



Annual Disclosure Report Fiscal Year Ending June 30, 2021

**Riverside County
Community Facilities District No. 89-1
(Mountain Cove)
Special Tax Refunding Bonds, Series 2018**

Prepared For



March 2022



Table of Contents

Sections

Section 1.	District Profile	1
Section 2.	Special Taxes	2
Section 3.	Property Ownership	3
Section 4.	Overview of Development Status and Absorption	4
Section 5.	Payment History	5
Section 6.	Bond Funds	6

Tables

Table 2-1.	Special Tax Levy	2
Table 3-1.	Largest Property Owners Subject to Special Taxes	3
Table 3-2.	Value-to-Lien Ratio	3
Table 5-1.	Special Tax Delinquency Summary	5
Table 6-1.	Investment Portfolio	6

Appendices

Appendix A. Debt Service Schedule

Appendix B. District Boundary Map

The information herein for Community Facilities District No. 89-1 of the County of Riverside, (the “District” or “CFD No. 89-1”) was prepared by Webb Municipal Finance, LLC and the Riverside County Executive Office, as Administrators. Except as otherwise noted all information is current as of September 30, 2021.

**Community Facilities District No. 89-1
(Mountain Cove)
Special Tax Refunding Bonds, Series 2018**

Project Description

The District issued bonds to fund a portion of the cost to acquire additional public infrastructure consisting of sanitary sewer, water, storm drain, roadway facilities and to refund the 2006 Refunding Bonds.

Project Location

The District consists of approximately 765 acres and is located approximately five miles southeast of the City of Corona adjacent to the Cleveland National Forest in unincorporated western Riverside County, California.

2018 Refunding Bonds¹

The Series 2018 Special Tax Refunding Bonds (the “Bonds”) in the amount of \$4,185,000 with an interest rate of 2.78% were issued on February 20, 2018. Interest on the Bonds is payable semi-annually on March 1 and September 1. The final maturity of the Bonds is September 1, 2025. The outstanding principal amount of the Bonds as of September 30, 2021 is \$2,255,000.00.

There are no remaining unissued bonds authorized for the District.

¹ Bonds in the amount of \$14,000,000 were issued in June 1991, to finance the public facilities funded by the District. All the 1991 Bonds were redeemed in 2001 with the proceeds of the 2001 Refunding Bonds which were redeemed in 2006 with the proceeds of the 2006 Refunding Bonds. The 2006 Refunding Bonds were redeemed in 2018 with the proceeds of the 2018 Refunding Bonds.

A Special Tax is levied and collected each year to pay the principal and interest obligations on the Bonds of the District. The amount levied each year is determined by the Rate and Method of Apportionment (the "RMA") 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 2021-22 was \$672,096.08 and is based on 1,320 building permits issued within the following tax classes.

The Special Tax rates applied for Fiscal Year 2021-22 are:

Table 2-1
Special Tax Levy

Tax Class	Description	Taxable Unit	Applied Rate per Class	Maximum Tax Rate	No. of DU's, Lots, or Acres Taxed
D-A	Developed Residential DU with 2,001 or more SF	Unit	\$626.22	\$987.00	302
D-B	Developed Residential DU with 1,500-2,000 SF	Unit	\$486.00	\$766.00	777
D-C	Developed Residential DU with 1,499 or less SF	Unit	\$387.02	\$610.00	238
D-NR	Developed Non-Residential Property	Acre	\$1,586.21	\$2,500.00	8.35
AP-Res	Approved Residential Property	Lot		\$800.00	N/A
AP-NR	Approved Non-Residential Property	Acre		\$2,500.00	N/A
GC	Golf Course Property	Acre		\$5,600.00	N/A
UP	Undeveloped Property	Acre		\$7,599.00	N/A

Changes to the Rate and Method of Apportionment

During the prior Fiscal Year, no changes were made to the Rate and Method of Apportionment in CFD No. 89-1.

The following tables present certain property ownership data and the development status of the District.

