

# Continuing Disclosure Annual Report

*Fiscal Year Ending June 30, 2024*

*Submitted January 31, 2025*

## Poway Unified School District

Public Financing Authority

Special Tax Revenue Refunding Bonds

Series 2024B



A division of California Financial Services

2023 / 2024

**\$7,235,000**  
**Poway Unified School District Public Financing Authority**  
**Special Tax Revenue Refunding Bonds**  
**Series 2024B**

**MATURITY DATE**

**CUSIP\***

**Serial Bonds**

09/15/2025	73885QLU1
09/15/2026	73885QLV9
09/15/2027	73885QLW7
09/15/2028	73885QLX5
09/15/2029	73885QLY3
09/15/2030	73885QLZ0
09/15/2031	73885QMA4
09/15/2032	73885QMB2
09/15/2033	73885QMC0
09/15/2034	73885QMD8
09/15/2035	73885QME6
09/15/2036	73885QMF3
09/15/2037	73885QMG1
09/15/2038	73885QMH9
09/15/2039	73885QMI5
09/15/2040	73885QMK2
09/15/2041	73885QML0
09/15/2042	73885QMM8
09/15/2043	73885QMN6

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# List of Participants

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# I. Introduction

This Annual Report (“Report”) has been prepared pursuant to the Continuing Disclosure Certificate (“Disclosure Certificate”) executed in connection with the issuance of the following debt by the Poway Unified School District Public Financing Authority (“Authority”):

- Special Tax Revenue Refunding Bonds, Series 2024B of the Authority issued on September 12, 2024, in the par amount of \$7,235,000 (“Bonds”).

Under the Disclosure Certificate, the Poway Unified School District (“School District”) has agreed to annually provide certain information related to the security of the Bonds. This Report has been prepared by KeyAnalytics, at the direction of the School District to provide the required information.

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 representation 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, each respective Community Facilities District, or the Authority since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given them in the respective financing documents.

If there are any questions regarding the information provided herein, please contact KeyAnalytics at (949) 282-1077.

## II. Audited Financial Statements

The Authority does not prepare audited annual financial statements. As of the date of this Report, the Board of Education of the School District has approved the final Audited Financial Statements for the School District for Fiscal Year 2023/2024. The Audited Financial Statements have been uploaded and are available at <http://emma.msrb.org>.

# III. Special Taxes

The School District has covenanted to annually levy the Special Tax in accordance with the respective Rate and Method of Apportionment (“RMA”) for Zone 2 of Community Facilities District (“CFD”) No. 11 and Zone 3 of CFD No. 11, (collectively, “District CFDs”), attached as Exhibit A, so long as the Bonds are outstanding. The items below summarize information required by the Disclosure Certificate.

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

There have been no changes to the RMAs of the District CFDs since the date of the closing of the Bonds.

## B. Summary of Special Taxes

Summaries of the Fiscal Year 2024/2025 Special Tax levy and Fiscal Year 2023/2024 Special Tax levy of each District CFD are outlined in the following tables.

### Combined Fiscal Year 2024/2025 Special Tax Levy

CFD No.	Parcels Levied	Fiscal Year 2024/2025 Special Taxes Levied	Fiscal Year 2024/2025 Levy as a Percent of CFD Total
Zone 2 of CFD No. 11	192	\$607,330.56	37.97%
Zone 3 of CFD No. 11	316	992,265.28	62.03%
<b>Total</b>	<b>508</b>	<b>\$1,599,595.84</b>	<b>100.00%</b>



## Combined Fiscal Year 2023/2024 Special Tax Levy

CFD No.	Parcels Levied	Fiscal Year 2023/2024 Special Taxes Levied	Fiscal Year 2023/2024 Levy as a Percent of CFD Total
Zone 2 of CFD No. 11	192	\$595,422.72	37.75%
Zone 3 of CFD No. 11	319	982,047.88	62.25%
<b>Total</b>	<b>511</b>	<b>\$1,577,470.60</b>	<b>100.00%</b>

### C. Special Tax Collections

Delinquent Special Taxes for the District CFDs, as of June 30, 2024, for Fiscal Year 2023/2024 and prior Fiscal Years are summarized in the tables below.

#### Special Tax Levies and Collections Zone 2 of CFD No. 11

Fiscal Year	Subject Fiscal Year					June 30, 2024	
	Assigned Special Tax Levy <sup>[1]</sup>	Parcels Delinquent <sup>[2]</sup>	Amount Collected	Amount Delinquent	Delinquency Rate	Remaining Amount Delinquent	Remaining Delinquency Rate
2019/2020	\$575,869.00	N/A	\$560,111.00	\$15,758.00	2.74%	\$0.00	0.00%
2020/2021	569,852.00	N/A	552,318.00	17,534.00	3.08%	0.00	0.00%
2021/2022	572,306.00	N/A	558,893.00	13,413.00	2.34%	0.00	0.00%
2022/2023	583,752.96	2	580,712.58	3,040.38	0.52%	1,520.19	0.26%
2023/2024	595,422.72	3	589,220.40	6,202.32	1.04%	6,202.32	1.04%

[1] Information not provided by previous administrator for Fiscal Years 2019/2020 through 2021/2022.

#### Special Tax Levies and Collections Zone 3 of CFD No. 11

Fiscal Year	Subject Fiscal Year					June 30, 2024	
	Assigned Special Tax Levy <sup>[1]</sup>	Parcels Delinquent <sup>[2]</sup>	Amount Collected	Amount Delinquent	Delinquency Rate	Remaining Amount Delinquent	Remaining Delinquency Rate
2019/2020	\$921,475.00	N/A	\$901,567.00	\$19,908.00	2.16%	\$0.00	0.00%
2020/2021	931,202.00	N/A	916,697.00	14,505.00	1.56%	0.00	0.00%
2021/2022	946,867.00	N/A	933,552.00	13,315.00	1.41%	2,958.96	0.31%
2022/2023	965,804.80	1	962,786.66	3,018.14	0.31%	3,018.14	0.31%
2023/2024	982,047.88	3	972,812.32	9,235.56	0.94%	9,235.56	0.94%

[1] Information not provided by previous administrator for Fiscal Years 2019/2020 through 2021/2022.



D. Foreclosure Update

The District CFDs have covenanted that they will commence judicial foreclosure proceedings against (i) any single owner with aggregate delinquent Special Taxes in the amount of \$7,500 or more with respect to the Zones or (ii) any single parcel or parcels under common ownership subject to the Special Taxes is delinquent in the payment of the Special Taxes in the aggregate of \$15,000 or more with respect to the Zones by the August 30<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 August 30<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 Tax levied; however, foreclosure proceedings may be deferred for this requirement if the Reserve Fund is fully funded and the Debt Service can be paid.

Zone 3 of CFD No. 11 has initiated foreclosure proceedings against one (1) parcel that was delinquent in excess of \$7,500 of Special Taxes. Foreclosure counsel continues to pursue foreclosure against the owner of the parcel. The School District’s foreclosure counsel mailed a final demand letter in November of 2024 to the delinquent property owner. On December 17, 2024, the Board of Education of the School District approved the ordering of Judicial Foreclosure actions against the delinquent property owner. The table below provides an update to the status of foreclosure actions for parcels currently being monitored/pursued by the School District with respect to delinquent Special Taxes.

