

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
BOARD OF DIRECTORS
OF THE
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY
SPECIAL MEETING**

A Special Meeting of the Board of Directors of the San Dieguito Public Facilities Authority has been called for on Thursday, September 15, 2005.

DATE: Thursday, September 15, 2005
PLACE: District Office Board/Conference Room
710 Encinitas Boulevard
Encinitas, CA 92024
TIME: Immediately following the Regular Meeting of the Board of Trustees of the San Dieguito Union High School District

Items to be transacted will be limited to the following:

CALL TO ORDER

1.

DISCUSSION ACTION

APPROVAL OF MINUTES

2.

Motion by _____, second by _____ that the minutes of the Board of Directors of the San Dieguito School Public Facilities Authority of May 20, 2004, be approved as written.

APPROVAL OF 2004 REVENUE BONDS/SPECIAL TAX, CASH FLOW & PARITY CERTIFICATES

3.

Moved by _____, second by _____, to approve the form of the Special Tax Certificate, Cash Flow, and Parity Certificates of the San Dieguito Public Facilities Authority Revenue Bonds, Series 2004, and authorize Eric J. Hall to certify and execute the documents.

ADJOURNMENT

4.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

710 ENCINITAS BLVD., ENCINITAS, CA 92024

BOARD OF DIRECTORS SPECIAL MEETING OF THE SAN DIEGUITO PUBLIC FACILITIES AUTHORITY MINUTES

The special meeting of the Board of Directors of the San Dieguito Public Facilities Authority was called to order at 8:22 p.m. on Thursday, May 20, 2004, by President Dalessandro, in the San Dieguito Union High School District Office Board Room, 710 Encinitas Boulevard, Encinitas, California.

CALL TO ORDER

President Dalessandro called the special meeting to order at 8:22 p.m.

APPROVAL OF MINUTES 2.

Moved by Mrs. Groth, second by Mr. Stine, that the minutes of the Board of Directors of the San Dieguito School Public Facilities Authority of April 22, 2004, be approved as written.

AYES: Friedman, Groth, Stine, Dalessandro

NOES: None

ABSENT: Rich

Motion carried.

DISCUSSION AGENDA/ACTION ITEMS

APPROVAL OF AGREEMENTS 3.

Motion by Mrs. Groth, second by Mr. Stine, that the Board approved entering into the following agreements and authorized Eric J. Hall or Simonetta March to execute the agreements:

- a) NBS Government Finance Group to provide a review of the Special Tax Certificate-Escrow Release for the San Dieguito Public Facilities Authority Series 2004 Revenue Bonds, for the period July 1, 2004 through November 1, 2008, for an annual fee of \$1,500.00 plus expenses and subject to the annual cost of living increase escalation, to be expended from Mello Roos funds.
- b) MuniFinancial for preparing Cash Flow and Special Tax Certificates for the San Dieguito Public Facilities Authority Revenue Bonds Series 2004 and a Parity Certificate for Community Facilities Districts 94-2, 94-3, 95-1, and 95-2, during the period July 1, 2004 through June 30, 2008, for an annual fee of not to exceed \$5,000.00 plus expenses, to be expended from Mello Roos funds.

AYES: Friedman, Groth, Stine, Dalessandro

NOES: None

ABSENT: Rich

Motion carried.

PUBLIC COMMENTS

4.

There were no public comments.

ADJOURNMENT

5.

There being no further business to come before the Board, the meeting was adjourned at 8:24 p.m.

