

# CITY OF BURLINGAME

## CONTINUING DISCLOSURE ANNUAL REPORT

FISCAL YEAR ENDING JUNE 30, 2019

### IN CONNECTION WITH THE FOLLOWING CONTINUING DISCLOSURE OBLIGATIONS:

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**\$9,805,000**

**BURLINGAME FINANCING AUTHORITY  
Storm Drainage Revenue Bonds, Series 2010**

**\$10,030,000**

**BURLINGAME FINANCING AUTHORITY  
Lease Revenue Bonds, Series 2012  
(Burlingame Avenue Streetscape Improvement Project)**

**\$32,975,000**

**CITY OF BURLINGAME  
Taxable Pension Obligation Bonds  
2006 Series A**

**\$8,205,000**

**BURLINGAME FINANCING AUTHORITY  
Lease Revenue Refunding Bonds, Series 2010**

**\$5,935,000**

**BURLINGAME FINANCING AUTHORITY  
Water and Wastewater Revenue Refunding Bonds  
Series 2011 (Bank Qualified)**

**\$10,615,000**

**BURLINGAME FINANCING AUTHORITY  
Storm Drainage Revenue Bonds, Series 2012**

**\$14,260,000**

**BURLINGAME FINANCING AUTHORITY  
Water and Wastewater Revenue Refunding Bonds,  
Series 2013**

**\$9,855,000**

**BURLINGAME FINANCING AUTHORITY  
Storm Drainage Revenue Bonds, Series 2016**

**\$17,585,000**

**BURLINGAME FINANCING AUTHORITY  
Water and Wastewater Revenue Refunding Bonds,  
Series 2016**

**\$31,400,000**

**BURLINGAME FINANCING AUTHORITY  
Lease Revenue Bonds, Series 2019  
(Community Center Project)**

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**CITY OF BURLINGAME  
501 Primrose Road, Burlingame, CA 94010**

**\$32,975,000**  
**CITY OF BURLINGAME**  
**Taxable Pension Obligation Bonds, 2006 Series A**

<b>Maturity (June 1)</b>	<b>CUSIP</b>
2021	12145RAL5
2036	12145RAM3

**\$8,205,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Lease Revenue Refunding Bonds, Series 2010**

<b>Maturity (June 1)</b>	<b>CUSIP</b>
2020	121459DB4
2021	121459DC2

**\$9,805,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Storm Drainage Revenue Bonds, Series 2010**

<b>Maturity (July 1)</b>	<b>CUSIP</b>
2020	12145LAK0
2021	12145LAL8
2025	12145LAM6
2030	12145LAN4
2038	12145LAP9

**\$5,935,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Water and Wastewater Revenue Refunding Bonds, Series 2011**  
**(Bank Qualified)**

<b>Maturity (April 1)</b>	<b>CUSIP</b>
2020	12145NDE7
2021	12145NDF4
2022	12145NDG2
2023	12145NDH0
2024	12145NDJ6
2025	12145NDK3
2026	12145NDL1
2027	12145NDM9
2028	12145NDN7

**\$10,030,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Lease Revenue Bonds, Series 2012**  
**(Burlingame Avenue Streetscape Improvement Project)**

<b>Maturity (June 1)</b>	<b>CUSIP</b>
2020	121459DL2
2021	121459DM0
2022	121459DN8
2023	121459DP3
2024	121459DQ1
2025	121459DR9
2026	121459DS7
2027	121459DT5
2028	121459DU2
2029	121459DV0
2030	121459DW8
2031	121459DX6
2032	121459DY4
2037	121459DZ1
2042	121459EA5

**\$10,615,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Storm Drainage Revenue Bonds, Series 2012**

<b>Maturity (July 1)</b>	<b>CUSIP</b>
2020	12145LAX2
2021	12145LAY0
2022	12145LAZ7
2023	12145LBA1
2024	12145LBB9
2025	12145LBC7
2026	12145LBD5
2027	12145LBE3
2028	12145LBF0
2029	12145LBG8
2032	12145LBH6
2038	12145LBJ2

