



COOPERATIVE STRATEGIES

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

VICTOR ELEMENTARY SCHOOL DISTRICT
CONTINUING DISCLOSURE ANNUAL REPORT
FISCAL YEAR ENDING JUNE 30, 2019:
COMMUNITY FACILITIES DISTRICT NO. 2006-2
2007 SPECIAL TAX BONDS SERIES A &
2014 SPECIAL TAX BONDS SERIES A

JANUARY 31, 2020

PREPARED FOR:

**Victor Elementary
School District**

12219 Second Avenue
Victorville, CA 92395
T 760.245.1691

PREPARED BY:

Cooperative Strategies

8955 Research Drive
Irvine, CA 92618
T 844.654.2421

Victor Elementary School District
Community Facilities District No. 2006-2
Special Tax Bonds

2007 Special Tax Bonds Series A

<u><i>Maturity Date (September 1)</i></u>	<u><i>CUSIP*</i></u>
2008	925837AV8
2009	925837AW6
2010	925837AX4
2011	925837AY2
2012	925837AZ9
2013	925837BA3
2014	925837BB1
2015	925837BC9
2016	925837BD7
2017	925837BE5
2018	925837BF2
2019	925837BG0
2026	925837BH8
2036	925837BJ4

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

Victor Elementary School District
Community Facilities District No. 2006-2
Special Tax Bonds

2014 Special Tax Bonds Series A

<u><i>Maturity Date (September 1)</i></u>	<u><i>CUSIP*</i></u>
2014	925837CT1
2034	925837CU8
2039	925837CV6
2044	925837CW4
2046	925837CX2

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

2007 Special Tax Bonds, Series A
List of Participants

Issuer

Community Facilities District No. 2006-2
Victor Elementary School District
12219 Second Avenue
Victorville, CA 92395
Phone: 760.245.1691

Bond Counsel

Rutan & Tucker LLP
611 Anton Blvd, 14th Floor
Costa Mesa, CA 92626

Disclosure Counsel

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

Special Tax Consultant & 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 Ave, Suite 3200
El Segundo, CA 90245
Phone: 310.297.6011
Fax: 310.297.6001

2014 Special Tax Bonds, Series A
List of Participants

Issuer

Community Facilities District No. 2006-2
Victor Elementary School District
12219 Second Avenue
Victorville, CA 92395
Phone: 760.245.1691

Bond Counsel & Disclosure Counsel

Stradling Yocca Carlson & Rauth, a Professional Corporation
44 Montgomery Street
Suite 4200
San Francisco, CA 94104

Special Tax Consultant & 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

T.O.C.

SECTION	PAGE
I. ISSUER'S STATEMENT -----	1
II. FINANCIAL INFORMATION -----	2
III. BOND INFORMATION -----	3
A. Principal Amount of Bonds Outstanding	
B. Fund and Account Balances	
C. Reserve Requirement	
IV. SPECIAL TAXES -----	5
A. Changes to the Rate and Method of Apportionment	
B. Prepayments	
C. Special Tax Budget	
D. Debt Service Coverage	
E. Special Tax Levy	
F. Major Tax Payers	
G. Special Tax Delinquencies	
H. Special Tax Foreclosures	
V. ASSESSED VALUES AND LAND SECURED BONDED INDEBTEDNESS ---	8
A. Assessed Value Summary	
B. Overlapping Debt	
C. Assessed Values and Value-to-Lien Ratios	
VI. REPORTS AND ADDITONAL INFORMATION -----	11
A. Report to the California Debt and Investment Adivsory Commission	
B. Listed Events	
C. Additional Information	

EXHIBITS

EXHIBIT A:

Debt Service Schedule

EXHIBIT B:

Rate and Method of Apportionment

EXHIBIT C:

Annual Debt Service Coverage Summary Table

EXHIBIT D:

Detailed Direct and Overlapping Debt Report

EXHIBIT E:

Reports to the California Debt and Investment Advisory Commission

I. ISSUER'S STATEMENT

This Annual Report ("Report") has been prepared pursuant to the Continuing Disclosure Agreement/Certificate ("Disclosure Agreements") executed in connection with the issuance of the 2007 Special Tax Bonds, Series A ("2007 Bonds") and 2014 Special Tax Bonds, Series A ("2014 Bonds", collectively, "Bonds") by Community Facilities District ("CFD") No. 2006-2 of the Victor Elementary School District ("School District").

The School District has agreed under the Disclosure Agreements 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 CFD No. 2006-2 since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given them in the Disclosure Agreements.

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

Victor Elementary School District

II. FINANCIAL INFORMATION

The School District's annual audited financial statements for Fiscal Year 2018/2019 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. Investors should not rely on the financial condition of CFD No. 2006-2 or the School District in evaluating whether to buy, hold, or sell the Bonds.

III. BOND INFORMATION

2007 Special Tax Bonds, Series A. The 2007 Bonds were issued in the amount of \$2,155,000.00 on March 29, 2007. The 2007 Bonds were issued to (i) finance the acquisition and construction of certain elementary school facilities and improvements to be owned and operated by the School District, (ii) finance the acquisition and construction of certain facilities to be owned and operated by the Victor Valley Union High School District ("VVUHSD"), (iii) fund a reserve fund for the 2007 Bonds, (iv) fund capitalized interest on the 2007 Bonds through March 1, 2008, (v) pay certain administrative expenses of CFD No. 2006-2, and (vi) pay the costs of issuing the 2007 Bonds.

2014 Special Tax Bonds, Series A. The 2014 Bonds were issued in the amount of \$2,270,000.00 on February 20, 2014. The 2014 Bonds were issued to (i) finance certain elementary and high school facilities serving the School District, (ii) fund a reserve fund securing the 2014 Bonds, and (iii) pay costs of issuance of the 2014 Bonds.