Table 3-1
Largest Property Owners Subject to Special Taxes Based on Total Special Taxes Levied
Fiscal Year 2021-22

Owner	Parcels	Total Special Taxes FY 2021-22	% of Total Special Taxes	Total AV ² FY 2021-22	% of Total AV
TRILOGY AT GLEN IVY, MAINTENANCE ³	3	\$13,244.88	1.97%	\$0	0.00%
INDIVIDUAL OWNER	3	\$1,458.00	0.22%	\$1,329,319	0.22%
INDIVIDUAL OWNER	2	\$1,112.22	0.17%	\$1,271,475	0.21%
INDIVIDUAL OWNER	2	\$1,112.22	0.17%	\$1,173,787	0.19%
INDIVIDUAL OWNER	2	\$1,112.22	0.17%	\$1,112,802	0.18%
INDIVIDUAL OWNER	2	\$1,112.22	0.17%	\$957,905	0.16%
INDIVIDUAL OWNER	2	\$1,112.22	0.17%	\$903,046	0.15%
INDIVIDUAL OWNER	2	\$1,013.24	0.15%	\$1,074,051	0.18%
INDIVIDUAL OWNER	2	\$972.00	0.14%	\$1,053,441	0.17%
INDIVIDUAL OWNER	2	\$972.00	0.14%	\$718,506	0.12%
Subtotal	22	\$23,221.22	3.46%	\$9,594,332	1.57%
All Others	1,298	\$648,874.86	96.54%	\$603,314,635	98.43%
Total	1,320	\$672,096.08	100.00%	\$612,908,967	100.00%

Table 3-2
Value-to-Lien Ratio Based on Bonds Outstanding
Fiscal Year 2021-22

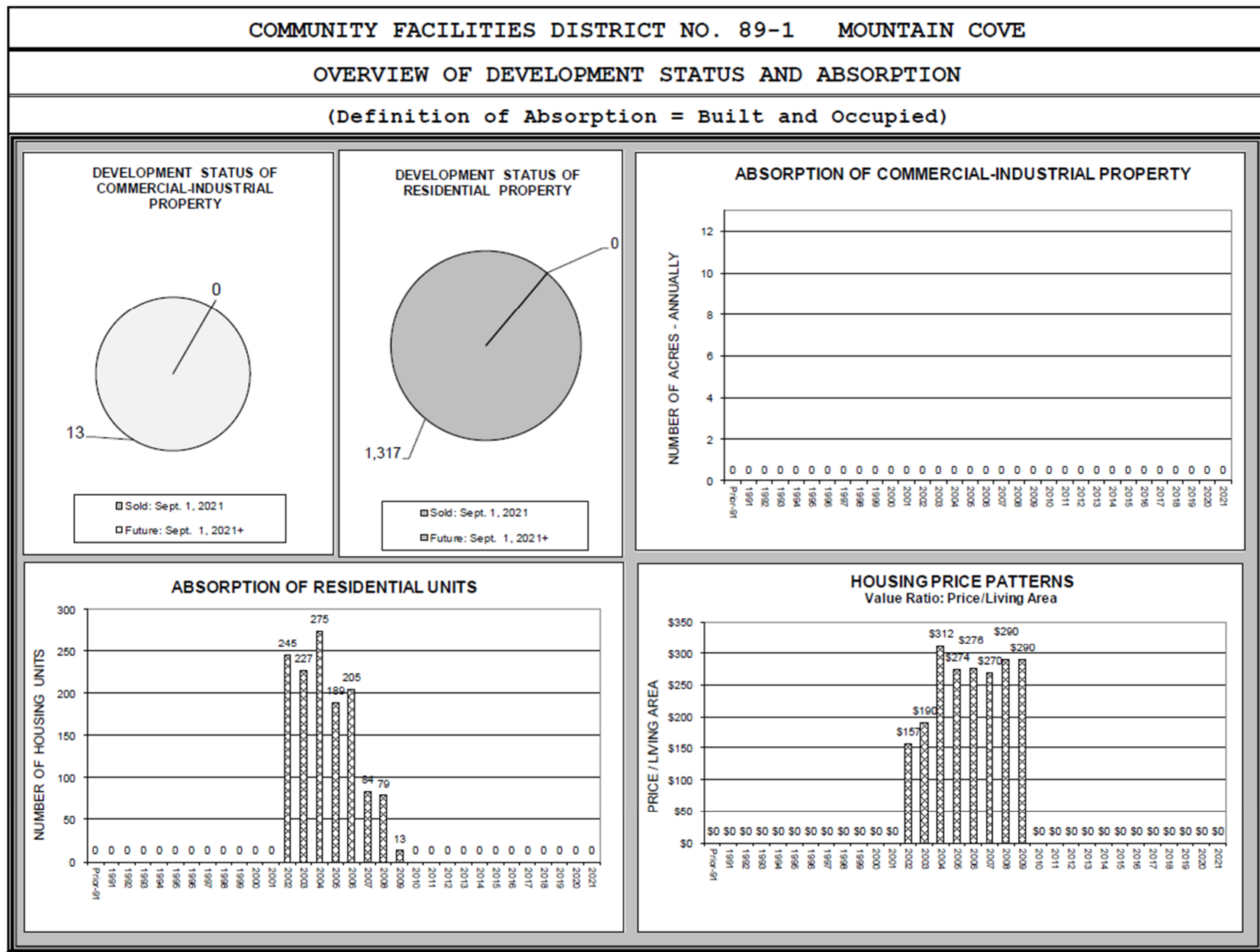
Value-to-Lien Category	Parcels	Total AV FY 2021-22	Principal Amount of Bonds Outstanding	% Outstanding	Value-to-Lien
Less than 100.01:1 ⁴	32	\$3,058,881	\$94,300	4.18%	32.44:1
Between 100.01 – 150.00:1	29	\$5,945,634	\$47,980	2.13%	123.92:1
Between 150.01 – 200.00:1	86	\$26,546,692	\$150,002	6.65%	176.98:1
Between 200.01 – 250.00:1	279	\$107,733,298	\$476,693	21.14%	226.00:1
Between 250.01 – 300.00:1	350	\$161,636,935	\$586,683	26.02%	275.51:1
Between 300.01 – 350.00:1	354	\$189,696,422	\$585,595	25.97%	323.94:1
Greater than 350.00:1 ⁵	190	\$118,291,105	\$313,746	13.91%	377.03:1
Total	1,320	\$612,908,967	\$2,225,000	100.00%	271.80:1