**\$14,260,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Water and Wastewater Revenue Refunding Bonds, Series 2013**

<b>Maturity (July 1)</b>	<b>CUSIP</b>
2020	12145NDV9
2021	12145NDW7
2022	12145NDX5
2023	12145NDY3
2024	12145NDZ0
2025	12145NEA4
2026	12145NEB2
2027	12145NEC0
2028	12145NED8
2029	12145NEE6



**\$9,855,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Storm Drainage Revenue Bonds, Series 2016**

<b>Maturity (July 1)</b>	<b>CUSIP</b>
2020	12145LBP8
2021	12145LBQ6
2022	12145LBR4
2023	12145LBS2
2024	12145LBT0
2025	12145LBU7
2026	12145LBV5
2027	12145LBW3
2028	12145LBX1
2029	12145LBY9
2030	12145LBZ6
2031	12145LCA0
2032	12145LCB8
2033	12145LCC6
2034	12145LCD4
2035	12145LCE2
2036	12145LCF9
2038	12145LCG7

**\$17,585,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Water and Wastewater Revenue Refunding Bonds, Series 2016**

<b>Maturity (April 1)</b>	<b>CUSIP</b>
2020	12145NEJ5
2021	12145NEK2
2022	12145NEL0
2023	12145NEM8
2024	12145NEN6
2025	12145NEP1
2026	12145NEQ9
2027	12145NER7
2028	12145NES5
2029	12145NET3
2030	12145NEU0
2031	12145NEV8

**\$31,400,000**  
**BURLINGAME FINANCING AUTHORITY**  
**Lease Revenue Bonds, Series 2019**  
**(Community Center Project)**

<b>Maturity (July 1)</b>	<b>CUSIP</b>
2020	121459EB3
2021	121459EC1
2022	121459ED9
2023	121459EE7
2024	121459EF4
2025	121459EG2
2026	121459EH0
2027	121459EJ6
2028	121459EK3
2029	121459EL1
2030	121459EM9
2031	121459EN7
2032	121459EP2
2033	121459EQ0
2034	121459ER8
2035	121459ES6
2036	121459ET4
2037	121459EU1
2038	121459EV9
2039	121459EW7
2040	121459EX5
2041	121459EY3
2042	121459EZ0
2043	121459FA4
2044	121459FB2
2045	121459FC0
2046	121459FD8
2047	121459FE6
2048	121459FF3
2049	121459FG1

**CONTINUING DISCLOSURE ANNUAL REPORT  
FOR FISCAL YEAR ENDING JUNE 30, 2019**

This Continuing Disclosure Annual Report has been prepared to satisfy the obligations of the City of Burlingame, California (the “City”), as provided under those certain continuing disclosure undertakings executed by the City in connection with each of the issuances listed on the cover page hereof (each, a “Disclosure Certificate”).

This Continuing Disclosure Annual Report includes the City’s continuing disclosure undertakings for the following bonds: Part I: Lease Revenue Bonds and Pension Obligation Bonds; Part II: Water and Wastewater Revenue Bonds; and Part III: Storm Drainage Revenue Bonds.

**PART I - LEASE REVENUE AND PENSION OBLIGATION BONDS**

The following information is being provided as required by the Disclosure Certificates relating to the Lease Revenue and Pension Obligation Bonds:

1. The audited financial statements of the City for the fiscal year ending June 30, 2019 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated September 19, 2006, relating to the Taxable Pension Obligation Bonds, 2006 Series A, (ii) the Official Statement, dated September 15, 2010, relating to the Lease Revenue Refunding Bonds, Series 2010, (iii) the Official Statement, dated November 8, 2012, relating to the Lease Revenue Bonds, Series 2012 (Burlingame Avenue Streetscape Improvement Project), and (iv) Official Statement, dated December 5, 2019, relating to the Lease Revenue Bonds, Series 2019 (Community Center Project):

**I.A. General Fund Comparison of Budgeted and Actual Revenue, Expenditures, and Fund Balances**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A.

