



# COOPERATIVE STRATEGIES

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

## ADELANTO ELEMENTARY SCHOOL DISTRICT

CONTINUING DISCLOSURE ANNUAL REPORT  
FISCAL YEAR ENDING JUNE 30, 2018:  
IMPROVEMENT AREA A OF COMMUNITY FACILITIES DISTRICT NO. 1  
2006 IMPROVEMENT AREA A SPECIAL TAX BONDS  
*BASE CUSIP: 00679N*

JANUARY 31, 2019

**PREPARED FOR:**  
**Adelanto Elementary  
School District**  
11824 Air Expressway  
Adelanto, CA 92301  
T 760.246.8691

**PREPARED BY:**  
**Cooperative Strategies**  
8955 Research Drive  
Irvine, CA 92618  
T 844.654.2421

**Adelanto Elementary School District**  
***Improvement Area A of Community Facilities District No. 1***  
***2006 Improvement Area A Special Tax Bonds***

<u><i>Maturity Date (September 1)</i></u>	<u><i>CUSIP*</i></u>
2008	00679NAA7
2009	00679NAB5
2010	00679NAC3
2011	00679NAD1
2012	00679NAE9
2013	00679NAF6
2014	00679NAG4
2015	00679NAH2
2016	00679NAJ8
2017	00679NAK5
2018	00679NAL3
2019	00679NAM1
2026	00679NAN9
2036	00679NAP4
2036	00679NAQ2

\* CUSIP is a registered trademark of the American Bankers Association.

**List of Participants**

**Issuer**

Adelanto Elementary School District  
11824 Air Expressway  
Adelanto, CA 92301  
Phone: 760.246.8691  
www.aesd.net

**Bond Counsel/District Special Counsel**

Rutan & Tucker LLP  
Central Bank Tower, 611 Anton Boulevard, Suite 1400  
Costa Mesa, CA 92628

**Disclosure Counsel**

Jones Hall, A Professional Law Corporation  
475 Sansome Street, Suite 1700  
San Francisco, CA 94111

**Special Tax Consultant and CFD Administrator**

Cooperative Strategies, LLC  
8955 Research Drive  
Irvine, CA 92618  
Phone: 949.250.8300  
Fax: 949.250.8301  
www.coopstrategies.com

**Fiscal Agent**

Zions Bancorporation, National Association  
550 South Hope Street, Suite 2875  
Los Angeles, CA 90071  
Phone: 213.593.3152  
Fax: 213.593.3160  
www.zionsbank.com

**Underwriter**

UBS Financial Services, Inc.  
c/o Piper Jaffray & Co.  
2321 Rosecrans Avenue, Suite 3200  
El Segundo, CA 90245  
Phone: 310.297.6011

# T.O.C.

<b>SECTION</b>	<b>PAGE</b>
<b>I. ISSUER'S STATEMENT -----</b>	<b>1</b>
<b>II. FINANCIAL INFORMATION -----</b>	<b>2</b>
<b>III. BOND INFORMATION -----</b>	<b>3</b>
A. Principal Amount of Bonds Outstanding -----	3
B. Fund, Account and Subaccount Balances -----	3
C. Reserve Requirement -----	4
D. Status of Projects -----	4
<b>IV. SPECIAL TAXES -----</b>	<b>5</b>
A. Changes to the Second Amended Rate and Method of Apportionment ---	5
B. Prepayments -----	5
C. Special Tax Budget -----	5
D. Debt Service Coverage -----	5
E. Special Tax Levy -----	6
F. Major Taxpayers -----	6
G. Special Tax Delinquencies -----	6
H. Special Tax Foreclosures -----	7
<b>V. ASSESSED VALUES AND LAND SECURED BONDED INDEBTEDNESS ---</b>	<b>8</b>
A. Assessed Value Summary -----	8
B. Overlapping Debt Report -----	8
C. Assessed Value and Value-to-Lien Ratios -----	8
<b>VI. REPORTS AND ADDITIONAL INFORMATION -----</b>	<b>9</b>
A. Report to the California Debt and Investment Advisory Commission ----	9
B. Listed Events -----	9
C. Additional Information -----	10

**EXHIBITS**

**EXHIBIT A:**

Debt Service Schedule

**EXHIBIT B:**

Fund, Account, and Subaccount Balances

**EXHIBIT C:**

Second Amended Rate and Method of Apportionment

**EXHIBIT D:**

Annual Debt Service Coverage Summary Table

**EXHIBIT E:**

Special Tax Levy Summary Tables

**EXHIBIT F:**

Assessed Value Summary Table

**EXHIBIT G:**

Detailed Direct and Overlapping Debt Report

**EXHIBIT H:**

Report to the California Debt and Investment Advisory Commission

## I. ISSUER'S STATEMENT

This Annual Report ("Report") has been prepared pursuant to the Continuing Disclosure Certificate ("Disclosure Certificate") executed in connection with the issuance of the 2006 Improvement Area ("IA") A Special Tax Bonds ("Bonds") by IA A of Community Facilities District ("CFD") No. 1 of the Adelanto Elementary School District ("School District").

The School District has agreed under the Disclosure Certificate and pursuant to Rule 15c2-12 of the Securities and Exchange Commission to provide certain annual financial information, operating data, and notices of certain listed events via the Electronic Municipal Market Access ("EMMA") system, a service of the Municipal Securities Rulemaking Board. This Report has been prepared by Cooperative Strategies at the direction of the School District, for the benefit of the owners of the Bonds and the Participating Underwriter.

Any information contained herein which involves estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The information set forth herein has been furnished by the School District, or other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Report nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School District or IA A of CFD No. 1 since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given them in the Disclosure Certificate.

For a detailed listing of information provided in this Report, please contact Cooperative Strategies at [taxinfo@coopstrategies.com](mailto:taxinfo@coopstrategies.com). Information requested, in accordance with the Disclosure Certificate, will be uploaded to the Electronic Municipal Market Access website. Please visit <https://emma.msrb.org> for any updates.

Adelanto Elementary School District

## II. FINANCIAL INFORMATION

The School District's annual audited financial statements for Fiscal Year 2017/2018 are available online at <http://emma.msrb.org/> and are hereby incorporated by reference.

The School District's annual financial statements are provided solely to comply with the Securities Exchange Commission staff's interpretation of Rule 15c2-12. No funds or assets of IA A of CFD No. 1 or the School District are required to be used to pay debt service on the Bonds, and neither IA A of CFD No. 1 nor the School District is obligated to advance available funds to cover any delinquencies. Investors should not rely on the financial condition of IA A of CFD No. 1 or the School District in evaluating whether to buy, hold, or sell the Bonds.

### III. BOND INFORMATION

**2006 Improvement Area A Special Tax Bonds.** The Bonds were issued in the amount of \$17,360,000 on June 29, 2006. The Bonds were issued to (i) finance the acquisition and construction of certain school facilities and improvements to be owned and operated by the School District of the benefit to the property in IA A of CFD No. 1, (ii) finance the acquisition and construction of certain school facilities and improvements to be owned and operated by the Victor Valley Union High School District ("High School District") of benefit to the property in IA A of CFD No. 1, (iii) finance certain roadway improvements to be owned and operated by the City of Victorville, (iv) finance sewer facilities included in Victorville Sanitary District's sewer capacity and connection fee programs with respect to the property in IA A of CFD No. 1, (v) fund a reserve fund for the Bonds, (vi) fund capitalized interest on the Bonds through September 1, 2007, (vii) pay certain administrative expenses of IA A of CFD No. 1, and (viii) pay the costs of issuing the Bonds.