2 Assessed Valuation (AV) is based on information provided in the Riverside County Assessor's records for Fiscal Year 2021-22 and may or may not accurately reflect true market value.

3 Parcels were not assigned Assessed Value by Riverside County due to the ad valorem tax exempt status of each parcel.

4 Includes three parcels owned by Trilogy at Glen Ivy Maintenance which were not assigned Assessed Value by Riverside County due to the ad valorem tax exempt status of each parcel. Not including these parcels, the minimum value-to-lien is 16.00:1.

5 Maximum value-to-lien is 478.98:1.



The following table summarizes the number of delinquent parcels, the amount delinquent, delinquency charges⁶, and the amount due⁷ for each tax year following the refunding in 2006. There are no delinquent parcels in any tax year prior to the refunding. Delinquencies and delinquency charges are calculated as of June 30, 2021.

Table 5-1
Special Tax Delinquency Summary

Fiscal Year	Special Taxes Levied	Delinquent Special Taxes	Delinquency Charges	Total Amount Due	Delinquent Parcels	% Delinquent
2010-11	\$838,212.84	\$0.00	\$0.00	\$0.00	0	0.00%
2011-12	\$845,849.06	\$0.00	\$0.00	\$0.00	0	0.00%
2012-13	\$841,699.82	\$0.00	\$0.00	\$0.00	0	0.00%
2013-14	\$837,331.62	\$0.00	\$0.00	\$0.00	0	0.00%
2014-15	\$827,732.50	\$0.00	\$0.00	\$0.00	0	0.00%
2015-16	\$827,928.16	\$0.00	\$0.00	\$0.00	0	0.00%
2016-17	\$833,971.30	\$0.00	\$0.00	\$0.00	0	0.00%
2017-18	\$833,551.74	\$0.00	\$0.00	\$0.00	0	0.00%
2018-19	\$689,028.62	\$498.24	\$229.19	\$727.43	1	0.07%
2019-20	\$680,287.84	\$1,763.48	\$493.77	\$2,257.25	4	0.26%
2020-21	\$688,751.14	\$10,303.19	\$1,030.32	\$11,333.51	35	1.50%
Total	\$8,744,344.64	\$12,564.91	\$1,753.28	\$14,318.19	38	0.14%

Funds Available for the Payment of Scheduled Debt Service

The current year levy of \$672,096.08 is expected to generate sufficient revenue to cover the full year's debt service of \$622,689.00, without impacting the fully funded Reserve Fund.

Foreclosure Covenant

The foreclosure covenant in the Bond Indenture states that foreclosure proceedings will be initiated against delinquent property with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of each Fiscal Year in which the last of such Special Taxes were due and will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by 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 Taxes levied in such Fiscal Year, and diligently pursue to completion such foreclosure proceedings.

