

CITY OF LAKE ELSINORE

Annual Report



FISCAL YEAR 2021-22
COMMUNITY FACILITIES DISTRICT NO. 2015-5
(TRIESTE)



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**Community Facilities District No. 2015-5
(Trieste)
2021 Special Tax Refunding Bonds**

Bond Profile

Project Description

In July of 2016 the City of Lake Elsinore (the “City”) formed Community Facilities District No. 2015-5 (the “CFD No. 2015-5” or the “District”). CFD No. 2015-5 is authorized to issue bonds to fund the purchase, construction, modification, expansion, improvement or rehabilitation of certain real or other tangible property.

Location

CFD No. 2015-5 is located at the southern corner of the Highway 74 and Rosetta Canyon Drive intersection, and north of Ardenwood Way. The District will develop 75 units within Tract 36624 that will consist of single family residential properties on approximately 12.97 gross acres.

Bond Profile and Principal Amount of Bonds Outstanding

CFD No. 2015-5 2021 Special Tax Refunding Bonds (the “CFD No. 2015-5 Bonds”) refunded the outstanding Special Tax Bonds, Series 2017, previously issued by CFD No. 2015-5 on August 22, 2017. The CFD No. 2015-5 Bonds were issued in the principal amount of \$1,905,000 with an interest rate of 4.000% and were issued August 5, 2021. Interest is payable semi-annually on March 1 and September 1. The date of the final maturity on the CFD No. 2015-5 Bonds is September 1, 2047. The amount of the CFD No. 2015-5 Bonds Outstanding as of September 30, 2021, is \$1,905,000.

CFD No. 2015-5 is one of the four districts of the Local Obligations of the City of Lake Elsinore Facilities Financing Authority Local Agency Revenue Refunding, Series 2021B (the “Series 2021B Bonds”). The City of Lake Elsinore FFA Marks-Roos Revenue Pool is also comprised of Community Facilities District Nos. 2006-1 IA B, 2006-1 IA FF, and 2007-4.

Fund Information

The Fund Balances for CFD No. 2015-5 as of September 30, 2021 are shown in the following table:

*Table 1-1
Fund Balances*

Account	Balance
LE CFD2015-5 TRIESTE IMPRV	\$170,078.17
Total	\$170,078.17

Reserve Requirement

CFD No. 2015-5 is one of four districts of the Local Obligations of the City of Lake Elsinore Facilities Financing Authority Local Agency Revenue Refunding, Series 2021B. The Reserve Fund is established and maintained at the Authority level and 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 2021B Bonds, (ii) Maximum Annual Debt Service on the Outstanding Series 2021B Bonds, or (iii) 125% of the average Annual Debt Service on the Outstanding Series 2021B Bonds. Notwithstanding the foregoing, in no event will the Reserve Requirement exceed the initial deposit, \$827,400, except in connection with any increase associated with the issuance of Additional Bonds. **The Reserve Requirement for the Series 2021B Bonds will be satisfied by a Reserve Policy in the amount of \$620,550.00, effective as of the date of issuance of the Series 2021B Bonds, plus the cash balance in the Reserve Fund. As of September 30, 2021, the cash balance in the Reserve Fund was \$206,850.00, resulting in a total Reserve Fund balance of \$827,400.00, and the Reserve Requirement is \$827,400.00**

Table 1-2
Reserve Fund (Facilities Financing Authority Series 2021B)

Account	Surety ¹	Cash ²	Balance as of September 30, 2021	Reserve Requirement
LAKE ELSINORE FFA CFD2006-1 IAB RES	\$160,430.51	\$53,476.84	\$213,907.35	\$213,907.35
LAKE ELSINORE FFA CFD2006-1 IAFF RES	\$203,967.42	\$67,989.14	\$271,956.56	\$271,956.56
LAKE ELSINORE FFA CFD2007-4 RES	\$142,538.64	\$47,512.88	\$190,051.52	\$190,051.52
LAKE ELSINORE FFA CFD2015-5 RES	\$113,613.43	\$37,871.14	\$151,484.57	\$151,484.57
Total	\$620,550.00	\$206,850.00	\$827,400.00	\$827,400.00