The Bonds are limited obligations of IA A of CFD No. 1 and are payable solely from revenues of the "Net Taxes" which is defined as Special Taxes levied within IA A of CFD No. 1 less the Administrative Expense Requirement. The Bonds are not a debt of the School District, the State of California, or any of its political subdivisions.

The items below summarize information required by the Disclosure Certificate.

#### A. Principal Amount of Bonds Outstanding

The outstanding principal amount of the Bonds, as of September 30, 2018, was \$13,455,000.00. The debt service schedule for the Bonds is included as Exhibit A.

#### B. Fund, Account, and Subaccount Balances

The fund, account, and subaccount balances for the Bonds, as of September 30, 2018 are included in Exhibit B.



**C. Reserve Requirement**

As of September 30, 2018, the Reserve Requirement for the Bonds was \$1,184,370.00; therefore, the Reserve Requirement was satisfied as of this date.

**D. Status of Projects**

**2006 Improvement Area A Special Tax Bonds.** Construction proceeds generated from the issuance of the Bonds were used to fund (i) K-8 school facilities to be owned and operated by the School District including Westcreek Elementary School, central administration support facilities, and planning for future school facilities; to fund (ii) road improvements to be owned by the City of Victorville ("City") including those to Hook Boulevard, Mojave Drive, and Amethyst Road; and to fund (iii) sewer and storm drain improvements to be owned by the Victorville Sanitation District including storm water channel improvements in an around the project.

IA A of CFD No. 1 does not have any additional information regarding the specific facilities constructed for the City or the Victorville Sanitation District. The last payment from Bond proceeds occurred on October of 2006 and the Westcreek Elementary School construction project was completed in August of 2006.

Investment earnings on Bond construction proceeds remaining on deposit three (3) years after the issuance of the Bonds must be immediately restricted to yields below the yield on the Bonds. Cooperative Strategies has confirmed with the Fiscal Agent of IA A of CFD No. 1 that the yields on the remaining Bond construction proceeds are in compliance with the above statement.

#### IV. SPECIAL TAXES

IA A of CFD No. 1 has covenanted to annually levy the Special Tax in accordance with the Second Amended Rate and Method of Apportionment ("RMA") so long as the Bonds are outstanding. The items below summarize information required by the Disclosure Certificate.

##### A. Changes to the Second Amended Rate and Method of Apportionment

There has been no change to the RMA since the date of the Official Statement. A copy of the RMA has been included as Exhibit C.

##### B. Prepayments

There has been no prepayment of the Special Tax since the date of the Official Statement.

##### C. Special Tax Budget

A summary of the Fiscal Year 2018/2019 Special Tax budget is outlined below.

#### Special Tax Budget

<b>FY 2018/2019 Obligations</b>		<b>\$1,574,308.66</b>
Interest Payment Due March 1, 2019	\$357,926.25	
Interest Payment Due September 1, 2019	\$357,926.25	
Principal Payment Due September 1, 2019	\$465,000.00	
Administrative Expense Budget for Fiscal Year 2018/2019	\$45,276.23	
Direct Construction of Authorized Facilities/Special Tax Delinquencies	\$348,179.93	
<b>Less: Prior Years Remaining Funds</b>		<b>\$330,904.08</b>
<b>Special Tax Requirement</b>		<b>\$1,243,404.58</b>

##### D. Debt Service Coverage

At the time the Bonds were sold, IA A of CFD No. 1 represented that, the amount of Net Taxes, if levied in accordance with the RMA, would annually yield revenue in an amount not less than 1.10 times the annual debt service on the Bonds.

In Fiscal Year 2018/2019, the amount of Net Taxes yield 129.49% of the annual debt service on the Bonds. An Annual Debt Service Coverage Summary Table has been included as Exhibit D.

**E. Special Tax Levy**

Summaries of the Fiscal Year 2017/2018 Special Tax levy and the Fiscal Year 2018/2019 Special Tax levy are included as Exhibit E.

**F. Major Taxpayers**

"Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy. The Major Taxpayers and their respective share of the Special Tax obligation for Fiscal Year 2018/2019 are shown in the table below.

**Major Taxpayers**

Property Owner	Fiscal Year 2018/2019 Special Tax Levy		Total Assessed Value [1]	
	Amount	Percentage	Amount	Percentage
Victorville 115 Lots LP	\$110,982.58	8.93%	\$2,370,802.00	1.70%
Individual Homeowners	\$1,132,422.00	91.07%	\$136,771,029.00	98.30%
<b>Total [2]</b>	<b>\$1,243,404.58</b>	<b>100.00%</b>	<b>\$139,141,831.00</b>	<b>100.00%</b>

[1] Total Assessed Value as reported on the Fiscal Year 2018/2019 equalized tax roll of the County of San Bernardino.  
 [2] Totals may not sum due to rounding.

**G. Special Tax Delinquencies**

Historical Special Tax delinquencies within IA A of CFD No. 1 are shown in the table below.

**Historical Special Tax Delinquencies**

Fiscal Year	Subject Fiscal Year [1]						June 30, 2018		
	Parcel Levied	Aggregate Special Tax	Total Annual Special Taxes Collected	Parcels Delinquent	Fiscal Year Amount Delinquent	Fiscal Year Delinquency Rate	Parcels Delinquent	Remaining Amount Delinquent	Remaining Delinquency Rate
2009/2010	669	\$1,344,832.54	\$1,308,807.22	23	\$36,025.32	2.68%	0	\$0.00	0.00%
2010/2011	669	\$1,359,383.70	\$992,955.40	147	\$366,428.30	26.96%	1	\$1,638.54	0.12%
2011/2012	669	\$1,346,474.88	\$990,811.47	145	\$355,663.41	26.41%	2	\$3,429.08	0.25%
2012/2013	669	\$1,346,103.88	\$988,454.25	144	\$357,649.63	26.57%	2	\$3,038.08	0.23%
2013/2014	669	\$1,410,412.40	\$1,398,003.99	10	\$12,408.41	0.88%	3	\$5,067.62	0.36%
2014/2015	522	\$963,001.26	\$944,771.41	12	\$18,229.85	1.89%	1	\$1,965.60	0.20%
2015/2016	563	\$1,033,071.98	\$1,020,284.26	10	\$12,787.72	1.24%	4	\$5,238.42	0.51%
2016/2017	599	\$1,110,422.70	\$1,087,391.83	16	\$23,030.87	2.07%	9	\$12,349.76	1.11%
2017/2018	629	\$1,175,322.22	\$1,160,525.93	11	\$14,796.29	1.26%	11	\$14,796.29	1.26%

[1] Section 4 (c) of the Disclosure Certificate requires delinquency information as of August 1st. However, due to the availability of tax information from the County of San Bernardino delinquencies are as of June 30th.