Foreclosure Status

Community Facilities District No.	APN	Fiscal Year	Board Approval Date	Amount	Status
Zone 3 of CFD No. 11	325-150-07-00	2021/2022	December 17, 2024	\$2,958.96	Unresolved
		2022/2023	December 17, 2024	\$3,018.14	Unresolved
		2023/2024	December 17, 2024	\$3,078.52	Unresolved

**E. Summary of Prepayments**

A summary of the parcels for which the Special Taxes have been prepaid in Fiscal Year 2023/2024 for the District CFDs is outlined in the table below.

**Summary of Special Tax Prepayments  
Fiscal Year 2023/2024**

CFD	Assessor's Parcel Number
Zone 3 of CFD No. 11	325-120-50-00
Zone 3 of CFD No. 11	325-150-09-00
Zone 3 of CFD No. 11	325-150-24-00

**F. Teeter Plan**

There has been no change in the application of the County’s Teeter Plan to the Special Taxes. The Special Taxes continue to be excluded from the County’s Teeter Plan.

# IV. Debt and Assessed Values

The items below summarize information required by the Disclosure Certificate regarding outstanding debt and Assessed Valuations.

## A. Principal Amount of Bonds Outstanding

The outstanding principal amount of the Bonds as of September 12, 2024, was \$7,235,000. The principal amounts of the District CFD Bonds as of September 2, 2024, are listed in the table below. The current Debt Service Schedule for the Bonds is included as Exhibit B and the current Debt Service Schedules for the District CFDs are included as Exhibit C. Additionally, information relating to the outstanding parity debt issued by the District CFDs is included as Exhibit D.

Principal Amount Local Obligations Outstanding

CFD	Local Obligation Bonds	Principal Amount Outstanding as of September 2, 2024
Zone 2 of CFD No. 11	Series 2014 Special Tax Bonds	\$2,205,000.00
Zone 3 of CFD No. 11	Series 2014 Special Tax Bonds	6,445,000.00
Total		\$8,650,000.00

## B. Value-to-Lien Ratios for District CFDs

A summary of the value-to-lien ratios for the District CFDs is found in the table below. All taxable property within the District CFDs is considered improved and there are no unimproved parcels. The Assessed Values are based on the Fiscal Year 2024/2025 Equalized Tax Roll of the County of San Diego.

### Assessed Value-to-Lien by District CFD

CFD No.	Number of Units	Fiscal Year 2024/2025 Special Tax	Fiscal Year 2024/2025 Assessed Value <sup>(1)</sup>	CFD Bonds <sup>(2)</sup>	Improvement Area 2014 Bonds <sup>(3)</sup>	Total Land Secured Debt	Value-to-Lien Burden Ratio
Zone 2 of CFD No. 11	192 Units	\$607,330.56	\$311,715,831.00	\$6,450,000.00	\$5,098,126.84	\$11,548,126.84	26.99:1
Zone 3 of CFD No. 11	316 Units	992,265.28	518,280,928.00	9,350,000.00	7,995,000.00	17,345,000.00	29.88:1
<b>Total</b>	<b>508 Units</b>	<b>\$1,599,595.84</b>	<b>\$829,996,759.00</b>	<b>\$15,800,000.00</b>	<b>\$13,093,126.84</b>	<b>\$28,893,126.84</b>	<b>28.73:1</b>

[1] Fiscal Year 2024/2025 Assessed Value information provided by the County of San Diego, value as of January 1, 2024.

[2] Includes the Series 2014 Special Tax Bonds, 2017 Special Tax Refunding Bonds, and the 2022 Special Tax Refunding Bonds of the respective CFD.

[3] One (1) unit within Zone 2 of CFD No. 11 has prepaid its Zone 2 Special Tax obligation and not the Improvement Area B Special Tax.

# V. Bond Indenture Accounts

The items below summarize information required by the Disclosure Certificate regarding the Bond Indenture balances.

## A. Bond Indenture Account Balances

The balance in each fund and account of the Bonds are listed in the table below. The balances of all other funds and accounts referenced in the Indenture of Trust/Bond Indentures are \$0.00 and/or have been closed.

### Bond Indenture Account Balances (as of September 30, 2024)

Account Name	Balance
<b>2024B Authority</b>	
Revenue Fund	\$0.00
Bond Fund	0.00
Interest Account	38,188.47
Principal Account	0.00
Reserve Fund	0.00
Authority Administrative Expense Fund	0.00
Authority Cost of Issuance Account	31,591.43
Redemption Fund	0.00
Purchase Account	0.00
Authority Surplus Fund	145,918.72
<b>Zone 2 of CFD No. 11</b>	
Special Tax Fund	\$163,580.11
Bond Fund	0.00
Interest Account	130.03
Principal Account	0.00
Administrative Expense Fund	49,294.37
Redemption Fund	1,491.64
<b>Zone 3 of CFD No. 11</b>	
Special Tax Fund	\$308,136.29
Bond Fund	0.00
Interest Account	205.57
Principal Account	0.00
Administrative Expense Fund	17,905.89
Redemption Fund	99,628.53
<b>Total</b>	<b>\$856,071.05</b>

**B. Reserve Requirement**

The Reserve Requirement for the Bonds, as of September 30, 2024, is calculated based on the lesser of:

- 10% of the initial principal amount of the Bonds,
- Maximum Annual Debt Service on the Outstanding Bonds, or
- 125% average Annual Debt Service on the Outstanding Bonds.

**Bond Reserve Requirement**

Bonds	Reserve Requirement	Funding Source
Special Tax Revenue Refunding Bonds, Series 2024B	\$723,500.00	Reserve Policy

The Reserve Requirement is satisfied through a reserve insurance policy equal to the Reserve Requirement.

# VI. Reports and Additional Information

Below is information regarding the Bonds as required by the Disclosure Certificate.

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

Since the Bonds were issued after July 1, 2024, a Yearly Fiscal Status Report was not required to be filed with the California Debt and Investment Advisory Commission. The first Yearly Fiscal Status Report will be filed in October of 2025.

Since the Bonds were issued after July 1, 2024, an Annual Debt and Transaction Report is not required to be filed with the California Debt Investment Advisory Commission until January 2026.

## B. Listed Events

Pursuant to the Disclosure Certificate, the Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

- (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 provider, 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);
- (vi) Tender offers;
- (vii) Defeasances;
- (viii) Ratings changes;
- (ix) Bankruptcy, insolvency, receivership or similar proceedings;



- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties;
- (xi) Unless described in (v), notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (xii) The 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 person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (xiii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (xiv) Nonpayment related defaults;
- (xv) Modifications to the rights of Owners of the Bonds;
- (xvi) Bond calls;
- (xvii) Release, substitution, or sale of property securing repayment of the Bonds; and
- (xviii) Incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

None of these events occurred in Fiscal Year 2023/2024.

### **C. Additional Information**

Pursuant to the Disclosure Certificate the School District shall provide further information, if any, as may be necessary to make the specifically required statements, considering the circumstances under which they are made, not misleading.

After a thorough review the School District has determined that no additional information is needed for Fiscal Year 2023/2024.

# **Exhibit A**

## **District CFD**

### **Rate and Method of Apportionments**

# **RATE AND METHOD OF APPORTIONMENT FOR COMMUNITY FACILITIES DISTRICT NO. 11 OF THE POWAY UNIFIED SCHOOL DISTRICT**

A Special Tax shall be levied on and collected in Community Facilities District ("CFD") No. 11 of the Poway Unified School District ("School District") 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. 11, 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 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 land area shown on the applicable Final Subdivision Map, other final map, parcel map, condominium plan, or other recorded parcel map at the County.