The Bonds are limited obligations of CFD No. 2006-2 and are payable solely from revenues of the "Net Taxes" which is defined as Special Taxes levied within CFD No. 2006-2 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 Agreements.

A. Principal Amount of Bonds Outstanding

As of September 30, 2019, the outstanding principal amount of each series of Bonds is shown in the table below. The debt service schedule for each series of Bonds is included as Exhibit A.

Principal Amount of Bonds Outstanding

Bond Series	Principal Amount Outstanding
2007 Special Tax Bonds	\$1,580,000.00
2014 Special Tax Bonds	\$2,210,000.00
Total	\$3,790,000.00

B. Fund and Account Balances

The balance in each fund and account of the Bonds as of September 30, 2019 is listed in the table below.

Fund and Account Balances

Funds and Accounts	Amount
Administrative Expense Fund	\$40,114.88
Bond Fund	\$14.54
Reserve Fund	\$263,369.98
Special Tax Fund	\$55,675.20
Total	\$359,201.60

The balances of all other funds and accounts referenced in the Fiscal Agent Agreement are \$0.00 and/or have been closed.

C. Reserve Requirement

As of September 30, 2019 the Reserve Requirement for the Bonds was \$242,000.00 therefore, the Reserve Requirement was satisfied as of this date.

IV. SPECIAL TAXES

CFD No. 2006-2 has covenanted to annually levy the Special Tax in accordance with the Rate and Method of Apportionment ("RMA") so long as the Bonds are outstanding. The items below summarize information required by the Disclosure Agreements.

A. Changes to the Rate and Method of Apportionment

There have been no changes to the RMA since the date of the Official Statement. A copy of the RMA has been included as Exhibit B.

B. Prepayments

There have been no prepayments of the Special Tax since the date of the Official Statement.

C. Special Tax Budget

A summary of the Fiscal Year 2019/2020 Special Tax budget is outlined below.

Special Tax Budget

FY 2019/2020 Obligations		\$324,552.86
Interest Payment Due March 1, 2020	\$94,935.00	
Interest Payment Due September 1, 2020	\$94,935.00	
Principal Payment Due September 1, 2020	\$70,000.00	
Administrative Expense Budget for Fiscal Year 2019/2020	\$35,000.00	
Direct Construction of Authorized Facilities/Special Tax Delinquencies	\$29,682.86	
Special Tax Requirement		\$324,552.86

D. Debt Service Coverage

At the time the Bonds were sold, CFD No. 2006-2 represented that the amount of Net Taxes that may be levied on the parcels for which a building permit had been issued, 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 2019/2020 the amount of Net Taxes yield 111.42% of the of the annual debt service on the Bonds. An Annual Debt Service Coverage Summary Table has been included as Exhibit C.

E. Special Tax Levy

A summary of the Fiscal Year 2018/2019 Special Tax levy is included below.

Fiscal Year 2018/2019 Special Tax Levy

Tax Class (Land Use)	Number of Units/Acres	Assigned Annual Special Tax Rate	Total Assigned Annual Special Taxes
Tax Class 1 (< 1,450)	48 Units	\$1,134.84 per Unit	\$54,472.32
Tax Class 2 (1,450 - 1,650)	45 Units	\$1,189.16 per Unit	\$53,512.20
Tax Class 3 (1,651 - 1,850)	41 Units	\$1,238.06 per Unit	\$50,760.46
Tax Class 4 (1,851 - 2,050)	64 Units	\$1,303.24 per Unit	\$83,407.36
Tax Class 5 (2,051 - 2,250)	24 Units	\$1,368.44 per Unit	\$32,842.56
Tax Class 6 (2,251 - 2,450)	16 Units	\$1,417.32 per Unit	\$22,677.12
Tax Class 7 (> 2,450)	18 Units	\$1,493.38 per Unit	\$26,880.84
<i>Developed Property</i>	<i>256 Units</i>	<i>N/A</i>	<i>\$324,552.86</i>
<i>Undeveloped Property</i>	<i>7.09 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
Total			\$324,552.86

A summary of the Fiscal Year 2019/2020 Special Tax levy is included below.

Fiscal Year 2019/2020 Special Tax Levy

Tax Class (Land Use)	Number of Units/Acres	Assigned Annual Special Tax Rate	Total Assigned Annual Special Taxes
Tax Class 1 (< 1,450)	48 Units	\$1,134.84 per Unit	\$54,472.32
Tax Class 2 (1,450 - 1,650)	45 Units	\$1,189.16 per Unit	\$53,512.20
Tax Class 3 (1,651 - 1,850)	41 Units	\$1,238.06 per Unit	\$50,760.46
Tax Class 4 (1,851 - 2,050)	64 Units	\$1,303.24 per Unit	\$83,407.36
Tax Class 5 (2,051 - 2,250)	24 Units	\$1,368.44 per Unit	\$32,842.56
Tax Class 6 (2,251 - 2,450)	16 Units	\$1,417.32 per Unit	\$22,677.12
Tax Class 7 (> 2,450)	18 Units	\$1,493.38 per Unit	\$26,880.84
<i>Developed Property</i>	<i>256 Units</i>	<i>N/A</i>	<i>\$324,552.86</i>
<i>Undeveloped Property</i>	<i>7.09 Acres</i>	<i>\$0.00 per Acre</i>	<i>\$0.00</i>
Total			\$324,552.86

F. Major Taxpayers

"Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy. There are no property owners responsible for more than five percent (5.00%) of the Special Taxes levied in Fiscal Year 2018/2019.

G. Special Tax Delinquencies

Historical Special Tax delinquencies within CFD No. 2006-2 are shown in the table below.

