

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO A SINGLE BOND ISSUE:

Provide name of bond issue exactly as it appears on the cover of the Official Statement

(please include name of state where issuer is located):

\$3,000,000
Poway Unified School District
(San Diego County, California)
Community Facilities District No. 10
(Torrey Highlands - Subarea IV)
Improvement Area C 2003 Special Tax Bonds

Provide nine-digit CUSIP* numbers if available, to which the information relates:

| | | | |
|-----------|-----------|-----------|-----------|
| 738855HK4 | 738855HL2 | 738855HM0 | 738855HN8 |
| 738855HP3 | 738855HQ1 | 738855HR9 | 738855HS7 |
| 738855HT5 | 738855HU2 | 738855HV0 | 738855HW8 |
| 738855HX6 | 738855HY4 | 738855HZ1 | 738855JA4 |
| 738855JB2 | 738855JC0 | 738855JD8 | 738855JE6 |
| 738855JF3 | 738855JG1 | | |

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located): Poway Unified School District, California

Other Obligated Person's Name (if any): N/A

(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s), if available, of Issuer: 738855

*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

Electronic (number of pages attached): 15

Paper (number of pages attached):

If information is also available on the Internet, give URL:

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. Financial Information and Operating Data pursuant to Rule 15c2-12

(Financial information and operating data should not be filed with the MSRB.)

- Annual
 Semi-annual
 Quarterly

Fiscal Period Covered: July 1, 2003 – June 30, 2004

B. Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: July 1, 2003 – June 30, 2004

C. Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment delinquencies | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. <input type="checkbox"/> Non-payment related defaults | 7. <input type="checkbox"/> Modifications to the rights of security holders |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties | 9. <input type="checkbox"/> Defeasances |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
| | 11. <input type="checkbox"/> Rating changes |

D. Notice of Failure to Provide Annual Financial Information as Required

E. Other Secondary Market Information (Specify):

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer/Filer Contact:

Name: John Collins

Title: Deputy Superintendent

Employer: Poway Unified School District

Address: 13626 Twin Peaks Road

City: Poway

State: CA

Zip Code: 92064

Telephone: (858) 748-0010

Fax: (858) 668-2711

Email Address: jcollins@powayusd.com

Issuer Web Site Address: www.powayusd.sdcoc.k12.ca.us

Dissemination Agent Contact, if any:

Name: Benjamin Dolinka

Title: President, School's Division

Employer: David Taussig and Associates, Inc.

Address: 1301 Dove Street, Suite 600

City: Newport Beach State: CA

Zip Code: 92660

Telephone: (949) 955-1500

Fax: (949) 955-1590

Email Address: ben@taussig.com

Relationship to Issuer: Special Tax Consultant

Obligor Contact, if any:

Name _____ Title _____

Employer _____

Address _____ City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Obligor Web site Address _____

Investor Relations Contact, if any:

Name _____ Title _____

Telephone _____ Email Address _____

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**ANNUAL REPORT
FOR
IMPROVEMENT AREA C OF
COMMUNITY FACILITIES DISTRICT No. 10
OF
POWAY UNIFIED SCHOOL DISTRICT**

January 31, 2005

**FISCAL YEAR 2003-04
ANNUAL REPORT**

\$3,000,000

**IMPROVEMENT AREA C
COMMUNITY FACILITIES DISTRICT NO. 10
OF POWAY UNIFIED SCHOOL DISTRICT
IMPROVEMENT AREA C SPECIAL TAX BONDS**

Prepared for:

POWAY UNIFIED SCHOOL DISTRICT
13626 Twin Peaks Road
Poway, California 92064-3098
(858) 748-0010

Prepared by:

DAVID TAUSSIG & ASSOCIATES, INC.
1301 Dove Street, Suite 600
Newport Beach, California 92660
(949) 955-1500

January 31, 2005

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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 Improvement Area C Special Tax Bonds ("Bonds") by Improvement Area ("IA") C of Community Facilities District ("CFD") No. 10 of the Poway Unified School District ("School District") in the amount of \$3,000,000. The Bonds were issued under the Mello-Roos Community Facilities Act of 1982, as amended ("Act"), and the Bond Indenture dated as of September 1, 2003, by and between the School District on behalf of CFD No. 10 and Zions First National Bank, as Fiscal Agent ("Fiscal Agent"). The Bonds were issued to (i) finance the acquisition and construction of certain school and road improvements ("Facilities"), (ii) to fund a reserve fund for the Bonds, (iii) to pay interest on the Bonds through September 1, 2004, (iv) to pay certain administrative expenses, and (iv) to pay 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 Election 2002, Series A, General Obligation Bonds of School Facilities Improvement District ("SFID") No. 2002-1 of the School District issued June 5, 2003.

II. Principal Amount of Bonds Outstanding

As of January 1, 2005, the principal amount of Bonds outstanding was \$3,000,000.

III. Reserve Fund Balance

The Reserve Requirement for the Bonds, as of any date of calculation, 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, 2005, the Reserve Requirement for the Bonds was \$281,396.38. As of January 1, 2005, the balance in the Reserve Fund was \$281,481.31; therefore, the Reserve Requirement was satisfied as of this date.