The General Fund Comparison of Budgeted and Actual Revenue, Expenditures, and Fund Balances for the fiscal year ended June 30, 2019 can be found on page 122 of the City’s audited financial statements attached hereto as Appendix A.

**I.B. General Fund Revenue, Expenditures and Fund Balances**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the General Fund Revenue, Expenditures and Fund Balance for the fiscal year ended June 30, 2019 can be found on page 34 of the City's audited financial statements attached hereto as Appendix A.

**I.C. General Fund Balance Sheet**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the General Fund Balance Sheet for the fiscal year ended June 30, 2019 can be found on page 32 of the City's audited financial statements attached hereto as Appendix A.

**I.D. Tax Revenues by Source**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the Tax Revenue by Source for the fiscal year ended June 30, 2019 can be found on page 34 of the City's audited financial statements attached hereto as Appendix A.

**I.E. Taxable Transactions by Type of Business**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019

A history of taxable sales in the City for the calendar years 2017 and 2018 is shown below:

**CITY OF BURLINGAME**  
**Taxable Transactions by Type of Business**  
**For Calendar Years 2017 and 2018**  
**(Amounts in Thousands)**

<u>Type of Business</u>	<u>2017</u>	<u>2018</u>
Apparel Stores	\$ 45,994	\$ 45,537
General Merchandise	209	136
Food Stores	19,463	19,116
Eating and Drinking Places	149,477	155,925
Building Materials	44,115	49,964
Auto Dealers and Supplies	402,199	459,663
Service Stations	41,828	65,061
Other Retail Stores	123,664	138,699
Retail Stores Total	<u>826,950</u>	<u>934,101</u>
All Other Outlets	<u>460,371</u>	<u>520,244</u>
TOTAL ALL OUTLETS	<u>1,287,321</u>	<u>1,454,345</u>

**I.F. Assessed Valuations**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The following table sets forth assessed valuations for fiscal years 2018-19 and 2019-20.

**CITY OF BURLINGAME**  
**Assessed Valuations**

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	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
2018-19	10,621,963,371	2,763,435	344,682,252	10,969,409,058	5.91%
2019-20	11,422,244,929	3,841,026	360,169,404	11,786,255,359	7.45%

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Source: San Mateo County.

**I.G. Largest Taxpayers**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The following table sets forth the largest taxpayers located within the City in terms of their assessed value for Fiscal Year 2019-20.

**CITY OF BURLINGAME  
LARGEST TAXPAYERS (SECURED ROLL)  
FISCAL YEAR ENDING 2020**

	<u>Property Owner</u>	<u>Primary Land Use</u>	2019-20 <u>Assessed Valuation</u>	% of <u>Total (1)</u>
1.	HMC Burlingame Hotels LLC	Hotel	\$ 226,565,060	1.98%
2.	Burlingame Point LLC	Industrial	161,791,569	1.42
3.	EQR-Northpark LP	Apartments	127,918,736	1.12
4.	Inland Amer Lodging Burlingame LLC	Hotel	117,215,023	1.03
5.	EW PG Airport Owner LLC	Office Building	101,950,000	0.89
6.	MNCVAD Harvest One Bay LLC	Office Building	58,154,198	0.51
7.	SHAC Carolan Apartments LLC	Apartments	52,746,500	0.46
8.	EQR Skyline Terrace LP	Apartments	48,999,196	0.38
9.	Romel Chicago LLC	Apartments	43,058,514	0.38
10.	Green Banker LLC	Office Building	43,013,280	0.38
11.	DCT Rollins Road LLC	Industrial	39,578,362	0.35
12.	AGLO 1720 El Camino Owner LLC	Office Building	39,200,000	0.34
13.	DLC 225 California	Office Building	37,307,227	0.33
14.	Sunrise BG Sr Lv Propco LLC	Assisted Living Facility	35,370,654	0.31
15.	GRM Bayshore Property Owner LLC	Hotel	34,123,389	0.30
16.	Bit Holdings Seventy Three Inc.	Industrial	32,897,439	0.29
17.	BW RRI II LLC	Hotel	32,666,506	0.29
18.	Harbor View Hotels Inc.	Hotel	31,985,523	0.28
19.	Safeway Inc. Lessee	Supermarket	31,125,834	0.27
20.	1440 Chapin Owner LLC	Office Building	<u>31,110,000</u>	<u>0.27</u>
			<u>\$1,326,777,010</u>	<u>11.62%</u>

(1) 2019-20 Local Secured Assessed Valuation: \$11,422,244,929  
Source: California Municipal Statistics, Inc.

**I.H. Secured Tax Charges and Delinquencies**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, and Lease Revenue Bonds, Series 2012.

The County of San Mateo has not provided to the City the total tax levies and year-end delinquencies for fiscal year 2018-19. The County utilizes the Teeter Plan. Information relating to the amount of property tax levies and collection allocable to the general fund for the fiscal year ended June 30, 2019 can be found on page 163 of the City’s audited financial statements attached hereto as Appendix A.

**CITY OF BURLINGAME  
Secured Tax Charges and Delinquencies**

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<b>Fiscal Year</b>	<b>Secured Tax Charge<sup>(1)</sup></b>	<b>Amount Delinquent June 30</b>	<b>Percent Delinquent June 30</b>
2017-18	\$119,900,400	\$726,847	0.61%
2018-19	Not available	Not available	Not available

<sup>(1)</sup> All taxes collected by the County within the City. Includes special charges.

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Source: California Municipal Statistics, Inc. / County of San Mateo



## **I.I. Transient Occupancy Taxes**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

Because of the City's location near San Francisco International Airport, transient occupancy taxes have historically provided one of the largest single revenue sources for the City's General Fund. Sometimes referred to as a hotel tax, this tax is imposed on occupants for the privilege of occupying rooms in hotels, motels, inns and other taxed properties equal to 12% of the amount of rent charged by the operator of such establishment. In fiscal years 2017, 2018 and 2019, the transient occupancy taxes totaled \$26,262,930, \$27,935,991, and \$29,384,461 respectively. For 2019, the City received \$29,384,461 in transient occupancy taxes (approximately 34.76% of General Fund revenues.) The following table lists as of June 30, 2019, the major hotels located within the City and their room totals:

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**CITY OF BURLINGAME  
Major Hotel Room Totals  
June 30, 2019**

<u>Hotel</u>	<u>Number of Rooms</u>
Hyatt Regency SFO	789
SFO Marriott Waterfront	688
Hilton SFO Bayfront	400
Doubletree by Hilton Hotel SFO	395
Embassy Suites by Hilton SFO Waterfront	340
Crown Plaza SFO	309
Red Roof PLUS+ SFO	213
Holiday Inn Express SFO South	146
Hilton Garden Inn – SFO/Burlingame	132
Bay Landing SFO Hotel	130
Vagabond Inn Executive SFO	90
Hampton Inn & Suites SFO South	77
Total	3,709

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Source: City of Burlingame.

## **I.J. Market Value of Investments**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

The market value of the City's investment portfolio as of June 30, 2019 is set forth below. Additional information relating to the City's investment can be found under Note 3 of the City's audited financial statements attached hereto as Appendix A.

### **CITY OF BURLINGAME Market Value of Investments June 30, 2019**

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	<u>Market Value</u>	<u>Percent of Portfolio</u>	<u>Days to Maturity</u>
Local Agency Investment Fund & County Pool	\$ 29,831,962	15.83%	Less than 1 Year
California Asset Management Program	40,898,154	21.70	Less than 1 Year
U.S. Treasury Notes/Bonds	39,559,256	20.99	1-5 Years
Federal Agencies	22,847,332	12.12	1-5 Years
Supra-National Agency Bonds/Notes	8,234,409	4.37	1-5 Years
Certificates of Deposit	15,588,619	8.27	1-5 Years
Asset-Backed Security	6,984,331	3.71	1-5 Years
Corporate Notes	<u>24,547,204</u>	<u>13.02</u>	1-5 Years
TOTAL	\$188,491,267	100.00%	

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Source: The City of Burlingame.

## **I.K. Outstanding Indebtedness**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Taxable Pension Obligation Bonds, 2006 Series A, Lease Revenue Refunding Bonds, Series 2010, Lease Revenue Bonds, Series 2012, and Lease Revenue Bonds, Series 2019.

A summary of the Outstanding Indebtedness of the City for the fiscal year ended June 30, 2019 can be found under Note 6 of the City's audited financial statements attached hereto as Appendix A. In addition, the City has recently issued its Lease Revenue Bonds, Series 2019 after June 30, 2019 which is not reflected in the City's audited financial statements for the fiscal year ended June 30, 2019. The debt service schedule associated with the Lease Revenue Bonds, Series 2019 is set forth in the Official Statement dated December 5, 2019 which is available on the EMMA website.

## **PART II - WATER AND WASTEWATER REVENUE BONDS**

The following information is being provided as required by the Disclosure Certificates relating to the Water and Wastewater Revenue Bonds:

1. The audited financial statements of the City for the Fiscal Year ending June 30, 2019 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated November 22, 2011, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2011, (ii) the Official Statement, dated May 16, 2013, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2013, and (iii) the Official Statement, dated June 14, 2016, relating to the Water and Wastewater Revenue Refunding Bonds, Series 2016:

### **II.A. Outstanding Indebtedness**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A summary of the Outstanding Indebtedness of the City for the fiscal year ended June 30, 2019 can be found under Note 6 of the City's audited financial statements attached hereto as Appendix A. In addition, the City has recently issued its Lease Revenue Bonds, Series 2019 after June 30, 2019 which is not reflected in the City's audited financial statements for the fiscal year ended June 30, 2019.

### **II.B. Number of Connections by User**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The following table shows the number of connections by user category for the previous 5 years.

<b>CITY OF BURLINGAME</b>					
<b>Number of Connections by User</b>					
<b>(As of June 30)</b>					
<u>Use Category</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Single Family Residential	6,837	6,840	6,835	6,844	6,842
Multi-Family Residential	739	740	740	738	738
Commercial/Industrial	857	855	852	850	850
Institutional	89	81	82	82	84
Irrigation/Other	661	678	680	684	686
<b>Total</b>	<b>9,183</b>	<b>9,194</b>	<b>9,189</b>	<b>9,198</b>	<b>9,200</b>

Source: City of Burlingame.

## II.C. Historical Water Consumption

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The following table represents a five fiscal year history of water consumption by user category.

**CITY OF BURLINGAME  
WATER SYSTEM  
Historical Water Consumption  
(In Millions of Gallons)**

<u>Use Category</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2018/19 Pct. of Total</u>
Single Family Residential	523.2	425.0	462.9	523.9	507.5	42.4%
Multi-Family Residential	230.0	216.5	224.9	228.0	226.8	18.9%
Commercial	271.7	162.1	167.3	180.9	190.2	15.9%
Industrial	60.4	159.3	156.1	170.4	169.1	14.1%
Institutional	34.7	18.3	22.0	25.5	21.9	1.8%
Irrigation/Other	64.9	71.0	60.5	85.0	82.7	6.9%
Total Annual Consumption	1,184.9	1,052.2	1,093.7	1,213.7	1198.2	
Average Per Day	3.25	2.88	3.00	3.3	3.3	
Pct. Change from Prior Year	(13.78%)	(11.20%)	3.94%	11.0%	(1.3%)	

Source: City of Burlingame.

**II.D. 4 Year History of Water Rates and Approved Rates**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The table below represents a history of water rates and rates as of January 1, 2020.

