

CITY OF LAKE ELSINORE

Annual Report



FISCAL YEAR 2021-22
COMMUNITY FACILITIES DISTRICT NO. 2005-5
(VILLAGES AT WASSON CANYON)



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Community Facilities District No. 2005-5 (Villages at Wasson Canyon) Special Tax A 2021 Special Tax Refunding Bonds

Bond Profile

Project Description

Community Facilities District No. 2005-5 Special Tax A (the “CFD No. 2005-5 Special Tax A”) was formed in August 2005 for the purpose of acquiring or constructing public improvements including streets, streetscape, storm drains, City fees, and fees of the Elsinore Valley Municipal Water District. The development includes 190 residential units at build-out.

Location

Community Facilities District No. 2005-5 (the “CFD No. 2005-5” or the “District”) is located in an area known as Rosetta Hills, which is southeast of Highway 74 and northeast of Interstate 15, and generally encompasses the residential community known as the “Villages at Wasson Canyon”.

Series 2021 Bonds

CFD No. 2005-5 2021 Special Tax Refunding Bonds (the “CFD No. 2005-5 Bonds”) refunded the outstanding Local Agency Revenue Bonds, 2012 Series A Bonds, previously issued by CFD No. 2005-5 on July 17, 2012. The CFD No. 2005-5 Bonds were issued in the principal amount of \$3,465,000, with interest rates ranging from 0.212% to 3.212%, and were issued May 27, 2021. Interest on the CFD No. 2005-5 Bonds is payable semi-annually on March 1 and September 1. The final maturity of the CFD No. 2005-5 Bonds is September 1, 2038. The amount of the CFD No. 2005-5 Bonds outstanding as of September 30, 2021, is \$3,330,000.

CFD No. 2005-5 is one of the five Local Obligations of the City of Lake Elsinore Facilities Financing Authority Refunding Revenue Bonds, Series of 2021 (the “Series 2021 Bonds”). The City of Lake Elsinore FFA Marks–Roos Revenue Pool is also comprised of Community Facilities District Nos. 98-1, 2003-2 IA C, 2003-2 IA D, and 2006-1 IA A.

Fund Information

The Fund Balances for CFD No. 2005-5 Special Tax A as of September 30, 2021 are shown in the following tables:

*Table 1-1
Fund Balances*

Account	Balance
LE CFD2005-5 WASSON 2012A SPEC TX FD	\$1.32
LE CFD2005-5 WASSON 2012A REDEMP	\$575,847.62
Total	\$575,848.94

Reserve Requirement

The Reserve Requirement is defined as; at any date of calculation, an amount equal to the lowest of (i) 10% of the initial principal amount of the Series 2021 Bonds, (ii) Maximum Annual Debt Service on the Outstanding Series 2021 Bonds, or (iii) 125% of the average Annual Debt Service on the Outstanding Series 2021 Bonds. Provided, however, the Reserve Requirement on any calculation date shall not be greater than the Reserve Requirement amount on the closing date, \$2,458,077.90. **The Reserve Requirement for the Series 2021 Bonds will be satisfied at closing by a Debt Service Reserve Insurance Policy issued by Assured Guaranty Municipal Corp.**

Special Tax Information

Special Tax A

A Special Tax A is collected each year to pay the principal and interest obligations on the CFD No. 2005-5 Bonds. The amount collected each year is determined by the Special Tax A formula and can vary from year to year, but shall not exceed the maximum authorized (or permitted) Special Tax A rates. The amount levied for Fiscal Year 2021-22 tax year is \$278,929.86. The Assigned Special Tax A rates for Fiscal Year 2021-22 are as follows:

The Fiscal Year 2005-06 Assigned Special Tax A, identified in the table below, and Backup Tax A shall increase thereafter, commencing on July 1, 2006, and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2.00%) of the amount in effect for the previous Fiscal Year.