Assured Guaranty Municipal Corp. ("AGM") has made a commitment to issue, simultaneously with the initial issuance of the Series 2021B Bonds, the Reserve Policy in the amount equal to 75% of the Reserve Requirement for deposit in the Reserve Fund, effective as of the date of issuance of the Series 2021B Bonds. Under the terms of the Reserve Policy, AGM will unconditionally and irrevocably guarantee to pay that portion of the scheduled payments of principal of and interest on the Series 2021B Bonds that become due for payment but shall be unpaid by reason of nonpayment by the Authority, to the extent set forth in the Reserve Policy and in the Indenture.

Special Tax Information

Special Tax

A Special Tax is collected each year to pay the principal and interest obligations on the CFD No. 2015-5 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 \$167,309.40. The Maximum Special Tax A rates for Fiscal Year 2021-22 are as follows:

On each July 1, commencing July 1, 2017, the Assigned Special Tax A for Developed Property shall be increase annually by one percent (1.00%) of the amount in effect in the prior Fiscal Year.

Table 1-3
Assigned Special Tax A Rates

Land Use Category	Assigned Special Tax
Single Family Residential (Less than 2,400 sq. ft.)	\$2,077.85
Single Family Residential (2,400 - 2,600 sq. ft.)	\$2,173.49
Single Family Residential (Greater than 2,600 sq. ft.)	\$2,380.54
Multi-Family Property (per Acre)	\$20,428.48
Non-Residential Property (per Acre)	\$20,428.48

Table 1-4
Special Tax A Breakdown

Category	Parcels	Levied Amount	Assigned Special Tax	% of Assigned Special Tax
Single Family (Less than 2,400 sq. ft.)	20	\$41,556.80	\$41,556.94	100.00%
Single Family (2,400 - 2,600 sq. ft.)	25	\$54,337.00	\$54,337.22	100.00%
Single Family (Greater than 2,600 sq. ft.)	30	\$71,415.60	\$71,416.13	100.00%
Total	75	\$167,309.40	\$167,310.29	100.00%

¹ AGM Reserve Policy (75% of Reserve Requirement) Balance as of September 30, 2021.

² Reserve Cash (25% of Reserve Requirement) Balance as of September 30, 2021.

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. 2015-5 for Fiscal Year 2020-21.

Foreclosure Covenant

CFD No. 2015-5 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
- (iii) will diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid; provided that, notwithstanding the foregoing, CFD No. 2015-5 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 the amount in the Reserve Account is at least equal to CFD No. 2015-5's Proportionate Share. CFD No. 2015-5 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. 2015-5 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 at this time.

Community Facilities District No. 2015-5 (Trieste) Services

District Profile

Project Description

Community Facilities District No. 2015-5 Services (the CFD No. 2015-5 Services") was formed to provide all costs attributable to maintaining, servicing, repairing and/or replacing streetlight improvements (may include reserves for replacement) in public street rights-of-way areas officially dedicated for public use.

Special Tax B (Contingent) shall only be levied if the POA defaults in its obligation to maintain the improvements described above, which default shall be deemed to have occurred in each of the following circumstances: i) the POA files for bankruptcy; ii) the POA is dissolved; iii) the POA ceases to levy annual assessments for the maintenance of the improvements described above; or iv) the POA fails to maintain such improvements at the same level as the City maintains similar improvements throughout the City.

Bond Profile and Principal Amount of Bonds Outstanding

CFD No. 2015-5 Services is a nonbonded portion of the District.

Special Tax Information

Special Tax

For Fiscal Year 2021-22 CFD No. 2015-5 Services was not levied:

On each July 1, commencing on July 1, 2017 the Maximum Special Tax B (Contingent) for Developed Property shall increase by i) the cumulative percentage increase in the Consumer Price Index for all Urban Consumers ("CPI-U") for the Riverside-San Bernardino-Ontario California Standard Metropolitan Statistical area as it stands on March of each year over the preceding Fiscal Year, as published by the Bureau of Labor Statistics of the United States Department of Labor, or ii) by two percent (2.0%), whichever is greater. The Bureau of Labor Statistics of the United States Department of Labor has discontinued the Los Angeles-Riverside-Orange County, CA Index. The Consumer Price Index rate for Fiscal Year 2021-22 is 3.56%.

