

Prepared for:

CITY OF SAN BRUNO



Continuing Disclosure Annual Report

For Fiscal Year Ended June 30, 2024

By:

URBAN FUTURES, INC.

Analytics & Compliance Group



CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

Affected Issuance(s):

\$6,955,000

CITY OF SAN BRUNO

Wastewater Revenue Refunding Bonds, Series 2013

\$24,470,000

SAN BRUNO PUBLIC FINANCING AUTHORITY

Wastewater Revenue Bonds, Series 2017

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INTRODUCTION

I. BACKGROUND

\$24,470,000 Wastewater Revenue Bonds, Series 2017

On December 6, 2017, the San Bruno Public Financing Authority (“Authority”) issued its \$24,470,000 Wastewater Revenue Bonds, Series 2017 (“2017 Bonds”). Proceeds from the sale of the 2017 Bonds were used to: (i) finance the acquisition and construction of certain improvements to the Wastewater System of the City of San Bruno, and (ii) pay costs of issuing the 2017 Bonds. Please see the Official Statement for the 2017 Bonds as provided online at the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) document repository for further background information. Capitalized terms used but not defined herein shall have their meanings as given in the Indenture.

Interest on the 2017 Bonds is payable on July 1 and January 1 of each year, commencing July 1, 2018, with principal payments due on July 1.

\$6,955,000 Wastewater Revenue Refunding Bonds, Series 2013

On August 15, 2013, the City of San Bruno (“City”) issued its \$6,955,000 Wastewater Revenue Refunding Bonds, Series 2013 (“2013 Bonds”). Proceeds from the sale of the 2013 Bonds were used to: (i) refund certain outstanding obligations of the City that are payable from revenues of the City’s wastewater and storm drainage system; and (ii) pay the costs of issuing the Bonds. Please see the Official Statement for the 2013 Bonds as provided online at the MSRB’s EMMA document repository for further background information. Capitalized terms used but not defined herein shall have their meanings as given in the Indenture.

Interest on the 2013 Bonds is payable on July 1 and January 1 of each year, commencing January 1, 2014, with principal payments due on July 1.

II. OBJECTIVE

Pursuant to the Continuing Disclosure section of the Official Statement and Continuing Disclosure Agreement/Certificate for the Affected Issuance(s), this Annual Report is being provided by the Dissemination Agent for distribution to the MSRB’s EMMA document repository.

This Annual Report has been prepared by Urban Futures, Inc. (“UFI”) at the direction of the City. The information set forth herein has been furnished by the City and/or County, along with other sources believed to be reliable, but no representation as to the accuracy or completeness of any

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

such information is made by the City or UFI. The City and UFI make no representation that this Annual Report contains all information material to make a decision to purchase or sell bonds or any other debt obligations of the City. Any information contained herein which involves estimates, forecasts, projections, and expressions of opinion, whether or not expressly stated, is intended solely as such and is not to be construed as representations of fact by the City or UFI, and no representation is made that such opinions or estimates will be realized. The information, opinions, and estimates herein are subject to change without notice. The City and UFI shall not take responsibility for any statements or information of any kind disseminated to the MSRB or EMMA or any other medium that is not disseminated by and authorized in writing by either the City or UFI.

III. CUSIP NUMBERS

The CUSIP numbers below are provided for convenience of reference.

CITY OF SAN BRUNO 2017 Wastewater Revenue Bonds	
<u>Maturity Date</u>	<u>CUSIP*</u>
7/1/2018	79689RAA0
7/1/2019	79689RAB8
7/1/2020	79689RAC6
7/1/2021	79689RAD4
7/1/2022	79689RAE2
7/1/2023	79689RAF9
7/1/2024	79689RAG7
7/1/2025	79689RAH5
7/1/2026	79689RAJ1
7/1/2027	79689RAK8
7/1/2028	79689RAL6
7/1/2029	79689RAM4
7/1/2030	79689RAN2
7/1/2031	79689RAP7
7/1/2032	79689RAQ5
7/1/2033	79689RAR3
7/1/2034	79689RAS1
7/1/2035	79689RAT9
7/1/2036	79689RAU6
7/1/2039	79689RAV4
7/1/2047	79689RAW2

*CUSIP is a registered trademark of American Bankers Association.