**CITY OF BURLINGAME  
WATER SYSTEM  
4 Year History of Water Rates and Rates as of January 1, 2020  
(Bi-Monthly Rates)**

	2016 (1/1/16 – 12/31/16)	2017 (1/1/17 – 12/31/17)	2018 (1/1/18 – 12/31/18)	2019 (1/1/19 – 12/31/19)	Current
Bi-Monthly Meter Charge					
5/8" & 3/4"	\$ 83.60	\$ 72.72	\$ 78.17	\$ 84.03	\$ 84.03
1"	142.16	121.20	130.28	140.05	140.05
1 1/2"	276.00	242.40	260.57	280.10	280.10
2"	443.24	387.84	416.91	448.16	448.16
3"	836.34	727.20	781.70	840.30	840.30
4"	1,396.68	1,212.00	1,302.83	1,400.50	1,400.50
6"	2,784.98	2,424.00	2,605.67	2,801.00	2,801.00
8"	4,457.68	3,878.40	4,169.07	4,481.60	4,481.60

Source: City of Burlingame.

**II.E. Tiered Rate Charges**

The following information is being provided in connection with the Disclosure Certificates for the following bond issue: Water and Wastewater Revenue Refunding Bonds, Series 2013 and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The adopted consumption rates included a tiered rate structure for single-family residential customers as set forth below:

**CITY OF BURLINGAME  
WATER SYSTEM  
Tiered Rate Charges  
(Bi-Monthly Rates)**

	<b>2019</b> (1/1/19 – 12/31/19)	<u>Current</u>
<b>Single Family Residential</b>		
Tier 1 – 0 to 4,000 gallons	9.79	9.79
Tier 2 – 4,001 to 8,000 gallons	10.98	10.98
Tier 3 – 8,001 to 16,000 gallons	12.18	12.18
Tier 4 – 16,001 to 24,000 gallons	13.38	13.38
Tier 5 – 24,001 gallons and above	14.58	14.58
 All other customer classifications	 11.46	 11.46
 San Mateo County Unincorporated	 Same as Single Family Residential	

Per 1,000 gallons.

Beginning from 1/1/13 for Single-Family residential and 1/1/17 for San Mateo County Unincorporated customers are billed according to a tiered rate structure.

Source: City of Burlingame.

**II.F. Water Fund Statement of Net Position**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Net Position of the Water Fund for the fiscal year ended June 30, 2019 can be found on page 38 of the City's audited financial statements attached hereto as Appendix A.

**II.G. Water Fund Statement of Revenues, Expenses and Changes in Fund Net Position**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Revenues, Expenses and Changes in Fund Net Position of the Water Fund for the fiscal year ended June 30, 2019 can be found on page 40 of the City's audited financial statements attached hereto as Appendix A.

**II.H. Water System Debt Service Coverage**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A calculation of the Water System Debt Service Coverage for the fiscal year ended June 30, 2019 can be found on page 84 of the City's audited financial statements attached hereto as Appendix A.

### II.I. Wastewater System Bi-Monthly Meter Charge

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The City's wastewater rates for the fiscal years 2015 through 2019 and rates as of January 1, 2020 are as set forth below:

**CITY OF BURLINGAME  
WASTEWATER SYSTEM  
Bi-Monthly Meter Charge**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>Current</u>
Single Family/Duplex <sup>(a)</sup>	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25	\$ 12.25
Multi-family <sup>(a)</sup>	11.45	11.45	11.45	11.45	11.45	11.45
Light Commercial <sup>(b)</sup>	13.53	13.53	13.53	13.53	13.53	13.53
Moderate Commercial <sup>(b)</sup>	21.97	21.97	21.97	21.97	21.97	21.97
Food Related <sup>(b)</sup>	32.59	32.59	32.59	32.59	32.59	32.59
Hospital <sup>(b)</sup>	21.97	21.97	21.97	21.97	21.97	21.97
Institutional <sup>(b)</sup>	4.80	4.80	4.80	4.80	4.80	4.80
% Change	0%	0%	0%	0%	0%	0%

<sup>(a)</sup> Per thousand gallons of average winter (January-April) water consumption over the last 3 years.

<sup>(b)</sup> Per thousand gallons of average water consumption.

Source: City of Burlingame.