## **H. Special Tax Foreclosures**

IA A of CFD No. 1 has covenanted that it will commence judicial foreclosure proceedings against any parcel with aggregate delinquent Special Taxes in excess of \$5,000 by the September 13<sup>th</sup> following the close of each Fiscal Year in which such Special Taxes were due and will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the September 13<sup>th</sup> 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.

After reviewing the level of delinquencies within IA A of CFD No. 1 as of June 15, 2018, it was determined that IA A of CFD No. 1 was not required to initiate foreclosure proceedings for Fiscal Year 2017/2018.

## V. ASSESSED VALUES AND LAND SECURED BONDED INDEBTEDNESS

The assessed values and direct and overlapping land secured bonded indebtedness on individual parcels vary among parcels within IA A of CFD No. 1. The value of the debt burden on individual parcels is significant because in the event of a delinquency in the payment of Special Taxes IA A of CFD No. 1 may foreclose only against delinquent parcels. The items below summarize information required by the Disclosure Certificate.

### A. Assessed Value Summary

A summary of the assessed value of the property within IA A of CFD No. 1, distinguishing between the assessed value of improved parcels and unimproved parcels, are included as Exhibit F.

### B. Overlapping Debt Report

Certain overlapping local agencies provide public services and assess property taxes, assessments, special taxes and other charges on the property in IA A of CFD No. 1. Many of these local agencies have outstanding debt. The direct and overlapping debt affecting the property in IA A of CFD No. 1 as of the date of this Report is outlined in Exhibit G. Exhibit G was prepared by National Tax Data, Inc., and has not been reviewed for completeness or accuracy by the School District or Cooperative Strategies. Additional indebtedness could be authorized by the School District or other public agencies at any time.

### C. Assessed Values and Value-to-Lien Ratios

The assessed values and value-to-lien ratios for taxable parcels within IA A of CFD No. 1 are shown in the table below.

**Assessed Values and Value-to-Lien Ratios**

Major Taxpayers	Number of Lots	Fiscal Year 2018/2019 Special Taxes	Total Assessed Value <sup>[1]</sup>	2006 Improvement Area A Special Tax Bonds	
				Principal Amount Outstanding	Value-to- Lien Ratio
Victorville 115 Lots LLP	56	\$110,982.58	\$2,223,610.00	\$1,200,953.12	4.99:1
Individual Homeowners	613	\$1,132,422.00	\$136,771,029.00	\$12,254,046.88	9.24:1
<b>Total <sup>[3]</sup></b>	<b>669</b>	<b>\$1,243,404.58</b>	<b>\$138,994,639.00</b>	<b>\$13,455,000.00</b>	<b>8.95:1</b>

*[1] Total Assessed Value as reported on the Fiscal Year 2018/2019 equalized tax roll of the County of San Bernardino.*

## **VI. REPORTS AND ADDITIONAL INFORMATION**

Below is a summary of various other reports and information regarding the Bonds which are required by the Disclosure Certificate.

### **A. Report to the California Debt and Investment Advisory Commission**

A copy of the report prepared and filed with the California Debt and Investment Advisory Commission pursuant to Section 53359.5(b) of the Act for Fiscal Year 2017/2018 is included as Exhibit H.

### **B. Listed Events**

Pursuant to the Disclosure Certificate, IA A of CFD No. 1 shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the security;
- (vii) Modifications to rights of security holders;
- (viii) Contingent or unscheduled bond calls;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities; and
- (xi) Rating changes.

None of these events occurred in Fiscal Year 2017/2018.

**C. Additional Information**

In addition to any of the information expressly required to be provided by the Disclosure Certificate, IA A of CFD No. 1 shall provide such further information, if any, as may be necessary to make the specifically required statements, in light of the circumstances under which they are made, not misleading.

After careful review it has been determined that there is no such information for Fiscal Year 2017/2018.

*S:\Clients\Adelanto ESD\SADM\CFDs\CFD No. 1 Improvement Area A\FY1718\Reports\Continuing Disclosure\ContDisc.Adelanto1IAA\_1718\_Fn.PDF*

**EXHIBIT A**

**Debt Service Schedule**



**Debt Service Schedule**  
*Adelanto Elementary School District*  
*Improvement Area A of Community Facilities District No. 1*  
*2006 Improvement Area A Special Tax Bonds*

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal Amount/ Sinking Fund Payment</u>	<u>Interest</u>	<u>Total Debt Service</u>
2006	\$0.00	\$155,982.96	\$155,982.96
2007	\$0.00	\$905,707.50	\$905,707.50
2008	\$280,000.00	\$905,707.50	\$1,185,707.50
2009	\$290,000.00	\$893,347.50	\$1,183,347.50
2010	\$305,000.00	\$880,437.50	\$1,185,437.50
2011	\$320,000.00	\$866,307.50	\$1,186,307.50
2012	\$335,000.00	\$851,187.50	\$1,186,187.50
2013	\$350,000.00	\$835,092.50	\$1,185,092.50
2014	\$365,000.00	\$817,992.50	\$1,182,992.50
2015	\$385,000.00	\$799,832.50	\$1,184,832.50
2016	\$405,000.00	\$780,362.50	\$1,185,362.50
2017	\$425,000.00	\$759,872.50	\$1,184,872.50
2018	\$445,000.00	\$738,362.50	\$1,183,362.50
2019	\$465,000.00	\$715,852.50	\$1,180,852.50
2020	\$490,000.00	\$692,342.50	\$1,182,342.50
2021	\$515,000.00	\$666,512.50	\$1,181,512.50
2022	\$545,000.00	\$639,370.00	\$1,184,370.00
2023	\$570,000.00	\$610,645.00	\$1,180,645.00
2024	\$600,000.00	\$580,607.50	\$1,180,607.50
2025	\$635,000.00	\$548,987.50	\$1,183,987.50
2026	\$665,000.00	\$515,522.50	\$1,180,522.50
2027	\$700,000.00	\$480,475.00	\$1,180,475.00
2028	\$740,000.00	\$442,980.00	\$1,182,980.00
2029	\$780,000.00	\$403,340.00	\$1,183,340.00
2030	\$820,000.00	\$361,557.50	\$1,181,557.50
2031	\$865,000.00	\$317,635.00	\$1,182,635.00
2032	\$910,000.00	\$271,300.00	\$1,181,300.00
2033	\$960,000.00	\$222,557.50	\$1,182,557.50
2034	\$1,010,000.00	\$171,135.00	\$1,181,135.00
2035	\$1,065,000.00	\$117,035.00	\$1,182,035.00
2036	\$1,120,000.00	\$59,990.00	\$1,179,990.00

**EXHIBIT B**

**Fund, Account, and Subaccount Balances**

**Fund, Account, and Subaccount Balances**  
*Adelanto Elementary School District*  
*Improvement Area A of Community Facilities District No. 1*  
*2006 Improvement Area A Special Tax Bonds*