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

**CITY OF SAN BRUNO
2013 Wastewater Revenue Bonds**

<u>Maturity Date</u>	<u>CUSIP*</u>
7/1/2014	79689PAA4
7/1/2015	79689PAB2
7/1/2016	79689PAC0
7/1/2017	79689PAD8
7/1/2018	79689PAE6
7/1/2019	79689PAF3
7/1/2020	79689PAG1
7/1/2021	79689PAH9
7/1/2022	79689PAJ5
7/1/2023	79689PAK2
7/1/2024	79689PAL0
7/1/2025	79689PAM8
7/1/2026	79689PAN6
7/1/2027	79689PAP1
7/1/2028	79689PAQ9
7/1/2029	79689PAS5
7/1/2032	79689PAR7

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FINANCIAL INFORMATION & OPERATING DATA

The following financial information and operating data is provided pursuant to the Continuing Disclosure section of the Official Statement and the Continuing Disclosure Agreement/Certificate.

I. FINANCIAL STATEMENTS

As outlined in the Continuing Disclosure Agreement/Certificate, the financial statements required as part of the Annual Report for the fiscal year ended June 30, 2024, are separately posted to the EMMA document repository.

II. PRINCIPAL AMOUNT OUTSTANDING

The table below presents the principal amount of the 2013 Bonds and 2017 Bonds outstanding as of June 30, 2024.

CITY OF SAN BRUNO Wastewater System Principal Amount Outstanding as of June 30, 2024		
Bond Issue	Original Issue Amount	Principal Outstanding
2013 Wastewater Revenue Refunding Bonds	\$6,955,000	\$3,970,000
2017 Wastewater Revenue Bonds	\$24,470,000	\$21,870,000

Source: City of San Bruno.

III. HISTORICAL BILLINGS AND COLLECTIONS

The following table presents a five-year historical summary of the billing and collection history for the Wastewater System.

CITY OF SAN BRUNO Wastewater System Historical Billings, Collections, and Delinquencies			
Fiscal Year Ended June 30	Billings	Write-off	Write-off as % of Billing
2020	18,087,342	47,640	0.3%
2021	18,298,857	30,479	0.2%
2022	19,262,372	58,113	0.3%
2023	19,526,658	42,475	0.2%
2024	18,543,371	-18,529	-0.1%

Source: City of San Bruno.

IV. HISTORICAL REVENUES, EXPENSES & DEBT SERVICE COVERAGE

The table below presents a five-year historical summary of the operating results and debt service coverage for the Wastewater System.

CITY OF SAN BRUNO					
Wastewater Fund					
Historical Net Revenues and Debt Service Coverage					
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Gross Revenues					
Service Fees and Charges	\$18,230,960	\$18,470,837	\$19,374,803	\$19,353,565	\$18,543,371
Investment Income	716,424	239,568	299,721	577,077	1,271,300
Total Gross Revenues	<u>\$18,947,384</u>	<u>\$18,710,405</u>	<u>\$19,674,524</u>	<u>\$19,930,642</u>	<u>\$19,814,671</u>
Expenses					
Operations and Maintenance	\$8,955,800	\$8,990,002	\$9,111,455	\$11,340,620	\$13,109,786
Sewer System Net Revenues	\$9,991,584	\$9,720,403	\$10,563,069	\$8,590,022	\$6,704,885
Debt Service - 2013 Revenue Bonds	\$536,675	\$539,188	\$537,200	\$539,263	\$533,100
Debt Service - 2017 Wastewater Bonds	1,433,100	1,434,675	1,433,450	1,429,350	1,429,550
Total Debt Service	<u>\$1,969,775</u>	<u>\$1,973,863</u>	<u>\$1,970,650</u>	<u>\$1,968,613</u>	<u>\$1,962,650</u>
Debt Service Coverage Ratio	5.07	4.92	5.36	4.36	3.42
Debt Service - SRF ⁽¹⁾	<u>\$1,048,022</u>	<u>\$1,048,022</u>	<u>\$1,048,022</u>	\$589,550	\$458,471
Total Senior and Subordinated Debt	<u>\$3,017,797</u>	<u>\$3,021,885</u>	<u>\$3,018,672</u>	\$2,558,163	\$2,421,121
Total Debt Service Coverage Ratio	3.31	3.22	3.50	3.36	2.77