IV. Fund and Account Balances

The balance in each fund, account, and subaccount of IA C of CFD No. 10 of January 1, 2005, is listed in Table 1.

TABLE 1**FUND, ACCOUNT AND SUBACCOUNT BALANCES (AS OF 01/01/05)**

| Fund, Account, and Subaccount | Balances |
|--------------------------------------|-----------------|
| City Improvement Account | \$1,476.74 |
| Interest Account | \$0.00 |
| Principal Account | \$0.00 |
| Capitalized Interest Subaccount | \$574.88 |
| Reserve Fund | \$281,481.31 |
| Administrative Expense Fund | \$3,432.22 |
| School Facilities Account | \$516,242.52 |
| Special Tax Fund | \$0.00 |
| Letter of Credit Fund | \$0.00 |
| Rebate Fund | \$0.00 |
| Costs of Issuance Fund | \$0.13 |

V. Total Assessed Value and Value-to-Lien of all Parcels within IA C of CFD No. 10

Table 2 shows the total assessed value, total direct and overlapping debt, and total value-to-lien ratio for all parcels within IA C of CFD No. 10.

TABLE 2

ASSESSED VALUE AND VALUE-TO-LIEN RATIO

| Zone | Unit Type/ Land Use¹ | Building Square Footage | Fiscal Year 2004-05 Assessed Value² | Total Direct and Overlapping Debt³ | Assessed Value-to-Lien |
|--------------------------|--|--------------------------------|---|--|-------------------------------|
| 1 | Detached/Attached Unit | ≤1,150 | \$9,136,332.00 | \$435,652.11 | 20.97:1 |
| 1 | Detached/Attached Unit | 1,151 – 1,400 | \$9,898,740.00 | \$494,041.46 | 20.04:1 |
| 1 | Detached/Attached Unit | >1,400 | \$10,698,466.00 | \$535,850.19 | 19.97:1 |
| 2 | Detached/Attached Unit | ≤1,850 | \$11,811,527.00 | \$324,314.06 | 36.42:1 |
| 2 | Detached/Attached Unit | 1,851 – 2,000 | \$11,684,056.00 | \$349,012.26 | 33.48:1 |
| 2 | Detached/Attached Unit | 2,001 – 2,250 | \$12,866,692.00 | \$417,035.85 | 30.85:1 |
| 2 | Detached/Attached Unit | >2,250 | \$14,594,601.00 | \$476,885.83 | 30.60:1 |
| NA | Undeveloped Property | NA | \$0.00 | \$0.00 | NA |
| NA | Exempt Property ⁴ | NA | \$1,079.00 | \$0.44 | 2,452.27:1 |
| Total⁵ | | NA | \$80,691,493.00 | \$3,032,792.20 | 26.61:1 |

¹ There were no Special Taxes levied within IA C of CFD No. 10 for Fiscal Year 2004-05.
² Total assessed value reported on the County of San Diego Fiscal Year 2004-05 equalized tax roll.
³ Source: Detailed Direct and Overlapping Debt Report, National Tax Data, Inc. dated November 12, 2004 (attached as Exhibit A).
⁴ This property has been exempted from the IA C of CFD No. 10 Special Tax, however, may be subject to ad valorem taxes.
⁵ 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.

VI. Fiscal Year 2003-04 Special Tax Levies and Delinquencies

There were no Special Taxes levied in IA C of CFD No. 10 for Fiscal Year 2003-04 or prior Fiscal Years; therefore, there were no Special Tax delinquencies in Fiscal Year 2003-04.

VII. 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 2003-04 did not exceed five percent (5.00%), IA C of CFD No. 10 has not initiated any foreclosure proceedings to date.

VIII. Major Taxpayer Information

""Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy in a given Fiscal Year. There are no Major Taxpayers in IA C of CFD No. 10 for Fiscal Year 2004-05.

IX. Report to the California Debt and Investment Advisory Commission

A copy of the report has been 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.

