

Annual Report

Poway Unified School District
Zone 1 of
Community Facilities District No. 11

January 31, 2009

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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 Zone 1 2004 Special Tax Bonds ("Bonds") by Community Facilities District ("CFD") No. 11 of the Poway Unified School District ("School District") in the amount of \$9,000,000 on April 1, 2004. The Bonds were issued pursuant to a Bond Indenture dated March 1, 2004 by and between the School District 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 (i) to finance, either directly or indirectly, the acquisition and construction of certain public improvements of the School District, (ii) to fund a separate reserve fund for the Bonds, (iii) to pay interest on the Bonds through October 1, 2005, (iv) to pay certain administrative expenses of the CFD, and (v) to pay the costs of issuing the Bonds.

I. Audited Financial Statements

A copy of the School District's annual audited financial statements for Fiscal Year 2007/2008 is available online at www.disclosureusa.org.

II. Principal Amount of Bonds Outstanding

As of the date of the Report, the outstanding principal amount of the Bonds was \$8,895,000.00

III. Bond Service Fund Balance

The Bond Fund is a composite of the Principal Account, Interest Account and the Capitalized Interest Subaccount; as of January 1, 2009, the balances within these accounts totaled \$935.80.

IV. Reserve Fund Balance

The Reserve Requirement for the Bonds is an amount equal to the lesser of (i) ten percent (10%) of the original principal amount of the Bonds (ii) one hundred percent (100%) of the remaining maximum annual debt service on the Bonds (iii) one hundred and twenty-five percent (125%) of the average annual debt service on the Bonds. As of January 1, 2009, the Reserve Requirement of the Bonds was \$845,121.40. Pursuant to Section 3.06 of the Bond Indenture, all Authorized Investment in the Reserve Fund are to be valued at their fair market value. As of January 1, 2009, the market valuation of the funds and investments in the Reserve Fund totaled \$847,454.75; therefore, the Reserve Requirement was satisfied as of this date.

V. Fund and Account Balances

The balance in each fund and account of the Bonds as of January 1, 2009, is listed in Table 1.

**Table 1
Fund and Account Balances (As of 1/01/09)**

Fund, Account, and Subaccount	Balances
Special Tax Fund	\$472,108.54
Bond Service Fund	\$0.00
Interest Account of the Bond Fund	\$935.80
Capitalized Interest Subaccount of the Bond Fund	\$0.00
Principal Account of the Bond Fund	\$0.00
Costs of Issuance Fund	\$0.00
School Facilities Fund	\$27,409.08
Reserve Fund ^[1]	\$837,703.52
Rebate Fund	\$0.00
Administrative Expense Fund	\$50,457.68
Redemption Fund	\$0.00
[1] This amount identifies the cost basis value in the Reserve Fund. The actual market value of the Reserve Fund is \$847,454.75.	

VI. Total Assessed Value and Value-to-Lien of Parcels within Zone 1 of CFD No. 11

Table 2 shows the total assessed value, total direct and overlapping debt, and total value-to-lien ratio for all parcels within Zone 1 of CFD No. 11 as of January 1, 2009.

**Table 2
Assessed Value to Lien**

Land Use	Total Assessed Value ^[1]	CFD Bonds		Other		Total Burden	Value-to-Lien Ratio
		Principal Amount Outstanding	Value-to-Lien Ratio for CFD	Overlapping Debt ^[2]	General Obligation Debt ^[2]		
Tax Class 1	\$250,879,797.00	\$8,895,000.00	28.20:1	\$10,875,000.00	\$471,563.04	\$20,241,563.04	12.39:1
Tax Class U	\$766,878.00	\$0.00	0.00:1	\$0.00	\$1,441.45	\$1,441.45	0.00:1
Subtotal for Taxable Parcels ^[3]	\$251,646,675.00	\$8,895,000.00	28.29:1	\$10,875,000.00	\$473,004.49	\$20,243,004.49	12.43:1
Tax Class E	\$14,103.00	\$0.00	0.00:1	\$0.00	\$26.51	\$26.51	0.00:1
Total ^[3]	\$251,660,778.00	\$8,895,000.00	28.29:1	\$10,875,000.00	\$473,031.00	\$20,243,031.00	12.43:1

[1] Total Assessed Value as reported on the Fiscal Year 2008/2009 equalized tax roll of the County.
 [2] Source: Detailed Direct and Overlapping Debt Report, National Tax Data, Inc. (attached as Exhibit A).
 [3] Totals may not sum due to rounding.

VII. Fiscal Year 2007/2008 Special Tax Levy and Delinquencies

There were twelve (12) parcels delinquent in paying their Fiscal Year 2007/2008 Special Tax in an amount of \$20,357.93. The Special Tax levied in Fiscal Year 2007/2008 totaled \$580,736.74. Therefore, the delinquency rate within Zone 1 of CFD No. 11 was 3.51% for Fiscal Year 2007/2008.

VIII. Foreclosure Proceedings

Since no single parcel is delinquent in the payment of Special Taxes in an amount greater than \$5,000, no single parcel or parcels under common ownership is delinquent in the payment of Special Taxes in an amount greater than \$10,000, and the overall delinquency rate within Zone 1 of CFD No. 11 for Fiscal Year 2007/2008 did not exceed five percent (5.00%), CFD No. 11 has not initiated any foreclosure proceedings to date.

IX. Major Taxpayers

"Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy in a given Fiscal Year. According to the County of San Diego Assessor's 2008/2009 equalized tax roll, there were no Major Taxpayers for Fiscal Year 2008/2009.

X. 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 is included as Exhibit B.

XI. Changes to the Rate and Method of Apportionment of Zone 1 of CFD No. 11

No changes have been made to the Rate and Method of Apportionment for Zone 1 of CFD No. 11 as of the date of the Annual Report.