(1) Represents the City's payments related to State Revolving Fund (SRF) loans entered into by South San Francisco for the WQCP, which are not secured by the Net Revenues of the Wastewater System.

Source: City of San Bruno Audited Financial Statements, with calculations by Urban Futures, Inc.

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

V. WASTEWATER RATES & CHARGES

On June 13, 2023, the City adopted a five-year rate schedule for wastewater services for Fiscal Years 2024 to 2028. The tables below summarize the adopted rate schedule for wastewater services, as adjusted by the City for Fiscal Year 2024, and the current connection fee/capacity charge for the Wastewater System.

CITY OF SAN BRUNO Wastewater System Adopted Rate Schedule - Monthly Service & Quantity Charges		FY 2021	FY 2022 ⁽³⁾	FY 2023	FY 2024	FY 2025
Monthly Service Charge						
Single Family Residential		\$32.27	\$32.27	\$33.96	\$35.74	\$37.61
All Other (Based on Water Meter Size)						
	3/4"	32.27	32.27	33.96	35.74	37.61
	1"	53.78	53.78	56.60	59.57	62.69
	1-1/2"	107.57	107.57	113.20	119.14	125.38
	2"	172.11	172.11	181.13	190.62	200.61
	3"	322.70	322.70	339.61	357.41	376.14
	4" & Larger	537.83	537.83	566.02	595.68	626.90
Quantity Charge						
\$ per hundred cubic feet (hcf)						
Residential ⁽¹⁾	All	\$12.37	\$12.37	\$12.98	\$13.61	\$14.28
Commercial ⁽²⁾	C-1	11.50	11.50	12.05	12.63	13.23
	C-2	12.37	12.37	12.98	13.61	14.28
	C-3	17.61	17.61	18.54	19.51	20.54
	C-4	22.86	22.86	24.11	25.42	26.81
Governmental ⁽²⁾	G	12.37	12.37	12.37	13.61	14.28
Industrial ⁽²⁾	I-1	12.37	12.37	12.98	13.61	14.28
	I-2 Flow	8.88	8.88	9.27	9.68	10.10
	COD per LB	0.68	0.68	0.72	0.76	0.81
	SS per LB	1.41	1.41	1.49	1.58	1.68

(1) Residential accounts are billed based on average metered water use from two bi-monthly billing periods from January through April. All other accounts are billed based on total metered use.

(2) Non-residential accounts are billed based on metered water use during each billing period.

(3) Due to the impacts of COVID-19, the City cancelled the wastewater rate increase scheduled for Fiscal Year 2022.

Note: One hundred cubic feet (hcf) is equivalent to approximately 748 gallons.

Source: City of San Bruno.

CITY OF SAN BRUNO Wastewater System Current Connection Fee/Capacity Charge	
Meter Size (inches)	Charge
3/4"	\$7,056
1"	11,761
1-1/2"	23,523
2"	37,636
3"	70,569
4"	117,616
6"	235,230
8"	376,368

Source: City of San Bruno.

VI. PARITY DEBT

During Fiscal Year 2024, the City did not issue any parity debt that is payable from net revenues of the Wastewater System.

