



# Annual Disclosure Report Fiscal Year Ending June 30, 2021

**Riverside County  
Community Facilities District No. 89-4  
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 Based on Total Special Tax	3
Table 3-2.	Property Breakdown by Development Status	3
Table 3-3.	Value-to-Lien Ratios	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. 89-4 of the County of Riverside, (the “District” or “CFD No. 89-4”) 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. 89-4 Special Tax Refunding Bonds, Series 2018**

### **Project Description**

The District was formed to fund the acquisition and construction of roads, flood control facilities, water and sewer facilities, and park, recreation and open space facilities. The District issued 2005 Series Bonds to fund in part the design, construction, and acquisition of a 3,000-foot sewer facility to be owned and operated by Eastern Municipal Water District and to refund the 1991 Bonds.

### **Project Location**

The District consists of approximately 28.97 net acres and is located within the City of Murrieta. It is bounded by Walsh Center Drive on the north, Hancock Avenue on the east, Murrieta Hot Springs Road on the south and Jackson Avenue on the west.

### **2018 Refunding Bonds**

Special Tax Refunding Bonds, Series 2018 (the “Bonds”) in the amount of \$2,305,000 with an interest rate of 3.09% were issued February 20, 2018. Interest on the Bonds is payable semi-annually on March 1 and September 1. The date for the final maturity of the Bonds is September 1, 2030. The amount of bonds outstanding as of September 30, 2021 is \$1,720,000.

The Bonds were issued in part to defease and refund the outstanding bonds of Community Facilities District 89-4 (Walsh Medical Arts Center) of the County of Riverside, Series 2005 Special Tax Refunding Bonds. All of the 1991 Series Bonds were redeemed in 2005 with the proceeds of the 2005 Refunding Bonds. On January 30, 2018, the Board of Supervisors of the County of Riverside adopted Resolution No. CFD 2018-2 authorizing the issuance of bonds for the District, proceeds of which were used to redeem in full, on March 1, 2018, the outstanding 2005 Bonds maturing on and after September 1, 2018.

There are no remaining unissued bonds authorized for the District.

A Special Tax is levied each year to pay the principal and interest obligations on the Outstanding Bonds of the District. The amount levied 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 Special Tax Levy for Fiscal Year 2021-22 is \$275,143.92.

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

**Table 2-1**  
**Special Tax Levy**

<b>Class</b>	<b>Type of Dwelling Unit</b>	<b>Parcels/ Acres/ Sq. Ft.</b>	<b>Applied Special Tax Rate</b>	<b>Assigned Tax Rate</b>	<b>% of Assigned Tax</b>	<b>Total Applied Special Tax</b>
1	Single Residential Family Property (per parcel)	0	\$0.00	\$598.00	0.00%	\$0.00
2	Multi-Family Residential Property (per acre)	8.19	\$8,162.00	\$8,162.00	100.00%	\$66,846.78
3	Non-Residential Property (per square foot)	173,112	\$1.20	\$1.66	72.29%	\$208,297.14
U	Undeveloped (per acre)	4.66	\$0.00	\$27,062.00	0.00%	\$0.00
<b>Total</b>						<b>\$275,143.92</b>

The maximum Special Tax rate for Class 3 parcels only escalated by 2% each Fiscal Year through Fiscal Year 2015-16.

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

**Table 3-1**  
**Largest Property Owners Based on Total Special Tax and Total Assessed Values<sup>1</sup> (AV)**  
**Fiscal Year 2021-22**

Owner	Parcels	Total Special Taxes FY 2021-22	% of Total Special Taxes	Total AV FY 2021-22	% of Total AV
MURRIETA HEALTH ASSOC LTD PARTNERSHIP	1	\$70,041	25.46%	\$12,213,607	14.82%
MURRIETA 144 APARTMENTS	1	\$66,847	24.30%	\$32,267,487	39.14%
CONTINENTAL EAST FUND IV	2	\$46,104	16.76%	\$12,920,743	15.67%
MURRIETA SPRINGS MEDICAL CENTER	1	\$40,941	14.72%	\$12,313,352	14.94%
40723 MURRIETA HOT SPRINGS RD	2	\$38,710	14.07%	\$9,770,023	11.85%
INDIVIDUAL OWNER	1	\$12,952	4.71%	\$2,945,760	3.57%
<b>Subtotal</b>	<b>8</b>	<b>\$275,144</b>	<b>100.00%</b>	<b>\$82,430,972</b>	<b>100.00%</b>
All Others	0	\$0	0.00%	\$0	0.00%
<b>Total</b>	<b>8</b>	<b>\$275,144</b>	<b>100.00%</b>	<b>\$84,865,889</b>	<b>100.00%</b>

**Table 3-2**  
**Property Breakdown by Development Status<sup>2</sup>**

Development Status	Parcels	Total Special Taxes FY 2021-22	Series 2018 Bonds Outstanding	Total AV FY 2021-22	Value-to-Lien
Developed	8	\$275,144	\$1,720,000	\$82,430,972	47.92:1
Undeveloped	3	\$0	\$0	\$2,434,917	N/A
<b>Total</b>	<b>11</b>	<b>\$275,144</b>	<b>\$1,720,000</b>	<b>\$84,865,889</b>	<b>49.34:1</b>

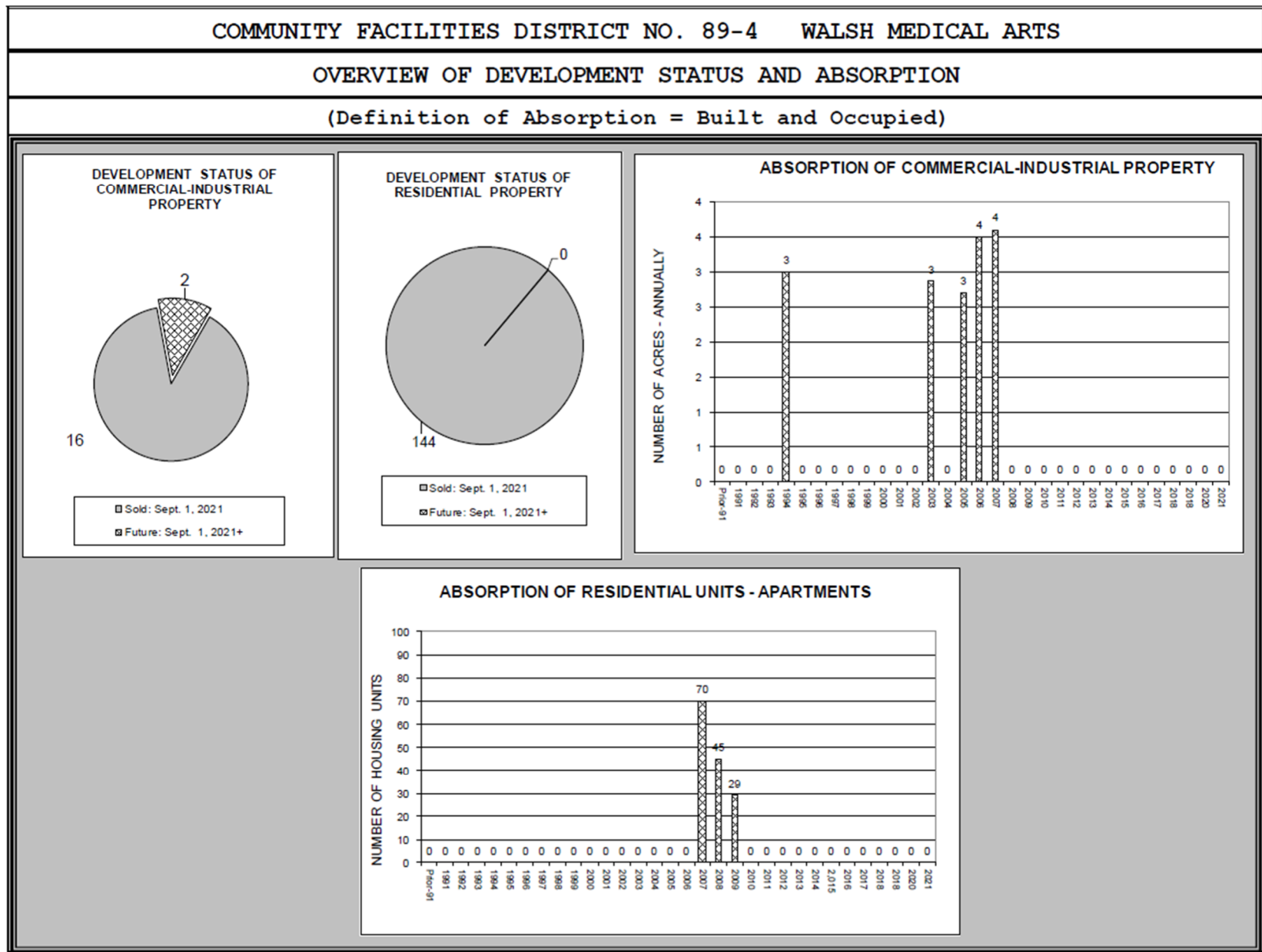
**Table 3-3**  
**Value-to-Lien Ratios Based on Assessed Values and Principal Amount of Bonds Outstanding<sup>3</sup>**

Value-to-Lien Category	Parcels	Total AV FY 2021-22	Series 2018 Bonds Outstanding	% Outstanding	Value-to-Lien
Less than 30.00:1	2	\$15,791,163	\$581,951	33.83%	27.13:1
Between 30.01 – 50.00:1	3	\$22,537,412	\$532,998	30.99%	42.28:1
Between 50.01 – 70.00:1	2	\$11,834,910	\$187,174	10.88%	63.23:1
Greater than 70.00:1	1	\$32,267,487	\$417,878	24.30%	77.22:1
<b>Total</b>	<b>8</b>	<b>\$82,430,972</b>	<b>\$1,720,00</b>	<b>100.00%</b>	<b>47.92:1</b>

<sup>1</sup> 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.

<sup>2</sup> "Developed" is defined as any parcel of Taxable Property: (i) that is included in a Final Map that was recorded prior to the January 1st of the previous Fiscal Year and (ii) a building permit was issued prior to April 1st of the previous Fiscal Year.

<sup>3</sup> Principal Amount of Bonds Outstanding is as of September 30, 2021.



The following table summarizes the number of delinquent parcels, the amount delinquent, the delinquency charges<sup>4</sup>, and the amount due<sup>5</sup> for each tax year. There are no delinquent property owners responsible for more than 5% of the Special Tax. Delinquencies and delinquency charges are calculated through December 10, 2021.

Table 5-1  
Special Tax Delinquency Summary

Fiscal Year	Special Taxes Levied	Delinquent Special Taxes	Delinquency Charges	Amount Due	Delinquent Parcels	% Delinquent
2010-11	\$349,970.00	\$0.00	\$0.00	\$0.00	0	0.00%
2011-12	\$351,054.82	\$0.00	\$0.00	\$0.00	0	0.00%
2012-13	\$355,434.18	\$0.00	\$0.00	\$0.00	0	0.00%
2013-14	\$360,449.18	\$0.00	\$0.00	\$0.00	0	0.00%
2014-15	\$364,891.08	\$0.00	\$0.00	\$0.00	0	0.00%
2015-16	\$348,743.64	\$0.00	\$0.00	\$0.00	0	0.00%
2016-17	\$372,487.76	\$0.00	\$0.00	\$0.00	0	0.00%
2017-18	\$358,679.74	\$0.00	\$0.00	\$0.00	0	0.00%
2018-19	\$275,125.68	\$0.00	\$0.00	\$0.00	0	0.00%
2019-20	\$285,357.24	\$0.00	\$0.00	\$0.00	0	0.00%
2020-21	\$283,415.00	\$0.00	\$0.00	\$0.00	0	0.00%
<b>Total</b>	<b>\$3,705,608.32</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0</b>	<b>0.00%</b>

#### Funds Available for the Payment of Scheduled Debt Service

The March 1, 2022 Debt Service payment was \$26,574.00 for interest only and the September 1, 2022 payment is \$196,574.00 comprised of principal and interest. The current year's levy of \$275,143.92 is sufficient for both the March 1 interest payment and the September 1 principal and interest payments of \$223,148.00, without impacting the fully funded Reserve Fund.

#### Foreclosure Covenant

The District has covenanted for the benefit of the owners of the Bonds that it will commence foreclosure proceedings against parcels with total Special Tax delinquencies in excess of \$5,000 (not including interest and penalties thereon) by the October 1 following the close of each Fiscal Year in which the last of such Special Taxes were due.

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

<sup>4</sup> 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.

<sup>5</sup> In addition to the amount due, parcels which have an existing foreclosure judgment recorded against them will include judicial foreclosure costs not included in this column.

Table 6-1  
Investment Portfolio  
As of September 30, 2021<sup>6</sup>

Account	Fund Balance
Special Tax Fund	\$51,068.46
Admin Exp. Fund	\$5,039.21
Reserve Account	\$114,252.19
Bond Fund	\$284.06
<b>Total</b>	<b>\$170,643.92</b>

### Reserve Fund

The Reserve Fund must be maintained at the Reserve Requirement which is defined, as of any date of calculation, as an amount equal to 50% of the Maximum Annual Debt Service of the Outstanding Bonds. **As of September 30, 2021 the balance in the Reserve Fund was \$114,252.19 and the Reserve Requirement is \$112,156.25.**

### 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.**

<sup>6</sup> Source: U.S. Bank. All investments are in compliance with "permitted investments" as defined in the Indenture dated February 1, 2018, and in accordance with County of Riverside Land Secured Financing District Investment Policy B-19.



## APPENDIX A

---

### Debt Service Schedule



## County of Riverside

## 681328 - CFD 89-4 2018 Private Placement Refunding

Payment Date	Interest Rate	Principal	Principal Outstanding	Interest	Semi Annual Debt Service	Annual Debt Service	Call Premium
9/1/2018	3.0900%	\$95,000.00	\$2,210,000.00	\$37,788.55	\$132,788.55	\$132,788.55	0.0000%
3/1/2019			\$2,210,000.00	\$34,144.50	\$34,144.50		0.0000%
9/1/2019	3.0900%	\$155,000.00	\$2,055,000.00	\$34,144.50	\$189,144.50	\$223,289.00	0.0000%
3/1/2020			\$2,055,000.00	\$31,749.75	\$31,749.75		0.0000%
9/1/2020	3.0900%	\$165,000.00	\$1,890,000.00	\$31,749.75	\$196,749.75	\$228,499.50	0.0000%
3/1/2021			\$1,890,000.00	\$29,200.50	\$29,200.50		0.0000%
9/1/2021	3.0900%	\$170,000.00	\$1,720,000.00	\$29,200.50	\$199,200.50	\$228,401.00	0.0000%
3/1/2022			\$1,720,000.00	\$26,574.00	\$26,574.00		0.0000%
9/1/2022	3.0900%	\$170,000.00	\$1,550,000.00	\$26,574.00	\$196,574.00	\$223,148.00	0.0000%
3/1/2023			\$1,550,000.00	\$23,947.50	\$23,947.50		0.0000%
9/1/2023	3.0900%	\$175,000.00	\$1,375,000.00	\$23,947.50	\$198,947.50	\$222,895.00	0.0000%
3/1/2024			\$1,375,000.00	\$21,243.75	\$21,243.75		0.0000%
9/1/2024	3.0900%	\$180,000.00	\$1,195,000.00	\$21,243.75	\$201,243.75	\$222,487.50	0.0000%
3/1/2025			\$1,195,000.00	\$18,462.75	\$18,462.75		0.0000%
9/1/2025	3.0900%	\$185,000.00	\$1,010,000.00	\$18,462.75	\$203,462.75	\$221,925.50	0.0000%
3/1/2026			\$1,010,000.00	\$15,604.50	\$15,604.50		0.0000%
9/1/2026	3.0900%	\$190,000.00	\$820,000.00	\$15,604.50	\$205,604.50	\$221,209.00	0.0000%
3/1/2027			\$820,000.00	\$12,669.00	\$12,669.00		0.0000%
9/1/2027	3.0900%	\$195,000.00	\$625,000.00	\$12,669.00	\$207,669.00	\$220,338.00	0.0000%
3/1/2028			\$625,000.00	\$9,656.25	\$9,656.25		0.0000%
9/1/2028	3.0900%	\$205,000.00	\$420,000.00	\$9,656.25	\$214,656.25	\$224,312.50	0.0000%
3/1/2029			\$420,000.00	\$6,489.00	\$6,489.00		0.0000%
9/1/2029	3.0900%	\$210,000.00	\$210,000.00	\$6,489.00	\$216,489.00	\$222,978.00	0.0000%
3/1/2030			\$210,000.00	\$3,244.50	\$3,244.50		0.0000%
9/1/2030	3.0900%	\$210,000.00	\$0.00	\$3,244.50	\$213,244.50	\$216,489.00	0.0000%
<b>Totals:</b>		<b>\$2,305,000.00</b>		<b>\$503,760.55</b>	<b>\$2,808,760.55</b>	<b>\$2,808,760.55</b>	

Bond Issue Date: 2/20/2018

Original Bond Principal: \$2,305,000.00

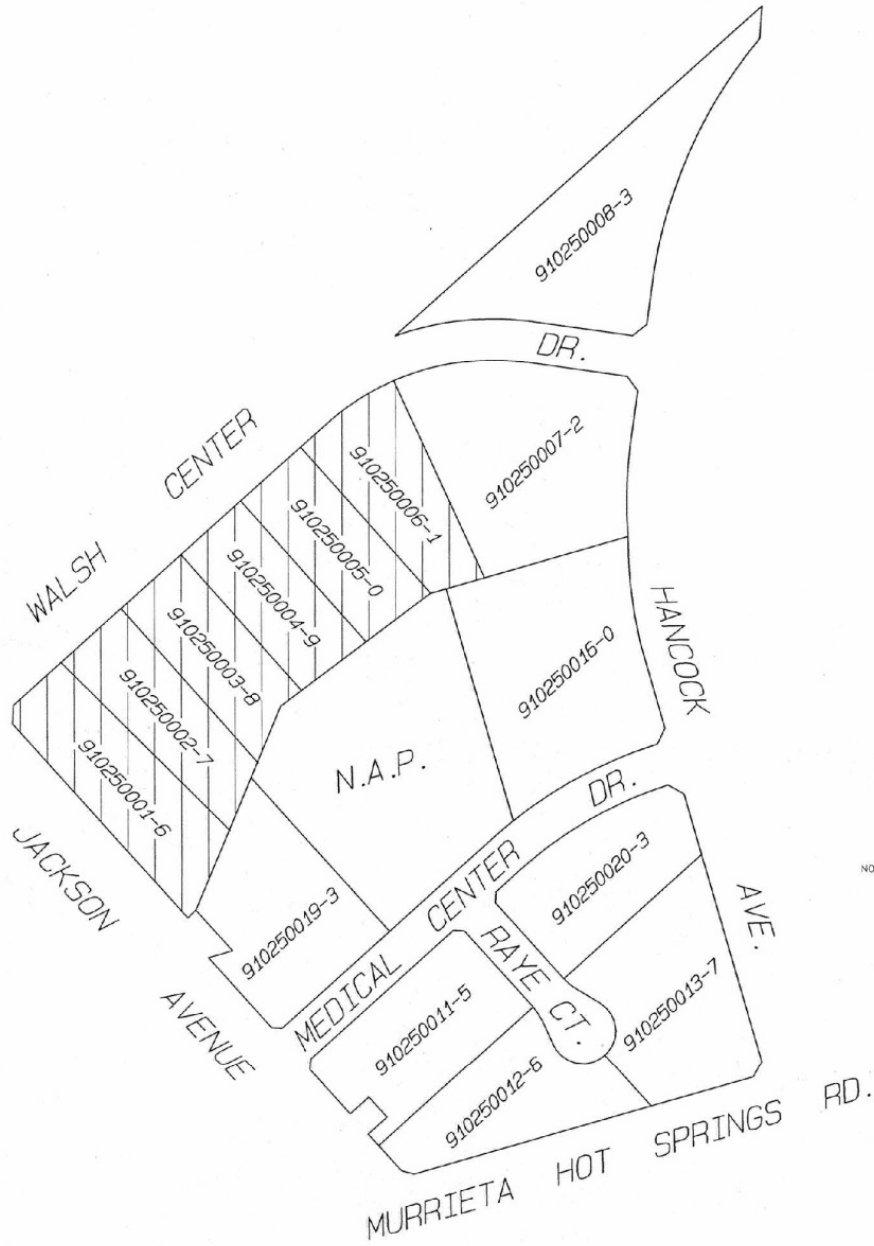
## **APPENDIX B**

---

### **District Boundary Map**



# EXHIBIT 'A'



RESIDENTIAL



NON-RESIDENTIAL



NOT TO SCALE



6905 Brockton Avenue  
Riverside, CA 92506  
951.200.8600



[www.webbmfinance.com](http://www.webbmfinance.com)