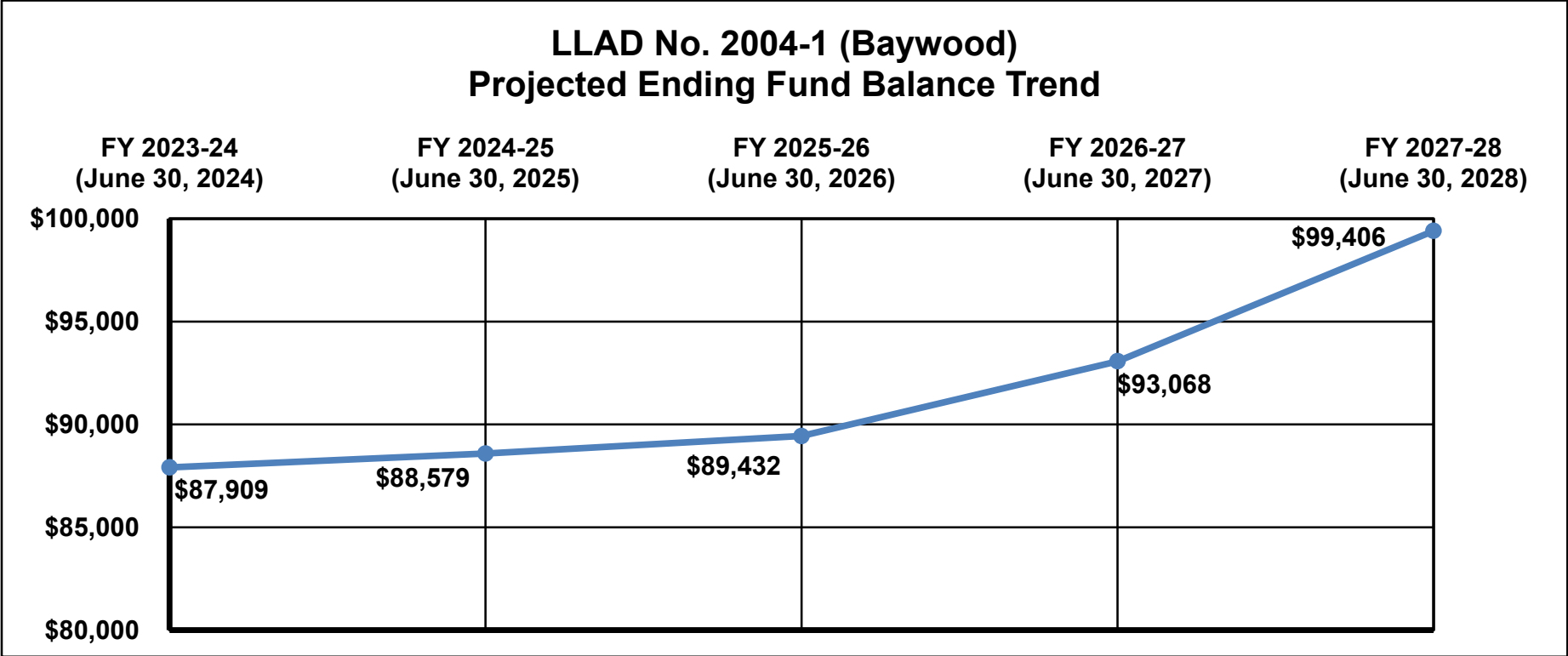
**LANDSCAPING AND LIGHTING DISTRICT NO. 2004-1
(BAYWOOD)
5-YEAR PROJECTION WITH PROPOSED ASSESSMENT INCREASE**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$2,048	\$2,151	\$2,258	\$2,371	\$2,490
Assessments	\$166,246	\$174,558	\$183,286	\$192,451	\$202,073
General Benefit Contribution	\$3,030	\$3,182	\$3,355	\$3,490	\$3,628
TOTAL REVENUES:	\$169,277	\$177,741	\$186,641	\$195,941	\$205,702
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$44,951	\$47,199	\$49,558	\$52,036	\$54,638
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$2,651	\$3,257	\$3,351	\$3,100	\$3,244
Landscaping, Open Space, and Associated Repairs	\$41,000	\$41,820	\$42,656	\$43,510	\$44,380
Tree Trimming	\$12,000	\$12,000	\$14,000	\$14,000	\$14,000
Electricity and Streetlight Repairs	\$4,000	\$4,200	\$4,500	\$4,800	\$5,100
Landscape and Facilities Water	\$32,000	\$35,000	\$37,000	\$39,000	\$41,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$2,460	\$2,583	\$2,712	\$2,848	\$2,990
Incidental / Direct Admin Cost	\$14,800	\$16,000	\$17,000	\$18,000	\$19,000
County Fees	\$311	\$311	\$311	\$311	\$311
TOTAL ANNUAL EXPENDITURES:	\$154,173	\$162,370	\$171,089	\$177,605	\$184,663
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$168,873	\$177,070	\$185,789	\$192,305	\$199,363
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$87,505	\$87,909	\$88,579	\$89,432	\$93,068
Reserve Collection Increase/(Decrease)	\$404	\$671	\$852	\$3,636	\$6,339
Ending Balance - Projected June 30	\$87,909	\$88,579	\$89,432	\$93,068	\$99,406
Recommended Operating Reserves	\$84,436	\$88,535	\$92,894	\$96,152	\$99,681
Available Operating Reserves	\$84,436	\$88,535	\$89,432	\$93,068	\$99,406
Target Capital Reserves	\$280,191	\$294,201	\$308,911	\$324,356	\$340,574
Available Capital Reserves	\$3,472	\$44	\$0	\$0	\$0

