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**ADMINISTRATION REPORT
EXECUTIVE SUMMARY**

(FISCAL YEAR 2023-2024)

**RANCHO CALIFORNIA WATER DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 99-2
(WARM SPRINGS II)**

Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds

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Community Facilities District No. 99-2
(Warm Springs II)

Prepared on behalf of:
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EXECUTIVE SUMMARY

This executive summary provides an analysis of the financial and administrative obligations of Community Facilities District No. 99-2 ("CFD No. 99-2") of the Rancho California Water District (the "District") resulting from the sale of \$1,925,000 CFD No. 99-2 2015 Special Tax Refunding Bonds (the "2015 Refunding Bonds"). The CFD No. 99-2 2015 Refunding Bonds are both secured and repaid through the annual levy and collection of special taxes in the CFD.

A Background

CFD No. 99-2 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. CFD No. 99-2 was authorized to issue up to \$3,400,000 in bonds. In March 2000, \$3,150,000 CFD No. 99-2 Special Tax Bonds, Series A of 2000 (the "Prior Bonds") were issued to finance the acquisition of public improvements and the construction of water and sewer connections. In connection with a multiple CFD and assessment district bond refunding, the outstanding Prior Bonds were refunded in July 2005 with a portion of proceeds from the sale of \$15,370,000 2005 Series D Local Agency Revenue Refunding Bonds and \$5,125,000 2005 Series E Local Agency Revenue Refunding Bonds (collectively, the "2005 Authority Bonds").

In connection with a multiple CFD and reassessment district ("RAD") bond refunding, the outstanding 2005 Authority Bonds were refunded in August 2015 with the issuance of 2015 Refunding Bonds, 2015 special tax refunding bonds issued by CFD Nos. 88-3 and 99-1, and 2015 limited obligation refunding bonds issued by RAD No. 2015-32A.

B CFD Description

CFD No. 99-2 (commonly known as "Warm Springs II") encompasses approximately 74.93 gross acres of land located in the City of Murrieta, east of Interstate 215 and south of Murrieta Hot Springs Road. Warm Springs II is fully developed with 270 single family homes.

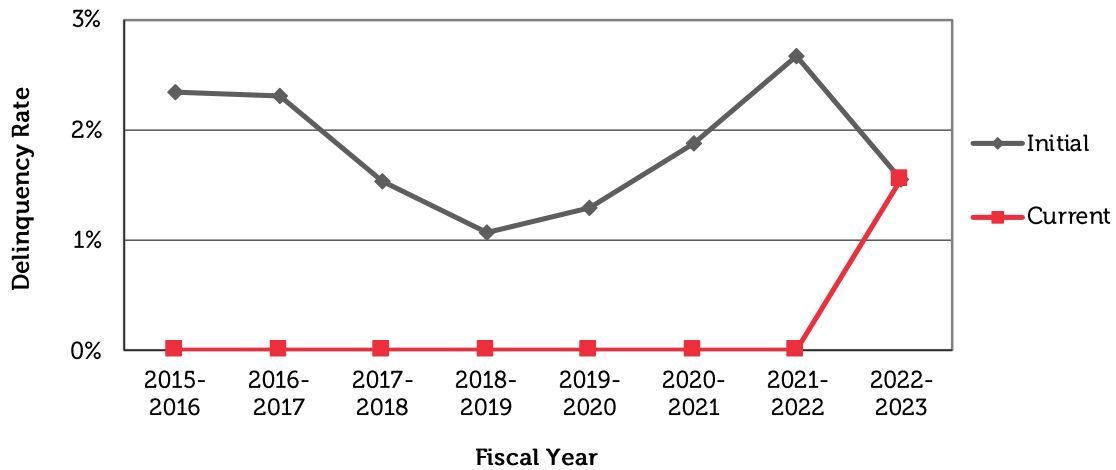
C Delinquent Special Taxes

As of May 15, 2023, the County had collected \$158,612.30 of the \$161,115.70 in special taxes levied for FY 2022-2023 resulting in a delinquency rate of 1.55 percent, as presented in Table 1 on the following page. Graph 1 illustrates the trend of special tax delinquencies in the recent years. Of the 270 parcels that were subject to special tax, six failed to pay all or some of the FY 2022-2023 special taxes in a timely manner.

Table 1
Community Facilities District No. 99-2
Special Tax Delinquencies Summary

Fiscal Year	Amount Enrolled	Current Amount Delinquent	Current Parcels Delinquent	Current % Delinquent	Initial Amount Delinquent	Initial Parcels Delinquent	Initial % Delinquent
2022-2023	\$161,115.70	\$2,503.40	6	1.55%	\$2,503.40	6	1.55%
2021-2022	\$167,460.96	\$0.00	0	0.00%	\$4,472.19	12	2.67%
2020-2021	\$168,655.00	\$0.00	0	0.00%	\$3,185.09	9	1.89%
2019-2020	\$168,585.38	\$0.00	0	0.00%	\$2,198.21	7	1.30%
2018-2019	\$169,712.56	\$0.00	0	0.00%	\$1,826.34	6	1.08%
2017-2018	\$186,664.46	\$0.00	0	0.00%	\$2,869.38	7	1.54%
2016-2017	\$190,063.68	\$0.00	0	0.00%	\$4,410.82	9	2.32%
2015-2016	\$190,420.38	\$0.00	0	0.00%	\$4,482.02	9	2.35%