VII. SIGNIFICANT EVENTS

In compliance with the Continuing Disclosure Agreement/Certificate, material event notices are posted on MSRB's EMMA document repository at the following web address under the "Continuing Disclosure" tab:

\$6,955,000 Wastewater Revenue Refunding Bonds, Series 2013

<https://emma.msrb.org/IssueView/IssueDetails.aspx?id=EP362007>

\$24,470,000 Wastewater Revenue Bonds, Series 2017

<https://emma.msrb.org/IssueView/IssueDetails.aspx?id=ER383200>

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CITY OF SAN BRUNO



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CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

Affected Issuance(s):

\$13,175,000

CITY OF SAN BRUNO

Taxable Pension Obligation Bonds, Series 2013

\$4,670,000

SAN BRUNO PUBLIC FINANCING AUTHORITY

Lease Revenue Bonds, Series 2019

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INTRODUCTION

I. BACKGROUND

\$13,175,000 Taxable Pension Obligation Bonds, Series 2013

On January 30, 2013, the City of San Bruno (“City”) issued its \$13,175,000 Taxable Pension Obligation Bonds, Series 2013 (“2013 Bonds”). Proceeds from the sale of the 2013 Bonds were used to: (i) refund the outstanding “side fund” obligation of the City to the California Public Employees’ Retirement System (“PERS”) with respect to the City’s Safety Plan; and (ii) pay costs of issuing the 2013 Bonds. Please see the Official Statement for the 2013 Bonds as provided online at the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) document repository for further background information. Capitalized terms used but not defined herein shall have their meanings as given in the Indenture.

Interest on the 2013 Bonds is payable on June 1 and December 1 of each year, commencing June 1, 2013, with principal payments due on June 1.

\$4,670,000 Lease Revenue Bonds, Series 2019

On March 21, 2019, the San Bruno Public Financing Authority (“Authority”) issued its \$4,670,000 Lease Revenue Bonds, Series 2019 (“2019 Bonds”). Proceeds from the sale of the 2019 Bonds were used to: (i) defease and prepay in full the outstanding City of San Bruno Certificates of Participation, Series 2000 (Police Facility Financing), which were issued in the initial aggregate principal amount of \$9,600,000; and (ii) pay the costs of issuing the 2019 Bonds. Please see the Official Statement for the 2019 Bonds as provided online at the MSRB’s EMMA document repository for further background information. Capitalized terms used but not defined herein shall have their meanings as given in the Indenture.

Interest on the 2019 Bonds is payable on May 1 and November 1 of each year, commencing November 1, 2019, with principal payments due on May 1.

II. OBJECTIVE

Pursuant to the Continuing Disclosure section of the Official Statement and Continuing Disclosure Agreement/Certificate for the Affected Issuance(s), this Annual Report is being provided by the Dissemination Agent for distribution to the MSRB’s EMMA document repository.

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

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III. CUSIP NUMBERS

The CUSIP numbers below are provided for convenience of reference.

CITY OF SAN BRUNO 2013 Taxable Pension Obligation Bonds	
<u>Maturity Date</u>	<u>CUSIP*</u>
7/1/2013	796895AA8
7/1/2014	796895AB6
7/1/2015	796895AC4
7/1/2016	796895AD2
7/1/2017	796895AE0
7/1/2018	796895AF7
7/1/2019	796895AG5
7/1/2020	796895AH3
7/1/2021	796895AJ9
7/1/2022	796895AK6
7/1/2023	796895AL4
7/1/2027	796895AQ3

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CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

SAN BRUNO PUBLIC FINANCING AUTHORITY	
Lease Revenue Bonds, Series 2019	
<u>Maturity Date</u>	<u>CUSIP*</u>
5/1/2020	79689QAA2
5/1/2021	79689QAB0
5/1/2022	79689QAC8
5/1/2023	79689QAD6
5/1/2024	79689QAE4
5/1/2025	79689QAF1
5/1/2026	79689QAG9
5/1/2027	79689QAH7
5/1/2028	79689QAJ3
5/1/2029	79689QAK0
5/1/2030	79689QAL8
5/1/2031	79689QAM6

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FINANCIAL INFORMATION & OPERATING DATA

The following financial information and operating data is provided pursuant to the Continuing Disclosure section of the Official Statement and the Continuing Disclosure Agreement/Certificate.

