



OFFICE OF: FINANCE DEPARTMENT

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March 8, 2016

Municipal Securities Rulemaking Board
1900 Duke Street Suite 600
Alexandria, VA 22314

Fiscal Agent:

Christopher Davy
The Bank of New York Mellon Trust Company, N.A.
400 S. Hope Street, Ste. 400
Los Angeles, CA 90071

Dissemination Agent:

City of Corona
400 South Vicentia Avenue
Corona, CA 92882

Subject: Secondary Market Disclosure
City of Corona
\$7,195,000 Community Facilities District No. 86-2
Special Tax Refunding Bond 2014 Series A

Attached is the Annual Report as required per Section 5.16 of the Fiscal Agent Agreement dated June 1, 2014 in connection with the issuance of the above referenced bonds.

The Annual Report is comprised of the following information, as of June 30, 2015:

A. Audited financial statements – [Comprehensive Annual Financial Report](#)

B. Financial and operating data

- a) Principal amount of bonds outstanding \$ 5,825,000
(as of January 1, 2016)
- b) Balances in the Funds established under the Agreement:
(as of January 1, 2016)
- | | |
|------------------|--------------|
| Reserve Fund | \$ 1,163,297 |
| Special Tax Fund | 159,898 |
| Bond Fund | 622 |

- c) Tables 2, 3, 6, 8 and 9 set forth in the 1999 Official Statement - Attached
 - d) Changes to the Rates and Method of Apportionment of the Special Tax – none
 - e) Status of foreclosure actions for delinquent Special Taxes – 1 property in foreclosure for \$895.56
 - f) Identification of delinquent property owner which represents more than 5% of amount levied – none
 - g) Any additional information provided to CDIAC, not Original Purchaser – none
- C. Significant Event – none

If you have questions related to this Annual Report of the City of Corona, please contact me.

Sincerely,



Patricia Song
Finance Manager
Patricia.Song@ci.corona.ca.us

**Table 2
2015/2016 Special Tax Levy by Rate and Method Category**

**Community Facilities District No. 86-2
City of Corona**

<u>Dwelling Units Per Acre</u>	<u>Number of Dwelling Units</u>	<u>Maximum Special Tax Rate</u>	<u>2015/2016 Assigned Tax Rate</u>	<u>Maximum Special Tax</u>	<u>2015/2016 Special Tax Levy</u>	<u>% of Total 2015/2016 Levy</u>
0.20	24	\$1,970.00	\$1,074.86	\$47,280.00	\$25,796.64	1.70%
0.40	2	1,926.18	1,065.94	3,852.36	2,131.88	0.14%
1.44	178	1,675.60	887.88	298,256.80	158,042.64	10.42%
2.70	62	1,650.17	919.06	102,310.54	56,981.72	3.76%
2.90	104	1,617.79	900.44	168,250.16	93,645.76	6.18%
3.60	114	1,617.06	903.60	184,344.84	103,010.40	6.79%
3.70	146	1,592.30	890.42	232,475.80	130,001.32	8.57%
3.80	76	1,565.10	874.56	118,947.60	66,466.56	4.38%
3.90	67	1,596.87	893.42	106,990.29	59,859.14	3.95%
4.30	103	1,525.04	854.14	157,079.12	87,976.42	5.80%
4.40	95	1,553.14	870.16	147,548.30	82,665.20	5.45%
4.70	36	1,495.07	837.08	53,822.52	30,134.88	1.99%
6.30	153	1,422.85	799.96	217,696.05	122,393.88	8.07%
6.40	104	1,438.77	808.42	149,632.08	84,075.68	5.55%
6.70	156	1,393.61	783.70	217,403.16	122,257.20	8.06%
7.80	335	1,350.06	760.94	452,270.10	254,914.90	16.83%
12.60	<u>63</u>	566.78	566.78	<u>35,707.14</u>	<u>35,707.14</u>	<u>2.36%</u>
Totals	1,818			\$2,693,866.86	\$1,516,061.36	100.00%

Source: Shepherd and Staats, Inc.