Table 2-1
Maximum Special Tax B Rates (Services)

Land Use Category	Maximum Special Tax
Single Family Residential	\$62.42
Multifamily Property (per Acre)	\$572.23
Non-Residential Property (per Acre)	\$572.23

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

CFD No. 2015-5 Services has not yet begun to be levied, therefore there were no delinquencies in the payment of the Special Tax B for Fiscal Year 2020-21.

APPENDIX A

Boundary Map





BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 2015-5
(TRIESTE)

APPENDIX B

Debt Service Schedule



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CITY OF LAKE ELSINORE
CFD 2015-5 (TRIESTE)
LARRB, SERIES 2021B



Issued

08/06/2021

Date	Coupon Rate	Principal	Principal Outstanding	Semi-Annual Interest	Semi-Annual Debt Service	Annual Debt Service
03/01/2022			\$ 1,905,000.00	\$ 43,603.33	\$ 43,603.33	
09/01/2022	4.000%	\$ 30,000.00	\$ 1,875,000.00	\$ 38,100.00	\$ 68,100.00	\$ 111,703.33
03/01/2023			\$ 1,875,000.00	\$ 37,500.00	\$ 37,500.00	
09/01/2023	4.000%	\$ 35,000.00	\$ 1,840,000.00	\$ 37,500.00	\$ 72,500.00	\$ 110,000.00
03/01/2024			\$ 1,840,000.00	\$ 36,800.00	\$ 36,800.00	
09/01/2024	4.000%	\$ 40,000.00	\$ 1,800,000.00	\$ 36,800.00	\$ 76,800.00	\$ 113,600.00
03/01/2025			\$ 1,800,000.00	\$ 36,000.00	\$ 36,000.00	
09/01/2025	4.000%	\$ 40,000.00	\$ 1,760,000.00	\$ 36,000.00	\$ 76,000.00	\$ 112,000.00
03/01/2026			\$ 1,760,000.00	\$ 35,200.00	\$ 35,200.00	
09/01/2026	4.000%	\$ 40,000.00	\$ 1,720,000.00	\$ 35,200.00	\$ 75,200.00	\$ 110,400.00
03/01/2027			\$ 1,720,000.00	\$ 34,400.00	\$ 34,400.00	
09/01/2027	4.000%	\$ 45,000.00	\$ 1,675,000.00	\$ 34,400.00	\$ 79,400.00	\$ 113,800.00
03/01/2028			\$ 1,675,000.00	\$ 33,500.00	\$ 33,500.00	
09/01/2028	4.000%	\$ 45,000.00	\$ 1,630,000.00	\$ 33,500.00	\$ 78,500.00	\$ 112,000.00
03/01/2029			\$ 1,630,000.00	\$ 32,600.00	\$ 32,600.00	
09/01/2029	4.000%	\$ 50,000.00	\$ 1,580,000.00	\$ 32,600.00	\$ 82,600.00	\$ 115,200.00
03/01/2030			\$ 1,580,000.00	\$ 31,600.00	\$ 31,600.00	
09/01/2030	4.000%	\$ 55,000.00	\$ 1,525,000.00	\$ 31,600.00	\$ 86,600.00	\$ 118,200.00
03/01/2031			\$ 1,525,000.00	\$ 30,500.00	\$ 30,500.00	
09/01/2031	4.000%	\$ 60,000.00	\$ 1,465,000.00	\$ 30,500.00	\$ 90,500.00	\$ 121,000.00
03/01/2032			\$ 1,465,000.00	\$ 29,300.00	\$ 29,300.00	
09/01/2032	4.000%	\$ 65,000.00	\$ 1,400,000.00	\$ 29,300.00	\$ 94,300.00	\$ 123,600.00
03/01/2033			\$ 1,400,000.00	\$ 28,000.00	\$ 28,000.00	
09/01/2033	4.000%	\$ 65,000.00	\$ 1,335,000.00	\$ 28,000.00	\$ 93,000.00	\$ 121,000.00
03/01/2034			\$ 1,335,000.00	\$ 26,700.00	\$ 26,700.00	
09/01/2034	4.000%	\$ 70,000.00	\$ 1,265,000.00	\$ 26,700.00	\$ 96,700.00	\$ 123,400.00
03/01/2035			\$ 1,265,000.00	\$ 25,300.00	\$ 25,300.00	
09/01/2035	4.000%	\$ 75,000.00	\$ 1,190,000.00	\$ 25,300.00	\$ 100,300.00	\$ 125,600.00
03/01/2036			\$ 1,190,000.00	\$ 23,800.00	\$ 23,800.00	
09/01/2036	4.000%	\$ 75,000.00	\$ 1,115,000.00	\$ 23,800.00	\$ 98,800.00	\$ 122,600.00
03/01/2037			\$ 1,115,000.00	\$ 22,300.00	\$ 22,300.00	
09/01/2037	4.000%	\$ 80,000.00	\$ 1,035,000.00	\$ 22,300.00	\$ 102,300.00	\$ 124,600.00
03/01/2038			\$ 1,035,000.00	\$ 20,700.00	\$ 20,700.00	
09/01/2038	4.000%	\$ 85,000.00	\$ 950,000.00	\$ 20,700.00	\$ 105,700.00	\$ 126,400.00
03/01/2039			\$ 950,000.00	\$ 19,000.00	\$ 19,000.00	
09/01/2039	4.000%	\$ 90,000.00	\$ 860,000.00	\$ 19,000.00	\$ 109,000.00	\$ 128,000.00
03/01/2040			\$ 860,000.00	\$ 17,200.00	\$ 17,200.00	
09/01/2040	4.000%	\$ 90,000.00	\$ 770,000.00	\$ 17,200.00	\$ 107,200.00	\$ 124,400.00
03/01/2041			\$ 770,000.00	\$ 15,400.00	\$ 15,400.00	