I. FINANCIAL STATEMENTS

As outlined in the Continuing Disclosure Agreement/Certificate, the financial statements required as part of the Annual Report for the fiscal year ended June 30, 2024, are separately posted to the EMMA document repository.

II. OUTSTANDING INDEBTEDNESS

For details regarding the City’s aggregate principal amount of long-term bonds, leases and other obligations payable out of the General Fund, please see Note 5 (“Long-Term Debt”) in the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

III. HISTORICAL ASSESSED VALUATION

The table below presents a historical and current fiscal year summary of assessed values for secured, unsecured and utility taxable property within the City.

CITY OF SAN BRUNO				
Assessed Values of Taxable Property				
Fiscal Year Ended June 30				
Fiscal Year	Local Secured	Utility	Unsecured	Total Assessed Value
2021	8,834,319,948	167,126	144,575,709	8,979,062,783
2022	9,175,120,730	167,126	130,101,776	9,305,389,632
2023	9,856,861,747	167,126	101,307,134	9,958,336,007
2024	10,626,469,102	167,126	108,248,468	10,734,884,696
2025	11,317,873,165	111,001	126,059,070	11,444,043,236

Source: San Mateo County County Assessor (Urban Analytics, LLC as of 07/12/24).

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

IV. ASSESSED VALUATION BY LAND USE TYPE

For a summary of Assessed Values of Taxable Property by land use type, including for the most recently completed Fiscal Year, please see the table entitled “Assessed Value and Estimated Actual Value of Taxable Property” in the Statistical Section of the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

V. LARGEST PROPERTY TAXPAYERS

For a summary of Largest (Principal) Property Taxpayers for the most recently completed Fiscal Year, please see the table entitled “Principal Property Taxpayers” in the Statistical Section of the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

VI. LEVY AND COLLECTIONS

For a historical summary of Property Tax Levies and Collections, including for the most recently completed Fiscal Year, please see the table entitled “Property Tax Levies and Collections” in the Statistical Section of the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

VII. BUDGET

The table below presents the City’s General Fund budget for Fiscal Years 2024 and 2025, as such budgets have been adopted and/or amended by the City.

CITY OF SAN BRUNO		
General Fund Budget		
	FY 2024	FY 2025
	Adopted Budget	Adopted Budget
Revenues:		
Taxes	\$40,941,513	\$44,907,324
Departmental Revenues	11,454,315	11,221,965
Franchises	1,923,912	1,945,000
Use of Money & Property	3,356,161	5,253,200
Other Revenues	7,235,584	2,235,000
Transfers In from Other Funds	11,085	11,085
Total Revenues	<u>\$64,922,570</u>	<u>\$65,573,574</u>
Expenditures:		
General Administration	\$8,352,322	\$7,890,553
Public Safety	38,001,588	35,132,379
Public Works	5,759,226	4,741,376
Community & Econ. Development	4,470,775	176,911
Community Services	11,666,217	7,724,093
Non-Departmental	1,462,259	9,931,342
Internal Allocations	-4,635,977	24,340
Transfers to Other Funds	1,367,118	1,367,283
Total Expenditures	<u>\$66,443,528</u>	<u>\$66,988,277</u>
Surplus (Deficit)	-\$1,520,958	-\$1,414,703
Beginning Fund Balance, July 1	<u>\$11,979,029</u>	<u>\$10,458,071</u>
Ending Fund Balance, June 30	<u>\$10,458,071</u>	<u>\$9,043,368</u>

Source: City of San Bruno, FY 2025 Adopted Budget (amounts rounded).