**"Act"** means the Mello-Roos Community 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 expenses of the School District to carry out its duties as the legislative body of CFD No. 11.

**"Annual Special Tax"** means the Special Tax levied each Fiscal Year on an Assessor's Parcel as set forth in Section G.

**"Assessor's Parcel"** means a Lot or parcel of land in CFD No. 11 which is designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

**"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 Assessor of the County for purposes of identification.

**"Assigned Annual Special Tax"** means the Special Tax of that name as set forth in Section D.

**"Assigned Unit"** means any of up to 106 Units assigned this classification in writing to the Associate Superintendent at the Developer's election at the time the applicable Building Permit is issued provided that each such Unit is an Attached Unit. Under no circumstance may the Developer assign more than 106 Units this classification.

**"Associate Superintendent"** means the Associate Superintendent of Business Support Services of the School District or his/her designee.

**"Attached Units"** means an Assessor's Parcel of Residential Property that consists of or shall consist of a building or buildings in which each of the individual Units have at least one common wall with another Unit.

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

**"Board"** means the Board of Education of the School District or its designee.

**"Building Permit"** means a permit for the construction of one or more Units, issued by the City, or other public agency in the event the City no longer issues said permits for the construction of Units within CFD No. 11. For purposes of this definition, "Building Permits" shall not include permits for construction or installation of commercial/industrial structures, parking structures, retaining walls, and utility improvements not intended for human habitation.

**"Calendar Year"** means any period beginning January 1 and ending December 31.

**"City"** means the City of San Diego.

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

**"Detached Unit"** means a Unit that is not an Assigned Unit or an Attached Unit.

**"Developed Property"** means all Assessor's Parcels of Taxable Property for which a Building Permit was issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels are associated with a Final Subdivision Map recorded 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.

**"Developer"** means any "Owner" defined as such in the certain School Impact Mitigation and Public Facilities Funding Agreement by and among the School District, Sycamore Estates, LLC, a Delaware limited liability company, Sycamore Estates II, LLC, a Delaware limited liability company, McMillin Montecito 109, LLC, a Delaware limited liability company, Brookfield 6 LLC, a Delaware limited liability company, and Brookfield 8 LLC, a Delaware limited liability company.

**"Exempt Property"** means the property designated as Exempt Property in Section K.

**"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 Office of the Recorder of the County.

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

**"Gross Prepayment Amount"** means any amount determined by reference to Tables 6, 7, 8 and 9 and adjusted as set forth in Section H.

**"Indenture"** means the bond indenture, master trust agreement, fiscal agent agreement, or similar document regardless of title, pursuant to which Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds are issued and which establishes the terms and conditions for the payment of applicable bonds as modified, amended and/or supplemented from time to time in accordance with its terms.

**"Lot"** means an individual legal lot created by a Final Subdivision Map for which a Building Permit for a Unit has been or could be issued, provided that land for which one or more Building Permits have been or could be issued for the construction of one or more model Units shall not be construed as a Lot until such land has been subdivided by a Final Subdivision Map.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C, which can be levied by CFD No. 11 on any Assessor's Parcel in any Fiscal Year.

**"Net Taxable Acres"** means the total Acreage of all Taxable Property expected to exist in a given Zone after all Final Subdivision Maps are recorded.

**"Partial Prepayment Amount"** means the amount required to prepay a portion of the Annual Special Tax obligation of any Assessor's Parcel determined pursuant to Section I.

**"Prepayment Amount"** means the dollar amount required to prepay all of the Annual Special Tax obligation on any Assessor's Parcel, as determined pursuant to Sections H.

**"Prepayment Ratio"** means with respect to an Assessor's Parcel, for each series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds, the ratio of (i) the Annual Special Tax revenue or portion thereof applicable to the Assessor's Parcel at the time each such series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds were issued and which were used in providing the minimum debt service coverage required to issue such series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds, as reasonably determined by the Board, to (ii) the sum of all Annual Special Tax revenue used in providing the minimum debt service coverage required to issue such series of applicable Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds, as reasonably determined by the Board.

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

**"Regularly Retired Principal"** means the principal amount of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds that have been paid as scheduled pursuant to the Indenture under which they were reserved, whether by virtue of maturing principal or regularly scheduled mandatory sinking fund redemptions.

**"Residential Property"** means all Assessor's Parcels of Developed Property for which a Building Permit was issued for the construction of a Unit.

**"Special Tax"** means any of the special taxes authorized to be levied in CFD No. 11 under the Act.

**"Taxable Property"** means all Assessor's Parcels which are not Exempt Property.

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

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

**"Zone"** means the areas identified as a Zone and illustrated in Section N.

**"Zone 1"** means all property located within the area identified as Zone 1 in Section N, subject to interpretation by the Board.

**"Zone 1 Annual Special Tax Requirement"** means the amount required in any Fiscal Year to pay (i) annual debt service on all outstanding Zone 1 Bonds, (ii) Administrative Expenses of CFD No. 11 applicable to property within Zone 1, (iii) any costs associated with the release of funds from an escrow account established in association with Zone 1 Bonds, (iv) any amount required to establish or replenish any reserve funds established in association with the Zone 1 Bonds, less (v) any amounts on deposit in any fund or account which are available to pay for items (i) through (iv) above pursuant to any applicable fiscal agent agreement, bond indenture, or trust agreement.

**"Zone 1 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 the repayment of which Special Taxes within Zone 1 of CFD No. 11 are pledged.

**"Zone 2"** means all property located within the area identified as Zone 2 in Section N, subject to interpretation by the Board.

**"Zone 2 Annual Special Tax Requirement"** means the amount required in any Fiscal Year to pay (i) annual debt service on all outstanding Zone 2 Bonds, (ii) Administrative Expenses of CFD No. 11 applicable to property within Zone 2, (iii) any costs associated with the release of funds from an escrow account established in association with Zone 2 Bonds, (iv) any amount required to establish or replenish any reserve funds established in association with the Zone 2 Bonds, less (v) any amounts on deposit in any fund or account which are available to pay for items (i) through (iv) above pursuant to any applicable fiscal agent agreement, bond indenture, or trust agreement.

**"Zone 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 the repayment of which Special Taxes within Zone 2 of CFD No. 11 are pledged.

**"Zone 3"** means all property located within the area identified as Zone 3 in Section N, subject to interpretation by the Board.

**"Zone 3 Annual Special Tax Requirement"** means the amount required in any Fiscal Year to pay (i) annual debt service on all outstanding Zone 3 Bonds, (ii) Administrative Expenses of CFD No. 11 applicable to property within Zone 3, (iii) any costs associated with the release of funds from an escrow account established in association with Zone 3 Bonds, (iv) any amount required to establish or replenish any reserve funds established in association with the Zone 3 Bonds, less (v) any amounts on deposit in any fund or account which are available to pay for items (i) through (iv) above pursuant to any applicable fiscal agent agreement, bond indenture, or trust agreement.



**"Zone 3 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 the repayment of which Special Taxes within Zone 3 of CFD No. 11 are pledged.

**"Zone 4"** means all property located within the area identified as Zone 4 in Section N, subject to interpretation by the Board.

**"Zone 4 Annual Special Tax Requirement"** means the amount required in any Fiscal Year to pay (i) annual debt service on all outstanding Zone 4 Bonds, (ii) Administrative Expenses of CFD No. 11 applicable to property within Zone 4, (iii) any costs associated with the release of funds from an escrow account established in association with Zone 4 Bonds, (iv) any amount required to establish or replenish any reserve funds established in association with the Zone 4 Bonds, less (v) any amounts on deposit in any fund or account which are available to pay for items (i) through (iv) above pursuant to any applicable fiscal agent agreement, bond indenture, or trust agreement.

