

CITY OF LAKE ELSINORE

Annual Continuing Disclosure Report



FISCAL YEAR 2017-18

COMMUNITY FACILITY DISTRICT NO. 90-2 (TUSCANY HILLS)
SPECIAL TAX PARITY BONDS, 2007 SERIES A

DECEMBER 2018



SPICER CONSULTING
G R O U P

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**City of Lake Elsinore
Community Facilities District No. 90-2
Special Tax Parity Bonds, 2007 Series A
(CUSIP 509634)**

<u>Maturity Date</u> <u>September 1</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>CUSIP Suffix</u>
2024	\$7,340,000	4.500%	AR2

This Annual Continuing Disclosure Report ("Report") for Community Facilities District No. 90-2 Special Tax Parity Bonds, 2007 Series A of the City of Lake Elsinore (the "District" or "CFD No. 90-2"), has been prepared by Spicer Consulting Group, LLC. using data as of September 30, 2018 unless noted otherwise. The information referenced by parenthesis complies with the various sections required from the Form of Continuing Disclosure Agreement for the Bonds. If you have any questions regarding the information provided in this report, please contact the City's Special Tax Consultant, Spicer Consulting Group, LLC. at (866) 504-2067.

Community Facilities District No. 90-2
(Tuscany Hills Public Improvements)
Special Tax Parity Bonds, 2007 Series A

Project Description

The following is a general description of the major public improvements approved to be financed:

Grading: The grading for the public streets, public access roads and public building pads within and in the vicinity of the District.

Street Improvements: The street improvements consist of the curb, gutter, sidewalk, lawn, street lights, storm drain and utilities in the public streets within and in the vicinity of the District.

Domestic Water: The domestic water system consists of three reservoirs, booster pumping stations, pressure reducing stations and the distribution mains and appurtenances in the public streets within and in the vicinity of the District.

Sanitary Sewer: The sewer system consists of gravity sewer, manholes, lift stations, force mains and appurtenances in public streets and public easements within and in the vicinity of the District.

Location

The District is located within the Rancho Laguna Redevelopment Project Area No. II in the City of Lake Elsinore (the "City"). It is generally located adjacent to the northeastern limits of the City. Summerhill Drive serves as the main access from the southwest. The development is bounded on the north by Greenwald Street. Greenwald Street intersects with Highway 74, approximately two miles north of the site, providing access to the cities of Perris and Riverside.

2002 Series A Bonds

Local Agency Revenue Bonds 2002 Series A (the "2002 Series A") in the amount of \$14,470,000, with interest rates ranging from 2.000% to 3.875% were issued October 9, 2002, to finance the public facilities by the District. Interest is payable semi-annually on April 1 and October 1. The date for the final maturity of the Bonds is October 1, 2016. The Principal Amount of the Bonds Outstanding as of October 30, 2018 is \$0.00.

The Bonds have matured as of October 1, 2016.

2007 Series A Bonds (Section 4)

The Special Tax Parity Bonds, 2007 Series A (the "2007 Series A") in the amount of \$7,340,000 were issued March 22, 2007 by the Redevelopment Agency of the City of Lake Elsinore. Interest is payable semi-annually on April 1 and October 1. The date for the final maturity of the Bonds is October 1, 2024. The Principal Amount of the Bonds Outstanding as of September 30, 2018 is \$6,560,000.

There are no remaining unissued Bonds authorized for the District.

Rate and Method of Apportionment

There were no changes to the Rate and Method of Apportionment during Fiscal Year 2017-18.

Additional Bonds

No Additional Bonds or Local Obligation Parity Bonds have been issued by the Authority or by any of the Districts.

The following tables present certain assessed value and development status information of the District.

Table 2-1

Fiscal Year 2018-19 Assessed Value¹ Breakdown by Development (Section 4)

Development Status	Parcels	Total Special Tax FY 2018-19	% of Total Special Tax	Land Value	Structure Value	Total AV for FY 2018-19
Developed	866	\$1,656,504.16	100.00%	\$77,191,138.00	\$219,939,855.00	\$297,130,993.00
Matured ²	161	\$0.00	0.00%	\$12,380,352.00	\$36,439,791.00	\$48,820,143.00
Undeveloped	16	\$0.00	0.00%	\$5,729,248.00	\$0.00	\$5,729,248.00
Total	1,043	\$1,656,504.16	100.00%	\$95,300,738.00	\$256,379,646.00	\$351,680,384.00

¹ Assessed Valuation (AV) is based on information provided in the Riverside County Assessor's records as of January 1, 2018 and may or may not accurately reflect true market value.

² Matured parcels are those classified as Category V that have been levied for 25 years and are no longer subject to the Special Tax.