VIII. GENERAL FUND BALANCE SHEET

For the General Fund balance sheet for the most recently completed Fiscal Year, please see “Balance Sheet – Governmental Funds – General Fund” in the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

IX. GENERAL FUND REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE

For the General Fund revenues, expenditures and change in fund balance for the most recently completed Fiscal Year, please see the “Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – General Fund” in the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

X. GENERAL FUND TAX REVENUES BY SOURCE

The table below presents a historical summary, including the most recently completed Fiscal Year, of General Fund tax revenues by source.

CITY OF SAN BRUNO					
General Fund Tax Revenues by Source					
Tax Revenue Type	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Property Taxes	\$11,746,610	\$12,097,658	\$12,189,240	\$14,512,567	\$15,256,061
Sales & Use Taxes	7,294,691	13,035,606	17,730,898	17,031,182	17,043,308
Transient Occupancy Taxes	2,617,524	1,247,467	2,408,999	3,459,947	3,542,762
Franchise Taxes	1,861,255	1,798,673	1,863,932	1,980,276	2,076,227
Other Taxes ⁽¹⁾	8,886,068	7,190,174	12,144,396	10,715,581	12,945,512
Total	\$32,406,148	\$35,369,578	\$46,337,463	\$47,699,553	\$50,863,870

(1) Other Taxes include vehicle license fees, cardroom taxes, and business taxes.

Source: City of San Bruno.

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

XI. PERS UNFUNDED LIABILITY AND CONTRIBUTION RATE

For information regarding the City’s unfunded liability with respect to its PERS retirement plan and the current year’s contribution rate, please see the Note 8 (“Public Employees’ Retirement System”) in the financial statements for the fiscal year ended June 30, 2024, separately posted to the EMMA document repository.

XII. SIGNIFICANT EVENTS

In compliance with the Continuing Disclosure Agreement/Certificate, material event notices are posted on the MSRB’s EMMA document repository at the following web address under the “Continuing Disclosure” tab:

\$13,175,000 Taxable Pension Obligation Bonds, Series 2013

<http://emma.msrb.org/IssueView/IssueDetails.aspx?id=EA344424>

\$4,670,000 Lease Revenue Bonds, Series 2019

<https://emma.msrb.org/IssueView/Details/ER389036>

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CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

Affected Issuance(s):

\$11,615,000

SAN BRUNO PUBLIC FINANCING AUTHORITY

Water Revenue Bonds, Series 2017

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INTRODUCTION

I. BACKGROUND

\$11,615,000 2017 Water Revenue Bonds

On December 6, 2017, the San Bruno Public Financing Authority (“Authority”) issued its \$11,615,000 Water Revenue Bonds, Series 2017 (“2017 Bonds”). Proceeds from the sale of the 2017 Bonds were used to: (i) finance the acquisition and construction of certain improvements to the Water System of the City of San Bruno (“City”), and (ii) pay costs of issuing the 2017 Bonds. Please see the Official Statement for the 2017 Bonds as provided online at the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) document repository for further background information. Capitalized terms used but not defined herein shall have their meanings as given in the Indenture.

Interest on the 2017 Bonds is payable on July 1 and January 1 of each year, commencing July 1, 2018, with principal payments due on July 1.

II. OBJECTIVE

Pursuant to the Continuing Disclosure section of the Official Statement and Continuing Disclosure Agreement/Certificate for the Affected Issuance(s), this Annual Report is being provided by the Dissemination Agent for distribution to the MSRB’s EMMA document repository.