**"Zone 4 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 the repayment of which Special Taxes within Zone 4 of CFD No. 11 are pledged.

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

For each Fiscal Year, beginning with Fiscal Year 2004-05, each Assessor's Parcel in CFD No. 11 shall be assigned to a Zone. Each Assessor's Parcel in a Zone shall be classified as Taxable Property or Exempt Property taking into consideration minimum Net Taxable Acreage as set forth in Section J. Each Assessor's Parcel of Taxable Property shall be classified as Developed Property or Undeveloped Property and each Assessor's Parcel of Developed Property shall be classified according to Unit type.

## **SECTION C MAXIMUM SPECIAL TAX**

### **1. Developed Property**

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property within a particular Zone in any Fiscal Year shall be the greater of (i) the Assigned Annual Special Tax for such Zone or (ii) the Backup Annual Special Tax for a given Final Subdivision Map.

### **2. Undeveloped Property**

The Maximum Special Tax for any Assessor's Parcel classified as Undeveloped Property within a particular Zone in any Fiscal Year shall be the Assigned Annual Special Tax for such Zone.

**SECTION D**  
**ASSIGNED ANNUAL SPECIAL TAXES**

**1. Developed Property**

The Assigned Annual Special Tax for each Assessor's Parcel of Developed Property in Fiscal Year 2004-05 shall be the amount determined by reference to Tables 1, 2, 3, or 4 according to the Zone in which the Assessor's Parcel is located and the Unit type.

**TABLE 1**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY WITHIN ZONE 1  
FISCAL YEAR 2004-05**

<b>Unit Type</b>	<b>Assigned Annual Special Tax</b>
Attached Unit / Detached Unit	\$2,019.35
Assigned Unit	\$0.00

**TABLE 2**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY WITHIN ZONE 2  
FISCAL YEAR 2004-05**

<b>Unit Type</b>	<b>Assigned Annual Special Tax</b>
Attached Unit / Detached Unit	\$2,128.74
Assigned Unit	\$0.00

**TABLE 3**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY WITHIN ZONE 3  
FISCAL YEAR 2004-05**

<b>Unit Type</b>	<b>Assigned Annual Special Tax</b>
Attached Unit / Detached Unit	\$2,113.19
Assigned Unit	\$0.00

**TABLE 4**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR DEVELOPED PROPERTY WITHIN ZONE 4  
FISCAL YEAR 2004-05**

<b>Unit Type</b>	<b>Assigned Annual Special Tax</b>
Attached Unit / Detached Unit	\$2,019.35
Assigned Unit	\$0.00

Each July 1, commencing July 1, 2005, the Assigned Annual Special Tax applicable to an Assessor's Parcel of Developed Property in each Zone shall be increased by 2.00% of the amount in effect in the prior Fiscal Year.

**2. Undeveloped Property**

The Assigned Annual Special Tax per acre of Acreage for an Assessor's Parcel of Undeveloped Property within a particular Zone for Fiscal Year 2004-05 shall be determined by reference to Table 5.

**TABLE 5**

**ASSIGNED ANNUAL SPECIAL TAX  
FOR UNDEVELOPED PROPERTY  
FISCAL YEAR 2004-05**

<b>Zone</b>	<b>Assigned Annual Special Tax</b>
1	\$9,947.69 per acre
2	\$4,829.16 per acre
3	\$4,713.79 per acre
4	\$9,947.69 per acre

Each July 1, commencing July 1, 2005, the Assigned Annual Special Tax applicable to an Assessor's Parcel of Undeveloped Property in each Zone shall be increased by 2.00% of the amount in effect in the prior Fiscal Year.

**SECTION F  
BACKUP ANNUAL SPECIAL TAX**

Each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax. The Backup Annual Special Tax 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 for the applicable Fiscal Year
Z	=	Assigned Annual Special Tax per Acre of Undeveloped Property for the applicable Zone for the applicable Fiscal Year
A	=	Acreage of Developed Property expected to exist in the applicable Final Subdivision Map at build-out, as determined by the Associate Superintendent pursuant to Section K
L	=	Lots in the Final Subdivision Map

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 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 Subdivision 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 Subdivision 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 Subdivision Map area for all remaining Fiscal Years in which the Special Tax may be levied.

## SECTION G METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

### **Zone 1**

Commencing Fiscal Year 2004-05, and for each subsequent Fiscal Year, the Associate Superintendent shall determine the Annual Special Tax to be collected in Zone 1 of CFD No. 11 in such Fiscal Year. The Annual Special Tax shall be levied as follows:

**First:** The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to such Assessor's Parcel.

**Second:** If the sum of the amounts levied on Assessor's Parcels in the first step is less than the Zone 1 Annual Special Tax Requirement, then an Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to such Assessor's Parcel to satisfy the Zone 1 Annual Special Tax Requirement.

**Third:** If the sum of the amounts levied on Assessor's Parcels in the first and second steps is less than the Zone 1 Annual Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Developed Property shall be increased Proportionately from the Assigned Annual Special Tax up to the Maximum Annual Special Tax to satisfy the Zone 1 Annual Special Tax Requirement.

## **Zone 2**

Commencing Fiscal Year 2004-05, and for each subsequent Fiscal Year, the Associate Superintendent shall determine the Annual Special Tax to be collected in Zone 2 of CFD No. 11 in such Fiscal Year. The Annual Special Tax shall be levied as follows:

**First:** The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to such Assessor's Parcel.

**Second:** If the sum of the amounts levied on Assessor's Parcels in the first step is less than the Zone 2 Annual Special Tax Requirement, then an Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to such Assessor's Parcel to satisfy the Zone 2 Annual Special Tax Requirement.

**Third:** If the sum of the amounts levied on Assessor's Parcels in the first and second steps is less than the Zone 2 Annual Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Developed Property shall be increased Proportionately from the Assigned Annual Special Tax up to the Maximum Annual Special Tax to satisfy the Zone 2 Annual Special Tax Requirement.

## **Zone 3**

Commencing Fiscal Year 2004-05, and for each subsequent Fiscal Year, the Associate Superintendent shall determine the Annual Special Tax to be collected in Zone 3 of CFD No. 11 in such Fiscal Year. The Annual Special Tax shall be levied as follows:

**First:** The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to such Assessor's Parcel.

**Second:** If the sum of the amounts levied on Assessor's Parcels in the first step is less than the Zone 3 Annual Special Tax Requirement, then an Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to such Assessor's Parcel to satisfy the Zone 3 Annual Special Tax Requirement.

**Third:** If the sum of the amounts levied on Assessor's Parcels in the first and second steps is less than the Zone 3 Annual Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Developed Property shall be increased Proportionately from the Assigned Annual Special Tax up to the Maximum Annual Special Tax to satisfy the Zone 3 Annual Special Tax Requirement.

## **Zone 4**

Commencing Fiscal Year 2004-05, and for each subsequent Fiscal Year, the Associate Superintendent shall determine the Annual Special Tax to be collected in Zone 4 of CFD No. 11 in such Fiscal Year. The Annual Special Tax shall be levied as follows:

- First:** The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to such Assessor's Parcel.
- Second:** If the sum of the amounts levied on Assessor's Parcels in the first step is less than the Zone 4 Annual Special Tax Requirement, then an Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to such Assessor's Parcel to satisfy the Zone 4 Annual Special Tax Requirement.
- Third:** If the sum of the amounts levied on Assessor's Parcels in the first and second steps is less than the Zone 4 Annual Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Developed Property shall be increased Proportionately from the Assigned Annual Special Tax up to the Maximum Annual Special Tax to satisfy the Zone 4 Annual Special Tax Requirement.