Historical Special Tax Delinquencies

Fiscal Year	Subject Fiscal Year ^[1]						June 30, 2019 ^[2]		
	Parcels 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
2008/2009	157	\$204,783.14	\$194,840.68	11	\$9,942.46	4.86%	0	\$0.00	0.00%
2009/2010	173	\$225,363.42	\$221,016.64	5	\$4,346.78	1.93%	0	\$0.00	0.00%
2010/2011	194	\$250,487.96	\$247,954.81	3	\$2,533.15	1.01%	0	\$0.00	0.00%
2011/2012	202	\$259,577.52	\$257,106.84	3	\$2,470.68	0.95%	0	\$0.00	0.00%
2012/2013	222	\$282,888.16	\$279,855.50	4	\$3,032.66	1.07%	1	\$1,134.84	0.40%
2013/2014	256	\$324,552.86	\$316,231.43	10	\$8,321.43	2.56%	1	\$1,134.84	0.35%
2014/2015	256	\$324,552.86	\$314,083.72	10	\$10,469.14	3.23%	2	\$2,503.28	0.77%
2015/2016	256	\$324,552.86	\$319,611.50	4	\$4,941.36	1.52%	2	\$2,503.28	0.77%
2016/2017	256	\$324,552.86	\$318,224.06	6	\$6,328.80	1.95%	2	\$2,503.28	0.77%
2017/2018	256	\$324,552.86	\$320,811.51	3	\$3,741.32	1.15%	2	\$2,438.08	0.75%
2018/2019	256	\$324,552.86	\$322,565.40	2	\$1,987.46	0.61 %	2	\$1,987.46	0.61%

[1] Delinquencies are as of June 30th of the applicable Fiscal Year.

[2] Section 4 (c) of the Disclosure Certificate and Section 4 (b)(ii) of the Disclosure Agreement 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.

There is no delinquent taxpayer obligated for greater than \$5,000 of the Fiscal Year 2018/2019 Special Tax Levy.

H. Special Tax Foreclosures

CFD No. 2006-2 has covenanted that it will commence judicial foreclosure proceedings against any single owner of one (1) or more parcel(s) with aggregate delinquent Special Taxes in excess of \$5,974.00 by the October 1st 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 October 1st 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 CFD No. 2006-2 as of August 15, 2019, it was determined that CFD No. 2006-2 was not required to initiate foreclosure proceedings for Fiscal Year 2018/2019. All previously approved foreclosures have been resolved as of the date of this Report.

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 CFD No. 2006-2. The value of and debt burden on individual parcels is significant because in the event of a delinquency in the payment of Special Taxes, CFD No. 2006-2 may foreclose only against delinquent parcels. The items below summarize information required by the Disclosure Agreements.

A. Assessed Value Summary

A summary of the assessed value of the property within CFD No. 2006-2, distinguishing between the assessed value of improved parcels, is listed below.

Assessed Value Summary

Tax Class (Land Use)	Units / Parcels	Assessed Value Land	Assessed Value Improvement	Assessed Value Other	Assessed Value Total ^[1]
Improved					
Tax Class 1 (< 1,450)	48	\$1,723,946.00	\$6,903,301.00	\$0.00	\$8,627,247.00
Tax Class 2 (1,450 - 1,650)	45	\$1,846,358.00	\$7,162,013.00	\$0.00	\$9,008,371.00
Tax Class 3 (1,651 - 1,850)	41	\$1,621,244.00	\$6,564,405.00	\$0.00	\$8,185,649.00
Tax Class 4 (1,851 - 2,050)	64	\$2,770,600.00	\$11,081,174.00	\$0.00	\$13,851,774.00
Tax Class 5 (2,051 - 2,250)	24	\$981,582.00	\$3,440,266.00	\$0.00	\$4,421,848.00
Tax Class 6 (2,251 - 2,450)	16	\$763,244.00	\$2,610,250.00	\$0.00	\$3,373,494.00
Tax Class 7 (> 2,450)	18	\$900,081.00	\$3,355,391.00	\$0.00	\$4,255,472.00
Tax Class U (Undeveloped)	0	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal Improved	256	\$10,607,055.00	\$41,116,800.00	\$0.00	\$51,723,855.00
Unimproved					
Tax Class 1 (< 1,450)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 2 (1,450 - 1,650)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 3 (1,651 - 1,850)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 4 (1,851 - 2,050)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 5 (2,051 - 2,250)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 6 (2,251 - 2,450)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class 7 (> 2,450)	0	\$0.00	\$0.00	\$0.00	\$0.00
Tax Class U (Undeveloped)	40	\$317,560.00	\$0.00	\$0.00	\$317,560.00
Subtotal Unimproved	40	\$317,560.00	\$0.00	\$0.00	\$317,560.00
Subtotal Taxable	296	\$10,924,615.00	\$41,116,800.00	\$0.00	\$52,041,415.00
Tax Class P (Prepaid)	0	\$0.00	\$0.00	\$0.00	\$0.00
Total	296	\$10,924,615.00	\$41,116,800.00	\$0.00	\$52,041,415.00
[1] Total Assessed Value as reported on the Fiscal Year 2019/2020 equalized tax roll of the County of San Bernardino.					

B. Overlapping Debt

Certain overlapping local agencies provide public services and assess property taxes, assessments, special taxes and other charges on the property in CFD No. 2006-2. Many of these local agencies have outstanding debt. The direct and overlapping debt affecting the property in CFD No. 2006-2 as of the date of this report, is outlined in Exhibit D. Exhibit D 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 all parcels within CFD No. 2006-2 are shown in the tables below and on the following page.