Graph 1
Community Facilities District No. 99-2
Special Tax Delinquencies Trend



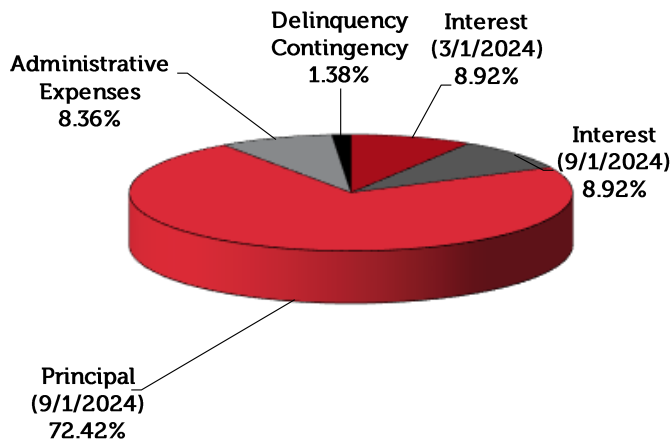
D FY 2023-2024 Special Taxes

CFD No. 99-2's special tax requirement for FY 2023-2024 is equal to \$159,332.46, as presented in Table 2 and Graph 2 below. This amount represents the sum of interest and principal payments due on the 2015 Refunding Bonds, a delinquency contingency, and projected administrative expenses, less available funds projected as of September 1, 2023.

Table 2
Community Facilities District No. 99-2
Fiscal Year 2023-2024 Special Tax Requirement

Debt Service		\$162,037.50
Interest (3/1/2024)	\$16,018.75	
Interest (9/1/2024)	\$16,018.75	
Principal (9/1/2024)	\$130,000.00	
Administrative Expenses		\$15,000.00
Delinquency Contingency (@1.38%)		\$2,470.14
FY 2023-2024 Gross Special Tax Requirement		\$179,507.64
Available Funds		(\$20,175.18)
FY 2023-2024 New Special Tax Requirement		\$159,332.46

Graph 2
Community Facilities District No. 99-2
Fiscal Year 2023-2024 Gross Special Tax Requirement



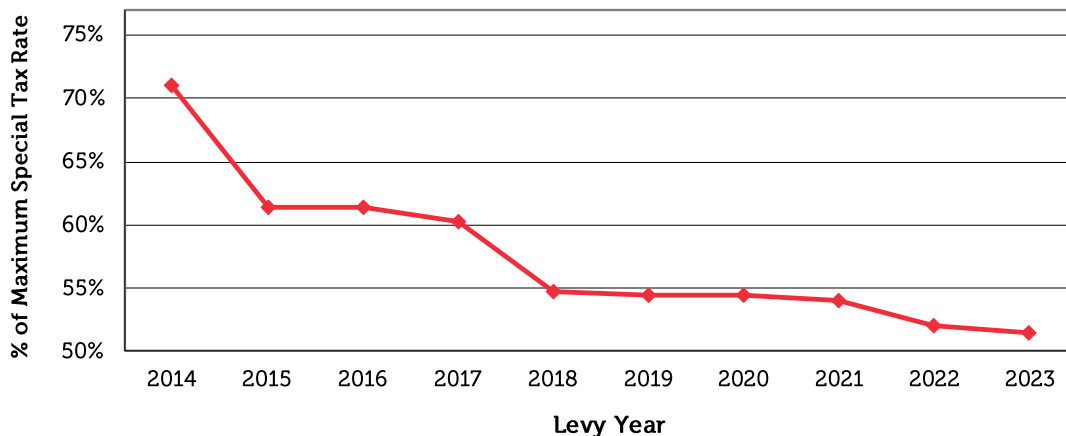
The resulting FY 2023-2024 special tax rates are compared to the FY 2022-2023 special tax rates in Table 3 below. Graph 3 depicts the trend of actual special tax rates during the last ten levy years.

Table 3
Community Facilities District No. 99-2
Fiscal Year 2022-2023 and 2023-2024 Maximum and Actual Special Tax Rates

Class	Designation	Maximum Special Tax A	2022-2023 Special Tax A	% of Maximum	2023-2024 Special Tax A	% of Maximum
1	SFD: ≥ 3,001 SF	\$1,258.00/Unit	\$653.92/Unit	51.98%	\$646.68/Unit	51.41%
2	SFD: 2,701 – 3,000 SF	\$1,151.00/Unit	\$598.30/Unit	51.98%	\$591.68/Unit	51.41%
3	SFD: 2,401 – 2,700 SF	\$1,074.00/Unit	\$558.28/Unit	51.98%	\$552.10/Unit	51.41%
4	SFD: 2,101 – 2,400 SF	\$933.00/Unit	\$484.98/Unit	51.98%	\$479.62/Unit	51.41%
5	SFD: 1,801 – 2,100 SF	\$842.00/Unit	No units	N/A	No units	N/A
6	SFD: < 1,801 SF	\$716.00/Unit	No units	N/A	No units	N/A
7	Commercial & Industrial	\$6,917.00/Unit	No units	N/A	No units	N/A
0	Undeveloped Property	\$6,917.00/Unit	No units	N/A	No units	N/A

The special tax rates levied on Developed Property for FY 2023-2024 are 1.11% lower than the rates levied in 2022-2023.

Graph 3
Community Facilities District No. 99-2
Trend of Actual Special Tax Rates During the Last Ten Years





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