## **SECTION H PREPAYMENT OF ANNUAL SPECIAL TAX**

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. An owner of an Assessor's Parcel intending to prepay the Annual Special Tax obligation shall provide CFD No. 11 with written notice of intent to prepay. Within 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.

### **1. Bond Proceeds Allocation**

Prior to the calculation of any Tax Prepayment Amount, a calculation shall be performed to determine the amount of Zone 1 Bond, Zone 2 Bond, Zone 3 Bond or Zone 4 Bond proceeds that are allocable to the Assessor's Parcel for which the Annual Special obligation is to be prepaid, if any. For purposes of this, calculation Zone 1 Bond, Zone 2 Bond, Zone 3 Bond or Zone 4 Bond proceeds shall equal the par amount of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds. For each series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds proceeds of such series shall be allocated to each Assessor's Parcel in an amount equal to the Zone 1 Bond, Zone 2 Bond, Zone 3 Bond or Zone 4 Bond proceeds times the Prepayment Ratio applicable to such Assessor's Parcel for such series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds. For each series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds, an amount of Regularly Retired Principal shall also be allocated to each Assessor's Parcel to be calculated pursuant to Section H.3E. If, after such allocations, the amount of (i) Zone 1 Bond, Zone 2 Bond, Zone 3 Bond or Zone 4 Bond proceeds allocated to the Assessor's Parcel for which the Annual Special Tax obligation is to be prepaid less the amount of Regularly Retired Principal allocated to such Assessor's Parcel is less than (ii) the sum of all the Gross Prepayment Amounts applicable to

such Assessor's Parcel pursuant to Section H.2., then the Prepayment Amount for such Assessor's Parcel shall be calculated pursuant to Tables 6,7,8 or 9 of Section H.2. Otherwise, the Prepayment Amount shall be calculated pursuant to Section H.3.

2. **Prepayment Amount for Assessor's Parcel with Allocation of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds Less than Applicable Gross Prepayment Amounts**

The Prepayment Amount for each Assessor's Parcel for which the Prepayment Amount is to be calculated pursuant to this Section H.2. shall be calculated by (i) counting all the Units of each Unit type applicable to such Assessor's Parcel, (ii) multiplying the sum of the Units for each Unit type for such Assessor's Parcel by the applicable Gross Prepayment Amount per Unit for the Zone in which such Assessor's Parcel is located as set forth in Table 6,7, 8 or 9, and (iii) adding all the products derived from the immediately preceding step. This sum is the Prepayment Amount for the Assessor's Parcel calculated pursuant to H.2. The Gross Prepayment Amounts shall be determined by reference to Tables 6, 7, 8 or 9.

**TABLE 6**

**PREPAYMENT AMOUNT FOR FISCAL YEAR 2004-05  
FOR PROPERTY WITHIN ZONE 1**

<b>Unit Type</b>	<b>Gross Prepayment Amount</b>
Attached Unit/Detached Unit	\$19,484.84 per Unit
Assigned Unit	\$0.00 per Unit

**TABLE 7**

**PREPAYMENT AMOUNT FOR FISCAL YEAR 2004-05  
FOR PROPERTY WITHIN ZONE 2**

<b>Unit Type</b>	<b>Gross Prepayment Amount</b>
Attached Unit/Detached Unit	\$21,106.97 per Unit
Assigned Unit	\$0.00 per Unit



**TABLE 8**

**PREPAYMENT AMOUNT FOR FISCAL YEAR 2004-05  
FOR PROPERTY WITHIN ZONE 3**

<b>Unit Type</b>	<b>Gross Prepayment Amount</b>
Attached Unit/Detached Unit	\$21,133.13 per Unit
Assigned Unit	\$0.00 per Unit

**TABLE 9**

**PREPAYMENT AMOUNT FOR FISCAL YEAR 2004-05  
FOR PROPERTY WITHIN ZONE 4**

<b>Unit Type</b>	<b>Gross Prepayment Amount</b>
Attached Unit/Detached Unit	\$19,484.84 per Unit
Assigned Unit	\$0.00 per Unit

**3. Prepayment Amount for Assessor's Parcel with Allocation of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds Equal to or Greater than Applicable Gross Prepayment Amounts**

The Prepayment Amount for each Assessor's Parcel for which the Prepayment Amount is to be calculated pursuant to this Section H.3 shall be the amount calculated as shown below.

Zone 1 Bond, Zone 2 Bond, Zone 3 Bond or Zone 4 Bond proceeds allocated to Assessor's Parcel pursuant to Section H.1  
plus A. Redemption Premium  
plus B. Defeasance  
plus C. Prepayment Fees and Expenses  
less D. Reserve Fund Credit  
less E. Regularly Retired Principal  
less F. Partial Prepayment Credit  
equals Prepayment Amount

Detailed explanations of items A through F follows:

**A. Redemption Premium**

The Redemption Premium is calculated by multiplying (i) the principal amount of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds to be redeemed with the proceeds of the Prepayment Amount by (ii) the applicable redemption premium, if any, on the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds to be redeemed.

**B. Defeasance**

The Defeasance is the amount needed to pay interest on the portion of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds to be

redeemed with the proceeds of the Prepayment Amount until the earliest call date of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds to be redeemed, net of interest earnings to be derived from the reinvestment of the Prepayment Amount until the redemption date of the portion of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds to be redeemed with the Prepayment Amount. Such amount of interest earnings will be the amount reasonably estimated by the Board.

C. Prepayment Fees and Expenses

The Prepayment Fees and Expenses are the costs of the computation of the Prepayment Amount and an allocable portion of the costs of redeeming Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds and recording any notices to evidence the prepayment and the redemption, as calculated reasonably by the Board.

D. Reserve Fund Credit

The Reserve Fund credit, if any, shall be calculated as the sum of (i) the reduction in the applicable reserve fund requirement resulting from the redemption of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds with the Prepayment Amount, plus (ii) the reduction in the applicable reserve fund requirement attributable to the allocable portion of regularly scheduled retirement of principal that has occurred, as well as any other allocable portion of principal retired not related to Prepayment Amounts or Partial Prepayment Amounts. The allocable portion of regularly scheduled retirement of principal that has occurred means the total regularly scheduled retirement of principal that has occurred with respect to each series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds times the applicable Prepayment Ratio for each such series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds. The allocable portion of principal retired not related to Prepayment Amounts or Partial Prepayment Amounts means the total principal retired not related to Prepayment Amounts or Partial Prepayment Amounts with respect to each series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds times the applicable Prepayment Ratio for each such series of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds.

E. Regularly Retired Principal

The Regularly Retired Principal of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds times the applicable Prepayment Ratio for each such series of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds, or Zone 4 Bonds.

F. Partial Prepayment Credit

Partial prepayments of the Annual Special Tax obligation occurring prior to the issuance of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds will be credited in full. Partial prepayments of the Annual Special Tax obligation occurring subsequent to the issuance of Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds will be credited in an amount equal to the greatest amount of principal of the Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds that could have been redeemed with the Partial Prepayment Amount(s), taking into account Redemption Premium, Defeasance, Prepayment Fees and Expenses and Reserve Fund Credit, if any, but exclusive of restrictions limiting early redemption on the basis of dollar increments, i.e., the full amount of the Partial Prepayment Amount(s) will be taken into account in the calculation. The sum of all applicable partial prepayment credits is the Partial Prepayment Credit.

