

Annual Report

Poway Unified School District
Series 2002 Special Tax Bonds and
Series 2005 Special Tax Bonds of
Community Facilities District No. 6

January 31, 2007

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 ("Agreement") executed in connection with the issuance of the Series 2002 Special Tax Bonds ("2002 Bonds") and the Series 2005 Special Tax Bond ("2005 Bonds") ("collectively Bonds") by Community Facilities District ("CFD") No. 6 of the Poway Unified School District ("School District") in the amount of \$25,000,000 and \$44,305,000 respectively. The Bonds were issued under the Mello-Roos Community Facilities Act of 1982, as amended ("Act"), and pursuant to the Bond Indenture, dated August 1, 2002, by and between the School District on behalf of CFD No. 6 and State Street Bank and Trust Company of California, N.A. as Fiscal Agent ("State Street") and the first supplemental Indenture dated November 1, 2005, by and between the School district on behalf of CFD No. 6 and Zions First National Bank as successor to State Street as Fiscal Agent ("Fiscal Agent") ("Indentures"). The Bonds were issued to fund (i) the acquisition and construction of certain school facilities ("Facilities"), (ii) a reserve fund for the 2002 Bonds, (iii) interest on the Bonds through March 1, 2003, and (iv) the costs of issuing the Bonds.

The following information is provided pursuant to Section 3 and 4 of the Agreement:

I. Audited Financial Statements

For a copy of the School District's annual audited financial statements, please refer to the Continuing Disclosure Annual Report for the Series 2003 Special Tax Bonds for CFD No. 1 of the School District issued January 2003 ("Series 2003 Bonds").

II. Principal Amount of Bonds Outstanding

As of January 1, 2007, the outstanding principal amount of (i) 2002 Bonds was \$24,835,000 and (ii) 2005 Bond was \$44,225,000

III. Bond Fund Balance

As of January 1, 2007, the balance in the Bond Fund was \$42.47.

IV. Reserve Fund Balance

The Reserve Requirement for the Bonds is 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, or (iii) one hundred and twenty-five percent (125%) of the remaining average annual debt service on the Bonds. As January 1, 2007 the Reserve Requirement for the Bonds was \$6,417,281.10. As of January 1, 2007, the balance of the Reserve Fund was \$6,492,018.20; therefore, the Reserve Requirement was satisfied as of this date.

V. Fund and Account Balances

The balance of each fund, account, and subaccount of CFD No. 6 as of January 1, 2007, is listed in Table 1.

Table 1
Fund, Account, and Subaccount Balances (As of 01/01/07)

Funds, Accounts, or Subaccounts	Balances
Special Tax Fund	\$3,703,083.49
Prepayment Account of the Special Tax Fund	\$5,016,004.83
Bond Service Fund	\$0.00
Interest Account of the Bond Service Fund	\$0.00
Capitalized Interest Subaccount of the Interest Account	\$0.00
Principal Account of the Bond Service Fund	\$42.47
Cost of Issuance Fund	\$0.00
School Facilities Fund	\$0.00
Series 2002 School Facilities Account of the School Facilities Fund	\$0.00
Series 2005 School Facilities Account of the School Facilities Fund	\$9,888,826.59
Middle School Account of the School Facilities Fund	\$1.28
Reserve Fund	\$6,492,018.20
Rebate Fund	\$0.00
Administrative Expense Fund	\$26,646.07
Redemption Fund	\$0.00

VI. Total Assessed Value and Value-to-Lien of all Parcels within CFD No. 6

Table 2 shows the total assessed value, total direct and overlapping debt, and total value-to-lien ratio for all parcels within CFD No. 6 as of January 1, 2007.

**Table 2
Assessed Value to Lien Table**

Land Use Class	Unit Type	Fiscal Year 2005/2006 Assessed Value [1]	Total Direct and Overlapping Debt [2]	Assessed Value-to- Lien
Residential Property	Detached Unit	\$1,380,750,205.00	\$103,972,648.20	13.28:1
Residential Property	Attached Unit	\$84,790,114.00	\$9,226,037.09	9.19:1
Residential Property	Affordable Unit	\$8,979,702.00	\$55,010.47	163.24:1
Commercial/Industrial Property	NA	\$0.00	\$0.00	N/A
Undeveloped Property	NA	\$247,769,970.00	\$10,530,055.62	23.53:1
Exempt Property [3]	NA	\$13,137,836.00	\$40,991.62	320.50:1
Total [4]	NA	\$1,735,427,827.00	\$123,824,743.00	14.02:1

[1] Total assessed value reported on the County of San Diego Fiscal Year 2005/2006 equalized tax roll.
 [2] Source: Detailed Direct and Overlapping Debt Report, National Tax Data, Inc. dated January 9, 2007 (attached as Exhibit A).
 [3] This property has been exempted from the CFD No. Special Tax, however, may be subject to ad valorem taxes.
 [4] Numbers may not reflect the total amounts listed on the Detailed Direct and Overlapping Debt Report provided by National Tax Data, Inc. due to rounding.