CITY OF LAKE ELSINORE
CFD 2015-5 (TRIESTE)
LARRB, SERIES 2021B



Issued

08/06/2021

Date	Coupon Rate	Principal	Principal Outstanding	Semi-Annual Interest	Semi-Annual Debt Service	Annual Debt Service
09/01/2041	4.000%	\$ 95,000.00	\$ 675,000.00	\$ 15,400.00	\$ 110,400.00	\$ 125,800.00
03/01/2042			\$ 675,000.00	\$ 13,500.00	\$ 13,500.00	
09/01/2042	4.000%	\$ 100,000.00	\$ 575,000.00	\$ 13,500.00	\$ 113,500.00	\$ 127,000.00
03/01/2043			\$ 575,000.00	\$ 11,500.00	\$ 11,500.00	
09/01/2043	4.000%	\$ 105,000.00	\$ 470,000.00	\$ 11,500.00	\$ 116,500.00	\$ 128,000.00
03/01/2044			\$ 470,000.00	\$ 9,400.00	\$ 9,400.00	
09/01/2044	4.000%	\$ 110,000.00	\$ 360,000.00	\$ 9,400.00	\$ 119,400.00	\$ 128,800.00
03/01/2045			\$ 360,000.00	\$ 7,200.00	\$ 7,200.00	
09/01/2045	4.000%	\$ 115,000.00	\$ 245,000.00	\$ 7,200.00	\$ 122,200.00	\$ 129,400.00
03/01/2046			\$ 245,000.00	\$ 4,900.00	\$ 4,900.00	
09/01/2046	4.000%	\$ 120,000.00	\$ 125,000.00	\$ 4,900.00	\$ 124,900.00	\$ 129,800.00
03/01/2047			\$ 125,000.00	\$ 2,500.00	\$ 2,500.00	
09/01/2047	4.000%	\$ 125,000.00	\$ 0.00	\$ 2,500.00	\$ 127,500.00	\$ 130,000.00
Total		\$ 1,905,000.00		\$ 1,251,303.33	\$ 3,156,303.33	\$ 3,156,303.33



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