



GOODWIN CONSULTING GROUP

**City of Dixon  
Community Facilities District No. 2015-1  
(Valley Glen No. 2)  
\$4,770,000 Special Tax Bonds, Series 2017  
Continuing Disclosure Annual Report for  
Fiscal Year 2017-18  
(per SEC Rule 15c2-12(b)(5))**

**CUSIP Numbers**

\$40,000	255650AW3	\$115,000	255650BH5
\$45,000	255650AX1	\$125,000	255650BJ1
\$50,000	255650AY9	\$135,000	255650BK8
\$55,000	255650AZ6	\$145,000	255650BL6
\$60,000	255650BA0	\$155,000	255650BM4
\$65,000	255650BB8	\$170,000	255650BN2
\$70,000	255650BC6	\$180,000	255650BP7
\$80,000	255650BD4	\$195,000	255650BQ5
\$85,000	255650BE2	\$205,000	255650BR3
\$95,000	255650BF9	\$220,000	255650BS1
\$105,000	255650BG7	\$2,375,000	255650BT9

February 25, 2019

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## ***I. Background***

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The City of Dixon (the “City”) Community Facilities District No. 2015-1 (Valley Glen No. 2) (the “District”) is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982. The District was established through a special election held on April 28, 2015 whereby the qualified electors approved the levy of a special tax on property in the District and the issuance of bonds for the District. On September 12, 2017, \$4,770,000 of Special Tax Bonds, Series 2017 (the “Bonds” or “2017 Special Tax Bonds”) was issued to fund the acquisition and construction of certain public improvements. The Bonds will also be used to: (i) fund the Reserve Fund for the Bonds, (ii) deposit to a Capitalized Interest Account to be used to pay a portion of the interest on the Bonds through September 1, 2018, (iii) pay initial administrative expenses of the City related to the District, and (iv) pay the costs of issuance of the Bonds.

## ***II. Financial and Special Tax Bond Information***

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This Continuing Disclosure Annual Report (“Annual Report”) contains certain information required to be filed annually per SEC rule 15c2-12(b)(5) (the “Rule”) by the District. The Rule is applicable to the Bonds issued in the aggregate principal amount of \$4,770,000 on September 12, 2017. The Rule requires that an issuer undertake in a written agreement or contract for the benefit of holders of the securities issued to file with national and state repositories the following:

1. Certain financial information as presented in the Continuing Disclosure Agreement
2. Audited financial statements of the City
3. Notice of certain enumerated significant events
4. Notice of any failure to provide such annual financial information as agreed

In compliance with the Rule, the City signed the Continuing Disclosure Agreement requiring the District to provide annually, or as they occur, the aforementioned enumerated information or events.

Per the Continuing Disclosure Agreement, the City is required to file an annual report with the Municipal Securities Rulemaking Board which includes:

- a) Audited financial statements of the City for the most recently completed fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City’s audited financial statements are not available by the time the Annual Report is required to be filed, the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

→ **See Appendix A**

- b) The principal amount of Bonds outstanding as of September 30, 2018.

→ **\$4,770,000**

- c) The balance in the Reserve Fund, and a statement of the Reserve Requirement, as of September 30, 2018.

→ **Reserve Fund: \$362,666**  
**Reserve Fund Requirement: \$357,562**

- d) The balance in the Improvement Fund, if any, as of September 30, 2018.

→ **Improvement Fund: \$0**

- e) The total assessed value of all parcels within the District on which the special taxes are levied, as shown on the assessment roll of the County Assessor last equalized prior to September 30, 2018, a statement of value-to-lien ratios therefor, by categories, and the current fiscal year's special tax levy amounts, in a table similar to Table 1 in the Official Statement (based on recent sales prices of homes in the District, appraised values, or assessed values, or a combination thereof.)

→ **See Appendix B**

- f) The special tax aggregate delinquency rate for all parcels within the District on which the special taxes are levied, the aggregate number of parcels within the District on which the special taxes are levied and which are delinquent in payment or special taxes, and the percentage of the most recent annual special tax levy that is delinquent, all as of September 30, 2018.