**Fund, Account, and Subaccount Balances**

<b>Funds, Accounts and Subaccounts</b>	<b>Amount <sup>[1]</sup></b>
Administrative Expense Fund	\$21,642.33
Bond Fund	\$35.25
City Facilities Capital Pacific	\$2,282.05
City Facilities Pierce Tract	\$24,947.92
City Facilities Ryland Tract	\$4,593.96
City Facilities Subaccount	\$3,626.06
City Facilities Woodside Tract	\$13,296.95
Escrow Fund	\$8,594.38
High School Facilitating	\$186.72
High School Facilities Capital Pacific	\$1,240.64
High School Facilities Pierce Tract	\$12,390.37
High School Facilities Ryland Tract	\$2,154.07
High School Facilities Woodside Tract	\$4,557.58
Letter of Credit West Creek	\$224,541.22
Letter of Credit Westcreek PA 4 & 6	\$336,358.95
Reserve Fund	\$1,185,950.56
Sanitary Capital Pacific	\$186.43
Sanitary District Pierce Tract	\$1,739.66
Sanitary District Ryland	\$317.03
Sanitary District Woodside	\$892.04
School Facilities Capital Pacific Fund	\$2,818.65
School Facilities Facilitating Fund	\$0.00
School Facilities Pierce Tract	\$27,352.38
School Facilities Ryland Tract	\$4,657.39
School Facilities Woodside Tract	\$10,147.21
Special Tax Fund	\$357,258.97
<b>Total</b>	<b>\$2,251,768.77</b>
<i>[1] Balances are as of September 30, 2018.</i>	

**EXHIBIT C**

**Second Amended Rate and Method of Apportionment**

**SECOND AMENDED  
RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA A OF  
COMMUNITY FACILITIES DISTRICT NO. 1  
OF THE ADELANTO SCHOOL DISTRICT**

The following sets forth the Second Amended Rate and Method of Apportionment ("RMA") for the levy and collection of Special Taxes by Improvement Area ("IA") A of Community Facilities District No. 1 ("CFD No. 1") of the Adelanto School District ("School District"). A Special Tax shall be levied annually on and collected from Taxable Property (as defined below) in IA A of CFD No. 1 each Fiscal Year (as defined below) in an amount determined through the application of the RMA described below. All of the real property in IA A of CFD No. 1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION A  
DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Acreage"** means the number of acres of land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map the Board may rely on the applicable Final Map.

**"Act"** means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means any ordinary and necessary expense incurred by the School District on behalf of IA A of CFD No. 1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any School District employee whose duties are directly related to the administration of IA A of CFD No. 1 or the Bonds, and costs otherwise incurred in order to carry out the authorized purposes of IA A of CFD No. 1.

**"Annual Special Tax"** means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

**"Assessor's Parcel"** means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of IA A of CFD No. 1.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

**"Assessor's Parcel Number"** means that number assigned to an Assessor's Parcel by the County for purposes of identification.

**"Assigned Annual Special Tax"** means the Special Tax of that name described in Section D.

**"Backup Annual Special Tax"** means the Special Tax of that name described in Section E.

**"Board"** means the Board of Education of Adelanto School District, or its designee, in certain cases acting as the Legislative Body of IA A of CFD No. 1.

**"Bond Index"** means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing over a 30 year period with an average rating equivalent to Moody's "A1" and S&P's "A+", as may be reasonably determined by the Board.

**"Bonds"** means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which all or a portion of the Special Taxes have been pledged.

**"Bond Yield"** means the yield on the last series of Bonds issued by or on behalf of IA A of CFD No. 1, as calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the Non-Arbitrage (Tax) Certificate or other similar bond issuance document.

**"Building Permit"** means a permit for the construction of one or more Units issued by the City, or another public agency in the event the City no longer issues said permits for the construction of Units within IA A of CFD No. 1. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of commercial/industrial structures, parking structures, retaining walls, utility improvements, or other such improvements not intended for human habitation.

**"Building Square Footage"** or **"BSF"** means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, or other structures not used as living space, as determined by reference to the Building Permit for such Unit.

**"Calendar Year"** means the period commencing January 1 of any year and ending the following December 31.

**"City"** means the City of Victorville.

**"County"** means the County of San Bernardino.

**"Developed Property"** means all Assessor's Parcels of Taxable Property for which Building Permits were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year and that each such Assessor's Parcel is associated with a Lot, as determined reasonably by the Board.

**"Exempt Property"** means all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section K.

**"Final Map"** means a final tract map, parcel map, condominium plan, lot line adjustment, or functionally equivalent map or instrument that creates building sites, recorded in the County Office of the Recorder.

**"Fiscal Year"** means the period commencing on July 1 of any year and ending the following June 30.

**"Homeowner"** means any owner of a completed Unit constructed and sold within IA A of CFD No. 1.

**"Lot"** means an individual legal lot created by a Final Map for which a Building Permit could be issued.

**"Maximum Annual Special Tax"** means the Special Tax of that name as described in Section C.

**"Minimum Annual Special Tax Requirement"** means the amount required in any Fiscal Year to pay: (i) the debt service on all outstanding Bonds, (ii) the periodic costs of the Bonds, including but not limited to, credit enhancement costs and rebate payments on the Bonds, (iii) Administrative Expenses of IA A of CFD No. 1, (iv) the costs associated with the release of funds from an escrow account established in association with the Bonds, and (v) any amount required to establish or replenish any reserve funds (or account thereof) established in association with the Bonds, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, or trust agreement. In arriving at the Minimum Annual Special Tax requirement the Board shall take into account the reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

**"Minimum Taxable Acreage"** means the applicable minimum acreage that may be classified as Taxable Property as determined pursuant to Section K.

**"Partial Prepayment Amount"** means the amount required to prepay a portion of the Annual Special Tax obligation for an Assessor's Parcel as described in Section I.

**"Prepayment Amount"** means the amount required to prepay the Annual Special Tax obligation in full for an Assessor's Parcel as described in Section H.

**"Prepayment Administrative Fees"** means any fees or expenses of the School District or IA A of CFD No. 1 associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include among other things the cost of computing the Prepayment Amount, redeeming Bonds, and recording any notices to evidence the prepayment and redemption of Bonds.

**"Present Value of Taxes"** means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Special Tax applicable to such Assessor's Parcel in current Fiscal Year and (ii) the Annual Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Board, until the termination date specified in Section J. The discount rate used for this calculation shall be equal to the (i) Bond Yield after Bond issuance or (ii) most recently published Bond Index prior to Bond issuance.

**"Proportionately"** means that the ratio of the actual Annual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessor's Parcels.

**"Reserve Fund Credit"** means an amount equal to the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount. In the event

that a surety bond or after credit instrument satisfies the reserve requirement or the reserve requirement is under funded at the time of the prepayment, no Reserve Fund Credit shall be given.

**"School District"** means the Adelanto Elementary School District, or subsequent successor school district.

**"Special Tax"** means any of the special taxes authorized to be levied by IA A of CFD No. 1 pursuant to the Act.

**"Taxable Property"** means all Assessor's Parcels that are not classified as Exempt Property.

**"Undeveloped Property"** means all Assessor's Parcels of Taxable Property that are not Developed Property.

**"Unit"** means each separate residential dwelling unit that comprises an independent facility capable of conveyance separate from adjacent residential dwelling units.

**"Zone"** means the areas identified as a Zone of IA A of CFD No. 1 in Section N of this RMA.

**"Zone 1"** means all property located within the area identified as Zone 1 of IA A of CFD No. 1 in Section N of this RMA, as reasonably determined by the Board.