This Annual Report has been prepared by Urban Futures, Inc. (“UFI”), at the direction of the City. The information set forth herein has been furnished by the City and/or County, along with other sources believed to be reliable, but no representation as to the accuracy or completeness of any such information is made by the City or UFI. The City and UFI make no representation that this Annual Report contains all information material to make a decision to purchase or sell bonds or any other debt obligations of the City. Any information contained herein which involves estimates, forecasts, projections, and expressions of opinion, whether or not expressly stated, is intended solely as such and is not to be construed as representations of fact by the City or UFI, and no representation is made that such opinions or estimates will be realized. The information, opinions, and estimates herein are subject to change without notice. The City and UFI shall not take responsibility for any statements or information of any kind disseminated to the MSRB or EMMA or any other medium that is not disseminated by and authorized in writing by either the City or UFI.

III. CUSIP NUMBERS

The CUSIP numbers below are provided for convenience of reference.

CITY OF SAN BRUNO 2017 Water Revenue Bonds	
<u>Maturity Date</u>	<u>CUSIP*</u>
7/1/2018	79689TAA6
7/1/2019	79689TAB4
7/1/2020	79689TAC2
7/1/2021	79689TAD0
7/1/2022	79689TAE8
7/1/2023	79689TAF5
7/1/2024	79689TAG3
7/1/2025	79689TAH1
7/1/2026	79689TAJ7
7/1/2027	79689TAK4
7/1/2028	79689TAL2
7/1/2029	79689TAM0
7/1/2030	79689TAN8
7/1/2031	79689TAP3
7/1/2032	79689TAQ1
7/1/2033	79689TAR9
7/1/2034	79689TAS7
7/1/2035	79689TAT5
7/1/2036	79689TAU2
7/1/2039	79689TAV0
7/1/2047	79689TAW8

*CUSIP is a registered trademark of American Bankers Association.

FINANCIAL INFORMATION & OPERATING DATA

The following financial information and operating data is provided pursuant to the Continuing Disclosure section of the Official Statement and the Continuing Disclosure Agreement/Certificate.

I. FINANCIAL STATEMENTS

As outlined in the Continuing Disclosure Agreement/Certificate, the financial statements required as part of the Annual Report for the fiscal year ended June 30, 2024, are separately posted to the EMMA document repository.

II. PRINCIPAL AMOUNT OUTSTANDING

The table below presents the principal amount of the 2017 Bonds outstanding as of June 30, 2024.

CITY OF SAN BRUNO Water System Principal Amount Outstanding as of June 30, 2024		
Bond Issue	Original Issue Amount	Principal Outstanding
2017 Water Revenue Bonds	\$11,615,000	\$10,380,000

Source: City of San Bruno.

III. HISTORICAL BILLINGS AND COLLECTIONS

The following table presents a five-year historical summary of the billing and collection history for the Water System.

CITY OF SAN BRUNO Water System Historical Billings, Collections, and Delinquencies			
Fiscal Year Ended June 30	Billings	Write-off	Write-off as % of Billing
2020	16,866,269	47,044	0.28%
2021	17,602,299	29,598	0.17%
2022	16,581,226	51,727	0.31%
2023	16,238,503	35,202	0.22%
2024	17,567,116	3,382	0.02%

Source: City of San Bruno.

IV. HISTORICAL NET REVENUES & DEBT SERVICE COVERAGE

The table below presents a five-year historical summary of the Net Revenues and debt service coverage for the Water System.

CITY OF SAN BRUNO Water System Historical Net Revenues and Debt Service Coverage					
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Gross Revenues					
Service Fees and Charges	\$16,936,737	\$17,777,900	\$16,770,954	\$16,964,116	\$17,567,116
Investment Income	<u>678,147</u>	<u>253,539</u>	<u>304,486</u>	<u>576,326</u>	<u>214,168</u>
Total Gross Revenues	\$17,614,884	\$18,031,439	\$17,075,440	\$17,540,442	\$17,781,284
Expenses					
Operations and Maintenance	<u>\$9,715,615</u>	<u>\$10,443,967</u>	<u>\$9,486,358</u>	<u>\$13,984,614</u>	<u>\$14,092,708</u>
Water System Net Revenues	\$7,899,269	\$7,587,472	\$7,589,082	\$3,555,828	\$3,688,576
Debt Service					
2017 Water Revenue Bonds	<u>\$681,250</u>	<u>\$679,875</u>	<u>\$677,250</u>	<u>\$678,250</u>	<u>\$678,850</u>
Total Debt Service	\$681,250	\$679,875	\$677,250	\$678,250	\$678,850
Debt Service Coverage	11.60	11.16	11.21	5.24	5.43

Source: City of San Bruno Audited Financial Statements, with calculations by Urban Futures, Inc.

