

CITY OF CORONA

Annual Report



FISCAL YEAR 2019-20

COMMUNITY FACILITIES DISTRICT NO. 89-1 IMPROVEMENT AREA A (FOOTHILL RANCH)



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Community Facilities District No. 89-1
Improvement Area No. 1 (Foothill Ranch)
Special Tax Refunding Bond 2014 Series A

Bond Profile

Project Description

The Community Facilities District No. 89-1 Improvement Area No. 1 (the “CFD No. 89-1 IA 1” or the “District”) was formed to finance the acquisition of certain public improvements, which have been completed. The Authorized Facilities financed consist of the following: streets and street facilities, including traffic signals; water production, treatment, transmission and distribution facilities, or capacity in such facilities; sewage and wastewater collection, transmission, treatment and disposal facilities, or capacity of such facilities; flood control and storm water drainage facilities; parks and recreation facilities; fire protection and suppression facilities, including a fire truck; landscaping; and acquisition of land, rights-of-way and easements necessary for any of those facilities.

Location

CFD No. 89-1 IA 1 is located at the base of the Santa Ana Mountains in the southern part of the City. The District is generally bounded by Chase Drive to the north, Main Street to the west (including Tracts 24596R and 24597), the Cleveland National Forest to the southwest, and Garretson Avenue along the eastern border. A portion of the District also extends east of Garretson Avenue between Upper Drive and Cleveland Way.

2014 Series A Bond

The CFD No. 89-1 IA 1 Special Tax Refunding Bond 2014 Series A (the “2014A Bond”) refunded the outstanding 1999 Special Tax Bonds, previously issued. The 2014A Bond was issued in the aggregate principal amount of \$5,495,000, with an interest rate of 2.70%, and was issued June 18, 2014. Interest on the 2014A Bond is payable semi-annually on March 1 and September 1. The final maturity of the 2014A Bond is September 1, 2020. The amount of 2014A Bond outstanding as of September 30, 2019, is \$980,000.

CFD No. 89-1 IA 1 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. 86-2, 89-1, and 97-2.

Fund Information

The Fund Balances for CFD No. 89-1 IA 1 as of September 30, 2019 are shown in the following table:

Table 2-1
Fund Balances

Fund Name	Balance
RESERVE-INV W/FISCAL AGENT	\$750,067.10
PRINCIPAL-INV W/FISCAL AGENT	\$0.00
INTEREST-INV W/FISCAL AGENT	\$0.00
BOND FUND-INV W/FISCAL AGENT	\$24,539.48
SPECIAL-INV W/FISCAL AGENT	\$64,648.51
Total	\$839,255.09

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, 2019, the balance in the Reserve Fund was \$750,067.10 and the Reserve Requirement was \$754,845.00.**

Special Tax Information*Special Tax*

A Special Tax is collected each year to pay the principal and interest obligations on the CFD No. 89-1 IA 1 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 2019-20 tax year is \$223,324.66.

*Table 3-1
Special Tax Breakdown*

Development Status	Parcels	Levied Amount	Maximum Tax Rate	% of Maximum Special Tax
Developed	1,289	\$223,324.66	\$1,979,009.00	11.28%

Termination of Special Tax

For each Fiscal Year that any bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax as necessary to satisfy the Special Tax Requirement. The Special Tax shall cease not later than the 2019-20 Fiscal Year.

Payment History

Delinquencies are calculated through October 2019 and may reflect parcels that may already be on a payment plan.

Delinquency Rate for Fiscal Year 2018-19

As of October 2019, the delinquency rate of CFD No. 89-1 IA 1 for Fiscal Year 2018-19 is 0.52%.

Information Concerning Delinquent Parcels

CFD No. 89-1 IA 1 delinquency information as of October 2019 is illustrated in the following table:

*Table 4-1
Delinquency Summary*

Fiscal Year	Levied		Delinquency		
	Parcels	Amount	Parcels	Amount	% Del.
2014-15	1,289	\$1,083,171.82	0	\$0.00	0.00%
2015-16	1,289	\$1,015,152.62	1	\$88.88	0.01%
2016-17	1,289	\$996,172.42	3	\$1,655.38	0.17%
2017-18	1,289	\$990,432.14	6	\$4,182.50	0.42%
2018-19	1,289	\$998,910.28	10	\$5,241.55	0.52%
Total		\$5,083,839.28	15	\$11,168.31	0.22%

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 at this time.

