

Annual Report

Poway Unified School District
Improvement Area B of
Community Facilities District No. 11

January 31, 2010

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 Improvement Area ("IA") B 2005 Special Tax Bonds ("Bonds") by IA B of Community Facilities District ("CFD") No. 11 of the Poway Unified School District ("School District") in the amount of \$9,035,000 on June 16, 2005. The Bonds were issued pursuant to a Bond Indenture dated June 1, 2005 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 fund (i) the acquisition and construction of certain public improvements of the City of San Diego ("City Facilities"), (ii) a reserve fund for the Bonds, (iii) interest on the Bonds through March 1, 2007, (iv) certain administrative expenses associated with IA B of CFD No. 11 and (v) the costs of issuing the Bonds.

I. Audited Financial Statements

A copy of the School District's annual audited financial statements for Fiscal Year 2008/2009 is available online at <http://emma.msrb.org/>.

II. Principal Amount of Bonds Outstanding

As of January 1, 2010, the principal amount of Bonds outstanding was \$8,900,000.

III. Fund and Account Balances

The balance in each fund, account, and subaccount of the Bonds as of January 1, 2010, is listed in the table below.

Fund, Account, and Subaccount Balances (As of 01/01/10)

Funds and Accounts	Amount
Administrative Expense Fund	\$12,671.44
Capitalized Interest Subaccount	\$0.00
Infrastructure Improvement Account	\$0.00
Interest Account	\$0.01
Letter of Credit Fund	\$0.00
Principal Account	\$0.00
Reserve Fund	\$800,721.04
Special Tax Fund	\$130,951.98
Total	\$944,344.47

IV. Reserve Requirement

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, 2010, the Fiscal Agent calculated the Reserve Requirement of the Bonds to be \$816,784.38. As of January 1, 2010, the Reserve Requirement was not satisfied. This has been brought to the attention of the Fiscal Agent.

V. Total Assessed Value and Value-to-Lien

The table below shows the total assessed value, total direct and overlapping debt, and total value-to-lien ratio for all parcels within IA B of CFD No. 11.

Assessed Value to Lien

Land Use	Total Assessed Value ^[1]	2005 Special Tax Bonds Stonebridge Estates		Other ^[2]		Total Lien	Value-to-Lien Ratio
		Principal Amount Outstanding	Value-to-Lien Ratio for CFD	Overlapping Debt	General Obligation Debt		
Tax Class 10 > 4,750	\$109,024,246.00	\$5,778,434.36	18.87:1	\$3,171,468.93	\$203,097.83	\$9,153,001.12	11.91:1
Tax Class 6 3,751 - 4,000	\$9,340,732.00	\$500,858.73	18.65:1	\$378,248.59	\$17,400.56	\$896,507.87	10.42:1
Tax Class 7 4,001 - 4,250	\$14,503,282.00	\$635,559.57	22.82:1	\$436,440.68	\$27,017.71	\$1,099,017.95	13.20:1
Tax Class 8 4,251 - 4,500	\$17,312,899.00	\$883,677.18	19.59:1	\$552,824.86	\$32,251.65	\$1,468,753.69	11.79:1
Tax Class 9 4,501 - 4,750	\$21,172,160.00	\$1,044,982.72	20.26:1	\$611,016.95	\$39,440.95	\$1,695,440.62	12.49:1
Tax Class U UNDEV	\$10,374,935.00	\$56,487.45	183.66:1	\$0.00	\$19,327.14	\$75,814.59	136.85:1
Subtotal for Taxable Parcels ^[3]	\$181,728,254.00	\$8,900,000.00	20.42:1	\$5,150,000.00	\$338,535.83	\$14,388,535.83	12.63:1
Tax Class E EXEMPT	\$17,452,208.00	\$0.00	0.00:1	\$0.00	\$32,511.17	\$32,511.17	0.00:1
Total ^[3]	\$199,180,462.00	\$8,900,000.00	22.38:	\$5,150,000.00	\$371,047.00	\$14,421,047.00	13.81:1

[1] Total Assessed Value as reported on the Fiscal Year 2009/2010 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 2008/2009 and prior Fiscal Years within IA B of CFD No. 11 are shown in the table below.