X. Changes to Rate and Method of Apportionment

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

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EXHIBIT A

DETAILED DIRECT AND OVERLAPPING DEBT REPORT

**POWAY UNIFIED SCHOOL DISTRICT
Community Facilities District No. 10
Improvement Area C
Special Tax Bonds**

Detailed Direct and Overlapping Debt

**Report Date: 11/12/2004
Report Time: 12:00:00 PM**

I. Assessed Value

2004-2005 Secured Roll Assessed Value **\$80,691,493**

II. Secured Property Taxes

| Description on Tax Bill | Type | Total Parcels | Total Levy | % Applicable | Parcels | Levy |
|---|---------|---------------|--------------------|--------------|---------|-----------------------|
| All Ad Valorem Charges | AVALL | 896,139 | \$2,782,690,752.72 | 0.02909% | 192 | \$809,501.02 |
| County of San Diego Mosquito/Rat Control A | VECTOR | 505,198 | \$1,414,140.00 | 0.04073% | 192 | \$576.00 |
| Metropolitan Water District of Southern California Standby Charge | STANDBY | 330,625 | \$4,157,928.54 | 0.05310% | 192 | \$2,208.00 |
| Poway Unified School District CFD No. 10 | CFD | 1,149 | \$2,053,111.04 | 14.60899% | 191 | \$280,148.78 |
| Poway Unified School District CFD No. 10, Impv Area C | CFD | 219 | \$248,212.18 | 100.00000% | 191 | \$248,212.18 |
| San Diego County Water Authority Standby Charge | STANDBY | 336,949 | \$3,618,309.38 | 0.05306% | 192 | \$1,920.00 |
| 2004-2005 TOTAL PROPERTY TAX LIABILITY | | | | | | \$1,342,565.98 |
| TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2004-2005 ASSESSED VALUATION | | | | | | 1.66% |

III. Land Secured Bond Indebtedness

| Outstanding Direct and Overlapping Bonded Debt | Type | Issued | Outstanding | % Applicable | Parcels | Amount |
|---|------|-------------|-------------|--------------|---------|--------------------|
| Poway Unified School District CFD No. 10 | CFD | \$0 | \$0 | 14.60899% | 191 | \$0 |
| Poway Unified School District CFD No. 10, Impv Area C | CFD | \$3,000,000 | \$3,000,000 | 100.00000% | 191 | \$3,000,000 |
| TOTAL LAND SECURED BOND INDEBTEDNESS (1) | | | | | | \$3,000,000 |
| TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1) | | | | | | \$3,000,000 |

IV. General Obligation Bond Indebtedness

| Outstanding Direct and Overlapping Bonded Debt | Type | Issued | Outstanding | % Applicable | Parcels | Amount |
|---|------|---------------|---------------|--------------|---------|-----------------|
| City of San Diego Public Safety Communication System Debt Service | GO | \$25,500,000 | \$13,010,000 | 0.06427% | 192 | \$8,362 |
| Metropolitan Water District of Southern California Debt Service | GO | \$850,000,000 | \$447,475,000 | 0.00546% | 192 | \$24,430 |
| TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1) | | | | | | \$32,791 |
| TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1) | | | | | | \$32,791 |

| | |
|--|--------------------|
| TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT | \$3,032,791 |
| VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT | 26.61:1 |

(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 of 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 No

| | | | |
|--|---|-----------------------------|---|
| A. Issuer | <u>Poway Unified School District</u> | | |
| B. Community Facilities District Number (Mello-Roos only) | <u>Improvement Area C of Community Facilities District No. 10</u> | | |
| C. Name/Title/Series of Bond Issue | <u>Improvement Area C 2003 Special Tax Bonds</u> | | |
| D. Indicate Credit Rating | Rating Agency | Rating | Not Rated |
| E. Date of Bond Issue | <u>October 16, 2003</u> | | |
| F. Original Principal Amount of Bonds | <u>\$ 3,000,000.00</u> | | |
| G. Reserve Fund Minimum Balance Required | Yes <input checked="" type="checkbox"/> | Amount \$ <u>280,223.89</u> | No <input type="checkbox"/> |
| Percent of Authority Reserve Fund (Marks-Roos only) | Yes <input type="checkbox"/> | % of Reserve Fund _____ | |
| H. Name of Authority that purchased debt (Marks-Roos only) | <u>_____</u> | | |
| Was this a Senior/Subordinate Authority Bond? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | (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 | <u>June 30, 2004</u> (Year) |
| A. Principal Amount of bonds Outstanding | <u>\$ 3,000,000.00</u> |
| B. Bond Reserve Fund | <u>\$ 280,769.49</u> |
| C. Capitalized Interest Fund | <u>\$ 82,195.72</u> |
| D. Construction Fund(s) (Mello-Roos only) | <u>\$ 904,943.97</u> |

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

A. Assessed Value Reported as of: Fiscal Year 2004-2005 (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 \$ 80,691,493.00

IV. TAX COLLECTION INFORMATION

| | |
|--|---|
| Reported as of fiscal year ending of: | <u>June 30, 2004</u> (Year) |
| A. Total Amount of Taxes Due | <u>\$ 0.00</u> |
| B. Total Amount of Unpaid Taxes | <u>\$ 0.00</u> |
| C. Taxes are Paid Under the County's Teeter Plan | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |

V. DELINQUENT REPORTING INFORMATION

| | |
|--|----------------------------------|
| Delinquent Parcel Information Reported as of the current Tax Roll of | <u>September 14, 2004</u> (Date) |
| A. Total Number of Delinquent Parcels | <u>0</u> |
| B. Total Amount of Taxes Due on Delinquent Parcels | <u>\$ 0.00</u> |
| C. Percent of Delinquency Rate | <u>0.00%</u> |
| | (Percent) |

**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> |
|-----------------------------------|--|---|
| NA | NA | \$ NA |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |

(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, Schools Division
 Firm/Agency: David Taussig & Associates, Inc.
 Address: 1301 Dove Street, Suite 600
 City/State/Zip: Newport Beach, CA 92660
 Phone No.: (949) 955-1500 Date of Report: October 30, 2004

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.