Table 1-2
Assigned Special Tax A Rates

Land Use Category	Assigned Special Tax
Developed Residential (Less than 3,100 sq. ft.)	\$1,992.28
Developed Residential (3,100 - 3,224 sq. ft.)	\$1,978.03
Developed Residential (3,225 - 3,349 sq. ft.)	\$1,872.35
Developed Residential (3,350 - 3,474 sq. ft.)	\$1,816.89
Developed Residential (3,475 - 3,599 sq. ft.)	\$1,792.90
Developed Residential (Greater than 3,599 sq. ft.)	\$1,710.45
Non-Residential (per Acre)	\$11,383.28

Table 1-3
Special Tax A Breakdown

Category	Parcels	Levied Amount	Assigned Special Tax	% of Assigned Special Tax
Residential (Less than 3,100 sq. ft.)	116	\$162,165.68	\$198,411.95	81.73%
Residential (3,350 - 3,474 sq. ft.)	37	\$56,621.10	\$69,276.86	81.73%
Residential (3,475 - 3,599 sq. ft.)	9	\$14,550.12	\$17,802.31	81.73%
Residential (Greater than 3,599 sq. ft.)	28	\$45,592.96	\$55,783.94	81.73%
Total	190	\$278,929.86	\$341,275.06	81.73%

Payment History

Delinquencies are calculated through July 2021 and may reflect parcels that may already be on a payment plan.

Delinquency Rate for Fiscal Year 2020-21

As of July 2021, there were no delinquencies in the payment of the Special Tax A for CFD No. 2005-5 for Fiscal Year 2020-21.

Foreclosure Covenant

CFD No. 2005-5 covenants for the benefit of the Owners of the Local Obligations (which is the Authority) and any Local Obligation Parity Bonds that it:

- (i) will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of each Fiscal Year in which such Special Taxes were due, and
- (ii) will commence judicial foreclosure proceedings against all parcels 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 95% of the total Special Tax levied and the amount on deposit in the applicable Reserve Account is at less than the Proportionate Share of the Reserve Requirement, and
- (iii) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid; provided that, notwithstanding the foregoing, CFD No. 2005-5 may elect to defer foreclosure proceedings on any parcel so long as the amount in the Reserve Fund is at least equal to the Reserve Requirement and amount in the Reserve Account is at least equal to the CFD No. 2005-5's Proportionate Share. CFD No. 2005-5 may, but shall not be obligated to, advance funds from any source of legally available funds in order to maintain the Reserve Account. CFD No. 2005-5 may treat any delinquent Special Tax sold to an independent third-party or any funds of the City for at least 100% of the delinquent amount as having been paid. Proceeds of any such sale up to 100% of the delinquent amount will be deposited in the Special Tax Fund.

There are no foreclosure actions pending at this time.

Community Facilities District No. 2005-5 (Villages at Wasson Canyon) Special Tax B

District Profile

Project Description

Community Facilities District No. 2005-5 Special Tax B (the “CFD No. 2005-5 Special Tax B”) was formed in August 2005 for the purpose of paying for the costs associated with the maintenance of parks, open space and storm drains.

Bond Profile and Principal Amount of Bonds Outstanding

CFD No. 2005-5 Special Tax B is a nonbonded portion of the District.

Special Tax Information

Special Tax B

A Special Tax B is collected each year to pay service obligations for CFD No. 2005-5. The amount collected each year is determined by the Special Tax B formula and can vary from year to year, but shall not exceed the maximum authorized (or permitted) Special Tax B rates. The amount levied for Fiscal Year 2021-22 tax year is \$63,118.00. The Maximum Special Tax B rates for Fiscal Year 2021-22 are as follows:

The Fiscal Year 2005-06 Maximum Special Tax B, identified in Table 2-1 below, shall increase thereafter, commencing July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2.00%) of the amount in effect for the previous Fiscal Year.

*Table 2-1
Maximum Special Tax B Rates*

Land Use Category	Maximum Special Tax
Developed Residential (per Unit)	\$332.21
Non-Residential Property (per Acre)	\$748.17

*Table 2-2
Special Tax B Breakdown*

Category	Parcels	Levied Amount	Maximum Special Tax	% of Maximum Special Tax
Developed Property	190	\$63,118.00	\$63,120.69	100.00%

Payment History

Delinquencies are calculated through July 2021 and may reflect parcels that may already be on a payment plan.

Delinquency Rate for Fiscal Year 2020-21

As of July 2021, there were no delinquencies in the payment of the Special Tax B for CFD No. 2005-5 Services for Fiscal Year 2020-21.