With respect to an Annual Special Tax obligation that has been prepaid, the Board shall reasonably indicate in the records of CFD No. 11 that there has been a prepayment of the Annual Special Tax and shall reasonably cause a suitable notice to be recorded in compliance with the Act within 30 days of receipt of such prepayment of Annual Special Taxes, to indicate reasonably the prepayment of Annual Special Taxes 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. Notwithstanding the foregoing, no prepayment shall be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property within the Zone in which such Assessor's Parcel is located both prior to and after the proposed prepayment, net of an allocable portion of Administrative Expenses, is at least 1.1 times the annual debt service in each Fiscal Year on all outstanding Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds and such prepayment will not impair the security of all outstanding Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

**SECTION I**  
**PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAXES**

Prior to the issuance of the first Building Permit for the construction of a production Unit on a Lot within a Final Subdivision Map, the owner of no less than all of the property within such Final Subdivision Map may elect to prepay any portion of the applicable Annual Special Tax obligation for all of the Assessor's Parcels within such Final Subdivision Map. The owner of any Assessor's Parcel who desires such partial prepayment shall notify the Board of (i) such owner's intent to partially prepay the Annual Special Tax obligation and (ii) the percentage of the Annual Special Tax obligation to be prepaid. The partial prepayment of each Annual Special Tax obligation shall be collected at the issuance of each applicable Building Permit, provided that the Annual Special Tax obligation with respect to model Units for which Building Permits have already been issued must be partially prepaid at the time of the election. The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

These terms have the following meanings:

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

With respect to any Assessor's Parcel's Annual Special Tax obligation that is partially prepaid, the Board shall indicate in the records of CFD No. 11 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 within 30 days of receipt of such partial prepayment, to indicate the partial prepayment of 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 and for the Assessor's Parcels 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 Tax that may be levied in CFD No. 11, net of an allocable portion of Administrative Expenses, is at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Zone 1 Bonds, Zone 2 Bonds, Zone 3 Bonds or Zone 4 Bonds.

## SECTION J TERMINATION OF SPECIAL TAX

Annual Special Taxes of CFD No. 11 shall be levied within Zone 1, Zone 2 and Zone 3 for a period of thirty (30) Fiscal Years after the last series of Bonds have been issued for the applicable Zone. Annual Special Taxes of CFD No. 11 shall be levied within Zone 4 for a period of thirty (30) Fiscal Years after the issuance of the last Building Permit for a Lot within Zone 4. Annual Special Taxes shall not be levied in any Zone after Fiscal Year 2050-51.

## SECTION K EXEMPTIONS

### **Zones 1, 2 and 3**

The Associate Superintendent shall classify as Exempt Property: (i) Assessor's Parcels owned by or irrevocably offered to 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 or other restrictions making impractical their utilization for other than the purposes set forth in the easement or the restriction, and (v) other types of Assessor's Parcels, at the reasonable discretion of the Associate Superintendent, provided that no such classification would reduce the Acreage of all Taxable Property to less than 56.23 Net Taxable Acres in Zone 1, 92.57 Net Taxable Acres in Zone 2, and 152.87 Net Taxable Acres in Zone 3. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than 56.23 Net Taxable Acres in Zone 1, 92.57 Net Taxable Acres in Zone 2, and 152.87 Net

Taxable Acres in Zone 3 will continue to be classified as Developed Property or Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

#### **Zone 4**

The Associate Superintendent shall classify as Exempt Property: (i) Assessor's Parcels owned by or irrevocably offered to 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 homeowner's association, (v) Assessor's Parcels with public or utility easements or other restrictions making impractical their utilization for other than the purposes set forth in the easement or the restriction, and (iv) Assessor's Parcel for which a Final Subdivision Map has not been recorded.

### **SECTION L APPEALS**

Any owner of an Assessor's Parcel claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Associate Superintendent not later than one (1) Calendar Year after having paid the first installment of the Special Tax that is being disputed. The Associate Superintendent shall reasonably and promptly review the appeal, and if necessary, reasonably meet with the property owner, reasonably consider written and oral evidence regarding the amount of the Special Tax, and reasonably rule on the appeal. If the Associate Superintendent's decision reasonably requires that the Special Tax for an Assessor's Parcel be reasonably modified or reasonably 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).

### **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. 11 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**

(Under separate cover)

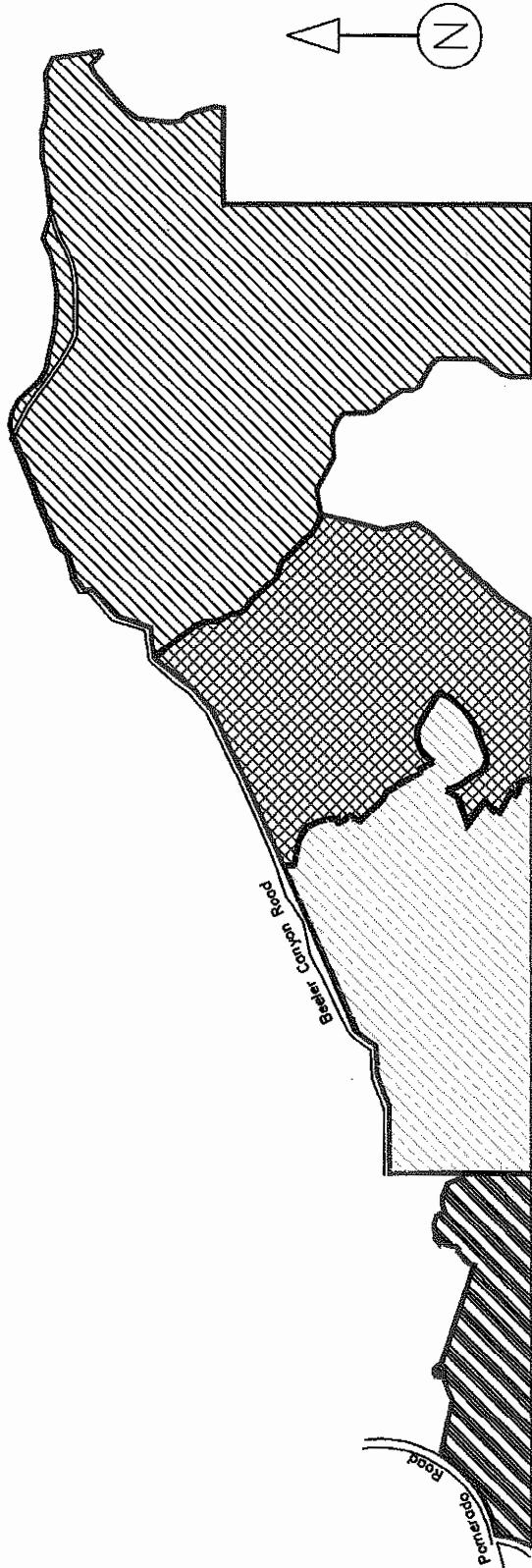
J:\CLIENTS\POWAY.USD\CFD NO. 11\FORMATION\CFD NO 11 RMA FINAL.DOC

THE ORIGINAL OF THIS DOCUMENT  
 WAS RECORDED ON NOV 20, 2  
 DOCUMENT NUMBER 2003-13983

GREGORY J. SMITH, COUNTY RECORDER  
 SAN DIEGO COUNTY RECORDER'S OFFICE  
 TIME: 2:48 PM

**PROPOSED BOUNDARIES OF  
 POWAY UNIFIED SCHOOL DISTRICT  
 COMMUNITY FACILITIES DISTRICT NO. 11  
 SAN DIEGO COUNTY  
 STATE OF CALIFORNIA**

SHEET 1 OF 9



**LEGEND**

	Boundaries of Community Facilities District No. 11
	Zone Boundaries
	Zone 1
	Zone 2
	Zone 3
	Zone 4

(3) Filed this 20th day of November, 2003, at the hour of 2:48 o'clock P.m. in Book 37 of Maps of Assessment and Community Facilities Districts at page 77 and as Instrument No. in the office of the County Recorder of San Diego County, State of California.