Assessed Values and Value-to-Lien Ratios

Tax Class (Land Use)	FY 2019/2020 Assigned Annual Special Tax	Number of Parcels	Fiscal Year 2019/2020 Special Taxes	% of Special Tax	Total Assessed Value ^[1]	2007 Bonds & 2014 Bonds		Other Land Secured Debt ^[2]	Total Lien	Value-to-Lien Ratio
						Principal Amount Outstanding	Value-to-Lien Ratio for CFD			
Tax Class 1 (< 1,450)	\$1,134.84 per Unit	48	\$54,472.32	16.78%	\$8,627,247.00	\$636,106.22	13.56:1	\$0.00	\$636,106.22	13.56:1
Tax Class 2 (1,450 - 1,650)	\$1,189.16 per Unit	45	\$53,512.20	16.49%	\$9,008,371.00	\$624,894.32	14.42:1	\$0.00	\$624,894.32	14.42:1
Tax Class 3 (1,651 - 1,850)	\$1,238.06 per Unit	41	\$50,760.46	15.64%	\$8,185,649.00	\$592,760.59	13.81:1	\$0.00	\$592,760.59	13.81:1
Tax Class 4 (1,851 - 2,050)	\$1,303.24 per Unit	64	\$83,407.36	25.70%	\$13,851,774.00	\$973,998.18	14.22:1	\$0.00	\$973,998.18	14.22:1
Tax Class 5 (2,051 - 2,250)	\$1,368.44 per Unit	24	\$32,842.56	10.12%	\$4,421,848.00	\$383,522.43	11.53:1	\$0.00	\$383,522.43	11.53:1
Tax Class 6 (2,251 - 2,450)	\$1,417.32 per Unit	16	\$22,677.12	6.99%	\$3,373,494.00	\$264,814.44	12.74:1	\$0.00	\$264,814.44	12.74:1
Tax Class 7 (> 2,450)	\$1,493.38 per Unit	18	\$26,880.84	8.28%	\$4,255,472.00	\$313,903.82	13.56:1	\$0.00	\$313,903.82	13.56:1
Tax Class U (Undeveloped Property)	N/A	40	\$0.00	0.00%	\$317,560.00	\$0.00	N/A	\$0.00	\$0.00	N/A
Total ^[3]	N/A	296	\$324,552.86	100.00%	\$52,041,415.00	\$3,790,000.00	13.73:1	\$0.00	\$3,790,000.00	13.73:1

[1] Total Assessed Value as reported on the Fiscal Year 2019/2020 equalized tax roll of the County of San Bernardino.

[2] Represents the overlapping lien of the City of Victorville's CFD No. 90-1. Overlapping debt information provided by California Tax Data, Inc.

[3] Totals may not sum due to rounding.

Assessed Values and Value-to-Burden Ratios by Property Owner

Property Ownership ^[1]	Number of Parcels	Assessed Value ^[2]	Principal Bonds Outstanding	Value to Burden Ratio	Fiscal Year 2019/2020 Special Taxes	Percentage Share of Special Tax ^[3]
Individual Homeowners	256	\$51,723,855.00	\$3,790,000.00	13.65:1	\$324,552.86	100.00%
Prime A Investments	40	\$317,560.00	\$0.00	N/A	\$0.00	0.00%
Total ^[3]	296	\$52,041,415.00	\$3,790,000.00	13.73:1	\$324,552.86	100.00%

[1] Represents ownership information as of July 1, 2019.

[2] Total Assessed Value for all Developed parcels, as reported on the Fiscal Year 2019/2020 equalized tax roll of the County of San Bernardino.

[3] Totals may not sum due to rounding.

VI. REPORTS AND ADDITIONAL INFORMATION

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

A. Reports to the California Debt and Investment Advisory Commission

Copies of the reports prepared and filed with the California Debt and Investment Advisory Commission pursuant to Section 53359.5(b) of the Act for Fiscal Year 2018/2019 are included as Exhibit E.

B. Listed Events

Pursuant to the Disclosure Certificate for the 2007 Bonds, CFD No. 2006-2 shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2007 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 2018/2019.

Pursuant to the Disclosure Agreement for the 2014 Bonds, CFD No. 2006-2 shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2014 Bonds, if material:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar event;
- (ix) Rating changes;
- (x) Consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated persons or their person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action of the termination; of a definitive agreement relating to any such actions, other than pursuant to its term;
- (xi) Appointment of a successor or additional trustee or the change of name of a trustee;
- (xii) Nonpayment related defaults;
- (xiii) Modifications to the rights of Bondholders;
- (xiv) Bond calls; and
- (xv) Release, substitution or sale of property securing repayment of the Bonds.

None of these events occurred in Fiscal Year 2018/2019.

C. Additional Information

In addition to any of the information expressly required to be provided by the Disclosure Agreements, CFD No. 2006-2 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 2018/2019.

S:\Clients\Victor Elementary SD\SADM\CFDs\CFD No. 2006-2\FY1819\Reports\Continuing Disclosure\ContDisc2006-2_16840-1402_1819_Fn.PDF

EXHIBIT A

Debt Service Schedule

Debt Service Schedule
Victor Elementary School District
Community Facilities District No. 2006-2
2007 Special Tax Bonds, Series A

<i><u>Maturity Date</u></i> <i><u>(September 1)</u></i>	<i><u>Principal Amount/ Sinking Fund Payment</u></i>	<i><u>Interest</u></i>	<i><u>Total Debt Service</u></i>
2007	\$0.00	\$42,842.36	\$42,842.36
2008	\$40,000.00	\$101,468.76	\$141,468.76
2009	\$40,000.00	\$99,868.76	\$139,868.76
2010	\$40,000.00	\$98,268.76	\$138,268.76
2011	\$45,000.00	\$96,668.76	\$141,668.76
2012	\$45,000.00	\$94,868.76	\$139,868.76
2013	\$45,000.00	\$93,068.76	\$138,068.76
2014	\$50,000.00	\$91,212.50	\$141,212.50
2015	\$50,000.00	\$89,087.50	\$139,087.50
2016	\$50,000.00	\$86,962.50	\$136,962.50
2017	\$55,000.00	\$84,775.00	\$139,775.00
2018	\$55,000.00	\$82,300.00	\$137,300.00
2019	\$60,000.00	\$79,825.00	\$139,825.00
2020	\$60,000.00	\$77,125.00	\$137,125.00
2021	\$65,000.00	\$74,350.00	\$139,350.00
2022	\$70,000.00	\$71,343.76	\$141,343.76
2023	\$70,000.00	\$68,106.26	\$138,106.26
2024	\$75,000.00	\$64,868.76	\$139,868.76
2025	\$80,000.00	\$61,400.00	\$141,400.00
2026	\$80,000.00	\$57,700.00	\$137,700.00
2027	\$85,000.00	\$54,000.00	\$139,000.00
2028	\$90,000.00	\$49,750.00	\$139,750.00
2029	\$95,000.00	\$45,250.00	\$140,250.00
2030	\$100,000.00	\$40,500.00	\$140,500.00
2031	\$105,000.00	\$35,500.00	\$140,500.00
2032	\$110,000.00	\$30,250.00	\$140,250.00
2033	\$115,000.00	\$24,750.00	\$139,750.00
2034	\$120,000.00	\$19,000.00	\$139,000.00
2035	\$125,000.00	\$13,000.00	\$138,000.00
2036	\$135,000.00	\$6,750.00	\$141,750.00