VII. Fiscal Year 2005/2006 and Prior Fiscal Year's Special Tax Levies and Delinquencies

There were fifty-three (53) parcels delinquent in paying their Fiscal Year 2005/2006 Special Taxes in an amount of \$83,344.15. The total Special Taxes levied by CFD No. 6 for Fiscal Year 2005/2006 was \$3,603,560.90. Therefore, the delinquency rate within CFD No. 6 for Fiscal Year 2005/2006 was 2.31%.

VIII. Foreclosure Proceedings

Since no parcel is delinquent in the payment of Special Taxes in an amount greater than \$5,000 and the overall delinquency rate for Fiscal Year 2005/2006 did not exceed five (5.00%) percent, CFD No. 6 has not initiated any foreclosure proceedings to date.

IX. Major Taxpayer Information

"Major Taxpayers" are those property owners responsible for more than five (5.00%) percent of the Special Tax levy in a given Fiscal Year. There were no Major Taxpayers in CFD No. 6 in Fiscal Year 2005/2006.

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 Rate and Method of Apportionment

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

XII. Status of Improvement Areas

The following section outlines the status of the Improvement Areas ("IAs") formed by the School District to finance infrastructure improvements within CFD No. 6.

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

IA B of CFD No. 6 has been formed and authorized to issue bonds in an aggregate amount of \$30,000,000. On November 22, 2005, IA B of CFD No. 6 issued the Improvement Area B 2005 Special Tax Bond in the amount of \$30,000,000 to finance infrastructure improvements as outlined in the supplement to the School Impact Mitigation Agreement by and between (i) the School District and 4S Kelwood, (ii) the School District and 4S Ranch Company, a California limited partnership, and (iii) the School District and 4S Ranch Company 600, L.P.

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

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Exhibit A

Detailed Direct and Overlapping Debt Report

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

Detailed Direct and Overlapping Debt

Report Date: 01/09/2007

Report Time: 12:00:00 PM

I. Assessed Value

2006-2007 Secured Roll Assessed Value

\$1,735,427,827

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic Levy	PROP13	936,149	\$3,319,441,070.13	0.51721%	3,639	\$17,168,455.79
Voter Approved Debt	VOTER	926,227	\$211,399,574.70	0.03816%	3,639	\$80,674.36
Community Facilities District No. 6, Impv Area B	CFD	1,689	\$1,414,772.22	100.00000%	1,689	\$1,414,772.22
County of San Diego Mosquito / Disease Control	VECTOR	923,027	\$5,553,287.52	0.29769%	3,636	\$16,531.42
County of San Diego Service Area No. 17 (Emergency Medical)	CSA	48,869	\$1,189,190.04	5.41735%	2,572	\$64,422.54
County of San Diego Service Area No. 83 (Park Maintenance)	OPENSACE	2,481	\$228,467.40	58.31510%	1,377	\$133,231.00
County of San Diego Street Lighting, Zone A	LLMD	92,649	\$599,032.02	2.29151%	2,222	\$13,726.90
County of San Diego Vector Control, Zone B	VECTOR	349,291	\$729,043.12	1.13712%	3,636	\$8,290.08
Metropolitan Water District of Southern California Standby Charge	STANDBY	24,064	\$422,868.34	12.55727%	3,327	\$53,100.74
Metropolitan Water District of Southern California Standby Charge	STANDBY	18,687	\$308,882.92	0.00372%	1	\$11.50
Olivenhain Municipal Water District AD No. 96-1	1915	21,696	\$1,495,966.08	12.93694%	2,931	\$193,532.22
Olivenhain Municipal Water District Sewer Charge	SEWER	3,929	\$2,542,234.02	64.35309%	2,979	\$1,636,006.16
Olivenhain Municipal Water District Water Standby Charge	STANDBY	651	\$65,800.00	100.00000%	651	\$65,800.00
Palomar Pomerado Health Debt Service	GOB	184,909	\$9,862,559.98	3.08966%	3,639	\$304,719.69
Poway Unified School District CFD No. 6	CFD	3,759	\$5,256,325.64	100.00000%	3,759	\$5,256,325.64
Poway Unified School District CFD No. 6, Impv Area A	CFD	609	\$1,145,802.12	100.00000%	609	\$1,145,802.12
Rancho Santa Fe Fire Protection District Special Tax	FIRE	11,554	\$222,467.50	18.56114%	3,582	\$41,292.50
San Diego County Water Authority Standby Charge	STANDBY	24,242	\$371,423.70	13.71711%	3,639	\$50,948.60
2006-2007 TOTAL PROPERTY TAX LIABILITY						\$27,647,643.48

TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2006-2007 ASSESSED VALUATION

1.59%

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Community Facilities District No. 6, Impv Area B	CFD	\$30,000,000	\$30,000,000	100.00000%	1,689	\$30,000,000
Olivenhain Municipal Water District AD No. 96-1	1915	\$22,530,000	\$18,840,000	12.93694%	2,931	\$2,437,319
Poway Unified School District CFD No. 6	CFD	\$69,305,000	\$69,060,000	100.00000%	3,759	\$69,060,000
Poway Unified School District CFD No. 6, Impv Area A	CFD	\$18,000,000	\$17,985,000	100.00000%	609	\$17,985,000
TOTAL LAND SECURED BOND INDEBTEDNESS (1)						\$119,482,319
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1)						\$119,482,319