*DAVID TAUSSIG*  
 County Recorder of San Diego County

(2) I hereby certify that the within map showing the boundaries of Community Facilities District No. 11, San Diego County, State of California, was approved by the Board of Education at a meeting thereof, held on this 17th day of Nov. 2003, by its Resolution No. 24-2004.

*DAVID TAUSSIG*  
 Secretary of the Board of Education

(1) Filed in the office of the Secretary to the Board of Education this 17th day of Nov. 2003.

*DAVID TAUSSIG*  
 Secretary of the Board of Education

Reference is hereby made to the Assessor maps of the County of San Diego for an exact description of the lines and dimensions of each lot and parcel.

PREPARED BY  
 DAVID TAUSSIG & ASSOCIATES, INC.

# **Exhibit B**

**Poway Unified School District  
Public Financing Authority  
Special Tax Revenue Refunding Bonds, Series 2024B  
Debt Service Schedule**



**Poway Unified School District  
Public Financing Authority  
Special Tax Revenue Refunding Bonds, Series 2024B**

Period Ending	Series 2024B Special Tax Revenue Refunding Bonds		Total Debt Service
	Principal	Interest	
9/1/2025	\$105,000.00	\$364,764.58	\$469,764.58
9/1/2026	120,000.00	356,500.00	476,500.00
9/1/2027	135,000.00	350,500.00	485,500.00
9/1/2028	150,000.00	343,750.00	493,750.00
9/1/2029	170,000.00	336,250.00	506,250.00
9/1/2030	175,000.00	327,750.00	502,750.00
9/1/2031	195,000.00	319,000.00	514,000.00
9/1/2032	210,000.00	309,250.00	519,250.00
9/1/2033	155,000.00	298,750.00	453,750.00
9/1/2034	175,000.00	291,000.00	466,000.00
9/1/2035	190,000.00	282,250.00	472,250.00
9/1/2036	225,000.00	272,750.00	497,750.00
9/1/2037	230,000.00	261,500.00	491,500.00
9/1/2038	270,000.00	250,000.00	520,000.00
9/1/2039	330,000.00	236,500.00	566,500.00
9/1/2040	1,140,000.00	220,000.00	1,360,000.00
9/1/2041	1,220,000.00	163,000.00	1,383,000.00
9/1/2042	1,275,000.00	102,000.00	1,377,000.00
9/1/2043	765,000.00	38,250.00	803,250.00
<b>Total</b>	<b>\$7,235,000.00</b>	<b>\$5,123,764.58</b>	<b>\$12,358,764.58</b>

# Exhibit C

## Local Obligation Debt Service Schedules

**Poway Unified School District  
Zone 2 of CFD No. 11  
Series 2014 Special Tax Bonds**

Period Ending	Series 2014 Special Tax Bonds		Total Debt Service
	Principal	Interest	
9/1/2025	\$25,000.00	\$107,556.25	\$132,556.25
9/1/2026	25,000.00	106,681.25	131,681.25
9/1/2027	30,000.00	105,743.75	135,743.75
9/1/2028	35,000.00	104,543.75	139,543.75
9/1/2029	40,000.00	103,143.75	143,143.75
9/1/2030	35,000.00	101,543.75	136,543.75
9/1/2031	35,000.00	100,143.75	135,143.75
9/1/2032	40,000.00	98,700.00	138,700.00
9/1/2033	0.00	97,000.00	97,000.00
9/1/2034	0.00	97,000.00	97,000.00
9/1/2035	0.00	97,000.00	97,000.00
9/1/2036	10,000.00	97,000.00	107,000.00
9/1/2037	10,000.00	96,500.00	106,500.00
9/1/2038	5,000.00	96,000.00	101,000.00
9/1/2039	35,000.00	95,750.00	130,750.00
9/1/2040	595,000.00	94,000.00	689,000.00
9/1/2041	635,000.00	64,250.00	699,250.00
9/1/2042	650,000.00	32,500.00	682,500.00
<b>Total</b>	<b>\$2,205,000.00</b>	<b>\$1,695,056.25</b>	<b>\$3,217,556.25</b>

**Poway Unified School District  
Zone 2 of CFD No. 11  
Series 2017 Special Tax Refunding Bonds**

Period Ending	Series 2017 Special Tax Refunding Bonds		Annual Debt Service Payment
	Principal	Interest	
9/1/2025	\$25,000.00	\$111,832.50	\$136,832.50
9/1/2026	25,000.00	110,832.50	135,832.50
9/1/2027	30,000.00	109,832.50	139,832.50
9/1/2028	30,000.00	108,632.50	138,632.50
9/1/2029	30,000.00	107,620.00	137,620.00
9/1/2030	30,000.00	106,570.00	136,570.00
9/1/2031	35,000.00	105,482.50	140,482.50
9/1/2032	35,000.00	104,170.00	139,170.00
9/1/2033	340,000.00	102,945.00	442,945.00
9/1/2034	360,000.00	90,705.00	450,705.00
9/1/2035	380,000.00	77,655.00	457,655.00
9/1/2036	395,000.00	63,405.00	458,405.00
9/1/2037	410,000.00	48,592.50	458,592.50
9/1/2038	430,000.00	33,217.50	463,217.50
9/1/2039	430,000.00	16,662.50	446,662.50
<b>Total</b>	<b>\$2,985,000.00</b>	<b>\$1,298,155.00</b>	<b>\$4,283,155.00</b>

**Poway Unified School District  
Zone 2 of CFD No. 11  
Series 2022 Special Tax Refunding Bonds**

Period Ending	Series 2022 Special Tax Refunding Bonds		Annual Debt Service Payment
	Principal	Interest	
9/1/2025	\$115,000.00	\$41,580.00	\$156,580.00
9/1/2026	135,000.00	37,785.00	172,785.00
9/1/2027	140,000.00	33,330.00	173,330.00
9/1/2028	155,000.00	28,710.00	183,710.00
9/1/2029	160,000.00	23,595.00	183,595.00
9/1/2030	170,000.00	18,315.00	188,315.00
9/1/2031	190,000.00	12,705.00	202,705.00
9/1/2032	195,000.00	6,435.00	201,435.00
<b>Total</b>	<b>\$1,260,000.00</b>	<b>\$202,455.00</b>	<b>\$1,462,455.00</b>