**"Zone 2"** means all property located within the area identified as Zone 2 of IA A of CFD No. 1 in Section N of this RMA, as reasonably determined by the Board.

## **SECTION B CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2005-06 (i) each Assessor's Parcel within each Zone shall be classified as Exempt Property or Taxable Property; and (ii) each Assessor's Parcel of Taxable Property within each Zone shall be classified as Developed Property or Undeveloped Property. Developed Property within each Zone shall be further classified based on the Building Square Footage of the Unit. The classification of Exempt Property shall take into consideration the Minimum Taxable Acreage of each Zone as determined pursuant to Section K.

## **SECTION C MAXIMUM ANNUAL SPECIAL TAXES**

### **1. Developed Property**

The Maximum Annual Special Tax for each Assessor's Parcel classified as Developed Property within IA A of CFD No. 1 in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Annual Special Tax, or (ii) the application of the Backup Annual Special Tax.

### **2. Undeveloped Property**



The Maximum Annual Special Tax for each Assessor's Parcel classified as Undeveloped Property within IA A of CFD No. 1 in any Fiscal Year shall be the amount determined by the application of the Assigned Annual Special Tax.

**SECTION D  
ASSIGNED ANNUAL SPECIAL TAXES**

**1. Developed Property**

The Assigned Annual Special Tax applicable to an Assessor's Parcel classified as Developed Property in any given Fiscal Year shall be determined by reference to Tables 1 and 2 according to the Zone within which the Assessor's Parcel is located and the Building Square Footage of the Unit.

**TABLE 1**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY IN ZONE 1**

BSF	Assigned Annual Special Tax
< 1,850	\$1,145.71 per Unit
1,850 - 2,100	\$1,399.54 per Unit
2,101 - 2,350	\$1,470.77 per Unit
2,351- 2,600	\$1,638.55 per Unit
2,601- 2,850	\$1,802.07 per Unit
> 2,850	\$1,965.60 per Unit

**TABLE 2**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY IN ZONE 2**

BSF	Assigned Annual Special Tax
< 1,850	\$1,775.71 per Unit
1,850 - 2,100	\$2,029.54 per Unit
2,101 - 2,350	\$2,190.77 per Unit
2,351- 2,600	\$2,358.55 per Unit
2,601- 2,850	\$2,522.07 per Unit
> 2,850	\$2,685.60 per Unit

**2. Undeveloped Property**

The Assigned Annual Special Tax rate per acre of Acreage for an Assessor's Parcel of Undeveloped Property in any given Fiscal Year shall be an amount determined by reference to Table 3 according to the Zone within which the Assessor's Parcel is located.

**TABLE 3**

**ASSIGNED ANNUAL SPECIAL TAX FOR UNDEVELOPED PROPERTY**

<b>Location</b>	<b>Assigned Annual Special Tax</b>
Zone 1	\$14,423.08 per Acre
Zone 2	\$24,982.18 per Acre

**SECTION E  
BACKUP ANNUAL SPECIAL TAXES**

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax. In each Fiscal Year, the Backup Annual Special Tax rate for Developed Property shall be the rate per Lot calculated according to the following formula:

$$B = (Z \times A) / L$$

The terms above have the following meanings:

- B = Backup Annual Special Tax per Lot within such Zone
- Z = Assigned Annual Special Tax per acre of Acreage of Undeveloped Property for such Zone
- A = Acreage of Taxable Property expected to exist in the applicable Final Map, as determined by the Board pursuant to Section K
- L = Lots in the Final Map

Notwithstanding the foregoing, if all or any portion of the Final Map(s) described in the preceding paragraph is subsequently changed or modified, then the Backup Annual Special Tax for each Assessor's Parcel of Developed Property in such Final Map area that is changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Annual Special Taxes anticipated to apply to the changed or modified Final Map area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property which is ultimately expected to exist in such changed or modified Final Map area, as reasonably determined by the Board.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Annual Special Tax per square foot of Acreage, which shall be applicable to Assessor's Parcels of Developed Property in such changed or modified Final Map area for all remaining Fiscal Years in which the Special Tax may be levied.

## **SECTION F**

### **METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing Fiscal Year 2005-06, and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes as follows:

- Step One: The Board shall levy an Annual Special Tax on each Assessor's Parcel of Developed Property in an amount equal to the Assigned Annual Special Tax applicable to each such Assessor's Parcel.
- Step Two: If the sum of the amounts collected in step one is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall levy Proportionately an Annual Special Tax on each Assessor's Parcel of Undeveloped Property, up to the Assigned Annual Special Tax applicable to each such Assessor's Parcel, to satisfy the Minimum Annual Special Tax Requirement.
- Step Three: If the sum of the amounts collected in steps one and two is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall additionally levy an Annual Special Tax Proportionately on each Assessor's Parcel of Developed Property, up to the Maximum Annual Special Tax applicable to each such Assessor's Parcel, to satisfy the Minimum Annual Special Tax Requirement.

## **SECTION G**

### **EXCESS ASSIGNED ANNUAL SPECIAL TAXES**

In any Fiscal Year which the Annual Special Taxes collected from Developed Property, pursuant to Step 1 of Section F, exceeds the Minimum Annual Special Tax Requirement, the School District shall use such amount for acquisition, construction or financing of school facilities in accordance with the Act, IA A of CFD No. 1 proceedings and other applicable law as determined by the Board.

## SECTION H PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a Building Permit has been issued may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Annual Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor's Parcel intending to prepay the Annual Special Tax obligation shall provide IA A of CFD No. 1 with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Board shall reasonably determine the prepayment amount of such Assessor's Parcel and shall notify such owner of such Prepayment Amount. The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

P	=	Prepayment Amount
PVT	=	Present Value of Taxes
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

With respect to any Assessor's Parcel that is prepaid, the Board shall indicate in the records of IA A of CFD No. 1 that there has been a prepayment of the Annual Special Tax obligation as shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Annual Special Tax obligation and the release of the Annual Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Annual Special Tax shall cease.

## SECTION I PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of an Assessor's Parcel may be partially prepaid at the times and under the conditions set forth in this section, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Annual Special Tax obligation would be prepaid.

### **1. Partial Prepayment Times and Conditions**

Prior to the conveyance of the first Unit on a Lot within a Final Map to a Homeowner, the owner of no less than all the Taxable Property within such Final Map may elect in writing to the Board to prepay a portion of the Annual Special Tax obligations for all Assessor's Parcels within such Final Map, as calculated in Section I.2. below. The partial prepayment of each Annual Special Tax obligation shall be collected for all Assessor's Parcels prior to the conveyance of the first unit on a lot to a homeowner.

**2. Partial Prepayment Amount**

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount
- P<sub>G</sub> = the Prepayment Amount calculated according to Section H
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Annual Special Tax obligation

**3. Partial Prepayment Procedures and Limitations**

With respect to any Assessor's Parcel that is partially prepaid, the Board shall indicate in the records of IA A of CFD No. 1 that there has been a partial prepayment of the Annual Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the partial prepayment of the Annual Special Tax obligation and the partial release of the Annual Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Annual Special Tax shall cease. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

**SECTION J  
TERMINATION OF SPECIAL TAX**

Annual Special Taxes shall be levied for a period of thirty-three (33) Fiscal Years after the last series of Bonds has been issued, as determined by the Board, provided that Annual Special Taxes shall not be levied after Fiscal Year 2046-47.