Collection and Foreclosure Actions

As of September 30, 2021, there are no foreclosure actions within the District.

⁶ These charges include a 10% penalty on each past due installment and 1.5% per month "redemption penalty" (or "interest") on the original delinquent amount, which begins to accrue July 1 of the tax year following the delinquency.

⁷ In addition to the amount due, parcels which have an existing foreclosure judgement recorded against them will include judicial foreclosure costs not included in this column.

Table 6-1
Investment Portfolio
As of September 30, 2021⁸

Account	Fund Balance
Special Tax Fund	\$75,250.50
Bond Fund	\$0.00
Reserve Fund	\$62,154.60
Admin Expense Fund	\$5,736.70
Earnings Fund	\$2,578.67
Total	\$145,720.47

Reserve Fund

The Bond Reserve Fund must be maintained at the Reserve Requirement which is defined as of any date of calculation as an amount equal to 10% of Average Annual Debt Service of the Outstanding Bonds. In the event that special tax revenue is insufficient to pay debt service, money may be transferred from this Fund to the Bond Fund. The Bond Reserve Fund will then be replenished by increasing the next year's special tax levy to the extent permitted by law. **As of September 30, 2021 the balance in the Reserve Fund was \$62,154.60 and the Reserve Requirement was \$60,256.58.**

Financial Statements

PLEASE NOTE: The Riverside County Fiscal Year 2020-21 Comprehensive Annual Financial Report (CAFR) and adopted budget shall be provided to the Original Purchaser in accordance with the provisions outlined in the Indenture.

⁸ All investments are in compliance with "authorized investments" as defined in the Series 2018 Indenture, and in accordance with County of Riverside Land Secured Financing District Investment Policy B-19.

APPENDIX A

Debt Service Schedule



County of Riverside

681327 - CFD 89-1 2018 Private Placement Refunding

Payment Date	Interest Rate	Principal	Principal Outstanding	Interest	Semi Annual Debt Service	Annual Debt Service	Call Premium
9/1/2018	2.7800%	\$320,000.00	\$3,865,000.00	\$61,726.43	\$381,726.43	\$381,726.43	0.0000%
3/1/2019			\$3,865,000.00	\$53,723.50	\$53,723.50		0.0000%
9/1/2019	2.7800%	\$525,000.00	\$3,340,000.00	\$53,723.50	\$578,723.50	\$632,447.00	0.0000%
3/1/2020			\$3,340,000.00	\$46,426.00	\$46,426.00		0.0000%
9/1/2020	2.7800%	\$535,000.00	\$2,805,000.00	\$46,426.00	\$581,426.00	\$627,852.00	0.0000%
3/1/2021			\$2,805,000.00	\$38,989.50	\$38,989.50		0.0000%
9/1/2021	2.7800%	\$550,000.00	\$2,255,000.00	\$38,989.50	\$588,989.50	\$627,979.00	0.0000%
3/1/2022			\$2,255,000.00	\$31,344.50	\$31,344.50		0.0000%
9/1/2022	2.7800%	\$560,000.00	\$1,695,000.00	\$31,344.50	\$591,344.50	\$622,689.00	0.0000%
3/1/2023			\$1,695,000.00	\$23,560.50	\$23,560.50		0.0000%
9/1/2023	2.7800%	\$580,000.00	\$1,115,000.00	\$23,560.50	\$603,560.50	\$627,121.00	0.0000%
3/1/2024			\$1,115,000.00	\$15,498.50	\$15,498.50		0.0000%
9/1/2024	2.7800%	\$595,000.00	\$520,000.00	\$15,498.50	\$610,498.50	\$625,997.00	0.0000%
3/1/2025			\$520,000.00	\$7,228.00	\$7,228.00		0.0000%
9/1/2025	2.7800%	\$520,000.00	\$0.00	\$7,228.00	\$527,228.00	\$534,456.00	0.0000%
Totals:		\$4,185,000.00		\$495,267.43	\$4,680,267.43	\$4,680,267.43	
Bond Issue Date:		2/20/2018					
Original Bond Principal:		\$4,185,000.00					