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Metropolitan Water District of Southern California Debt Service	GOB	\$850,000,000	\$389,600,000	0.53376%	3,759	\$2,079,529
Palomar Pomerado Health Debt Service	GOB	\$80,000,000	\$73,815,000	3.06563%	3,759	\$2,262,895
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$4,342,424
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$4,342,424

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	\$123,824,743
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	14.02:1

(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. 6
 C. Name/Title/Series of Bond Issue Special Tax Bonds, Series 2002
 D. Indicate Credit Rating Rating Agency _____ Rating _____ Not Rated _____ X _____
 E. Date of Bond Issue October 10, 2002
 F. Original Principal Amount of Bonds \$ 25,000,000
 G. Reserve Fund Minimum Balance Required Yes Amount \$ 2,342,556.70 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, 2006 (Year)
 A. Principal Amount of bonds Outstanding \$ 24,920,000.00
 B. Bond Reserve Fund \$ 6,317,686.66 [1]
 C. Capitalized Interest Fund \$ 0.00
 D. Construction Fund(s) (Mello-Roos only) \$ 1.25

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX (Mello-Roos only)

A. Assessed Value Reported as of: Fiscal Year 2006-2007 (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 \$ 1,735,427,827.00

IV. TAX COLLECTION INFORMATION

Reported as of fiscal year ending of: June 30, 2006 (Year)
 A. Total Amount of Taxes Due \$ 3,603,560.90
 B. Total Amount of Unpaid Taxes \$ 83,344.15
 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 of June 30, 2006 (Date)
 A. Total Number of Delinquent Parcels 53
 B. Total Amount of Taxes Due on Delinquent Parcels \$ 95,275.27
 C. Percent of Delinquency Rate 2.31%
 (Percent)

[1] Bond Reserve Fund is shared between CFD No. 6 Series 2002 and CFD No. 6 Series 2005

**STATE OF CALIFORNIA
YEARLY STATUS FISCAL REPORT**

(Continued)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR *(Mello-Roos only)*

(Aggregate totals, if foreclosure commenced on the same date)

<i>Date Foreclosure Commenced</i>	<i>Total Number of Foreclosure Parcels</i>	<i>Total Amount of Tax Due on Foreclosure Parcels</i>
N/A	N/A	\$ N/A
		\$
		\$
		\$
		\$
		\$
		\$

(Attach additional sheets if necessary)

VII. ISSUE RETIRED

This issue is retired and no 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, Inc.
 Address: 1301 Dove Street, Suite 700
 City/State/Zip: Newport Beach, CA 92660
 Phone No.: (949) 250-8300 Date of Report: October 30, 2006

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.

Section 6599.1 of the California Government Code requires that all issuers selling Mark-Roos bonds, which is part of the Mark-Roos Local Bond Pooling Act of 1985, after January 1, 1996 are required to report specific information to the Commission by October 30th of the current year and each year thereafter.

**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
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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. 6
 C. Name/Title/Series of Bond Issue Special Tax Bonds, Series 2005
 D. Indicate Credit Rating Rating Agency _____ Rating _____ Not Rated _____ X
 E. Date of Bond Issue November 22, 2005
 F. Original Principal Amount of Bonds \$ 44,305,000
 G. Reserve Fund Minimum Balance Required Yes Amount \$ 3,994,281.53 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, 2006 (Year)
 A. Principal Amount of bonds Outstanding \$ 44,305,000.00
 B. Bond Reserve Fund \$ 6,317,686.66 [1]
 C. Capitalized Interest Fund \$ 0.00
 D. Construction Fund(s) (Mello-Roos only) \$ 14,591,657.06

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX (Mello-Roos only)

A. Assessed Value Reported as of: Fiscal Year 2006-2007 (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 \$ 1,735,427,827.00

IV. TAX COLLECTION INFORMATION

Reported as of fiscal year ending of: June 30, 2006 (Year)
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Delinquent Parcel Information Reported as of the current Tax Roll of June 30, 2006 (Date)
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 (Percent)

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**STATE OF CALIFORNIA
YEARLY STATUS FISCAL REPORT**

(Continued)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR *(Mello-Roos only)*

(Aggregate totals, if foreclosure commenced on the same date)

<i>Date Foreclosure Commenced</i>	<i>Total Number of Foreclosure Parcels</i>	<i>Total Amount of Tax Due on Foreclosure Parcels</i>
N/A	N/A	\$ N/A
		\$
		\$
		\$
		\$
		\$
		\$

(Attach additional sheets if necessary)

VII. ISSUE RETIRED

This issue is retired and no 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, Inc.
 Address: 1301 Dove Street, Suite 700
 City/State/Zip: Newport Beach, CA 92660
 Phone No.: (949) 250-8300 Date of Report: October 30, 2006

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.

Section 6599.1 of the California Government Code requires that all issuers selling Mark-Roos bonds, which is part of the Mark-Roos Local Bond Pooling Act of 1985, after January 1, 1996 are required to report specific information to the Commission by October 30th of the current year and each year thereafter.