**SECTION K  
EXEMPTIONS**

The Board shall classify as Exempt Property (i) Assessor's Parcels owned by the State of California, Federal or other local governments, (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor's Parcels used exclusively by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels developed or expected to be developed exclusively for non-residential use, including any use directly servicing any non-residential property, such as parking, as reasonably determined by the Board, and (vi) any other Assessor's Parcels at the reasonable discretion of the Boards provided that no such classification would reduce the sum of all Taxable Property in a given Zone in IA A of CFD No. 1 to less than the Minimum Taxable Acreage for such Zone as shown in Table 4. Notwithstanding the above, the Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property in a given Zone in IA A of CFD No. 1 to less than the Minimum Taxable Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Taxable Acreage for such Zone will continue to be classified as Developed Property or Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

**TABLE 4**

**MINIMUM TAXABLE ACREAGE**

<b>Location</b>	<b>Minimum Taxable Acreage</b>
Zone 1	48.67 Acres
Zone 2	25.56 Acres

**SECTION L  
APPEALS**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Board not later than twelve (12) months after having paid the first installment of the Special Tax that is disputed. In order to be considered sufficient, any notice of appeal must: (i) specifically identify the property by address and Assessor's Parcel Number; (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax; (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect; (iv) include all documentation, if any, in support of the claim; and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. A representative(s) of IA A of CFD 1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Annual Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

**SECTION M  
MANNER OF COLLECTION**

The Annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that IA A of CFD No. 1 may collect Annual Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

**SECTION N  
MAP OF ZONES**

(Attached hereto)

K:\Clients2\Adelanto\Mello\Mello\West Creek\RMA\_IAA\_Final.doc

**EXHIBIT D**

**Annual Debt Service Coverage Summary Table**



**Annual Debt Service Coverage Summary**  
**Adelanto Elementary School District**  
**Improvement Area A of Community Facilities District No. 1**

<u>Maturity Date (September 1)</u>	<u>Debt Service</u>	<u>Special Tax Levy*/Maximum Special Tax</u>	<u>Administrative Expense Budget</u>	<u>Net Taxes</u>	<u>Coverage</u>
2019	\$1,180,852.50	\$1,574,308.66	\$45,276.23	\$1,529,032.43	129.49%
2020	\$1,182,342.50	\$1,889,160.01	\$46,181.75	\$1,842,978.26	155.88%
2021	\$1,181,512.50	\$1,889,160.01	\$47,105.39	\$1,842,054.62	155.91%
2022	\$1,184,370.00	\$1,889,160.01	\$48,047.49	\$1,841,112.52	155.45%
2023	\$1,180,645.00	\$1,889,160.01	\$49,008.44	\$1,840,151.57	155.86%
2024	\$1,180,607.50	\$1,889,160.01	\$49,988.61	\$1,839,171.40	155.78%
2025	\$1,183,987.50	\$1,889,160.01	\$50,988.39	\$1,838,171.62	155.25%
2026	\$1,180,522.50	\$1,889,160.01	\$52,008.15	\$1,837,151.86	155.62%
2027	\$1,180,475.00	\$1,889,160.01	\$53,048.32	\$1,836,111.69	155.54%
2028	\$1,182,980.00	\$1,889,160.01	\$54,109.28	\$1,835,050.73	155.12%
2029	\$1,183,340.00	\$1,889,160.01	\$55,191.47	\$1,833,968.54	154.98%
2030	\$1,181,557.50	\$1,889,160.01	\$56,295.30	\$1,832,864.71	155.12%
2031	\$1,182,635.00	\$1,889,160.01	\$57,421.20	\$1,831,738.81	154.89%
2032	\$1,181,300.00	\$1,889,160.01	\$58,569.63	\$1,830,590.38	154.96%
2033	\$1,182,557.50	\$1,889,160.01	\$59,741.02	\$1,829,418.99	154.70%
2034	\$1,181,135.00	\$1,889,160.01	\$60,935.84	\$1,828,224.17	154.79%
2035	\$1,182,035.00	\$1,889,160.01	\$62,154.56	\$1,827,005.45	154.56%
2036	\$1,179,990.00	\$1,889,160.01	\$63,397.65	\$1,825,762.36	154.73%

\*Special Tax levy have been adjusted for Prior Year's Remaining Funds.

**EXHIBIT E**

**Special Tax Levy Summary Tables**

**Special Tax Levy Summary Tables**  
*Adelanto Elementary School District*  
*Improvement Area A of Community Facilities District No. 1*

**Fiscal Year 2017/2018 Special Tax Levy**

<b>Tax Class (Land Use)</b>	<b>Number of Units/Acres</b>	<b>Assigned Annual Special Tax Rate</b>	<b>Total Assigned Annual Special Taxes</b>
<b>Zone 1</b>			
Tax Class 1 (< 1,850)	19 Units	\$1,145.70 per Unit	\$21,768.30
Tax Class 2 (1,850 - 2,100)	35 Units	\$1,399.54 per Unit	\$48,983.90
Tax Class 3 (2,101 - 2,350)	66 Units	\$1,470.76 per Unit	\$97,070.16
Tax Class 4 (2,351 - 2,600)	122 Units	\$1,638.54 per Unit	\$199,901.88
Tax Class 5 (2,601 - 2,850)	65 Units	\$1,802.06 per Unit	\$117,133.90
Tax Class 6 (> 2,850)	77 Units	\$1,965.60 per Unit	\$151,351.20
<i>Developed Property</i>	<i>384 Units</i>	<i>N/A</i>	<i>\$636,209.34</i>
<i>Undeveloped Property</i>	<i>0.00 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
<b>Zone 1 Subtotal</b>			<b>\$636,209.34</b>
<b>Zone 2</b>			
Tax Class 1 (< 1,850)	30 Units	\$1,775.70 per Unit	\$53,271.00
Tax Class 2 (1,850 - 2,100)	82 Units	\$2,029.54 per Unit	\$166,422.28
Tax Class 3 (2,101 - 2,350)	36 Units	\$2,190.76 per Unit	\$78,867.36
Tax Class 4 (2,351 - 2,600)	46 Units	\$2,358.54 per Unit	\$108,492.84
Tax Class 5 (2,601 - 2,850)	30 Units	\$2,522.06 per Unit	\$75,661.80
Tax Class 6 (> 2,850)	21 Units	\$2,685.60 per Unit	\$56,397.60
<i>Developed Property</i>	<i>245 Units</i>	<i>N/A</i>	<i>\$539,112.88</i>
<i>Undeveloped Property</i>	<i>4.79 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
<b>Zone 2 Subtotal</b>			<b>\$539,112.88</b>
<b>Total</b>			<b>\$1,175,322.22</b>