Fiscal Year	Subject Fiscal Year ^[1]				June 30, 2009	
	Aggregate Special Tax	Parcels Delinquent	Fiscal Year Amount Delinquent	Fiscal Year Delinquency Rate	Remaining Amount Delinquent	Remaining Delinquency Rate
2006/2007	\$371,265.84	3	\$6,851.35	1.85 %	\$1,245.17	0.34 %
2007/2008	\$475,701.52	12	\$31,607.26	6.64 %	\$10,485.54	2.20 %
2008/2009	\$489,463.62	8	\$20,971.76	4.28 %	\$20,971.76	4.28 %
[1] Delinquencies as of June 30 th .						

Since the delinquency rate in IA B of CFD No. 11 dropped below the five percent (5.00%) foreclosure threshold prior to August 30, 2009, foreclosure proceedings were not initiated.

VII. Major Taxpayers

"Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy. The Top 20 Taxpayers and their respective share of the Special Tax obligation for Fiscal Year 2009/2010 are shown in the table below.

Top 20 Taxpayers

Major Taxpayer	Levy		Assessed Value	
	Amount	Percentage	Amount	Percentage
BROOKFIELD 10 L L C	\$98,637.62	17.77 %	\$27,304,098.00	15.02 %
SHEA HOMES LIMITED PARTNERSHIP	\$49,341.24	8.89 %	\$15,251,443.00	8.39 %
DANG FAMILY TRUST 06-01-04	\$3,306.56	0.60 %	\$1,541,070.00	0.85 %
DABASINSKAS MICHAEL R & HILARY T	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
CORREA MARCOS F JR & LAVENIA J	\$3,306.56	0.60 %	\$984,000.00	0.54 %
CHACKEL FAMILY TRUST 02-08-06	\$3,306.56	0.60 %	\$989,400.00	0.54 %
CAMPO MICHAEL M & PHAYVANH	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
BSAIBES CAMILLE K & BSEIBES EVA K	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
AKIKI MICHAEL E & JEANINE F	\$3,306.56	0.60 %	\$960,000.00	0.53 %
BRODFUEHRER JAMES S	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
BOLES FAMILY TRUST 12-01-03	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
BINGHAM RYON J & DANIELLE G	\$3,306.56	0.60 %	\$1,243,319.00	0.68 %
ASGARI KEYVAN S & MOAVENI NILOFAR	\$3,306.56	0.60 %	\$1,080,000.00	0.59 %
ARANA LIVING TRUST 12-28-07	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
DENNY JEFFREY G & KAREN B	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
ESTEFANOS JOSEPH M & ICHO CHRISTINE J	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
FIELD CHARLES H JR & YOUNGCHU	\$3,306.56	0.60 %	\$1,678,033.00	0.92 %
FISHMAN BRANDON M & KELLY L	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
GARBO EDWARD A	\$3,306.56	0.60 %	\$920,000.00	0.51 %
GRANDCHILDRENS TRUST 11-15-93	\$3,306.56	0.60 %	\$1,000,000.00	0.55 %
Total	\$207,496.94	37.38 %	\$61,951,363.00	34.09 %

VIII. Report to the California Debt and Investment Advisory Commission

A copy of the report prepared and filed with the California Debt and Investment Commission pursuant to Section 53359.5 (b) of the Act is included as Exhibit B.

IX. Changes to the Rate and Method of Apportionment for IA B of CFD No. 11

No changes have been made to the Rate and Method of Apportionment for IA B of CFD No. 11 as of the date of this Report.

