

CITY OF CORONA

Annual Report



COMMUNITY FACILITIES DISTRICT NO. 86-2
(WOODLAKE)

FISCAL YEAR ENDING JUNE 30, 2018



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Community Facilities District No. 86-2
(Woodlake)
Special Tax Refunding Bond 2014 Series A

Bond Profile

Project Description

The Community Facilities District No. 86-2 (the “CFD No. 86-2”) was formed to finance the acquisition of certain public improvements, which have been completed. The Authorized Facilities financed consist of the following: fire station, sewage treatment capacity, water storage reservoir, water distribution facilities, sewer pump station, storm drains, sewer and water facilities, park and recreation facilities, and street improvements.

Location

The CFD No. 86-2 comprises 712 acres located within northeast Corona, south of Norco, north of State Route 91, and east of Interstate 15 generally along Hidden Valley Parkway to the north and south.

2014 Series A Bond

The CFD No. 86-2 Special Tax Refunding Bond 2014 Series A (the “CFD No. 86-2 Bond”) refunded the outstanding 1999 Special Tax Bonds, previously issued. The CFD No. 86-2 Bond was issued in the principal amount of \$7,195,000, with an interest rate of 2.49%, and was issued June 18, 2014. Interest on the CFD No. 86-2 Bond is payable semi-annually on March 1 and September 1. The final maturity of the CFD No. 86-2 Bond is September 1, 2019. The amount of CFD No. 86-2 Bond outstanding as of September 30, 2018, is \$1,510,000.

CFD No. 86-2 is one of the 4 districts included in the City of Corona 2014 Special Tax Refunding Bonds. The 2014 Special Tax Refunding Bonds also refunded Community Facilities Districts No. 89-1, 89-1 IA 1, and 97-2.

Fund Information

The Fund Balances for CFD No. 86-2 as of September 30, 2018 are shown in the following table:

Table 2-1
Fund Balances

Fund Name	Balance
RESERVE-INV W/FISCAL AGENT	\$1,179,694.41
PRINCIPAL-INV W/FISCAL AGENT	\$0.35
INTEREST-INV W/FISCAL AGENT	\$0.00
BOND FUND-INV W/FISCAL AGENT	\$0.00
SPECIAL-INV W/FISCAL AGENT	\$111,323.18
Total	\$1,291,017.94

Reserve Requirement

The Reserve Fund must be maintained at the Reserve Requirement which is defined as of any date of calculation as an amount equal to seventy five percent (75%) of the Maximum Annual Debt Service on the Bond, as determined by the district. **As of September 30, 2018, the balance in the Reserve Fund was \$1,179,694.41 and the Reserve Requirement was \$1,160,699.25.**

Special Tax Information

Special Tax

A Special Tax is collected each year to pay the principal and interest obligations on the CFD No. 86-2 Bond. The amount collected each year is determined by the Special Tax formula and can vary from year to year but shall not exceed the maximum authorized (or permitted) Special Tax rates. The amount levied for Fiscal Year 2018-19 tax year is \$319,980.22.

*Table 3-1
Special Tax Breakdown*

Development Status	Parcels	Levied Amount	Maximum Tax Rate	% of Maximum Special Tax
Developed	1,818	\$319,980.22	\$2,693,866.86	11.88%

Payment History

Delinquency Rate for Fiscal Year 2017-18

As of September 30, 2018, the delinquency rate of CFD No. 86-2 for Fiscal Year 2017-18 is 0.71%.

Information Concerning Delinquent Parcels

CFD No. 86-2 delinquency information as of September 30, 2018 is illustrated below:

*Table 4-1
Delinquency Summary*

Fiscal Year	Levied		Delinquency		
	Parcels	Amount	Parcels	Amount	% Del.
2013-14	1,818	\$1,710,871.20	0	\$0.00	0.00%
2014-15	1,818	\$1,623,902.42	1	\$477.65	0.03%
2015-16	1,818	\$1,516,061.36	1	\$890.42	0.06%
2016-17	1,818	\$1,538,419.00	5	\$3,526.42	0.23%
2017-18	1,818	\$1,535,087.74	17	\$10,871.60	0.71%
Total		\$7,924,341.72	19	\$15,766.09	0.20%

Foreclosure Covenant

The City hereby covenants with and for the benefit of the Owner of the Bond as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) if the amount on deposit in the Reserve Fund is less than the Reserve Requirement it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