## **II.J. Wastewater System Sewer Connection Fees**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The City's current connection fees are set forth below:

**CITY OF BURLINGAME  
WASTEWATER SYSTEM  
Sewer Connection Fees  
(As of January 1, 2020)**

<u>Land Use</u>	<u>Connection Fees</u>
Single-Family and Duplex	\$266/unit
Multi-Family	204/unit
Commercial/Retail	425/TSF
Office	92/TSF
Warehouse	119/TSF
Restaurant	1,050/TSF
Hotel with Restaurant	670/room
Hotel without Restaurant	414/room

TSF = Thousand Square Feet  
Source: City of Burlingame

**II.K. Sewer Fund Statement of Net Position**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Net Position of the Sewer Fund for the fiscal year ended June 30, 2019 can be found on page 38 of the City’s audited financial statements attached hereto as Appendix A.

**II.L. Sewer Fund Statement of Revenues, Expenses and Changes in Fund Net Position**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

The Statement of Revenues, Expenses and changes in Fund Net Position of the Sewer Fund for the fiscal year ended June 30, 2019 can be found on page 40 of the City’s audited financial statements attached hereto as Appendix A.

**II.M. Wastewater System Debt Service Coverage**

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Water and Wastewater Revenue Refunding Bonds, Series 2011, Water and Wastewater Revenue Refunding Bonds, Series 2013, and Water and Wastewater Revenue Refunding Bonds, Series 2016.

A calculation of the Wastewater System Debt Service Coverage for the fiscal year ended June 30, 2019 can be found on page 84 of the City’s audited financial statements attached hereto as Appendix A.

### **PART III - STORM DRAINAGE REVENUE BONDS**

The following information is being provided as required by the Disclosure Certificates relating to the Storm Drainage Revenue Bonds:

1. The audited financial statements of the City for the Fiscal Year ending June 30, 2019 are included herein as Appendix A.

2. The following is an update to information contained in (i) the Official Statement, dated August 3, 2010, relating to the Storm Drainage Revenue Bonds, Series 2010, (ii) the Official Statement, dated December 6, 2012, relating to the Storm Drainage Revenue Bonds, Series 2012, and (iii) the Official Statement, dated February 17, 2016, relating to the Storm Drainage Revenue Bonds, Series 2016:

### III.A. Fees Paid by Largest Fee Payers

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2010, Storm Drainage Revenue Bonds, Series 2012, and Storm Drainage Revenue Bonds, Series 2016.

The following table sets forth the fees paid by the largest fee payers by parcel for Fiscal Year 2018-19.

<u>Entity</u>	<u>2018-19 Storm Drain Fee</u>	<u>2018-19 Percentage of Total</u>
1. MILLS PENINSULA	\$39,346	1.3%
2. BURLINGAME POINT LLC	28,720	1.0%
3. PAULS ROLLINS ROAD LLC	27,181	0.9%
4. SAN MATEO UNION HIGH SCH DIST	24,621	0.8%
5. STATE OF CALIFORNIA	21,376	0.7%
6. EQR-NORTHPARK LP	20,877	0.7%
7. CITY OF BURLINGAME	19,534	0.7%
8. SISTERS OF MERCY	19,190	0.6%
9. MERCY HIGH SCHOOL BURLINGAME	18,239	0.6%
10. HMC BURLINGAME HOTEL LLC	18,238	0.6%
11. HMM SFO INC	18,221	0.6%
12. BAY PARK PLAZA ASSOCIATES	18,049	0.6%
13. VANGUARD REAL ESTATE HOLDINGS LLC	16,911	0.6%
14. STATE OF CALIFORNIA	14,655	0.5%
15. SEVEN SPRINGS L P	13,184	0.4%
16. PUBLIC STORAGE INC	11,594	0.4%
17. CALIF TEACHERS ASSOCIATION	10,939	0.4%
18. CRP BAHP SFO	10,048	0.3%
19. 99 OLD BAYSHORE LLC	9,659	0.3%
20. 1633 BAYSHORE ASSOCIATES LLC	9,518	0.3%
21. GUITTARD CHOCOLATE CO	9,446	0.3%
22. ONE BAY PLAZA ASSOC LLC	9,434	0.3%
23. CITY OF BURLINGAME CITY PARK	9,155	0.3%
24. SANDRA & JEFFREY DAVIS LP	8,044	0.3%
25. HARBOR VIEW HOTELS INC	<u>7,898</u>	<u>0.3%</u>
Total Top 10 Fee Payers	\$237,322	8.0%
Total Top 25 Fee Payers	\$414,077	14.0%
Total Parcels (8,651)		