The District's delinquency information as of August 2018 is illustrated in the table below:

*Table 3-1
Fiscal Year 2017-18 Special Tax Delinquency Table (Section 4)*

APN	FY 2013-14 Del. Amount	FY 2014-15 Del. Amount	FY 2015-16 Del. Amount	FY 2016-17 Del. Amount	FY 2017-18 Del. Amount	Total Delinquency	Date Foreclosure Complaint Filed	Results of Foreclosure Sale
349473014	\$0.00	\$1,010.85	\$2,024.48	\$1,989.02	\$1,986.98	\$7,011.33	N/A	N/A
349491005	\$0.00	\$0.00	\$0.00	\$0.00	\$1,123.32	\$1,123.32	N/A	N/A
349494003	\$0.00	\$0.00	\$0.00	\$0.00	\$2,041.74	\$2,041.74	N/A	N/A
363361005	\$0.00	\$0.00	\$0.00	\$0.00	\$2,115.86	\$2,115.86	N/A	N/A
363361032	\$2,106.18	\$2,152.84	\$2,155.80	\$2,118.02	\$2,115.86	\$10,648.70	N/A	N/A
363362007	\$0.00	\$0.00	\$0.00	\$0.00	\$1,104.44	\$1,104.44	N/A	N/A
363363017	\$0.00	\$0.00	\$0.00	\$0.00	\$1,016.15	\$1,016.15	N/A	N/A
363364001	\$0.00	\$0.00	\$2,179.84	\$2,141.66	\$0.00	\$4,321.50	N/A	N/A
363365067	\$0.00	\$0.00	\$0.00	\$0.00	\$1,104.44	\$1,104.44	N/A	N/A
363383012	\$0.00	\$0.00	\$2,059.12	\$0.00	\$0.00	\$2,059.12	N/A	N/A
363411004	\$0.00	\$0.00	\$0.00	\$2,192.22	\$2,189.98	\$4,382.20	N/A	N/A
363442001	\$0.00	\$0.00	\$0.00	\$0.00	\$1,083.66	\$1,083.66	N/A	N/A
363443006	\$0.00	\$0.00	\$0.00	\$999.47	\$0.00	\$999.47	N/A	N/A
363511013	\$0.00	\$0.00	\$0.00	\$0.00	\$1,557.46	\$1,557.46	N/A	N/A
Total	\$2,106.18	\$3,163.69	\$8,419.24	\$9,440.39	\$17,439.89	\$40,569.39	N/A	N/A

Foreclosure Covenant

The District covenants with and for the benefit of the Bond Owners that it will commence appropriate judicial foreclosure proceedings against parcels with unpaid Special Tax delinquencies within 150 days of the date they are due.

There are no foreclosure actions pending at this time.

Financial Statements (Section 4)

PLEASE NOTE: The City of Lake Elsinore Fiscal Year ended June 30, 2018 Comprehensive Annual Financial Report (CAFR) is submitted to the Municipal Securities Rulemaking Board using EMMA (Electronic Municipal Market Access) under separate cover and is incorporated herein by reference.

2007 Series A Reserve Account (Section 4)

The Reserve Fund must be maintained at the Reserve Requirement which is defined as of any date of calculation as an amount equal to the least of (a) 10% of the total original principal amount of the Bonds, (b) Maximum Annual Debt Service on the Outstanding Bonds, or (c) 125% of average Annual Debt Service on the Outstanding Bonds. **The Reserve Requirement for the 2007 Series A will be satisfied at closing by a Debt Service Reserve Insurance Policy issued by Financial Security Assurance Inc.**

The following events as set forth in Rule 15c2-12 promulgated by the Securities and Exchange Commission are considered material by the District. [\(Section 5\)](#)

- | | |
|---|----------------|
| 1. principal and interest payment delinquencies; | Not Applicable |
| 2. non-payment related defaults; | Not Applicable |
| 3. modifications to rights of the Bondholders, | Not Applicable |
| 4. optional, contingent or unscheduled Bond calls, | Not Applicable |
| 5. defeasances; | Not Applicable |
| 6. rating changes; | Not Applicable |
| 7. adverse tax opinions or events adversely affecting the tax-exempt status of the Bonds; | Not Applicable |
| 8. unscheduled draws on the debt service reserves reflecting financial difficulties; | Not Applicable |
| 9. unscheduled draws on the credit enhancements reflecting financial difficulties; | Not Applicable |
| 10. substitution of credit or liquidity providers, or their failure to perform; and | Not Applicable |
| 11. release, substitution or sale of property securing repayment of the Bonds, | Not Applicable |

Notice for events described in Section 5(a), subsections 4 and 5 of the Disclosure Certificate need not be given under this sub-section any earlier than the notice (if any) of the underlying event given to holders of affected Bonds pursuant to the Fiscal Agent Agreement.