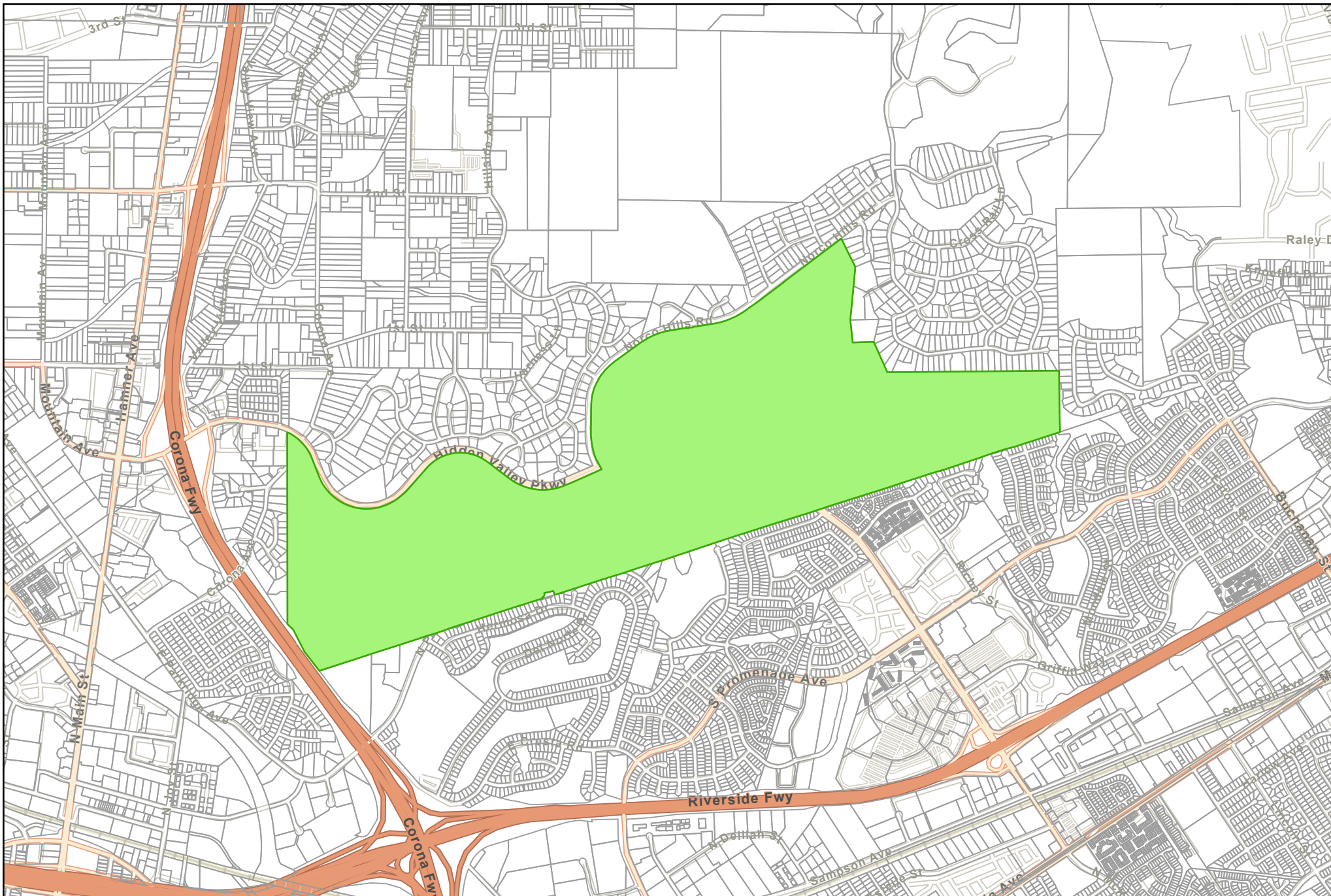
There are no foreclosure actions pending at this time.

APPENDIX A

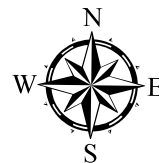
Boundary Map



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Community Facilities District No. 86 - 2



APPENDIX B
Debt Service Schedule



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CITY OF CORONA
CFD 86-2 (WOODLAKE)
Private Placement Refunding 2014 Series A



Issued

06/18/2014

<i>Date</i>	<i>Coupon Rate</i>	<i>Principal</i>	<i>Principal Outstanding</i>	<i>Semi-Annual Interest</i>	<i>Semi-Annual Debt Service</i>	<i>Annual Debt Service</i>
09/01/2014			\$ 7,195,000.00	\$ 36,328.75	\$ 36,328.75	\$ 36,328.75
03/01/2015			\$ 7,195,000.00	\$ 89,577.75	\$ 89,577.75	
09/01/2015	2.490%	\$ 1,370,000.00	\$ 5,825,000.00	\$ 89,577.75	\$ 1,459,577.75	\$ 1,549,155.50
03/01/2016			\$ 5,825,000.00	\$ 72,521.25	\$ 72,521.25	
09/01/2016	2.490%	\$ 1,400,000.00	\$ 4,425,000.00	\$ 72,521.25	\$ 1,472,521.25	\$ 1,545,042.50
03/01/2017			\$ 4,425,000.00	\$ 55,091.25	\$ 55,091.25	
09/01/2017	2.490%	\$ 1,440,000.00	\$ 2,985,000.00	\$ 55,091.25	\$ 1,495,091.25	\$ 1,550,182.50
03/01/2018			\$ 2,985,000.00	\$ 37,163.25	\$ 37,163.25	
09/01/2018	2.490%	\$ 1,475,000.00	\$ 1,510,000.00	\$ 37,163.25	\$ 1,512,163.25	\$ 1,549,326.50
03/01/2019			\$ 1,510,000.00	\$ 18,799.50	\$ 18,799.50	
09/01/2019	2.490%	\$ 1,510,000.00	\$ 0.00	\$ 18,799.50	\$ 1,528,799.50	\$ 1,547,599.00
Total		\$ 7,195,000.00		\$ 582,634.75	\$ 7,777,634.75	\$ 7,777,634.75



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