

**Heber Public Utility District
CFD No 2005-1**

REPORT TO BOARD OF DIRECTORS

MEETING DATE: December 21, 2017

FROM: Laura Fischer, General Manager

SUBJECT: Annual Report Community Facilities District for Fiscal Year 2016-2017 Levy and Fiscal Year 2016-17 Reports

INFORMATION ONLY:

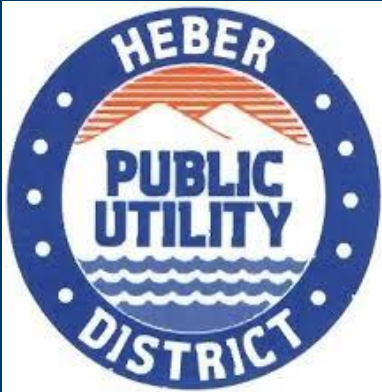
The annual report is a compilation of all of the actions and reports that Willdan Financial Services prepares for the Special District. In the past, the HPUD has put the reports on the website for public information and we post after the Board meeting.

The Annual Report includes CEDIAC Continuing Disclosure Report that are sent to other agencies. CEDIAC Reports are made directly to the State as the annual operation report for each Bond Issuance. Continuing Disclosure portion is sent to the Municipal Securities Rulemaking Board at <http://emma.msrb.org> as the filing agency required by the Bond Issuance.

Respectfully Submitted,

Laura Fischer,
General Manager

Attachment: Annual Report Community Facilities District For Fiscal Year 2016-2017
Levy and Fiscal Year 2016-2017 Reports



**Heber Public Utility District
Community Facilities District No. 2005-1
(Heber Meadows)
Special Tax Bonds, Series 2005
\$2,355,000**

Imperial County, California
Dated: November 22, 2005
Base CUSIP+: 42249V

**2016/2017 ANNUAL CONTINUING DISCLOSURE
INFORMATION STATEMENT
AS OF DECEMBER 14, 2017**

27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 |
800.755.6864
F 951.587.3510

www.willdan.com/financial



+ Copyright, American Bankers Association. CUSIP data is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is *not* intended to create a database and does not serve in any way as a substitute for the CUSIP service. The issuer takes no responsibility for the accuracy of such number.

Heber Public Utility District List of Participants

AGENCY
Graciela Lopez Finance Manager Heber Public Utility District 1078 Dogwood Road, Suite 103 Heber, California 92249 www.heber.ca.gov
BOND COUNSEL AND DISCLOSURE COUNSEL
Richards, Watson & Gershon, A Professional Corporation 355 South Grand Avenue, 40th Floor Los Angeles, California 90071 (213) 626-8484 www.rwglaw.com
DISTRICT ADMINISTRATOR DISCLOSURE CONSULTANT & DISSEMINATION AGENT
Willdan Financial Services* Temecula, California 92590 (951) 587-3500 www.willdan.com/financial
TRUSTEE
Dania D. Samai Vice President Wells Fargo Bank, N.A. 333 South Grand Avenue, Fifth Floor, Suite 5A Los Angeles, California 90071 Phone: (213) 253-7516
UNDERWRITER
Kinsell, Newcomb & De Dios, Inc. Carlsbad, California

* In its role as Disclosure Consultant, Willdan Financial Services has not passed upon the accuracy, completeness or fairness of the statements contained herein.

I. INTRODUCTION

Pursuant to an Official Statement dated November 8, 2005, the Heber Public Utility District (the “HPUD” or “Utility District”) issued \$2,355,000 Heber Public Utility District Community Facilities District No. 2005-1 (Heber Meadows) (the “CFD”) Special Tax Bonds Series 2005 (the “Bonds”).

The purpose of these Bonds is to finance the acquisition, construction, improvement or rehabilitation of certain public facilities (the “Facilities”) for the development of the CFD, to fund capitalized interest on the Bonds through March 1, 2007, to fund a debt service reserve account, and pay the costs of issuance of the Bonds. The Facilities consist of water and sewer facilities of the HPUD, including a regional wastewater pump station, to serve the property within the CFD, and all clearing and grubbing, grading, and appurtenances, and any removal or temporary signage or markings related thereto. The estimated cost of the construction of such Facilities was approximately \$3,112,667.

