

Annual Report

Poway Unified School District
Series 2005 Special Tax Bonds
Improvement Area B of
Community Facilities District No. 6

January 31, 2011

Prepared For:

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Exhibits

Exhibit A: Detailed Direct and Overlapping Debt Report

Exhibit B: Report to the California Debt and Investment Advisory Commission

Introduction

This Annual Report ("Report") has been prepared pursuant to the Continuing Disclosure Agreement ("Disclosure Agreement") executed in connection with the issuance of the Series 2005 Special Tax Bonds ("Bonds") by Improvement Area ("IA") B of Community Facilities District ("CFD") No. 6 of the Poway Unified School District ("School District") in the amount of \$30,000,000 on November 25, 2005. The Bonds were issued under the Mello-Roos Community Facilities Act of 1982, as amended ("Act"), and pursuant to the Bond Indenture, dated November 1, 2005 by and between the School District on behalf of IA B of CFD No. 6 and Zions First National Bank as Fiscal Agent ("Fiscal Agent"). Dolinka Group, LLC has been retained by the School District to act as dissemination agent ("Dissemination Agent"). The Bonds were issued to fund (i) the acquisition and construction of certain road, water, sewer, drainage, fire station, park, public library and school facilities ("Infrastructure Improvements"), (ii) a reserve fund for the Bonds, (iii) interest on the Bonds through September 1, 2006, (iv) administrative expenses and (v) the costs of issuing the Bonds. All capitalized terms not defined herein shall have the meaning ascribed to them in the Disclosure Agreement.

I. Audited Financial Statements

A copy of the School District's annual audited financial statements for Fiscal Year 2009/2010 is available online at <http://emma.msrb.org/>.

II. Principal Amount of Bonds Outstanding

As of January 1, 2011 the outstanding principal amount of Bonds was \$29,585,000.

III. Fund and Account Balances

The balance of each fund and account of IA B of CFD No. 6 as of January 1, 2011 is listed in the table below.

Fund and Account Balances

Funds and Accounts	Amount
Administrative Expense Fund	\$44,998.86
Improvement Fund	\$0.00
Interest Account	\$136.86
Letter of Credit Fund	\$0.00
Letter of Credit William Lyon PA 45 Account	\$0.03
Principal Account	\$0.00
Reserve Fund	\$2,715,920.71
Special Tax Fund	\$724,087.49
Total	\$3,485,143.95

IV. Reserve Requirement

As January 1, 2011 the Fiscal Agent calculated the Reserve Requirement for the Bonds to be \$2,715,771.53; therefore the Reserve Requirement was satisfied.

V. Assessed Values and Value-to-Lien Ratios

The assessed values and total value-to-lien ratios for all parcels within IA B of CFD No. 6 as of January 1, 2011 are shown in the table below.

Assessed Value to Lien

Land Use	Total Assessed Value ^[1]	2005 Special Tax Bond		Other ^[2]		Total Lien	Value-to-Lien Ratio
		Principal Amount Outstanding	Value-to-Lien Ratio for CFD	Overlapping Debt	General Obligation Debt		
Tax Class 1 ≤ 2,100	\$80,232,656.00	\$1,275,739.09	62.89:1	\$6,351,145.51	\$785,462.35	\$8,412,346.95	9.54:1
Tax Class 2 2,101 - 2,400	\$47,884,177.00	\$1,327,513.86	36.07:1	\$3,430,910.39	\$468,776.93	\$5,227,201.18	9.16:1
Tax Class 3 2,401 - 2,700	\$47,494,256.00	\$1,531,410.52	31.01:1	\$3,262,310.49	\$464,959.68	\$5,258,680.69	9.03:1
Tax Class 4 2,701 - 3,000	\$84,525,330.00	\$2,778,180.92	30.42:1	\$5,351,600.28	\$827,486.81	\$8,957,268.01	9.44:1
Tax Class 5 3,001 - 3,300	\$185,931,105.00	\$7,176,229.15	25.91:1	\$12,095,429.16	\$1,820,229.94	\$21,091,888.25	8.82:1
Tax Class 6 3,301 - 3,600	\$136,143,433.00	\$6,056,910.29	22.48:1	\$7,584,866.76	\$1,332,818.16	\$14,974,595.22	9.09:1
Tax Class 7 3,601 - 3,900	\$66,615,990.00	\$3,042,758.69	21.89:1	\$3,415,134.31	\$652,157.80	\$7,110,050.81	9.37:1
Tax Class 8 > 3,900	\$19,936,909.00	\$899,280.35	22.17:1	\$929,466.31	\$195,178.52	\$2,023,925.19	9.85:1
Tax Class 9 < 1,000	\$10,579,676.00	\$110,523.18	95.72:1	\$683,955.54	\$103,573.00	\$898,051.72	11.78:1
Tax Class 10 > 1,000	\$269,056,081.00	\$5,386,453.95	49.95:1	\$12,253,093.16	\$2,634,007.55	\$20,273,554.66	13.27:1
Subtotal for Taxable Parcels ^[3]	\$948,399,613.00	\$29,585,000.00	32.06:1	\$55,357,911.91	\$9,284,650.76	\$94,227,562.67	10.06:1
Tax Class E EXEMPT	\$19,483.00	\$0.00	0.00:1	\$0.00	\$190.73	\$190.73	0.00:1
Total ^[3]	\$948,419,096.00	\$29,585,000.00	32.06:1	\$55,357,911.91	\$9,284,841.49	\$94,227,753.40	10.07:1