### III.B. Debt Service Coverage

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2010, Storm Drainage Revenue Bonds, Series 2012, and Storm Drainage Revenue Bonds, Series 2016.

The following table sets forth the debt service coverage for the Storm Drainage Revenue Bonds for the fiscal year ended June 30, 2019. Debt Service on the Bonds represents debt service paid on January 1, 2019 and July 1, 2019.

<b>Bond Year</b>	<b>Storm Drain Fees <sup>(1)</sup></b>	<b>2010 Bond Debt Service <sup>(2)</sup></b>	<b>2012 Bond Debt Service</b>	<b>2016 Bond Debt Service</b>	<b>Total Net Debt Service</b>	<b>Debt Service Coverage</b>
2019	\$2,951,174	\$606,676	\$621,544	\$649,075	\$ 1,877,295	1.57x
2020	3,010,197	607,790	624,144	652,875	1,884,809	1.60x
2021	3,070,401	610,413	626,144	651,075	1,887,632	1.63x
2022	3,131,809	613,723	629,144	643,875	1,886,742	1.66x
2023	3,194,446	616,740	621,144	653,375	1,891,259	1.69x
2024	3,258,335	614,147	627,644	646,625	1,888,416	1.73x
2025	3,323,501	616,148	622,894	649,375	1,888,417	1.76x
2026	3,389,971	612,540	627,644	651,125	1,891,309	1.79x
2027	3,457,771	612,158	626,488	651,875	1,890,521	1.83x
2028	3,526,926	616,108	619,525	651,625	1,887,258	1.87x
2029	3,597,465	614,166	621,325	655,375	1,890,866	1.90x
2030	3,669,414	611,555	627,675	652,375	1,891,605	1.94x
2031	3,742,802	613,275	623,425	653,775	1,890,475	1.98x
2032	3,817,658	613,671	623,875	654,525	1,892,071	2.02x
2033	3,894,011	613,155	623,875	654,225	1,891,255	2.06x
2034	3,971,892	611,727	622,138	658,475	1,892,340	2.10x
2035	4,051,329	609,388	624,913	657,125	1,891,426	2.14x
2036	4,132,356	611,137	622,038	659,625	1,892,800	2.18x
2037	4,215,003	606,746	623,675	661,500	1,891,921	2.23x
2038	4,299,303	606,443	-	-	606,443	7.09x

<sup>(1)</sup> Based on Storm Drainage Fees collected through Fiscal Year 2018-19 and projected to increase at a rate of 2% thereafter.

<sup>(2)</sup> Net of Refundable Credit. Refundable Credit was reduced as a result of the federal sequestration (currently 32.935%).

### III.C. Assessed Valuations

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2016.

The assessed valuation of the City can be found under Section I.F. Assessed Valuations as set forth herein.

### III.D. Largest Taxpayers

The following information is being provided in connection with the Disclosure Certificates for the following bond issues: Storm Drainage Revenue Bonds, Series 2016.

The largest taxpayers in the City can be found under Section I.F. Assessed Valuations as set forth herein.

Dated: January 29, 2020

CITY OF BURLINGAME

By: /s/Carol Augustine

Finance Director and Treasurer

**APPENDIX A**

**AUDITED FINANCIAL STATEMENTS  
OF THE CITY OF BURLINGAME  
FOR FISCAL YEAR ENDING JUNE 30, 2019**

(See Attachment)