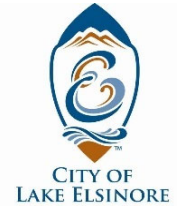
APPENDIX A

Debt Service Schedule



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CITY OF LAKE ELSINORE
CFD 90-2 (TUSCANY HILLS)
Special Tax Parity Bonds, 2007 Series A



Issued

03/22/2007

<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>
10/01/2007	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 173,407.50	\$ 173,407.50	\$ 173,407.50
04/01/2008			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2008	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2009			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2009	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2010			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2010	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2011			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2011	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2012			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2012	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2013			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2013	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2014			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2014	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2015			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2015	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2016			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2016	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2017			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2017	4.500%	\$ 780,000.00	\$ 6,560,000.00	\$ 165,150.00	\$ 945,150.00	\$ 1,110,300.00
04/01/2018			\$ 6,560,000.00	\$ 147,600.00	\$ 147,600.00	
10/01/2018	4.500%	\$ 815,000.00	\$ 5,745,000.00	\$ 147,600.00	\$ 962,600.00	\$ 1,110,200.00
04/01/2019			\$ 5,745,000.00	\$ 129,262.50	\$ 129,262.50	
10/01/2019	4.500%	\$ 855,000.00	\$ 4,890,000.00	\$ 129,262.50	\$ 984,262.50	\$ 1,113,525.00
04/01/2020			\$ 4,890,000.00	\$ 110,025.00	\$ 110,025.00	
10/01/2020	4.500%	\$ 895,000.00	\$ 3,995,000.00	\$ 110,025.00	\$ 1,005,025.00	\$ 1,115,050.00
04/01/2021			\$ 3,995,000.00	\$ 89,887.50	\$ 89,887.50	
10/01/2021	4.500%	\$ 935,000.00	\$ 3,060,000.00	\$ 89,887.50	\$ 1,024,887.50	\$ 1,114,775.00
04/01/2022			\$ 3,060,000.00	\$ 68,850.00	\$ 68,850.00	
10/01/2022	4.500%	\$ 975,000.00	\$ 2,085,000.00	\$ 68,850.00	\$ 1,043,850.00	\$ 1,112,700.00
04/01/2023			\$ 2,085,000.00	\$ 46,912.50	\$ 46,912.50	
10/01/2023	4.500%	\$ 1,020,000.00	\$ 1,065,000.00	\$ 46,912.50	\$ 1,066,912.50	\$ 1,113,825.00
04/01/2024			\$ 1,065,000.00	\$ 23,962.50	\$ 23,962.50	
10/01/2024	4.500%	\$ 1,065,000.00	\$ 0.00	\$ 23,962.50	\$ 1,088,962.50	\$ 1,112,925.00
Total		\$ 7,340,000.00		\$ 4,709,407.50	\$ 12,049,407.50	\$ 12,049,407.50

APPENDIX B

California Debt and Investment Advisory Commission



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Submitted:
Saturday, October 27, 2018
5:49:55PM
CDIAC #: 2007-0183

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year _____

I. GENERAL INFORMATION

A. Issuer Lake Elsinore Redevelopment Agency CFD No 90-2
B. Project Name Tuscany Hills
C. Name/ Title/ Series of Bond Issue Special Tax Parity Bonds 2007 Series A
D. Date of Bond Issue 3/8/2007
E. Original Principal Amount of Bonds \$7,340,000.00
F. Reserve Fund Minimum Balance Required Yes ☒ Amount \$734,000.00 No ☐

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2018
A. Principal Amount of Bonds Outstanding \$6,560,000.00
B. Bond Reserve Fund \$0.00
C. Capitalized Interest Fund \$0.00
D. Construction Fund(s) \$0.00

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed or Appraised Value Reported as of: 1/1/2018
☒ From Equalized Tax Roll
☐ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)
B. Total Assessed Value of All Parcels \$297,130,993.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$1,695,126.76
B. Total Amount of Unpaid Special Taxes Annually \$17,439.89
C. Does this agency participate in the County's Teeter Plan? N

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 8/2/2018
A. Total Number of Delinquent Parcels: 14
B. Total Amount of Taxes Due on Delinquent Parcels: \$40,569.39
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

(Attach additional sheets if necessary.)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00

Submitted:
Saturday, October 27, 2018
5:49:55PM
CDIAC #: 2007-0183

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

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915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year _____

VII. ISSUE RETIRED

This issue is retired and no longer subject to the Yearly Fiscal Status report filing requirements.
(Indicate reason for retirement)

Matured ☐ Redeemed Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:

and redemption date:

If Other:

and date:

VIII. NAME OF PARTY COMPLETING THIS FORM

Name	Melissa Bellitire	
Title	Managing Director	
Firm/ Agency	Spicer Consulting Group, LLC	
Address	41619 Margarita Road, Suite 101	
City/ State/ Zip	Temecula, CA 92591	
Phone Number	(866) 504-2067	Date of Report 10/27/2018
E-Mail	contact@spicercg.com	

IX. ADDITIONAL COMMENTS:

APPENDIX C

Boundary Map



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GROUP