CITY OF SAN BRUNO

Continuing Disclosure Annual Report for the Fiscal Year Ended June 30, 2024

V. WATER RATES & CHARGES

On December 12, 2023, the City adopted a five-year rate schedule for water services for Fiscal Years 2024 to 2028. The tables below summarize the adopted rate schedule for water services, as adjusted by the City for Fiscal Year 2025, and the current connection fee/capacity charge for the Water System.

CITY OF SAN BRUNO					
Water System					
Adopted Rate Schedule - Monthly Quantity Charges					
Quantity	FY 2021	FY 2022⁽²⁾	FY 2023	FY 2024	FY 2025
Single-Family Residential Accounts					
Tier 1: 0-10 hcf ⁽¹⁾	\$9.01	\$9.01	\$9.01	\$9.57	\$10.16
Tier 2: 11-20 hcf	10.78	10.78	10.78	11.42	12.09
Tier 3: Each hcf in excess of 20	14.33	14.33	14.33	15.12	15.95
All Other Accounts: Per each hcf	\$10.11	\$10.11	\$10.11	\$10.68	\$11.28

(1) The amount of water that flows through the water meter is measured in hundred cubic feet. One hundred cubic feet (hcf) is equivalent to 748 gallons.

(2) Due to the impacts of COVID-19, the City cancelled the water rate increase scheduled for FY 2022.

Source: City of San Bruno.

CITY OF SAN BRUNO					
Water System					
Adopted Rate Schedule - Monthly Service Charges					
Fixed Charges by Meter Size	FY 2021	FY 2022⁽¹⁾	FY 2023	FY 2024	FY 2025
Single-Family Residential	\$25.58	\$25.58	\$25.58	\$27.11	\$28.73
All Other Accounts:					
3/4"	\$25.58	\$25.58	\$25.58	\$27.11	\$28.73
1"	42.63	42.63	42.63	45.18	47.88
1-1/2"	85.27	85.27	85.27	90.37	95.77
2"	136.43	136.43	136.43	144.59	153.23
3"	255.80	255.80	255.80	271.10	287.30
4"	426.33	426.33	426.33	451.83	478.33
6"	852.67	852.67	852.67	903.67	957.67
8"	1,364.27	1,364.27	1,364.27	1,445.87	1,532.27
10"	1,961.13	1,961.13	1,961.13	2,078.43	2,202.63

(1) Due to the impacts of COVID-19, the City cancelled the water rate increase scheduled for FY 2022.

Source: City of San Bruno.

CITY OF SAN BRUNO Water System Current Water Connection Fee/Capacity Charge	
Meter Size (inches)	Charge
3/4"	\$8,080
1"	13,455
1-1/2"	26,950
2"	43,113
3"	80,811
4"	134,671
6"	269,385
8"	431,010

Source: City of San Bruno.

VI. PARITY DEBT

During Fiscal Year 2024, the City did not issue any parity debt that is payable from net revenues of the Water System.

VII. SIGNIFICANT EVENTS

In compliance with the Continuing Disclosure Agreement/Certificate, material event notices are posted on the MSRB’s EMMA document repository at the following web address under the “Continuing Disclosure” tab:

\$11,615,000 Water Revenue Bonds, Series 2017

<https://emma.msrb.org/IssueView/IssueDetails.aspx?id=ER383202>