HPUD is located in the southern portion of Imperial County, California, approximately 120 miles east of San Diego. Formed on November 7, 1931, the HPUD encompasses an area of approximately 9.5 square miles, including the unincorporated town of Heber, situated about 50 feet below sea level. The CFD is comprised of approximately 86 acres located in the community of Heber, California, an unincorporated area of the south-central portion of Imperial County, three miles southeast of the City of El Centro, California. The property within the CFD is projected to be developed into a residential community called “Heber Meadows” composed of 219 single family homes.

This Annual Continuing Disclosure Information Statement is being provided pursuant to a covenant made by HPUD for the benefit of the holders of the Bonds and includes the information specified in a Continuing Disclosure Agreement.

The information set forth herein has been furnished by HPUD and by other sources, which is believed to be accurate and reliable, but is not guaranteed as to accuracy or completeness. Statements contained in this Annual Continuing Disclosure Information Statement which involve estimates, forecasts, or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, the information and expressions of opinion contained herein are subject to change without notice and the delivery of this Annual Continuing Disclosure Information Statement will not, under any circumstances, create any implication that there has been no change in the affairs of HPUD, the CFD or any other parties described herein.

THIS REPORT IS OF A FACTUAL NATURE WITHOUT SUBJECTIVE ASSUMPTIONS, OPINIONS, OR VIEWS AND MAY NOT BE RELIED UPON AS ADVICE OR RECOMMENDATION TO PURCHASE OR SELL ANY PRODUCT OR UTILIZE ANY PARTICULAR STRATEGY RELATING TO THE ISSUANCE OF MUNICIPAL SECURITIES OR PURCHASE OF FINANCIAL PRODUCTS. WILLDAN FINANCIAL

SERVICES AND ITS EMPLOYEES (COLLECTIVELY “WILLDAN”) DO NOT RECOMMEND ANY ACTIONS AND ARE NOT ACTING AS AN ADVISOR TO ANY MUNICIPAL ENTITY, BOARD, OFFICER, AGENT, EMPLOYEE OR OBLIGATED PERSON PURSUANT TO SECTION 15B OF THE EXCHANGE ACT. PRIOR TO ACTING ON ANY INFORMATION OR MATERIAL CONTAINED IN THIS COMMUNICATION, YOU SHOULD DISCUSS IT WITH APPROPRIATE INTERNAL OR EXTERNAL ADVISORS AND EXPERTS AND ONLY RELY UPON THEIR ADVICE.

II. BOND INFORMATION

A. PRINCIPAL OUTSTANDING

Bond Issue	As of September 2, 2017
Heber Public Utility District Community Facilities District No. 2005-1 Special Tax Bonds, Series 2005	\$1,760,000.00

B. BOND CALLS

On September 1, 2017, bond calls were performed in the amount of \$10,000 as a result of prepayments. See Section IV below.

C. FUND BALANCES

Fund Balances	As of September 2, 2017
Reserve Account of the Special Fund	\$161,141.30
Reserve Requirement	\$158,080.00
Project Account of the Acquisition and Construction Fund	CLOSED as of Nov. 2006
HPUD Account of the Acquisition and Construction Fund	CLOSED as of Apr. 2010

III. CHANGES IN THE RMA

There have been no changes to the Rate and Method of Apportionment approved or submitted to the qualified electors for approval prior to the filing of this Annual Continuing Disclosure Information Statement.

IV. PREPAID PARCELS

The following table sets forth parcels that have prepaid their Special Tax obligations since the date of the last Annual Continuing Disclosure Information Statement.

Owner	Assessor's Parcel Number	Prepayment Total ⁽¹⁾
INAY, OCTAVIO	054-604-028-000	\$10,013.28
Prepayment Total		\$10,013.28

(1) Total prepayment amount including but not limited to, reserve credit, redemption amount and premium, investment earnings and administrative fees.

V. FINANCIAL INFORMATION

HPUD'S ANNUAL FINANCIAL STATEMENTS ARE PROVIDED SOLELY TO COMPLY WITH THE SECURITIES EXCHANGE COMMISSION STAFF'S INTERPRETATION OF RULE 15c2-12. EXCEPT FOR THE NET TAXES AND CERTAIN FUNDS AND ACCOUNTS HELD UNDER THE INDENTURE RELATING TO THE BONDS, NO FUNDS OR ASSETS OF HPUD ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE BONDS. HPUD IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF HPUD IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE BONDS.

The audited financial statements for HPUD for the fiscal year ended June 30, 2017 will be separately filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") and are hereby incorporated by reference into this Annual Continuing Disclosure Information Statement.

VI. ASSESSED VALUE TO LIEN SUMMARY

The following table sets forth the Historical County Assessed Values, Special Tax Levy and Value-to-Lien.

Fiscal Year	Parcels Levied	County Assessed Value	Special Tax Levy ⁽¹⁾	2-Sept CFD 2005-1 Debt	Value-to-Lien
2005-2006	0	\$14,516,281	\$0	\$2,355,000	6.10:1
2006-2007	114	\$13,507,292	\$138,631	\$2,355,000	5.73:1
2007-2008	178	\$43,598,006	\$210,853	\$2,310,000	18.87:1
2008-2009	178	\$41,505,824	\$222,566	\$2,265,000	18.32:1
2009-2010	178	\$26,699,678	\$222,951	\$2,220,000	12.02:1
2010-2011	178	\$25,766,095	\$222,145	\$2,165,000	11.90:1
2011-2012	178	\$25,766,095	\$222,162	\$2,115,000	12.18:1
2012-2013	178	\$24,117,010	\$202,636	\$2,065,000	11.67:1
2013-2014	178	\$24,320,486	\$203,029	\$2,010,000	12.09:1
2014-2015	178	\$24,745,551	\$203,029	\$1,955,000	12.65:1
2015-2016	178	\$26,413,014	\$201,552	\$1,895,000	13.93:1
2016-2017	177	\$27,387,976	\$203,739	\$1,835,000	14.92:1
2017-2018*	177	\$28,745,316	\$200,442	\$1,760,000	16.33:1

(1) The Special Tax Levy includes amounts levied for Services.

* Source: 2017/2018 Imperial County Secured Property Tax Roll, as compiled by Willdan Financial Services.

VII. PROPERTY OWNERS WITH OVER 5% OF LEVY

The following table sets forth the Principal Property Owners in the CFD with greater than five (5%) of the Special Tax Levy, as measured by the amount of Special Taxes levied on the property owned by such taxpayers in fiscal year 2017/2018.

Owner	Assessor's Parcel Number	2017/2018 Special Tax Levy ⁽¹⁾	2017/2018 Percent Tax	Amount Unpaid ⁽²⁾
EL CENTRO LLC				
	054-601-021-000	\$33,211	16.28%	\$0
	054-605-068-000	3,427	1.71%	0
Subtotal		\$36,638 ⁽³⁾	17.99%	\$0
COYNE, MARTIN D				
	054-601-019-000	\$932	0.47%	\$0
	054-605-053-000	893	0.45%	0
	054-605-055-000	932	0.47%	0
	054-605-057-000	932	0.47%	0
	054-605-059-000	932	0.47%	0
	054-605-060-000	893	0.45%	0
	054-605-062-000	932	0.47%	0
	054-605-063-000	932	0.47%	0
	054-605-064-000	893	0.45%	0
	054-605-065-000	932	0.47%	0
	054-605-066-000	932	0.47%	0
Subtotal		\$10,135 ⁽³⁾	5.11%	\$0

(1) The Special Tax Levy includes amounts levied for Services.

(2) Amount Unpaid for cumulative years of 2016-2017 and prior years levy as of May 16, 2017 based on Imperial County Tax Collector's Office, as compiled by Willdan Financial Services.

(3) Slight variance to actual Special Tax Levy amount due to rounding.

Source: 2017/2018 Imperial County Secured Property Tax Roll as compiled by Willdan Financial Services.

VIII. DELINQUENCY STATUS

The following table set forth the Annual Special Tax and existing delinquencies for the last five (5) fiscal years as of the date shown below for the CFD.

Fiscal Year	Number of Parcels Levied	Annual Special Tax Levy ⁽¹⁾	Amount Delinquent as of 06/30 of the Fiscal Year ⁽²⁾	Number of Parcels Delinquent as of 06/30 of the Fiscal Year ⁽²⁾	Percent Delinquent as of 06/30 of the Fiscal Year ⁽²⁾	Amount Delinquent as of 12/05/2017 ⁽³⁾	Number of Parcels Delinquent as of 12/05/2017 ⁽³⁾	Percent Delinquent as of 12/05/2017 ⁽³⁾
2012-2013	178	\$202,636	\$4,060	3	2.00%	\$0	0	0.00%
2013-2014	178	\$203,029	\$4,064	3	2.00%	\$0	0	0.00%
2014-2015	178	\$203,046	\$1,525	2	0.75%	\$0	0	0.00%
2015-2016	178	\$201,552	\$1,072	2	0.53%	\$0	0	0.00%
2016-2017	177	\$203,739	\$466	1	0.23%	\$466	1	0.23%

(1) The Annual Special Tax Levy includes amounts levied for Services.

(2) Delinquent amount and delinquent parcel count as of June 30th of the corresponding fiscal year.

(3) Delinquent amount and delinquent parcel count as of December 5, 2017.

Source: Imperial County Tax Collector's Office as of December 5, 2017, as compiled by Willdan Financial Services.

IX. FORECLOSURE STATUS

There are no parcels subject to Foreclosure at the time of the writing of this Annual Continuing Disclosure Information Statement.

X. PARITY BOND STATUS

There are no new Parity Bonds issued for this CFD.

XI. REPORT TO THE CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

A copy of the report for the CFD prepared and filed with the California Debt and Investment Advisory Commission is included as an exhibit at the end of this Annual Continuing Disclosure Information Statement.

XII. DIRECT AND OVERLAPPING DEBT

The Direct and Overlapping Debt Report is included as an exhibit at the end of this Annual Continuing Disclosure Information Statement.

STATE OF CALIFORNIA

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

Submitted:
Thursday, October 19, 2017
9:51:28AM
CDIAC #: 2005-1609

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 Heber Public Utility District CFD No 2005-1

B. Project Name Heber Meadows

C. Name/ Title/ Series of Bond Issue Special Tax Bonds Series 2005

D. Date of Bond Issue 11/8/2005

E. Original Principal Amount of Bonds \$2,355,000.00

F. Reserve Fund Minimum Balance Required Yes Amount \$159,817.50 No

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2017

A. Principal Amount of Bonds Outstanding \$1,835,000.00

B. Bond Reserve Fund \$160,950.04

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$0.00

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

A. Assessed or Appraised Value Reported as of: 7/1/2017

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 \$28,745,316.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$203,739.00

B. Total Amount of Unpaid Special Taxes Annually \$465.50

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

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 5/16/2017

A. Total Number of Delinquent Parcels: 1

B. Total Amount of Taxes Due on Delinquent Parcels: \$465.50
(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

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

For Office Use Only
Fiscal Year _____

Submitted:
Thursday, October 19, 2017
9:51:28AM
CDIAC #: 2005-1609

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

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	Tyler Borden	
Title	Analyst	
Firm/ Agency	Willdan Financial Services	
Address	27368 Via Industria Suite 200	
City/ State/ Zip	Temecula, CA 92590	
Phone Number	(800) 755-6864	Date of Report 10/19/2017
E-Mail	tborden@willdan.com	

IX. ADDITIONAL COMMENTS:

December 4, 2017

Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590

HEBER PUBLIC UTILITIES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2005-1

2017-18 Local Secured Assessed Valuation: \$28,745,316

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 12/1/17</u>
Imperial Community College District General Obligation Bonds	0.237%	\$ 163,013
Central Union High School District General Obligation Bonds	0.776	125,692
Heber School District General Obligation Bonds	6.138	409,092
Heber Public Utility District Community Facilities District No. 2005-1	100.	<u>1,760,000</u>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$2,457,797

<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Imperial County Certificates of Participation	0.231%	\$ 16,011
Imperial County Pension Obligation Bonds	0.231	79,303
Heber School District General Fund Obligations	6.138	<u>150,072</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		\$245,386

COMBINED TOTAL DEBT \$2,703,183 (1)

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to Assessed Valuation:

Direct Debt (\$1,760,000)	6.12%
Total Direct and Overlapping Tax and Assessment Debt	8.55%
Combined Total Debt.....	9.40%

KD:(\$475)