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1\FY0708\Reports\ContDisc\Poway_11Z1_CONT_DIS_0708_Fn.doc

Exhibit A

Detailed Direct and Overlapping Debt Report

POWAY UNIFIED SCHOOL DISTRICT
Community Facilities District No. 11
Zone 1
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 11/01/2008
 Report Time: 12:00:00 PM

I. Assessed Value

2008-2009 Secured Roll Assessed Value **\$251,660,778**

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic Levy	PROPI3	957,523	\$3,813,203,012	0.06550%	281	\$2,497,630.90
County of San Diego Vector Control, Zone A	VECTOR	530,324	\$1,486,679	0.05569%	276	\$828.00
County of San Diego Vector Control, Zone B	VECTOR	358,847	\$748,016	0.00091%	3	\$6.84
County of San Diego Vector Disease Control	VECTOR	943,568	\$5,256,250	0.03092%	279	\$1,625.04
Metropolitan Water District of Southern California Standby Charge	STANDBY	353,385	\$4,356,825	0.07747%	281	\$3,375.24
Poway Unified School District CFD No. 11, Impv Area A	CFD	271	\$749,186	100.00000%	271	\$749,186.20
Poway Unified School District CFD No. 11, Zone 1	CFD	271	\$592,352	100.00000%	271	\$592,351.80
San Diego County Water Authority Standby Charge	STANDBY	361,328	\$3,834,233	0.07654%	281	\$2,934.90
Voter Approved Debt	VOTER	957,329	\$250,644,468	0.02352%	281	\$58,941.54
2008-2009 TOTAL PROPERTY TAX LIABILITY						\$3,906,880.46
TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2008-2009 ASSESSED VALUATION						1.55%

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Poway Unified School District CFD No. 11, Impv Area A	CFD	\$11,000,000	\$10,875,000	100.00000%	271	\$10,875,000
Poway Unified School District CFD No. 11, Zone 1	CFD	\$9,000,000	\$8,895,000	100.00000%	271	\$8,895,000
TOTAL LAND SECURED BOND INDEBTEDNESS (1)						\$19,770,000
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1)						\$19,770,000

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
City of San Diego GOB 1978 (Open Space Park Facilities District No. 1)	GOB	\$35,000,000	\$7,010,000	0.13775%	281	\$9,657
City of San Diego GOB 1990 (Public Safety Communication System)	GOB	\$25,500,000	\$6,315,000	0.13775%	281	\$8,699
Metropolitan Water District of Southern California GOB 1966	GOB	\$850,000,000	\$327,215,000	0.01187%	281	\$38,827
Palomar Community College District GOB 2006	GOB	\$160,000,000	\$158,000,000	0.26319%	281	\$415,848
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$473,031
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$473,031

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	\$20,243,030.64
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	12.43:1

(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/MARKS ROOS
YEARLY STATUS FISCAL REPORT
FOR LOCAL OBLIGATORS**

California Debt and Investment Advisory Commission
915 Capitol Mall, room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-001
(916) 653-3269 FAX (916) 654-7440

For Office Use Only	
CDIAC # _____	_____
Fiscal Year _____	_____

I. GENERAL INFORMATION

This issue is subject to the Mello-Roos Fiscal Status Reporting Requirements only Yes No

This issue is subject to the Marks-Roos Yearly Fiscal Status Reporting Requirements for local obligation/loan issues only Yes No

This issue is subject to both Marks/Mello-Roos Yearly Fiscal Status Reporting Requirements Yes

A. Issuer Poway Unified School District

B. Community Facilities District Number (*Mello-Roos only*) Community Facilities District No. 11 Zone 1

C. Name/Title/Series of Bond Issue Zone 1 2004 Special Tax Bonds

D. Indicate Credit Rating Rating Agency _____ Rating _____ Not Rated X

E. Date of Bond Issue April 1, 2004

F. Original Principal Amount of Bonds \$9,000,000.00

G. Reserve Fund Minimum Balance Required Yes Amount \$837,512.85 No
Percent of Authority Reserve Fund (*Marks-Roos only*) Yes % of Reserve Fund _____

H. Name of Authority that purchased debt (*Marks-Roos only*) _____
Was this a Senior/Subordinate Authority Bond? Yes No (If yes, list Senior and Subordinate below)

(Senior Authority bond issue)

(Subordinate Authority bond issue)

I. Date of Authority Bond(s) Issuance _____ (*Marks-Roos only*)

II. FUND BALANCE FISCAL STATUS

Balances Reported as of fiscal year ending June 30, 2008 (Year)

A. Principal Amount of bonds Outstanding \$ 8,940,000.00

B. Bond Reserve Fund \$ 831,130.00

C. Capitalized Interest Fund \$ 0.00

D. Construction Fund(s) (Mello-Roos only) \$ 27,280.53

III. FUND BALANCE FISCAL STATUS

A. Assessed Value Reported as of: July 1, 2008 (Date) (Check one)
(Most recent tax roll) From 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 \$ 251,646,675.00

IV. TAX COLLECTION INFORMATION

Reported as of fiscal year ending of: June 30, 2008 (Year)

A. Total Amount of Taxes Due \$ 580,736.74

B. Total Amount of Unpaid Taxes \$ 20,357.93

C. Taxes are Paid Under the County's Teeter Plan Yes No

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of the current Tax Roll June 30, 2008 (Date)

A. Total Number of Delinquent Parcels 17

B. Total Amount of Taxes Due on Delinquent Parcels \$ 31,147.08

C. Percent of Delinquency Rate 3.51%
(Percent)