Table 3
Summary of 2015/2016 Special Tax Levy By Land Use

Community Facilities District No. 86-2
City of Corona

<u>Land Development Status *</u>	<u>No. of Dwelling Units and Parcels</u>	<u>Percentage of Dwelling Units and Parcels</u>	<u>2015/2016 Special Tax</u>	<u>Percentage of Total 2015/2016 Special Tax</u>	<u>2015/2016 Maximum Tax</u>	<u>Percentage of Total 2015/2016 Maximum Tax</u>
Improved Property	1,813	99.72%	\$1,511,237.32	99.68%	\$2,685,139.06	99.68%
Unimproved Property	<u>5</u>	<u>0.28%</u>	<u>4,824.04</u>	<u>0.32%</u>	<u>8,727.80</u>	<u>0.32%</u>
Totals	1,818	100.00%	\$1,516,061.36	100.00%	\$2,693,866.86	100.00%

* "Improved Property" consists of all parcels on the Assessor's Roll with an improvement value equal to or greater than land value. All other parcels are classified as Unimproved Property.

Source: Shepherd and Staats, Inc.

Table 6 summarizes the Special Tax delinquencies in the District for the last 10 fiscal years

Table 6

Special Tax Delinquency History of CFD 86-2

<i>Fiscal Year</i>	<i>Aggregate Special Tax Levy</i>	<i>Amount Delinquent on 6/30 of the Fiscal Year</i>	<i>Fiscal Year Delinquency Rate</i>	<i>Amount Remaining Delinquent at 6/30/2015</i>	<i>Delinquent Rate at 6/30/2015</i>
2004/2005	1,654,181	70,123	4.24%	0	0.00%
2005/2006	1,721,287	88,812	5.16%	0	0.00%
2006/2007	1,783,005	132,134	7.41%	0	0.00%
2007/2008	1,777,947	166,068	9.34%	896	0.05%
2008/2009	1,852,337	128,064	6.91%	0	0.00%
2009/2010	1,743,275	69,380	3.98%	439	0.03%
2010/2011	1,691,154	44,246	2.62%	468	0.03%
2011/2012	1,723,964	29,057	1.69%	1,824	0.11%
2012/2013	1,719,951	14,023	0.82%	1,424	0.08%
2013/2014	1,710,871	19,372	1.13%	5,157	0.30%
2014/2015	1,623,902	10,740	0.66%	10,740	0.66%
TOTALS	19,001,875	772,020	4.06%	20,948	0.11%

Source: City of Corona

Table 8

Estimated Value-to-Lien Ratios for Taxable Parcels in the District
Based on 2015/2016 Assessed Values and Refunding Bonds

Community Facilities District No. 86-2
 City of Corona

Land Development Status *	2015/2016 Maximum Special Tax	Percentage of Total 2015/2016 Maximum Special Tax	2015/2016 Assessed Value	Estimated Direct Debt	Estimated Assessed Value- -to-Lien
Improved Property	\$2,685,139.06	99.68%	\$588,365,822	\$5,806,465	101.33
Unimproved Property	<u>8,727.80</u>	<u>0.32%</u>	<u>1,341,249</u>	<u>18,535</u>	72.36
Totals	\$2,693,866.86	100.00%	\$589,707,071	\$5,825,000	101.24

* "Improved Property" consists of all parcels on the Assessor's Roll with an improvement value equal to or greater than land value. All other parcels are classified as Unimproved Property.

Source: Shepherd and Staats, Inc.

Table 9

**Estimated Value-to-Lien Ratio Categories for Taxable Parcels in the District
Based on 2015/2016 Assessed Values and Refunding Bonds**

**Community Facilities District No. 86-2
City of Corona**

<u>Estimated Value-to-Lien Ratio</u>	<u>Number of Parcels</u>	<u>Percentage of Parcels</u>	<u>2015/2016 Special Tax Levied</u>	<u>Percentage of 2015/2016 Special Tax Levy</u>
Less than 20:1	0	0.00%	\$0.00	0.00%
Between 20:1 and 29.99:1	1	0.06%	1,074.86	0.07%
Between 30:1 and 39.99:1	1	0.06%	854.14	0.06%
Between 40:1 and 49.99:1	0	0.00%	0.00	0.00%
Between 50:1 and 59.99:1	19	1.05%	15,375.06	1.01%
Between 60:1 and 69.99:1	120	6.59%	99,597.76	6.57%
Between 70:1 and 79.99:1	263	14.47%	218,397.70	14.41%
Between 80:1 and 89.99:1	311	17.11%	255,451.20	16.85%
Between 90:1 and 99.99:1	256	14.08%	212,165.56	13.99%
Greater than 100:1	<u>847</u>	<u>46.58%</u>	<u>713,145.08</u>	<u>47.04%</u>
	1,818	100.00%	\$1,516,061.36	100.00%

Source: Shepherd and Staats, Inc.