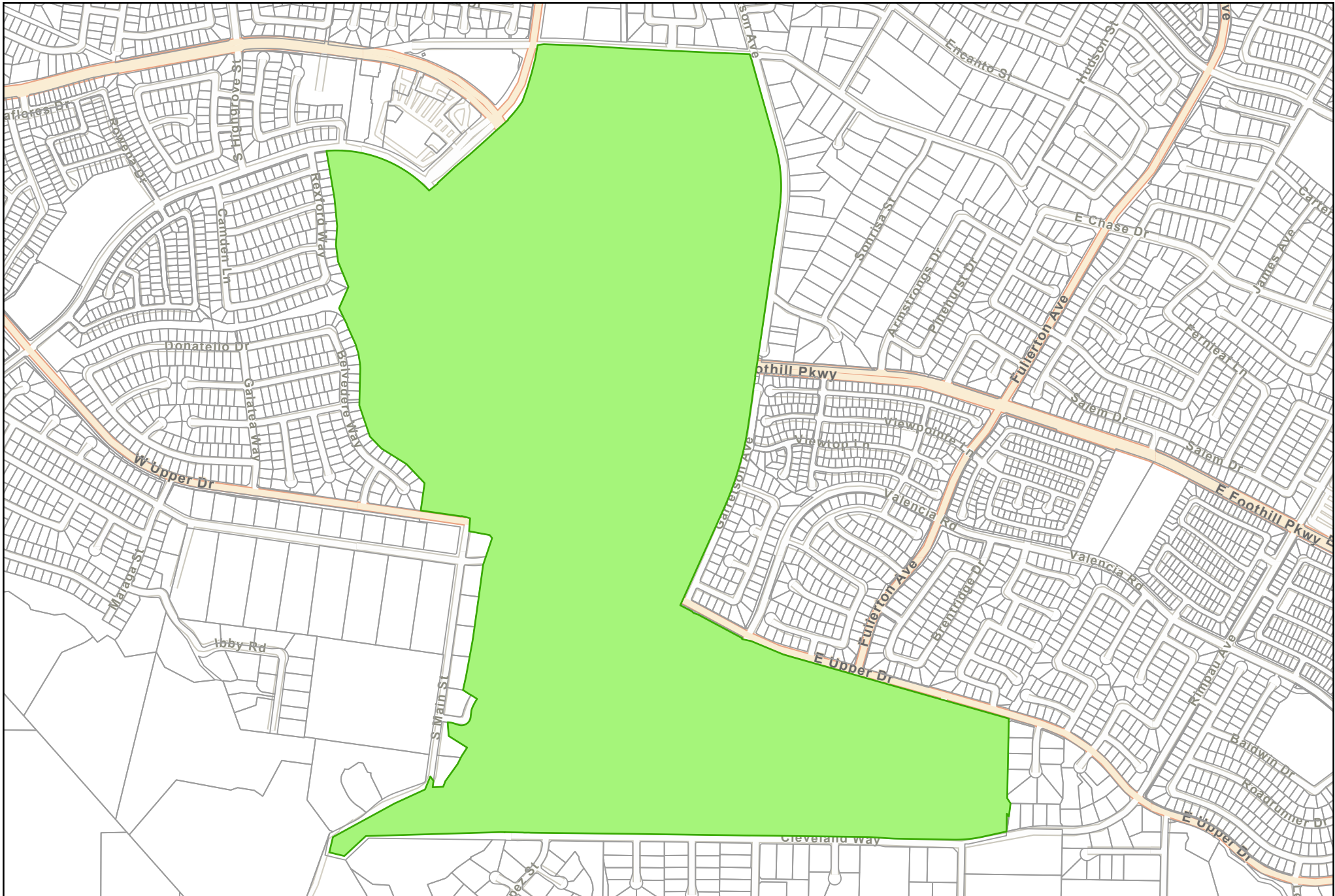


APPENDIX A

Boundary Map



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**Community Facilities District No. 89 - 1
Improvement Area 1**



APPENDIX B

Debt Service Schedule



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CITY OF CORONA
CFD 89-1A 1 (FOOTHILL RANCH)
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			\$ 5,495,000.00	\$ 30,085.13	\$ 30,085.13	\$ 30,085.13
03/01/2015			\$ 5,495,000.00	\$ 74,182.50	\$ 74,182.50	
09/01/2015	2.700%	\$ 855,000.00	\$ 4,640,000.00	\$ 74,182.50	\$ 929,182.50	\$ 1,003,365.00
03/01/2016			\$ 4,640,000.00	\$ 62,640.00	\$ 62,640.00	
09/01/2016	2.700%	\$ 880,000.00	\$ 3,760,000.00	\$ 62,640.00	\$ 942,640.00	\$ 1,005,280.00
03/01/2017			\$ 3,760,000.00	\$ 50,760.00	\$ 50,760.00	
09/01/2017	2.700%	\$ 905,000.00	\$ 2,855,000.00	\$ 50,760.00	\$ 955,760.00	\$ 1,006,520.00
03/01/2018			\$ 2,855,000.00	\$ 38,542.50	\$ 38,542.50	
09/01/2018	2.700%	\$ 920,000.00	\$ 1,935,000.00	\$ 38,542.50	\$ 958,542.50	\$ 997,085.00
03/01/2019			\$ 1,935,000.00	\$ 26,122.50	\$ 26,122.50	
09/01/2019	2.700%	\$ 955,000.00	\$ 980,000.00	\$ 26,122.50	\$ 981,122.50	\$ 1,007,245.00
03/01/2020			\$ 980,000.00	\$ 13,230.00	\$ 13,230.00	
09/01/2020	2.700%	\$ 980,000.00	\$ 0.00	\$ 13,230.00	\$ 993,230.00	\$ 1,006,460.00
Total		\$ 5,495,000.00		\$ 561,040.13	\$ 6,056,040.13	\$ 6,056,040.13



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