APPENDIX A

Boundary Map





BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 2005-5
(VILLAGES at WASSON CANYON)

APPENDIX B

Debt Service Schedule



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CITY OF LAKE ELSINORE
CFD 2005-5 (WASSON CANYON)
LARRB Series 2021



Issued

05/27/2021

Date	Coupon Rate	Principal	Principal Outstanding	Semi-Annual Interest	Semi-Annual Debt Service	Annual Debt Service
09/01/2021	0.212%	\$ 135,000.00	\$ 3,330,000.00	\$ 18,577.99	\$ 153,577.99	\$ 153,577.99
03/01/2022			\$ 3,330,000.00	\$ 35,431.78	\$ 35,431.78	
09/01/2022	0.312%	\$ 155,000.00	\$ 3,175,000.00	\$ 35,431.78	\$ 190,431.78	\$ 225,863.56
03/01/2023			\$ 3,175,000.00	\$ 35,189.98	\$ 35,189.98	
09/01/2023	0.512%	\$ 160,000.00	\$ 3,015,000.00	\$ 35,189.98	\$ 195,189.98	\$ 230,379.96
03/01/2024			\$ 3,015,000.00	\$ 34,780.38	\$ 34,780.38	
09/01/2024	0.719%	\$ 165,000.00	\$ 2,850,000.00	\$ 34,780.38	\$ 199,780.38	\$ 234,560.76
03/01/2025			\$ 2,850,000.00	\$ 34,187.20	\$ 34,187.20	
09/01/2025	1.114%	\$ 175,000.00	\$ 2,675,000.00	\$ 34,187.20	\$ 209,187.20	\$ 243,374.40
03/01/2026			\$ 2,675,000.00	\$ 33,212.45	\$ 33,212.45	
09/01/2026	1.314%	\$ 180,000.00	\$ 2,495,000.00	\$ 33,212.45	\$ 213,212.45	\$ 246,424.90
03/01/2027			\$ 2,495,000.00	\$ 32,029.85	\$ 32,029.85	
09/01/2027	1.614%	\$ 180,000.00	\$ 2,315,000.00	\$ 32,029.85	\$ 212,029.85	\$ 244,059.70
03/01/2028			\$ 2,315,000.00	\$ 30,577.25	\$ 30,577.25	
09/01/2028	1.864%	\$ 190,000.00	\$ 2,125,000.00	\$ 30,577.25	\$ 220,577.25	\$ 251,154.50
03/01/2029			\$ 2,125,000.00	\$ 28,806.45	\$ 28,806.45	
09/01/2029	2.130%	\$ 190,000.00	\$ 1,935,000.00	\$ 28,806.45	\$ 218,806.45	\$ 247,612.90
03/01/2030			\$ 1,935,000.00	\$ 26,782.95	\$ 26,782.95	
09/01/2030	2.230%	\$ 195,000.00	\$ 1,740,000.00	\$ 26,782.95	\$ 221,782.95	\$ 248,565.90
03/01/2031			\$ 1,740,000.00	\$ 24,608.70	\$ 24,608.70	
09/01/2031	2.330%	\$ 200,000.00	\$ 1,540,000.00	\$ 24,608.70	\$ 224,608.70	\$ 249,217.40
03/01/2032			\$ 1,540,000.00	\$ 22,278.70	\$ 22,278.70	
09/01/2032	2.430%	\$ 205,000.00	\$ 1,335,000.00	\$ 22,278.70	\$ 227,278.70	\$ 249,557.40
03/01/2033			\$ 1,335,000.00	\$ 19,787.95	\$ 19,787.95	
09/01/2033	2.830%	\$ 205,000.00	\$ 1,130,000.00	\$ 19,787.95	\$ 224,787.95	\$ 244,575.90
03/01/2034			\$ 1,130,000.00	\$ 16,887.20	\$ 16,887.20	
09/01/2034	2.830%	\$ 215,000.00	\$ 915,000.00	\$ 16,887.20	\$ 231,887.20	\$ 248,774.40
03/01/2035			\$ 915,000.00	\$ 13,844.95	\$ 13,844.95	
09/01/2035	2.830%	\$ 220,000.00	\$ 695,000.00	\$ 13,844.95	\$ 233,844.95	\$ 247,689.90
03/01/2036			\$ 695,000.00	\$ 10,731.95	\$ 10,731.95	
09/01/2036	2.830%	\$ 225,000.00	\$ 470,000.00	\$ 10,731.95	\$ 235,731.95	\$ 246,463.90
03/01/2037			\$ 470,000.00	\$ 7,548.20	\$ 7,548.20	
09/01/2037	3.212%	\$ 230,000.00	\$ 240,000.00	\$ 7,548.20	\$ 237,548.20	\$ 245,096.40
03/01/2038			\$ 240,000.00	\$ 3,854.40	\$ 3,854.40	
09/01/2038	3.212%	\$ 240,000.00	\$ 0.00	\$ 3,854.40	\$ 243,854.40	\$ 247,708.80
Total		\$ 3,465,000.00		\$ 839,658.67	\$ 4,304,658.67	\$ 4,304,658.67



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