**Poway Unified School District  
Zone 3 of CFD No. 11  
Series 2014 Special Tax Bonds**

Period Ending	Series 2014 Special Tax Bonds		Total Debt Service
	Principal	Interest	
9/1/2025	\$115,000.00	\$307,737.50	\$422,737.50
9/1/2026	130,000.00	303,712.50	433,712.50
9/1/2027	140,000.00	298,837.50	438,837.50
9/1/2028	155,000.00	293,237.50	448,237.50
9/1/2029	170,000.00	287,037.50	457,037.50
9/1/2030	180,000.00	280,237.50	460,237.50
9/1/2031	200,000.00	273,037.50	473,037.50
9/1/2032	210,000.00	264,787.50	474,787.50
9/1/2033	185,000.00	255,862.50	440,862.50
9/1/2034	205,000.00	248,000.00	453,000.00
9/1/2035	225,000.00	237,750.00	462,750.00
9/1/2036	255,000.00	226,500.00	481,500.00
9/1/2037	265,000.00	213,750.00	478,750.00
9/1/2038	315,000.00	200,500.00	515,500.00
9/1/2039	355,000.00	184,750.00	539,750.00
9/1/2040	760,000.00	167,000.00	927,000.00
9/1/2041	815,000.00	129,000.00	944,000.00
9/1/2042	860,000.00	88,250.00	948,250.00
9/1/2043	905,000.00	45,250.00	950,250.00
<b>Total</b>	<b>\$6,445,000.00</b>	<b>\$4,305,237.50</b>	<b>\$9,799,987.50</b>

**Poway Unified School District**  
**Zone 3 of CFD No. 11**  
**Series 2017 Special Tax Refunding Bonds**

Period Ending	Series 2017 Special Tax Refuding Bonds		Annual Debt Service Payment
	Principal	Interest	
9/1/2025	\$70,000.00	\$71,486.28	\$141,486.28
9/1/2026	75,000.00	68,686.28	143,686.28
9/1/2027	75,000.00	65,686.28	140,686.28
9/1/2028	80,000.00	62,686.28	142,686.28
9/1/2029	80,000.00	59,986.28	139,986.28
9/1/2030	85,000.00	57,186.28	142,186.28
9/1/2031	85,000.00	54,105.02	139,105.02
9/1/2032	90,000.00	50,917.52	140,917.52
9/1/2033	165,000.00	47,767.52	212,767.52
9/1/2034	175,000.00	41,827.52	216,827.52
9/1/2035	180,000.00	35,483.76	215,483.76
9/1/2036	185,000.00	28,733.76	213,733.76
9/1/2037	195,000.00	21,796.26	216,796.26
9/1/2038	190,000.00	14,483.76	204,483.76
9/1/2039	185,000.00	7,168.76	192,168.76
<b>Total</b>	<b>\$1,915,000.00</b>	<b>\$688,001.56</b>	<b>\$2,603,001.56</b>

**Poway Unified School District  
Zone 3 of CFD No. 11  
Series 2022 Special Tax Refunding Bonds**

Period Ending	Series 2022 Special Tax Refunding Bonds		Annual Debt Service Payment
	Principal	Interest	
9/1/2025	\$90,000.00	\$32,670.00	\$122,670.00
9/1/2026	100,000.00	29,700.00	129,700.00
9/1/2027	110,000.00	26,400.00	136,400.00
9/1/2028	120,000.00	22,770.00	142,770.00
9/1/2029	130,000.00	18,810.00	148,810.00
9/1/2030	140,000.00	14,520.00	154,520.00
9/1/2031	145,000.00	9,900.00	154,900.00
9/1/2032	155,000.00	5,115.00	160,115.00
<b>Total</b>	<b>\$990,000.00</b>	<b>\$159,885.00</b>	<b>\$1,149,885.00</b>



# Exhibit D

## Additional Bond Information

**Poway Unified School District  
Public Financing Authority  
Special Tax Revenue Refunding Bonds, Series 2024B  
Additional Bond Information**

Bond Issuance	Issuance Date	Use of Proceeds	Amount Issued	Outstanding Amount <sup>[1]</sup>	Amount Authorized
<b>Original Bond Authorization <sup>[2]</sup></b>					<b>(\$60,000,000.00)</b>
<b>Zone 1 of CFD No. 11</b>					
Special Tax Bonds, Series 2004	4/1/2004	Construction of Elementary school seats at Morning Creek Elementary School, construction of middle school seats at Meadowbrook Middle School, and construction and improvements of high school seats at Mt. Carmel High School.	\$9,000,000.00	\$0.00	\$9,000,000.00
Special Tax Bonds, Series 2013	2/14/2013		\$10,310,000.00	\$0.00	\$2,390,000.00
Special Tax Refunding Bonds Series 2022	3/24/2022	Fully refunded the outstanding 2013 Special Tax Refunding Bonds	\$8,070,000.00	\$7,015,000.00	\$0.00
<i>Zone 1 of CFD No. 11 Subtotal</i>			<b>\$27,380,000.00</b>	<b>\$7,015,000.00</b>	<b>\$11,390,000.00</b>
<b>Zone 2 of CFD No. 11</b>					
Special Tax Bonds, Series 2009	7/2/2009	Construction of Elementary school seats at Morning Creek Elementary School, construction of middle school seats at Meadowbrook Middle School, and construction and improvements of high school seats at Mt. Carmel High School.	\$5,150,000.00	\$0.00	\$5,150,000.00
Special Tax Bonds, Series 2014	8/7/2014		\$2,565,000.00	\$2,205,000.00	\$2,565,000.00
Special Tax Refunding Bonds, Series 2013	2/14/2013	Partially refunded the outstanding 2009 Special Tax Bonds	\$1,870,000.00	\$0.00	\$0.00
Special Tax Refunding Bonds, Series 2017	2/8/2017	Fully refunded the outstanding 2009 Special Tax Bonds	\$3,405,000.00	\$2,985,000.00	\$0.00
Special Tax Refunding Bonds, Series 2022	3/24/2022	Fully refunded the outstanding 2013 Special Tax Refunding Bonds	\$1,530,000.00	\$1,260,000.00	\$0.00
<i>Zone 2 of CFD No. 11 Subtotal</i>			<b>\$14,520,000.00</b>	<b>\$6,450,000.00</b>	<b>\$7,715,000.00</b>
<b>Zone 3 of CFD No. 11</b>					
Special Tax Bonds, Series 2009	7/2/2009	Construction of Elementary school seats at Morning Creek Elementary School, construction of middle school seats at Meadowbrook Middle School, and construction and improvements of high school seats at Mt. Carmel High School.	\$3,845,000.00	\$0.00	\$3,845,000.00
Special Tax Bonds, Series 2014	8/7/2014		\$7,500,000.00	\$6,455,000.00	\$7,500,000.00
Special Tax Refunding Bonds, Series 2013	2/14/2013	Partially refunded the outstanding 2009 Special Tax Bonds	\$1,390,000.00	\$0.00	\$0.00
Special Tax Refunding Bonds, Series 2017	2/8/2017	Fully refunded the outstanding 2009 Special Tax Bonds	\$2,410,000.00	\$1,915,000.00	\$0.00
Special Tax Refunding Bonds, Series 2022	3/24/2022	Fully refunded the outstanding 2013 Special Tax Refunding Bonds	\$1,185,000.00	\$990,000.00	\$0.00
<i>Zone 3 of CFD No. 11 Subtotal</i>			<b>\$16,330,000.00</b>	<b>\$9,360,000.00</b>	<b>\$11,345,000.00</b>
<b>Total Amount</b>			<b>\$58,230,000.00</b>	<b>\$22,825,000.00</b>	<b>(\$29,550,000.00)</b>

[1] As of December 31, 2024.

[2] Refunding Bonds do not affect the Bond Authorization.