**Fiscal Year 2018/2019 Special Tax Levy**

<b>Tax Class (Land Use)</b>	<b>Number of Units/Acres</b>	<b>Assigned Annual Special Tax Rate</b>	<b>Total Assigned Annual Special Taxes</b>
<b>Zone 1</b>			
Tax Class 1 (< 1,850)	19 Units	\$1,145.70 per Unit	\$21,768.30
Tax Class 2 (1,850 - 2,100)	35 Units	\$1,399.54 per Unit	\$48,983.90
Tax Class 3 (2,101 - 2,350)	66 Units	\$1,470.76 per Unit	\$97,070.16
Tax Class 4 (2,351 - 2,600)	122 Units	\$1,638.54 per Unit	\$199,901.88
Tax Class 5 (2,601 - 2,850)	65 Units	\$1,802.06 per Unit	\$117,133.90
Tax Class 6 (> 2,850)	77 Units	\$1,965.60 per Unit	\$151,351.20
<i>Developed Property</i>	<i>384 Units</i>	<i>N/A</i>	<i>\$636,209.34</i>
<i>Undeveloped Property</i>	<i>0.00 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
<b>Zone 1 Subtotal</b>			<b>\$636,209.34</b>
<b>Zone 2</b>			
Tax Class 1 (< 1,850)	39 Units	\$1,775.70 per Unit	\$69,252.30
Tax Class 2 (1,850 - 2,100)	92 Units	\$2,029.54 per Unit	\$186,717.68
Tax Class 3 (2,101 - 2,350)	36 Units	\$2,190.76 per Unit	\$78,867.36
Tax Class 4 (2,351 - 2,600)	52 Units	\$2,358.54 per Unit	\$122,644.08
Tax Class 5 (2,601 - 2,850)	37 Units	\$2,522.06 per Unit	\$93,316.22
Tax Class 6 (> 2,850)	21 Units	\$2,685.60 per Unit	\$56,397.60
<i>Developed Property</i>	<i>277 Units</i>	<i>N/A</i>	<i>\$607,195.24</i>
<i>Undeveloped Property</i>	<i>1.02 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
<b>Zone 2 Subtotal</b>			<b>\$607,195.24</b>
<b>Total</b>			<b>\$1,243,404.58</b>

**EXHIBIT F**

**Assessed Value Summary Table**

**Fiscal Year 2018/2019 Assessed Value Summary**  
*Adelanto Elementary School District*  
**Improvement Area A of Community Facilities District No. 1**

**Zone 1**

<b>Tax Class (Land Use)</b>	<b>Units / Parcels</b>	<b>Assessed Value Land</b>	<b>Assessed Value Improvement</b>	<b>Assessed Value Other</b>	<b>Assessed Value Total <sup>[1]</sup></b>
<b><i>Improved</i></b>					
Tax Class 1 (< 1,850)	19	\$625,161.00	\$2,840,205.00	\$0.00	\$3,465,366.00
Tax Class 2 (1,850 - 2,100)	35	\$1,236,245.00	\$5,116,963.00	\$0.00	\$6,353,208.00
Tax Class 3 (2,101 - 2,350)	66	\$2,223,129.00	\$12,417,170.00	\$0.00	\$14,640,299.00
Tax Class 4 (2,351 - 2,600)	122	\$4,510,207.00	\$24,569,898.00	\$0.00	\$29,080,105.00
Tax Class 5 (2,601 - 2,850)	65	\$2,428,265.00	\$11,877,919.00	\$0.00	\$14,306,184.00
Tax Class 6 (> 2,850)	77	\$3,446,662.00	\$16,425,149.00	\$0.00	\$19,871,811.00
Tax Class U (Undeveloped)	0	\$0.00	\$0.00	\$0.00	\$0.00
<b><i>Subtotal Improved</i></b>	<b>384</b>	<b>\$14,469,669.00</b>	<b>\$73,247,304.00</b>	<b>\$0.00</b>	<b>\$87,716,973.00</b>
<b><i>Unimproved</i></b>					
Tax Class 1 (< 1,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 2 (1,850 - 2,100)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 3 (2,101 - 2,350)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 4 (2,351 - 2,600)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 5 (2,601 - 2,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 6 (> 2,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class U (Undeveloped)	0	\$0.00	\$0.00	\$0.00	\$0.00
<b><i>Subtotal Unimproved</i></b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b><i>Subtotal Taxable</i></b>	<b>384</b>	<b>\$14,469,669.00</b>	<b>\$73,247,304.00</b>	<b>\$0.00</b>	<b>\$87,716,973.00</b>
Tax Class E (Exempt)	7	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class P (Prepaid)	0	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>391</b>	<b>\$14,469,669.00</b>	<b>\$73,247,304.00</b>	<b>\$0.00</b>	<b>\$87,716,973.00</b>

[1] Total Assessed Value as reported on the Fiscal Year 2018/2019 equalized tax roll of the County of San Bernardino.

**Zone 2**

<b>Tax Class (Land Use)</b>	<b>Units / Parcels</b>	<b>Assessed Value Land</b>	<b>Assessed Value Improvement</b>	<b>Assessed Value Other</b>	<b>Assessed Value Total <sup>[1]</sup></b>
<b>Improved</b>					
Tax Class 1 (< 1,850)	39	\$1,274,055.00	\$5,062,274.00	\$0.00	\$6,336,329.00
Tax Class 2 (1,850 - 2,100)	92	\$3,382,593.00	\$14,855,718.00	\$0.00	\$18,238,311.00
Tax Class 3 (2,101 - 2,350)	36	\$1,261,320.00	\$5,263,735.00	\$0.00	\$6,525,055.00
Tax Class 4 (2,351 - 2,600)	52	\$1,870,842.00	\$7,932,716.00	\$0.00	\$9,803,558.00
Tax Class 5 (2,601 - 2,850)	37	\$1,482,962.00	\$6,589,911.00	\$0.00	\$8,072,873.00
Tax Class 6 (> 2,850)	21	\$557,666.00	\$1,743,874.00	\$0.00	\$2,301,540.00
Tax Class U (Undeveloped)	0	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal Improved</b>	<b>277</b>	<b>\$9,829,438.00</b>	<b>\$41,448,228.00</b>	<b>\$0.00</b>	<b>\$51,277,666.00</b>
<b>Unimproved</b>					
Tax Class 1 (< 1,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 2 (1,850 - 2,100)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 3 (2,101 - 2,350)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 4 (2,351 - 2,600)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 5 (2,601 - 2,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 6 (> 2,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class U (Undeveloped)	8	\$147,192.00	\$0.00	\$0.00	\$147,192.00
<b>Subtotal Unimproved</b>	<b>8</b>	<b>\$147,192.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$147,192.00</b>
<b>Subtotal Taxable</b>	<b>285</b>	<b>\$9,976,630.00</b>	<b>\$41,448,228.00</b>	<b>\$0.00</b>	<b>\$51,424,858.00</b>
Tax Class E (Exempt)	8	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class P (Prepaid)	0	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>293</b>	<b>\$9,976,630.00</b>	<b>\$41,448,228.00</b>	<b>\$0.00</b>	<b>\$51,424,858.00</b>

[1] Total Assessed Value as reported on the Fiscal Year 2018/2019 equalized tax roll of the County of San Bernardino.