[1] Total Assessed Value as reported on the Fiscal Year 2010/2011 equalized tax roll of the County of San Diego.
[2] Source: Detailed Direct and Overlapping Debt Report, National Tax Data, Inc. (attached as Exhibit A).
[3] Totals may not sum due to rounding.

VI. Special Tax Delinquencies

The Special Tax delinquencies for Fiscal Year 2009/2010 and prior Fiscal Years within IA B of CFD No. 6 are shown in the table below.

Historical Special Tax Delinquencies

Fiscal Year	Subject Fiscal Year ^[1]			June 30, 2010		
	Aggregate Special Tax	Parcels Delinquent	Fiscal Year Amount Delinquent	Fiscal Year Delinquency Rate	Remaining Amount Delinquent	Remaining Delinquency Rate
2005/2006	\$203,739.26	8	\$5,293.79	2.60 %	\$0.00	0.00 %
2006/2007	\$1,414,772.28	49	\$32,050.51	2.27%	\$4,386.67	0.31 %
2007/2008	\$1,759,319.88	99	\$92,041.47	5.23 %	\$8,125.84	0.46 %
2008/2009	\$2,182,860.16	81	\$80,326.38	3.68 %	\$26,264.63	1.20 %
2009/2010	\$2,266,164.62	66	\$81,263.19	3.59 %	\$81,263.19	3.59 %

[1] Delinquencies as of June 30th.

Since the overall delinquency rate for Fiscal Year 2009/2010 did not exceed five percent (5.00%), no parcel was delinquent in an amount greater than \$5,000.00 and no single owner of multiple parcels had a combined delinquency amount greater than \$10,000.00, foreclosure proceedings were not initiated.

VII. Major Taxpayer Information

"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 2010/2011.

VIII. 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 2009/2010 is included as Exhibit B.

IX. Changes to the First Amended Rate and Method of Apportionment

No changes have been made to the First Amended Rate and Method of Apportionment for IA B of CFD No. 6 since the date of the Official Statement.

X. Status of CFD No. 6 and Other Improvement Areas

The following section outlines the status of CFD No. 6 and the IAs formed by the School District to finance infrastructure improvements within CFD No. 6.

CFD No. 6 has been formed and authorized to issue bonds in an aggregate amount of \$130,000,000. CFD No. 6 issued the Series 2002 Special Tax Bonds on October 10, 2002 in the amount of \$25,000,000, the Series 2005 Special Tax Bonds on November 22, 2005 in the amount of \$44,305,000, the Series 2007 Special Tax Bonds on July 26, 2007 in the amount of \$37,910,000 and the Series 2010 Special Tax Bonds on October 13, 2010 in the amount of \$5,775,000 to finance the acquisition and construction of elementary school, middle school, high school, interim and central administrative facilities (the "School Facilities") as outlined in the School Impact Mitigation Agreement by and between (i) the School District and 4S Kelwood, (ii) the School District and 4S Ranch Company, a California limited partnership, and (iii) the School District and 4S Ranch Company 600, L.P.

IA A of CFD No. 6 has been formed and authorized to issue bonds in an aggregate amount of \$18,000,000. On December 4, 2002, IA A of CFD No. 6 issued the Improvement Area A 2002 Special Tax Bond in the amount of \$18,000,000 to finance infrastructure improvements as outlined in the supplement to the School Impact Mitigation Agreement by and between (i) the School District and 4S Kelwood, (ii) the School District and 4S Ranch Company, a California limited partnership, and (iii) the School District and 4S Ranch Company 600, L.P.

IA C of CFD No. 6 has been formed and authorized to issue bonds in an aggregate amount of \$14,000,000. As of the date of this Report, IA C of CFD No. 6 has not issued any bonds.