Debt Service Schedule
Victor Elementary School District
Community Facilities District No. 2006-2
2014 Special Tax Bonds, Series A

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal Amount/ Sinking Fund Payment</u>	<u>Interest</u>	<u>Total Debt Service</u>
2014	\$60,000.00	\$60,454.15	\$120,454.15
2015	\$0.00	\$112,745.00	\$112,745.00
2016	\$0.00	\$112,745.00	\$112,745.00
2017	\$0.00	\$112,745.00	\$112,745.00
2018	\$0.00	\$112,745.00	\$112,745.00
2019	\$0.00	\$112,745.00	\$112,745.00
2020	\$10,000.00	\$112,745.00	\$122,745.00
2021	\$10,000.00	\$112,245.00	\$122,245.00
2022	\$5,000.00	\$111,745.00	\$116,745.00
2023	\$10,000.00	\$111,495.00	\$121,495.00
2024	\$10,000.00	\$110,995.00	\$120,995.00
2025	\$10,000.00	\$110,495.00	\$120,495.00
2026	\$15,000.00	\$109,995.00	\$124,995.00
2027	\$10,000.00	\$109,245.00	\$119,245.00
2028	\$10,000.00	\$108,745.00	\$118,745.00
2029	\$10,000.00	\$108,245.00	\$118,245.00
2030	\$10,000.00	\$107,745.00	\$117,745.00
2031	\$15,000.00	\$107,245.00	\$122,245.00
2032	\$15,000.00	\$106,495.00	\$121,495.00
2033	\$15,000.00	\$105,745.00	\$120,745.00
2034	\$15,000.00	\$104,995.00	\$119,995.00
2035	\$20,000.00	\$104,245.00	\$124,245.00
2036	\$15,000.00	\$103,245.00	\$118,245.00
2037	\$160,000.00	\$102,495.00	\$262,495.00
2038	\$165,000.00	\$94,495.00	\$259,495.00
2039	\$175,000.00	\$86,245.00	\$261,245.00
2040	\$185,000.00	\$77,495.00	\$262,495.00
2041	\$195,000.00	\$68,013.76	\$263,013.76
2042	\$200,000.00	\$58,020.00	\$258,020.00
2043	\$215,000.00	\$47,770.00	\$262,770.00
2044	\$225,000.00	\$36,751.26	\$261,751.26
2045	\$235,000.00	\$25,220.00	\$260,220.00
2046	\$250,000.00	\$13,000.00	\$263,000.00

Combined Debt Service Schedule
Victor Elementary School District
Community Facilities District No. 2006-2

<i>Maturity Date (September 1)</i>	<i>Principal Amount/ Sinking Fund Payment</i>	<i>Interest</i>	<i>Total Debt Service</i>
2007	\$0.00	\$42,842.36	\$42,842.36
2008	\$40,000.00	\$101,468.76	\$141,468.76
2009	\$40,000.00	\$99,868.76	\$139,868.76
2010	\$40,000.00	\$98,268.76	\$138,268.76
2011	\$45,000.00	\$96,668.76	\$141,668.76
2012	\$45,000.00	\$94,868.76	\$139,868.76
2013	\$45,000.00	\$93,068.76	\$138,068.76
2014	\$110,000.00	\$151,666.65	\$261,666.65
2015	\$50,000.00	\$201,832.50	\$251,832.50
2016	\$50,000.00	\$199,707.50	\$249,707.50
2017	\$55,000.00	\$197,520.00	\$252,520.00
2018	\$55,000.00	\$195,045.00	\$250,045.00
2019	\$60,000.00	\$192,570.00	\$252,570.00
2020	\$70,000.00	\$189,870.00	\$259,870.00
2021	\$75,000.00	\$186,595.00	\$261,595.00
2022	\$75,000.00	\$183,088.76	\$258,088.76
2023	\$80,000.00	\$179,601.26	\$259,601.26
2024	\$85,000.00	\$175,863.76	\$260,863.76
2025	\$90,000.00	\$171,895.00	\$261,895.00
2026	\$95,000.00	\$167,695.00	\$262,695.00
2027	\$95,000.00	\$163,245.00	\$258,245.00
2028	\$100,000.00	\$158,495.00	\$258,495.00
2029	\$105,000.00	\$153,495.00	\$258,495.00
2030	\$110,000.00	\$148,245.00	\$258,245.00
2031	\$120,000.00	\$142,745.00	\$262,745.00
2032	\$125,000.00	\$136,745.00	\$261,745.00
2033	\$130,000.00	\$130,495.00	\$260,495.00
2034	\$135,000.00	\$123,995.00	\$258,995.00
2035	\$145,000.00	\$117,245.00	\$262,245.00
2036	\$150,000.00	\$109,995.00	\$259,995.00
2037	\$160,000.00	\$102,495.00	\$262,495.00
2038	\$165,000.00	\$94,495.00	\$259,495.00
2039	\$175,000.00	\$86,245.00	\$261,245.00
2040	\$185,000.00	\$77,495.00	\$262,495.00
2041	\$195,000.00	\$68,013.76	\$263,013.76
2042	\$200,000.00	\$58,020.00	\$258,020.00
2043	\$215,000.00	\$47,770.00	\$262,770.00

2044	\$225,000.00	\$36,751.26	\$261,751.26
2045	\$235,000.00	\$25,220.00	\$260,220.00
2046	\$250,000.00	\$13,000.00	\$263,000.00

EXHIBIT B

Rate and Method of Apportionment

RATE AND METHOD OF APPORTIONMENT FOR COMMUNITY FACILITIES DISTRICT NO. 2006-2 OF VICTOR ELEMENTARY SCHOOL DISTRICT

The following sets forth the Rate and Method of Apportionment for the levy and collection of Special Taxes ("Rate and Method of Apportionment") of Community Facilities District No. 2006-2 ("CFD No. 2006-2") of the Victor Elementary School District ("School District"). An Annual Special Tax shall be levied on and collected on Taxable Property (defined below) located within the boundaries of CFD No. 2006-2 each Fiscal Year in an amount determined through the application of the Rate and Method of Apportionment described below. All of the real property in CFD No. 2006-2, 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

For purposes of this Rate and Method of Apportionment 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 land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

"Act" means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, 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 CFD No. 2006-2 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes including the reasonable expenses of collecting delinquencies, the administration of Bonds, the pro-rata payment of salaries and benefits of any School District employee whose duties are directly related to the administration of CFD No. 2006-2, and reasonable costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2006-2.

"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 CFD No. 2006-2.

"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 Trustees of Victor Elementary School District, or its designee, in certain cases acting as the Legislative Body of CFD No. 2006-2.

"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 the Special Taxes have been pledged for repayment.

"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 maturity in 30 year with an average rating equivalent to Moody's A1 and/or S&P's A-plus, as reasonably determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued, for purposes of this calculation the yield of the Bonds shall be the yield 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 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 CFD No. 2006-2. 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, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 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.

"County" means the County of San Bernardino.

"City" means the City of Victorville.

"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 in Section K each Fiscal Year as determined May 1st of the previous Fiscal Year.

"Final Subdivision Map" means a final tract map, parcel map, lot line adjustment, or

functionally equivalent map or instrument that creates individual Lots, 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 CFD No. 2006-2.

"Lot(s)" means an individual legal lot created by a Final Subdivision Map for which a Building Permit has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Subdivision Map upon which condominium units are entitled to be developed but for which a condominium plan has not been recorded, the number of Lots allocable to such legal lot for purposes of calculating the Backup Annual Special Tax applicable to such Final Subdivision Map shall equal the number of condominium units which are permitted to be constructed on such legal lot as shown on such Final Subdivision Map.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C that can be levied by CFD No. 2006-2 in any Fiscal Year on any Assessor's Parcel.

"Minimum Annual Special Tax Requirement" means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses of CFD No. 2006-2, (iii) the costs associated with the release of funds from an escrow account(s) established in association with the Bonds, and (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, less (v) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. 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 Acreage listed in Table 2 set forth in Section K.

"Net Taxable Acreage" means the total Acreage of all Taxable Property expected to exist in CFD No. 2006-2 after all Final Subdivision Maps are recorded.

"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 H.

"Prepayment Administrative Fees" means any fees or expenses of the School District or CFD No. 2006-2 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.

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

"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 the 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 ratios of the actual Annual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessors' 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 other 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.

"Special Tax" means any of the special taxes authorized to be levied by CFD No. 2006-2 pursuant to the Act.

"Taxable Property" means all Assessors' Parcels which are not Exempt Property.

"Undeveloped Property" means all Assessors' Parcels of Taxable Property which are not Developed Property.

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

SECTION B CLASSIFICATION OF ASSESSOR'S PARCELS

For each Fiscal Year, beginning with Fiscal Year 2006-07, each Assessor's Parcel within CFD No. 2006-2 shall be classified as Taxable Property or Exempt Property and, each Assessor's Parcel of Taxable Property shall be classified as Developed Property or Undeveloped Property. Developed Property shall be further classified based on the Building Square Footage of the Unit.

SECTION C MAXIMUM SPECIAL TAXES

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property for 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 for a given Final Subdivision Map.

2. Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property for 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 in each Fiscal Year for each Assessor’s Parcel of Developed Property shall be the amount determined by reference to Table 1.

TABLE 1

**ASSIGNED ANNUAL SPECIAL TAX FOR
DEVELOPED PROPERTY**

Building Square Feet	Assigned Annual Special Tax
< 1,450	\$1,134.85 per Unit
1,450 – 1,650	\$1,189.17 per Unit
1,651 – 1,850	\$1,238.06 per Unit
1,851 – 2,050	\$1,303.25 per Unit
2,051 – 2,250	\$1,368.44 per Unit
2,251 – 2,450	\$1,417.33. per Unit
> 2,450	\$1,493.38 per Unit

2. Undeveloped Property

The Assigned Annual Special Tax rate in each Fiscal Year for an Assessor’s Parcel classified as Undeveloped Property shall be \$7,852.60 per acre of Acreage.

**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. The Backup Annual Special Tax rate for an Assessor’s Parcel of Developed Property within a Final Subdivision Map in each Fiscal Year shall be the rate per lot calculated according to the following formula in Fiscal Year 2006-07 or such later Fiscal Year in which such Final Subdivision Map is created.

$$B = \frac{U \times A}{L}$$

The terms above have the following meanings:

B = Backup Annual Special Tax per Lot in the Fiscal Year which the calculation is performed.