**Assessed Value Zone Summary**

<b>Location</b>	<b>Units / Parcels</b>	<b>Assessed Value Land</b>	<b>Assessed Value Improvement</b>	<b>Assessed Value Other</b>	<b>Assessed Value Total <sup>[1]</sup></b>
<b>Improved</b>					
Zone 1	384	\$14,469,669.00	\$73,247,304.00	\$0.00	\$87,716,973.00
Zone 2	277	\$9,829,438.00	\$41,448,228.00	\$0.00	\$51,277,666.00
<b>Subtotal Improved</b>	<b>661</b>	<b>\$24,299,107.00</b>	<b>\$114,695,532.00</b>	<b>\$0.00</b>	<b>\$138,994,639.00</b>
<b>Unimproved</b>					
Zone 1	0	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2	8	\$1,280,698.00	\$0.00	\$0.00	\$1,280,698.00
<b>Subtotal Unimproved</b>	<b>8</b>	<b>\$1,280,698.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,280,698.00</b>
Tax Class E (Exempt)	15	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>684</b>	<b>\$25,579,805.00</b>	<b>\$114,695,532.00</b>	<b>\$0.00</b>	<b>\$140,275,337.00</b>

[1] Total Assessed Value as reported on the Fiscal Year 2018/2019 equalized tax roll of the County of San Bernardino.

**EXHIBIT G**

**Detailed Direct and Overlapping Debt Report**



**ADELANTO SCHOOL DISTRICT**  
**Community Facilities District No. 1**

**Improvement Area A**  
**Special Tax Bonds**

**Detailed Direct and Overlapping Debt**

Report Date: 01/09/2019

Report Time: 12:00:00 PM

**I. Assessed Value**

<b>2018-2019 Secured Roll Assessed Value</b>	<b>\$139,141,831</b>
--	----------------------

**II. Secured Property Taxes**

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Ad Valorem Tax Charges	AVALL	771,743	\$2,521,029,676.65	0.06911%	669	\$1,742,293.63
Adelanto School District CFD No. 1, Impv Area A	CFD	661	\$1,243,602.88	100.00000%	661	\$1,243,602.88
City of Victorville Delinquent Water Charge	DQ	166	\$34,504.90	1.23609%	4	\$426.51
City of Victorville Drainage Facility Assessment District No. 3	FLOOD	677	\$84,868.72	98.67061%	668	\$83,740.48
City of Victorville Landscape Maintenance District No. 8	LMD	677	\$108,820.98	98.67061%	668	\$107,374.32
City of Victorville Rubbish and Sewer Fee	TRASH	159	\$53,655.09	0.99912%	4	\$536.08
City of Victorville Street Lighting Assessment District	LLD	39,982	\$966,748.41	0.98819%	669	\$9,553.32
City of Victorville Water Standby Charge	STANDBY	5,016	\$88,266.80	0.29173%	25	\$257.50
CSCDA CaliforniaFIRST Program (County of San Bernardino) (1)	1915	783	\$2,615,546.95	0.03804%	1	\$995.01
CSCDA Hero Pace Program (1)	1915	1,583	\$3,999,081.90	0.19061%	2	\$7,622.64
CSCDA Open PACE Energy Program (County of San Bernardino) (1)	1915	362	\$1,005,841.75	0.22057%	1	\$2,218.54
SANBAG HERO Funded Program (2013-2014) (1)	1915	10,461	\$30,276,541.67	0.18722%	19	\$56,684.10
<b>2018-2019 TOTAL PROPERTY TAX LIABILITY</b>						<b>\$3,255,305.01</b>
<b>TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2018-2019 ASSESSED VALUATION</b>						<b>2.34%</b>

**III. Land Secured Bond Indebtedness**

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Adelanto School District CFD No. 1, Impv Area A	CFD	\$17,360,000	\$13,455,000	100.00000%	661	\$13,455,000
<b>TOTAL LAND SECURED BOND INDEBTEDNESS (2)</b>						<b>\$13,455,000</b>
<b>TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (2)</b>						<b>\$13,455,000</b>

**IV. General Obligation Bond Indebtedness**

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Adelanto Elementary School District GOB 1996	GOB	\$11,998,343	\$5,252,921	3.54751%	669	\$186,348
Mojave Water Agency Debt Service No. 2	GOB	\$24,125,000	\$6,975,000	0.40072%	669	\$27,950
Victor Valley Community College District GOB 2008	GOB	\$136,022,028	\$131,833,096	0.46989%	669	\$619,472
Victor Valley Union High School District GOB 1994	GOB	\$23,745,462	\$2,316,393	1.19047%	669	\$27,576
Victor Valley Union High School District GOB 2008	GOB	\$127,472,410	\$119,076,411	1.19047%	669	\$1,417,571
<b>TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (2)</b>						<b>\$2,278,916</b>
<b>TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (2)</b>						<b>\$2,278,916</b>

<b>TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT</b>	<b>\$15,733,916.48</b>
<b>VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT</b>	<b>8.84:1</b>

(1) Does not include PACE program liens due to the variable nature of each lien.

(2) Additional bonded indebtedness or available bond authorization may exist but are not shown because a tax was not levied for the referenced fiscal year.

Source: California Tax Data

**EXHIBIT H**

**Report to the California Debt and  
Investment Advisory Commission**

**STATE OF CALIFORNIA**

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

Submitted:  
Wednesday, October 24, 2018  
3:11:52PM  
CDIAC #: 2005-2068

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 Adelanto Elementary School District CFD No 1

B. Project Name IA A - West Creek (Schools, City & San Dist Facs)

C. Name/ Title/ Series of Bond Issue 2006 Special Tax Bonds

D. Date of Bond Issue 6/29/2006

E. Original Principal Amount of Bonds \$17,360,000.00

F. Reserve Fund Minimum Balance Required Yes  Amount \$1,184,370.00 No

**II. FUND BALANCE FISCAL STATUS**

Balances Reported as of: 6/30/2018

A. Principal Amount of Bonds Outstanding \$13,900,000.00

B. Bond Reserve Fund \$1,190,008.13

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$116,937.49

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

A. Assessed or Appraised Value Reported as of: 7/1/2018

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 \$139,141,831.00

**IV. TAX COLLECTION INFORMATION**

A. Total Amount of Special Taxes Due Annually \$1,175,322.22

B. Total Amount of Unpaid Special Taxes Annually \$14,796.29

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: 6/30/2018

A. Total Number of Delinquent Parcels: 21

B. Total Amount of Taxes Due on Delinquent Parcels: \$47,523.39  
*(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
	H-1	\$0.00

STATE OF CALIFORNIA

MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT

For Office Use Only
Fiscal Year \_\_\_\_\_

Submitted:
Wednesday, October 24, 2018
3:11:52PM
CDIAC #: 2005-2068

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

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 Larry Ferchaw
Title Partner
Firm/ Agency Cooperative Strategies, LLC
Address 8955 Research Drive
City/ State/ Zip Irvine, CA 92618
Phone Number (949) 250-8300 Date of Report 10/24/2018
E-Mail taxinfo@coopstrategies.com

IX. ADDITIONAL COMMENTS:

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bonds after January 1, 1993 to report specific information to the Commission by October 30th of each year.