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Exhibit A

Detailed Direct and Overlapping Debt Report

POWAY UNIFIED SCHOOL DISTRICT
Community Facilities District No. 6
Improvement Area B
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 11/30/2010

Report Time: 12:00:00 PM

I. Assessed Value

2010-2011 Secured Roll Assessed Value

\$948,419,096

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic Levy	PROP13	960,237	\$3,644,126,367	0.25742%	1,869	\$9,380,575.36
Voter Approved Debt	VOTER	960,045	\$300,179,811	0.07552%	1,869	\$226,708.87
County of San Diego Service Area No. 17 (Emergency Medical)	CSA	50,100	\$1,348,635	3.21698%	1,661	\$43,385.32
County of San Diego Service Area No. 83 (Park Maintenance)	OPENSACE	4,918	\$487,002	34.61982%	1,867	\$168,599.28
County of San Diego Street Lighting, Zone A	LLMD	96,214	\$722,254	1.41987%	1,788	\$10,255.04
County of San Diego Vector Control, Zone B	VECTOR	359,564	\$749,599	0.56787%	1,867	\$4,256.76
County of San Diego Vector Disease Control	VECTOR	946,162	\$5,545,004	0.17106%	1,869	\$9,485.20
Metropolitan Water District of Southern California Standby Charge	STANDBY	19,086	\$306,643	0.00375%	1	\$11.50
Metropolitan Water District of Southern California Standby Charge	STANDBY	24,723	\$417,545	4.55302%	1,651	\$19,010.90
Olivenhain Municipal Water District AD No. 96-1	1915	22,988	\$1,430,949	6.45515%	1,867	\$92,369.84
Olivenhain Municipal Water District Sewer Charge	SEWER	4,561	\$3,430,389	26.83824%	1,844	\$920,655.96
Olivenhain Municipal Water District Water Standby Charge	STANDBY	220	\$26,100	9.19540%	24	\$2,400.00
Palomar Pomerado Health GOB 2004	GOB	188,766	\$10,483,722	1.58824%	1,869	\$166,506.77
Poway Unified School District CFD No. 6	CFD	3,543	\$8,073,733	48.93958%	1,868	\$3,951,251.28
Poway Unified School District CFD No. 6, Impv Area B	CFD	1,897	\$2,438,192	100.00000%	1,868	\$2,438,192.18
Rancho Santa Fe Fire Protection District Special Tax	FIRE	12,273	\$972,240	8.96589%	1,867	\$87,170.00
San Diego County Water Authority Standby Charge	STANDBY	24,947	\$364,779	5.12946%	1,869	\$18,711.20
2010-2011 TOTAL PROPERTY TAX LIABILITY						\$17,539,545.46

TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2010-2011 ASSESSED VALUATION

1.85%

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Olivenhain Municipal Water District AD No. 96-1	1915	\$22,530,000	\$16,185,000	6.45515%	1,867	\$1,044,766.03
Poway Unified School District CFD No. 6	CFD	\$112,990,000	\$110,980,000	48.93958%	1,868	\$54,313,145.88
Poway Unified School District CFD No. 6, Impv Area B	CFD	\$30,000,000	\$29,585,000	100.00000%	1,868	\$29,585,000.00

TOTAL LAND SECURED BOND INDEBTEDNESS (1)

\$84,942,911.91

TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1)

\$84,942,911.91

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Metropolitan Water District of Southern California GOB 1966	GOB	\$850,000,000	\$252,740,000	0.04629%	1,871	\$116,982.08
Palomar Community College District GOB 2006	GOB	\$160,000,000	\$149,845,000	1.07480%	1,871	\$1,610,534.63
Palomar Pomerado Health GOB 2004	GOB	\$495,999,997	\$478,514,998	1.57933%	1,871	\$7,557,324.79

TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1)

\$9,284,841.49

TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1)

\$9,284,841.49

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT

\$94,227,753.40

10.07:1

(1) 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: National Tax Data, Inc.

Exhibit B

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

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

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	
CDIAC #	2005-1942
Fiscal Year	_____

I. GENERAL INFORMATION

A. Issuer	Poway Unified School District CFD No 6
B. Community Facilities District Number/Name	4S Ranch IA B
C. Name/Title/Series of Bond Issue	2005 Special Tax Bonds
D. Date of Bond Issue	11-22-2005
E. Original Principal Amount of Bonds	\$ 30,000,000.00
F. Reserve Fund Minimum Balance Required	\$ 2,715,771.53

II. FUND BALANCE FISCAL STATUS

Balances Reported as of:	June 30 2010 (Year)
A. Principal Amount of Bonds Outstanding	\$ 29,745,000.00
B. Bond Reserve Fund	\$ 2,715,839.93
C. Capitalized Interest Fund	\$ 0.00
D. Construction Fund(s)	\$ 47,338.92

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

A. Assessed Value Reported as of: <u>07-01-2010</u> (Date)	(Check One)
	<input checked="" type="checkbox"/> From Equalized Tax Roll
	<input type="checkbox"/> From Appraisal of Property <i>(Use only in first year or before annual tax roll billing commences)</i>
B. Total Assessed Value of All Parcels	\$ 948,399,613.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due	\$ 2,266,164.62
B. Total Amount of Unpaid Special Taxes	\$ 81,263.19
C. The Taxes are Paid Under the County's Teeter Plan.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of:	06-30-2010 (Date)
A. Total Number of Delinquent Parcels:	68
B. Total Amount of Taxes Due on Delinquent Parcels:	\$ 120,040.33

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels