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% over the FY 2022-23 Applied rate for FY 2023-24.
The FY 2023-24 Maximum Rate = \$2,806.57

Historically, the Baywood LLAD properties have been assessed well below their maximum assessment rates. The assessment rates for this LLAD will need to be increased by 7.5% for Fiscal Year 2023-24 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 the LLAD 2004-1 Fiscal Year 2023-24 assessment rate will be increased by 7.5% over the Fiscal Year 2022-23 Applied Rate, and projects 5% annual assessment increases through Fiscal Year 2027-28. 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 2023 dollars)	Total Cost (In 2023 dollars)	Useful Life (Yrs)	Remaining Life (yrs)	Recommended Capital Reserve* at the end of Useful Life	Target Capital Reserve for FY 2023-24
Street Light - Single Head	37	EA	\$4,000	\$152,000	30	29	\$358,198	\$11,940
Fencing - Wood	1,850	LF	\$15	\$27,750	30	11	\$38,412	\$24,328
Decorative Pavers	45,000	SF	\$5	\$225,000	30	11	\$311,453	\$197,253
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
Totals				\$451,420.00				\$280,191

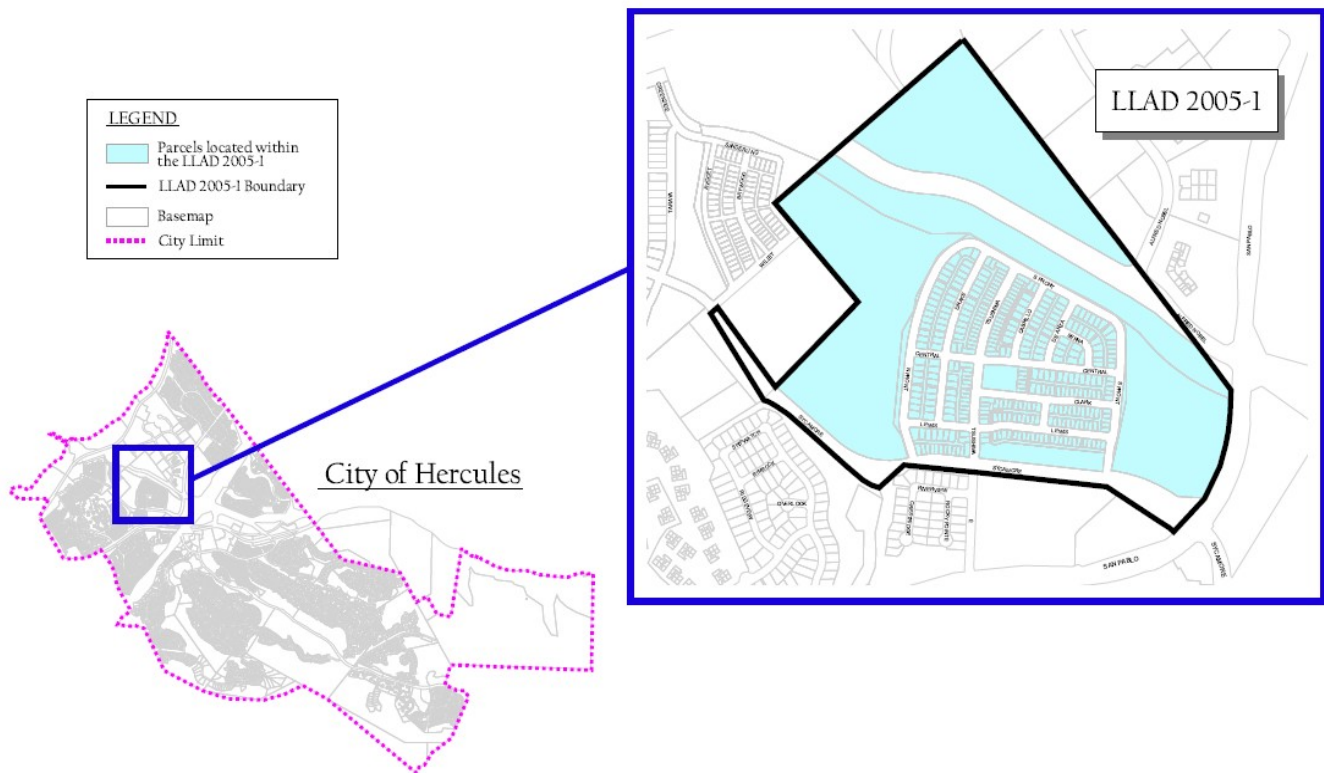
*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for LLAD 2004-1: \$280,191

SECTION V

LLAD NO. 2005-1 BAYSIDE

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



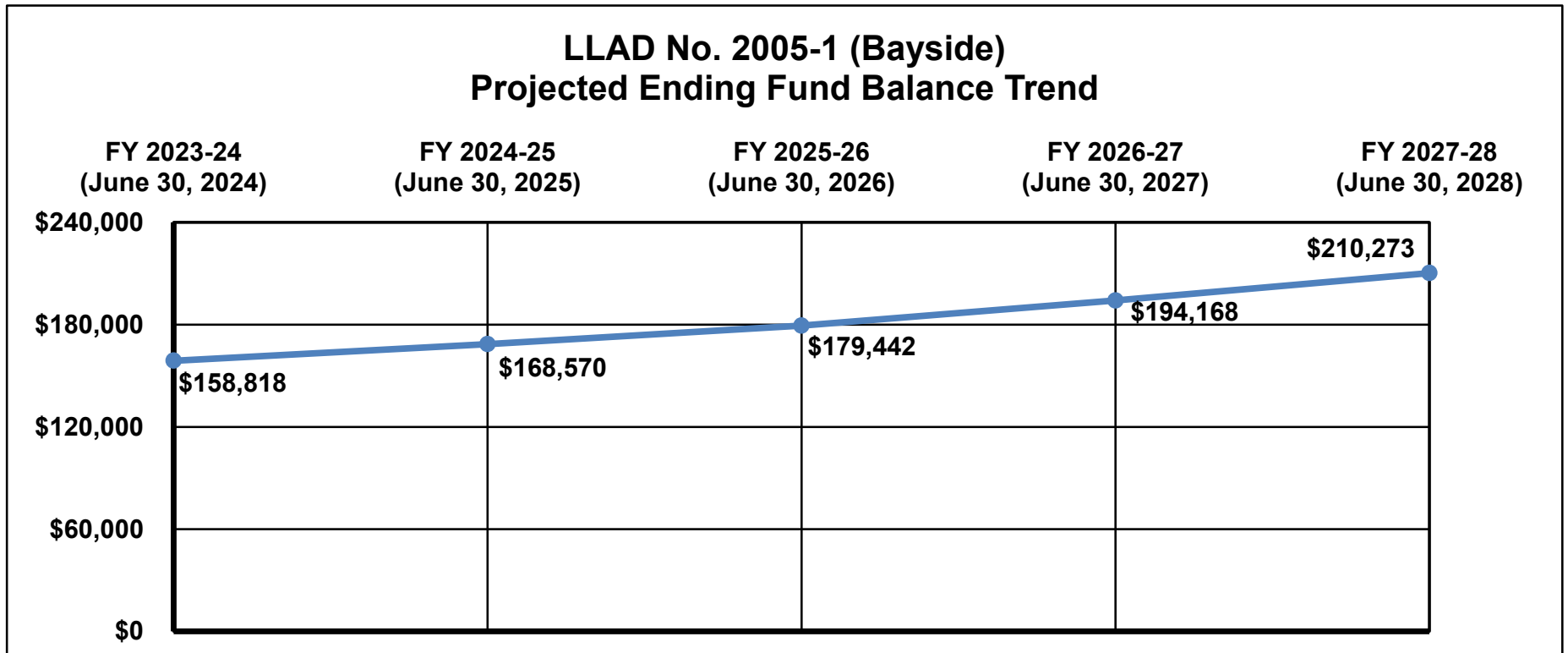
**LANDSCAPING AND LIGHTING DISTRICT NO. 2005-1
(BAYSIDE)
5-YEAR PROJECTION WITH PROPOSED ASSESSMENT INCREASE**