- U = Assigned Annual Special Tax per acre of Acreage for Undeveloped Property
- A = Acreage of Taxable Property expected to exist in such Final Subdivision Map at the time of the calculation, as determined by the Board pursuant to Section K.
- L = Lots in the Final Subdivision Map at the time of calculation

Notwithstanding the foregoing, if all or any portion of the Final Subdivision 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 Subdivision Map 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 area in the Final Subdivision Map 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 area in the Final Subdivision Map, 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 area of the Final Subdivision Map.

**SECTION F
METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing Fiscal Year 2006-07, 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 Proportionately levy 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 Proportionately levy an Annual Special Tax on each Assessor's Parcel of Developed Property, whose Maximum Special Tax is the Backup Annual Special Tax, up to the Maximum Special Tax applicable to each such Assessor's Parcel to satisfy the Minimum Annual Special Tax Requirement.

SECTION G
PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of an Assessor's Parcel of Developed Residential 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 CFD No. 2006-2 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 Assessors' 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 CFD No. 2006-2 that there has been a prepayment of the Annual Special Tax obligation and 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 such Annual Special Tax shall cease.

SECTION H
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 production Unit on a Lot within a Final Subdivision Map to a Homeowner, the owner of no less than all the Taxable Property within such Final Subdivision Map may elect in writing to the Board to prepay a portion of the

Annual Special Tax obligations for all the Assessor's Parcels within such Final Subdivision Map, as calculated in Section H.2. below. The partial prepayment of each Annual Special Tax obligation shall be collected for all Assessors' Parcels prior to the conveyance of the first production Unit to a Homeowner with respect to such Final Subdivision Map.

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_G = the Prepayment Amount calculated according to Section G
- F = the percent by which the owner of the Assessor's Parcel is partially repaying 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 CFD No. 2006-2 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 if applicable 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 Assessors' Parcels that are expected to become Exempt Property.

**SECTION I
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, CFD No. 2006-2 proceedings and other applicable law as determined by the Board.

**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 have been issued, provided that Annual Special Taxes shall not be levied after Fiscal Year 2046-2047.

**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 owned 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 Board, provided that no such classification would reduce the Net Taxable Acreage to less than the Minimum Taxable Acreage. 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 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 will continue to be classified as Developed Property or Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

TABLE 2

MINIMUM TAXABLE ACREAGE

Minimum Taxable Acreage
49.28 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 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 CFD No. 2006-2 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 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 CFD No. 2006-2 may collect Annual Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

J:\CLIENTS\VICTOR.ESD\Mello\CFD No. 2006-2 - Woodside Homes\RMA_D1.doc

EXHIBIT C

Annual Debt Service Coverage Summary Table

Annual Debt Service Coverage Summary
Victor Elementary School District
Community Facilities District No. 2006-2
2007 Special Tax Bonds, Series A & 2014 Special Tax Bonds Series A

<u>Maturity Date</u> <u>(September 1)</u>	<u>Total Debt</u> <u>Service</u>	<u>Special Tax</u> <u>Levy/</u> <u>Maximum</u> <u>Special Tax</u>	<u>Administrative</u> <u>Expense Budget</u>	<u>Net Taxes</u>	<u>Coverage</u>
2020	\$259,870.00	\$324,552.86	\$35,000.00	\$289,552.86	111.42%
2021	\$261,595.00	\$430,766.43	\$35,000.00	\$395,766.43	151.29%
2022	\$258,088.76	\$430,766.43	\$35,000.00	\$395,766.43	153.35%
2023	\$259,601.26	\$430,766.43	\$35,000.00	\$395,766.43	152.45%
2024	\$260,863.76	\$430,766.43	\$35,000.00	\$395,766.43	151.71%
2025	\$261,895.00	\$430,766.43	\$35,000.00	\$395,766.43	151.12%
2026	\$262,695.00	\$430,766.43	\$35,000.00	\$395,766.43	150.66%
2027	\$258,245.00	\$430,766.43	\$35,000.00	\$395,766.43	153.25%
2028	\$258,495.00	\$430,766.43	\$35,000.00	\$395,766.43	153.10%
2029	\$258,495.00	\$430,766.43	\$35,000.00	\$395,766.43	153.10%
2030	\$258,245.00	\$430,766.43	\$35,000.00	\$395,766.43	153.25%
2031	\$262,745.00	\$430,766.43	\$35,000.00	\$395,766.43	150.63%
2032	\$261,745.00	\$430,766.43	\$35,000.00	\$395,766.43	151.20%
2033	\$260,495.00	\$430,766.43	\$35,000.00	\$395,766.43	151.93%
2034	\$258,995.00	\$430,766.43	\$35,000.00	\$395,766.43	152.81%
2035	\$262,245.00	\$430,766.43	\$35,000.00	\$395,766.43	150.91%
2036	\$259,995.00	\$430,766.43	\$35,000.00	\$395,766.43	152.22%
2037	\$262,495.00	\$430,766.43	\$35,000.00	\$395,766.43	150.77%
2038	\$259,495.00	\$430,766.43	\$35,000.00	\$395,766.43	152.51%
2039	\$261,245.00	\$430,766.43	\$35,000.00	\$395,766.43	151.49%
2040	\$262,495.00	\$430,766.43	\$35,000.00	\$395,766.43	150.77%
2041	\$263,013.76	\$430,766.43	\$35,000.00	\$395,766.43	150.47%
2042	\$258,020.00	\$430,766.43	\$35,000.00	\$395,766.43	153.39%
2043	\$262,770.00	\$430,766.43	\$35,000.00	\$395,766.43	150.61%
2044	\$261,751.26	\$430,766.43	\$35,000.00	\$395,766.43	151.20%
2045	\$260,220.00	\$430,766.43	\$35,000.00	\$395,766.43	152.09%
2046	\$263,000.00	\$430,766.43	\$35,000.00	\$395,766.43	150.48%

EXHIBIT D

Detailed Direct and Overlapping Debt Report

VICTOR ELEMENTARY SCHOOL DISTRICT
Community Facilities District No. 2006-2
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 01/10/2020
Report Time: 12:00:00 PM