<b>Special Tax Delinquency Rate*</b>	<b>Number of Parcels Delinquent*</b>	<b>Percentage Delinquent*</b>
<b>\$0</b>	<b>0</b>	<b>0.00%</b>

*\*As of June 29, 2018.*

- g) The status of foreclosure proceedings for any parcels within the District on which the special taxes are levied and a summary or the results of any foreclosure sales, or other collection efforts with respect to delinquent special taxes, as of September 30, 2018.

→ **There have been no foreclosure proceedings within the District.**

- h) The identity of any property owner representing more than five percent (5%) of the annual special tax levy who is delinquent in payment of such special taxes, as shown on the assessment roll of the County Assessor last equalized prior to September 30, 2018, the number of parcels so delinquent, and the total dollar amount of all such delinquencies.

→ **No property owner is delinquent that is obligated for more than 5% of the fiscal year 2017-18 special tax levy.**

- i) A land ownership summary listing property owners responsible for more than five percent (5%) of the annual special tax levy, as shown on the assessment roll of the County Assessor last equalized prior to December 1, 2018.

<b>Property Owner</b>	<b>Percent of FY 2018-19 Special Tax Levy</b>
<b>RICHMOND AMERICAN HM OF MD INC</b>	<b>55.0%</b>

j) The most recent annual information required to be provided to the California Debt and Investment Advisory Commission pursuant to Section 9.13(a) of the Fiscal Agent Agreement.

→ **See Appendix C**

k) In addition to any of the information expressly required to be provided under paragraphs (b) through (j), the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

→ **N/A**

### ***III. Reporting of Significant Events***

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Pursuant to the provisions of the Continuing Disclosure Agreement, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties
- (4) Substitution of credit or liquidity providers, of their failure to perform
- (5) Defeasances
- (6) Rating changes
- (7) Tender offers
- (8) Bankruptcy, insolvency, receivership or similar event of the obligated person
- (9) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
- (10) Non-payment related defaults, if material
- (11) Modifications to rights of security holders, if material
- (12) Bond calls, if material
- (13) The release, substitution, or sale of property securing repayment of the securities, if material
- (14) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all of substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (15) Appointment of a successor or additional trustee, or the change of name of the trustee, if material

As defined above, no significant events have occurred during fiscal year 2017-18 in relation to the Bonds.

## **APPENDIX A**

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***City's Audited Financial Statements  
For the Fiscal Year Ending June 30, 2018***

***(Filed Under Separate Cover)***

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## **APPENDIX B**

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*City of Dixon*  
*CFD No. 2015-1 (Valley Glen No. 2)*

*Value to Burden Ratios*

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**Table 1**  
**City of Dixon**  
**CFD No. 2015-1**  
**(Valley Glen No. 2)**  
**Expected Land Uses and Assessed Values**

<b>Special Tax Category</b>	<b>Taxable Parcels</b>	<b>Maximum Special Tax (FY 2018-19)</b>	<b>FY 2018-19 Special Tax Levy</b>	<b>% of Total</b>	<b>FY 2018-19 Assessed Value</b>	<b>Allocated 2017 Bond Debt /1</b>	<b>Value-to- Lien</b>
<b>Developed Property</b>							
< 7,000 Sq. Ft.	54	\$123,206	\$123,206	53%	\$15,936,013	\$2,526,214	6.31
≥ 7,000 and < 10,000 Sq. Ft.	32	\$78,954	\$78,954	34%	\$10,584,506	\$1,618,858	6.54
≥ 10,000 Sq. Ft.	3	\$7,959	\$7,959	3%	\$1,102,167	\$163,192	6.75
Subtotal	89	\$210,119	\$210,119	90%	\$27,622,686	\$4,308,263	6.41
<b>Final Map Property</b>							
< 7,000 Sq. Ft.	10	\$22,816	\$10,209	4%	\$903,670	\$209,328	4.32
≥ 7,000 and < 10,000 Sq. Ft.	9	\$22,206	\$9,936	4%	\$849,303	\$203,728	4.17
≥ 10,000 Sq. Ft.	2	\$5,306	\$2,374	1%	\$201,562	\$48,681	4.14
Subtotal	21	\$50,328	\$22,519	10%	\$1,954,535	\$461,737	4.23
<b>Total</b>	<b>110</b>	<b>\$260,447</b>	<b>\$232,639</b>	<b>100%</b>	<b>\$29,577,221</b>	<b>\$4,770,000</b>	<b>6.20</b>