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B\FY0809\Reports\ContDisc\Poway_11IAB_CONTDIS_0910_FN.docx

Exhibit A

Detailed Direct and Overlapping Debt Report

POWAY UNIFIED SCHOOL DISTRICT
Community Facilities District No. 11
Improvement Area B
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 12/14/2009

Report Time: 12:00:00 PM

I. Assessed Value

2009-2010 Secured Roll Assessed Value

\$199,180,462

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic Levy	PROP13	959,714	\$3,705,485,109	0.04891%	220	\$1,812,238.94
Voter Approved Debt	VOTER	959,505	\$295,475,096	0.01168%	220	\$34,521.18
County of San Diego Vector Control, Zone B	VECTOR	359,611	\$749,706	0.06539%	215	\$490.20
County of San Diego Vector Disease Control	VECTOR	945,654	\$5,286,916	0.02095%	215	\$1,107.62
Metropolitan Water District of Southern California Standby Charge	STANDBY	354,498	\$4,361,056	0.08650%	221	\$3,772.40
Poway Unified School District CFD No. 11, Impv Area B	CFD	265	\$555,115	100.00000%	210	\$555,114.70
Poway Unified School District CFD No. 11, Zone 2	CFD	177	\$416,000	100.00000%	177	\$415,999.56
San Diego County Water Authority Standby Charge	STANDBY	362,508	\$3,840,807	0.08512%	220	\$3,269.40
2009-2010 TOTAL PROPERTY TAX LIABILITY						\$2,826,514.00
TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2009-2010 ASSESSED VALUATION						1.42%

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 B	CFD	\$9,035,000	\$8,900,000	100.00000%	210	\$8,900,000
Poway Unified School District CFD No. 11, Zone 2	CFD	\$5,150,000	\$5,150,000	100.00000%	177	\$5,150,000
TOTAL LAND SECURED BOND INDEBTEDNESS (1)						\$14,050,000
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1)						\$14,050,000

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
City of San Diego GOB 1990 (Public Safety Communication System)	GOB	\$25,500,000	\$4,340,000	0.11496%	220	\$4,989
Metropolitan Water District of Southern California GOB 1966	GOB	\$850,000,000	\$293,425,000	0.00957%	220	\$28,081
Palomar Community College District GOB 2006	GOB	\$160,000,000	\$151,750,000	0.22272%	220	\$337,977
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$371,047
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$371,047

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	\$14,421,047.38
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	13.81:1

(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 #	2005-1086
Fiscal Year	

I. GENERAL INFORMATION

A. Issuer	Poway Unified School District CFD No 11
B. Community Facilities District Number/Name	Stonebridge Estates IA B
C. Name/Title/Series of Bond Issue	2005 Special Tax Bonds
D. Date of Bond Issue	06-16-2005
E. Original Principal Amount of Bonds	\$ 9,035,000.00
F. Reserve Fund Minimum Balance Required	\$ 787,226.88

II. FUND BALANCE FISCAL STATUS

Balances Reported as of:	June 30 2009 (Year)
A. Principal Amount of Bonds Outstanding	\$ 8,955,000.00
B. Bond Reserve Fund	\$ 793,807.92
C. Capitalized Interest Fund	\$ 0.00
D. Construction Fund(s)	\$ 0.00

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

A. Assessed Value Reported as of: 07-01-2009 (Date) (Check One)

☒ From Equalized Tax Roll

☐ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$ 181,728,254.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due	\$ 489,463.62
B. Total Amount of Unpaid Special Taxes	\$ 20,971.76
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: 06-30-2009 (Date)

A. Total Number of Delinquent Parcels:	10
B. Total Amount of Taxes Due on Delinquent Parcels:	\$ 34,291.55

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

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

VII. ISSUE RETIRED

This issue is retired and not longer subject to the Yearly Fiscal Status filing requirements. *(Indicate reason for retirement.)*

- A. Matured ☐ Yes ☒ No If yes, indicate final maturity date: _____
- B. Refunded Entirely ☐ Yes ☒ No If yes, state refunding bond title: _____
and issue date: _____
- C. Other: _____

VIII. NAME OF PARTY COMPLETING THIS FORM

Name	Benjamin Dolinka	
Title	President	
Firm/Agency	Dolinka Group, LLC	
Address	20 Pacifica, Suite 900	
City/State/Zip	Irvine, CA 92618	
Phone No.	(949) 250-8300	Date Of Report 11-02-2009
Email	dginfo@dolinkagroup.com	

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