I. Assessed Value

2019-2020 Secured Roll Assessed Value	\$52,041,415
--	---------------------

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Ad Valorem Tax Charges	AVALL	774,808	\$2,678,412,677.95	0.02281%	296	\$611,049.31
City of Victorville Delinquent Water Charge	DQ	171	\$34,774.15	0.93820%	2	\$326.25
City of Victorville Landscape Maintenance AD No. 6	LMD	6,393	\$851,072.40	0.61334%	36	\$5,220.00
City of Victorville Rubbish and Sewer Fee	TRASH	162	\$55,270.65	0.85441%	2	\$472.24
City of Victorville Street Lighting Assessment District	LLD	40,238	\$976,096.79	0.43304%	296	\$4,226.88
City of Victorville Water Standby Charge	STANDBY	4,948	\$87,914.40	0.50379%	43	\$442.90
CSCDA Hero Pace Program (1)	1915	1,862	\$4,793,232.79	0.07537%	2	\$3,612.57
SANBAG HERO Funded Program (2013-2014) (1)	1915	8,650	\$24,824,663.27	0.04800%	6	\$11,914.69
Victor Elementary School District CFD No. 2006-2	CFD	296	\$324,629.66	100.00000%	256	\$324,629.66
2019-2020 TOTAL PROPERTY TAX LIABILITY						\$961,894.50
TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2019-2020 ASSESSED VALUATION						1.85%

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Victor Elementary School District CFD No. 2006-2	CFD	\$4,425,000	\$3,790,000	100.00000%	256	\$3,790,000
TOTAL LAND SECURED BOND INDEBTEDNESS (2)						\$3,790,000
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (2)						\$3,790,000

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Mojave Water Agency Debt Service No. 2	GOB	\$24,125,000	\$5,335,000	0.14078%	296	\$7,510
Victor Elementary School District GOB 1995	GOB	\$13,998,569	\$1,129,032	0.73386%	296	\$8,286
Victor Elementary School District GOB 2001	GOB	\$29,999,548	\$13,403,954	0.73386%	296	\$98,366
Victor Elementary School District GOB 2008	GOB	\$44,492,232	\$39,646,391	0.73386%	296	\$290,949
Victor Valley Community College District GOB 2008	GOB	\$136,022,028	\$130,356,761	0.16502%	296	\$215,118
Victor Valley Union High School District GOB 1994	GOB	\$23,745,462	\$1,174,891	0.41743%	296	\$4,904
Victor Valley Union High School District GOB 2008	GOB	\$127,472,410	\$116,857,419	0.41743%	296	\$487,794
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (2)						\$1,112,927
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (2)						\$1,112,927

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	\$4,902,927.12
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	10.61:1

(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 E

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

STATE OF CALIFORNIA

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

Submitted:
Friday, October 25, 2019
12:46:41PM
CDIAC #: 2007-0110

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 Victor Elementary School District CFD No 2006-2

B. Project Name Series A

C. Name/ Title/ Series of Bond Issue 2007 Special Tax Bonds

D. Date of Bond Issue 3/8/2007

E. Original Principal Amount of Bonds \$2,155,000.00

F. Reserve Fund Minimum Balance Required Yes Amount \$242,000.00 No

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2019

A. Principal Amount of Bonds Outstanding \$1,640,000.00

B. Bond Reserve Fund \$264,746.80

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$0.00

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

A. Assessed or Appraised Value Reported as of: 7/1/2019

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 \$52,041,415.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$324,552.86

B. Total Amount of Unpaid Special Taxes Annually \$1,987.46

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: 6/30/2019

A. Total Number of Delinquent Parcels: 5

B. Total Amount of Taxes Due on Delinquent Parcels: \$14,205.06
(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
	E-1	\$0.00

STATE OF CALIFORNIA

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

For Office Use Only
Fiscal Year _____

Submitted:
Friday, October 25, 2019
12:46:41PM
CDIAC #: 2007-0110

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 10/25/2019
E-Mail taxinfo@coopstrategies.com

IX. ADDITIONAL COMMENTS:

The reserve fund requirement and balance is inclusive of the 2007 and 2014 Special Tax Bonds of CFD No. 2006-2 of the Victor Elementary School District.

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.

STATE OF CALIFORNIA

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

Submitted:
Friday, October 25, 2019
12:39:29PM
CDIAC #: 2014-0024

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 Victor Elementary School District CFD No 2006-2

B. Project Name Series A

C. Name/ Title/ Series of Bond Issue 2014 Special Tax Bonds

D. Date of Bond Issue 2/6/2014

E. Original Principal Amount of Bonds \$2,270,000.00

F. Reserve Fund Minimum Balance Required Yes Amount \$242,200.00 No

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2019

A. Principal Amount of Bonds Outstanding \$2,210,000.00

B. Bond Reserve Fund \$264,746.80

C. Capitalized Interest Fund \$0.00

D. Construction Fund(s) \$0.00

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

A. Assessed or Appraised Value Reported as of: 7/1/2019

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 \$52,041,415.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$324,552.86

B. Total Amount of Unpaid Special Taxes Annually \$1,987.46

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: 6/30/2019

A. Total Number of Delinquent Parcels: 5

B. Total Amount of Taxes Due on Delinquent Parcels: \$14,205.06
(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
	E-3	\$0.00

STATE OF CALIFORNIA

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

For Office Use Only
Fiscal Year _____

Submitted:
Friday, October 25, 2019
12:39:29PM
CDIAC #: 2014-0024

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 10/25/2019
E-Mail taxinfo@coopstrategies.com

IX. ADDITIONAL COMMENTS:

The reserve fund requirement and balance is inclusive of the 2007 and 2014 Special Tax Bonds of CFD No. 2006-2 of the Victor Elementary School District.

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.