APPENDIX B

District Boundary Map



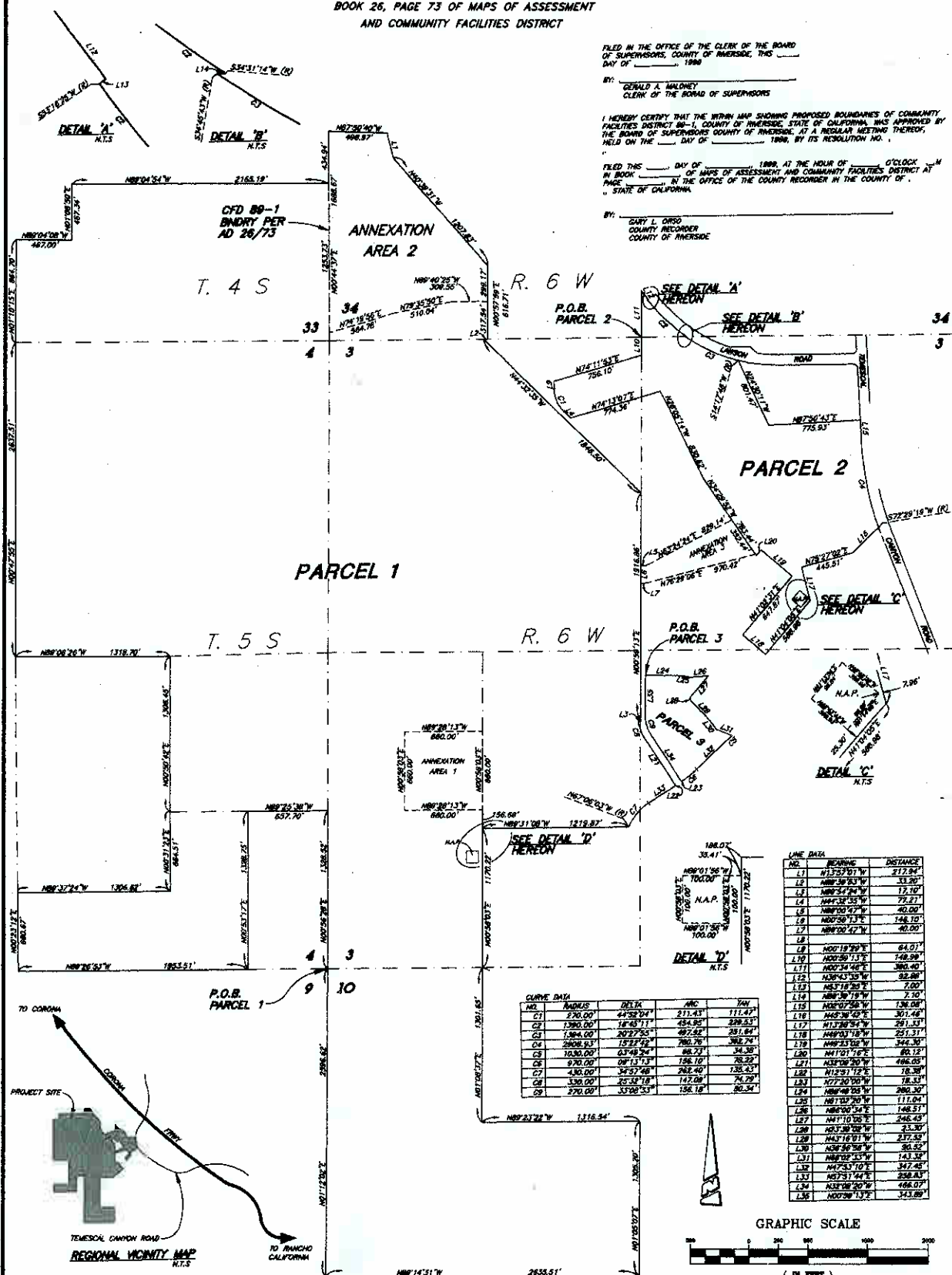
AMENDING MAP RECORDED APRIL 28TH 1989 IN
BOOK 26, PAGE 73 OF MAPS OF ASSESSMENT
AND COMMUNITY FACILITIES DISTRICT

BY: GERALD A. MALONEY
CLERK OF THE BOARD OF SUPERVISORS

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT 80-1, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF _____, 1980, BY ITS RESOLUTION NO. ,

FILED THIS _____ DAY OF _____, 1899, AT THE HOUR OF _____ O'CLOCK
IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT
PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF _____
STATE OF CALIFORNIA.

BY: GARY L. ORSO
COUNTY RECORDER
COUNTY OF RIVERSIDE





6905 Brockton Avenue
Riverside, CA 92506
951.200.8600



www.webbmfinance.com