/1 Allocated based on the actual fiscal year 2018-19 special tax levy.

Source: Solano County Assessor's Office; Goodwin Consulting Group, Inc.

## **APPENDIX C**

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*City of Dixon*  
*CFD No. 2015-1 (Valley Glen No. 2)*

*CDIAC Mello-Roos Yearly Fiscal Status Report for the Fiscal Year*  
*Ending June 30, 2018*

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**STATE OF CALIFORNIA**

**MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)  
YEARLY FISCAL STATUS REPORT**

Submitted:  
Tuesday, October 30, 2018  
12:39:49PM  
CDIAC #: 2017-2148

California Debt and Investment Advisory Commission  
915 Capitol Mall, Room 400, Sacramento, CA 95814  
P.O. Box 942809, Sacramento, CA 94209-0001  
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year _____

**I. GENERAL INFORMATION**

A. Issuer Dixon CFD No 2015-1

B. Project Name Valley Glen No. 2

C. Name/ Title/ Series of Bond Issue 2017 Special Tax Bonds

D. Date of Bond Issue 8/22/2017

E. Original Principal Amount of Bonds \$4,770,000.00

F. Reserve Fund Minimum Balance Required Yes  Amount \$357,562.40 No

**II. FUND BALANCE FISCAL STATUS**

Balances Reported as of: 6/30/2018

A. Principal Amount of Bonds Outstanding \$4,770,000.00

B. Bond Reserve Fund \$360,737.28

C. Capitalized Interest Fund \$14,908.25

D. Construction Fund(s) \$483.01

**III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX**

A. Assessed or Appraised Value Reported as of: 7/1/2018

From Equalized Tax Roll

From Appraisal of Property  
*(Use only in first year or before annual tax roll billing commences)*

B. Total Assessed Value of All Parcels \$29,577,221.00

**IV. TAX COLLECTION INFORMATION**

A. Total Amount of Special Taxes Due Annually \$74,492.76

B. Total Amount of Unpaid Special Taxes Annually \$0.00

C. Does this agency participate in the County's Teeter Plan? Y

**V. DELINQUENT REPORTING INFORMATION**

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/29/2018

A. Total Number of Delinquent Parcels: 0

B. Total Amount of Taxes Due on Delinquent Parcels: \$0.00  
*(Do not include penalties, penalty interest, etc.)*

**VI. FORECLOSURE INFORMATION FOR FISCAL YEAR**

*(Aggregate totals, if foreclosure commenced on same date)* (Attach additional sheets if necessary.)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00

STATE OF CALIFORNIA

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For Office Use Only Fiscal Year _____
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**VII. ISSUE RETIRED**

This issue is retired and no longer subject to the Yearly Fiscal Status report filing requirements.  
(Indicate reason for retirement)

Matured  Redeemed Entirely  Other

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:

and redemption date:

If Other:

and date:

**VIII. NAME OF PARTY COMPLETING THIS FORM**

Name Miriam Adamec  
Title Vice President  
Firm/ Agency Goodwin Consulting Group Inc  
Address 333 University Avenue Suite 160  
City/ State/ Zip Sacramento, CA 95825  
Phone Number (916) 561-0890 Date of Report 10/30/2018  
E-Mail miriam@goodwinconsultinggroup.net

**IX. ADDITIONAL COMMENTS:**