REVENUES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Assessment Rates per EDU (Single-Family Home Equivalent)*	\$277	\$290	\$305	\$320	\$336
Assessments	\$159,093	\$167,048	\$175,401	\$184,171	\$193,379
General Benefit Contribution	\$2,611	\$2,739	\$2,873	\$3,010	\$3,149
TOTAL REVENUES:	\$161,705	\$169,787	\$178,274	\$187,180	\$196,528
ESTIMATED ANNUAL EXPENDITURES	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Personnel	\$35,375	\$37,144	\$39,001	\$40,951	\$42,999
Transfer for Arterials/Major Roads Landscape and Lighting Maintenance	\$18,789	\$23,090	\$23,751	\$21,977	\$22,994
Landscaping, Open Space, and Associated Repairs	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122
Tree Trimming	\$0	\$0	\$0	\$0	\$0
Electricity and Streetlight Repairs	\$12,000	\$12,600	\$13,300	\$14,000	\$14,700
Landscape and Facilities Water	\$20,000	\$22,000	\$24,000	\$26,000	\$28,000
Supplies and Vehicle Repairs	\$0	\$0	\$0	\$0	\$0
Assessment Engineering Cost	\$2,460	\$2,583	\$2,712	\$2,848	\$2,990
Incidental / Direct Admin Cost	\$10,100	\$11,000	\$12,000	\$13,000	\$14,000
County Fees	\$618	\$618	\$618	\$618	\$618
TOTAL ANNUAL EXPENDITURES:	\$149,342	\$160,035	\$167,402	\$172,454	\$180,423
CAPITAL IMPROVEMENT PROJECTS (CIP)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
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 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TOTAL ANNUAL AND CIP EXPENDITURES:	\$149,342	\$160,035	\$167,402	\$172,454	\$180,423
FUND BALANCE INFORMATION	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Beginning Balance - July 1	\$146,456	\$158,818	\$168,570	\$179,442	\$194,168
Reserve Collection Increase/(Decrease)	\$12,362	\$9,752	\$10,871	\$14,726	\$16,105
Ending Balance - Projected June 30	\$158,818	\$168,570	\$179,442	\$194,168	\$210,273
Recommended Operating Reserves	\$74,671	\$80,018	\$83,701	\$86,227	\$90,211
Available Operating Reserves	\$74,671	\$80,018	\$83,701	\$86,227	\$90,211
Target Capital Reserves	\$200,452	\$210,475	\$220,998	\$232,048	\$243,651
Available Capital Reserves	\$84,147	\$88,553	\$95,740	\$107,941	\$120,062

*EDU = Equivalent Dwelling Unit. Assumes rates will be increased by 7.5% to the maximum allowable rate for FY 2023-24.

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 the LLAD 2005-1 assessment rate will be increased by 7.5% from prior year to the maximum allowable rate for Fiscal Year 2023-24, and projects 5% annual assessment increases through Fiscal Year 2027-28.



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

Bayside Park - LLAD 2005-1 (Bayside)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 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 2023-24
Benches - Steel/Dumor Inc.	10	EA	\$1,000	\$10,000.00	30	2006	13	\$14,685	\$14,685	\$8,321.69
Drinking Fountain - Steel/Wall Attached	1	EA	\$1,500	\$1,500.00	20	2006	3	\$1,639	\$1,639	\$1,393.23
Gazebo - Steel	1	EA	\$7,500	\$7,500.00	40	2006	23	\$14,802	\$14,802	\$6,290.81
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	8	\$20,268	\$20,268	\$13,782.46
Playground (Ages 5-12) - Miracle	1	EA	\$40,000	\$40,000.00	20	2006	3	\$43,709	\$43,709	\$37,152.72
Bathroom - Refurbish	2	EA	\$10,000	\$20,000.00	20	2006	3	\$21,855	\$21,855	\$18,576.36
Tot-Lot - Miracle	1	EA	\$20,000	\$20,000.00	20	2006	3	\$21,855	\$21,855	\$18,576.36
Pathway - Concrete Repair*	3,900	SF	\$10	\$3,900.00	50	2006	33	\$10,344	\$10,344	\$3,517.00
Trash Cans - Plastic Coated Steel	3	EA	\$750	\$2,250.00	25	2006	8	\$2,850	\$2,850	\$1,938.16
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	33	\$7,957	\$7,957	\$2,705.38
Fencing - Steel	215	LF	\$25	\$5,375.00	30	2006	13	\$7,893	\$7,893	\$4,472.91
Totals								\$201,937.52		\$150,807.07

Landscaping & Lighting - LLAD 2005-1 (Bayside)

Inventory Item	Quantity	Unit of Measure	Current Unit Cost (In 2023 dollars)	Total Cost (In 2023 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 2023-24
Street Light - Single Head	158	EA	\$4,000.00	\$632,000.00	30	2022	29	\$1,489,349.40	\$1,489,349.40	\$49,644.98
Totals								\$1,489,349.40		\$49,644.98

*Assumes 3% annual cost increase.

FY 2023-24 Total Target Capital Reserve for LLAD 2005-1: \$200,452.05