Linda Friedman, Clerk

Peggy Lynch, Superintendent


San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: September 6, 2005

BOARD MEETING DATE: September 15, 2005

PREPARED BY: 
John Addleman, Facilities Planning Analyst
Steve Ma, Exec. Director of Business Services
Eric J. Hall, Assoc. Supt. of Business Services

SUBMITTED BY: Peggy Lynch, Ed.D.
Superintendent

SUBJECT: 2004 Revenue Bonds / Special Tax, Cash
Flow and Parity Certificates

EXECUTIVE SUMMARY

MuniFinancial has completed their review and analysis of special tax revenue to be assessed and collected on the property tax roll for fiscal year 2005/2006. Special tax revenue to be collected for payment on the 1998 Series A & B Revenue Bonds and 2004 Revenue Bonds will amount to \$5,280,664.00. The aggregate (9) nine-bonded Community Facilities Districts' (CFDs) Special Tax Revenue increased by \$590,579.50 or 12.6%, as compared to the previous fiscal year. The increase of special tax revenue, however, fell short of the projected \$648,442.50.

The additional special tax revenue to be collected for 2005/2006 allows for a release of bond proceeds from escrow. The project release is \$8,656,738.39 including interest. This is less than the \$9,900,000.00 release estimated at the time of the 2004 bond issuance, because actual permit activity was less than pro forma. The smaller release will mean that fewer funds are available to satisfy our contractual obligations. Staff is reviewing funding sources and working on potential options.

The Escrow Release is scheduled for September 16, 2005, pending a third party review by NBS Financial. After this release, the balance remaining in the Escrow Fund will be \$16,845,000. The San Dieguito Public Facilities Authority is required to execute the Special Tax Certificate, Cash Flow Certificate, and Parity Certificate for the escrow release to occur.

Permit Activity (2004-2005)

Based on data compiled by staff and verified by MuniFinancial, a total of 964 new residential unit permits were issued between July 1, 2004 and June 30, 2005 for the nine CFDs, as opposed to the 1,068 residential units projected. While the total new residential unit permits is less than projected, it compares well to the 416 residential unit permits issued in the prior year.

94-2 Bond Covenant

The 94-2 bond covenant requires the Authority to certify that the percentage of bond proceeds used on Qualified 94-2 facilities from the 1998 and 2004 Revenue Bonds is equal to or greater than the percentage lent to CFD 94-2. Excluding the September 15, 2005 release, a total of \$22,418,074.75 has been lent to CFD 94-2 of the \$63,165,463.82 released to date. The \$22.418 M represents 35.49% of the total. To date, the amount encumbered and spent on Qualified 94-2 facilities is \$22,559,394.42 or 38.95% of the total bond proceeds expended on district wide facilities. Therefore, the Authority has exceeded the amount necessary to satisfy the bond covenant for this past bond year.

RECOMMENDATION:

It is recommended that the Board approve the form of the Special Tax Certificate, Cash Flow, and Parity Certificates of the San Dieguito Public Facilities Authority Revenue Bonds, Series 2004, and authorize Eric J. Hall to certify and execute the documents.

FUNDING SOURCE:

Not applicable.

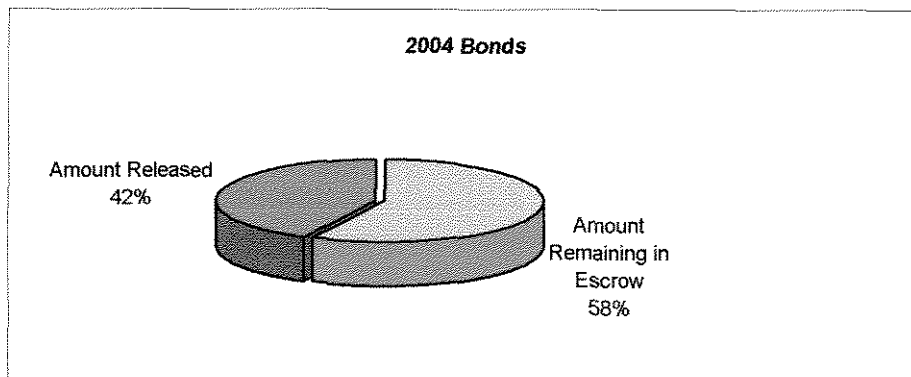
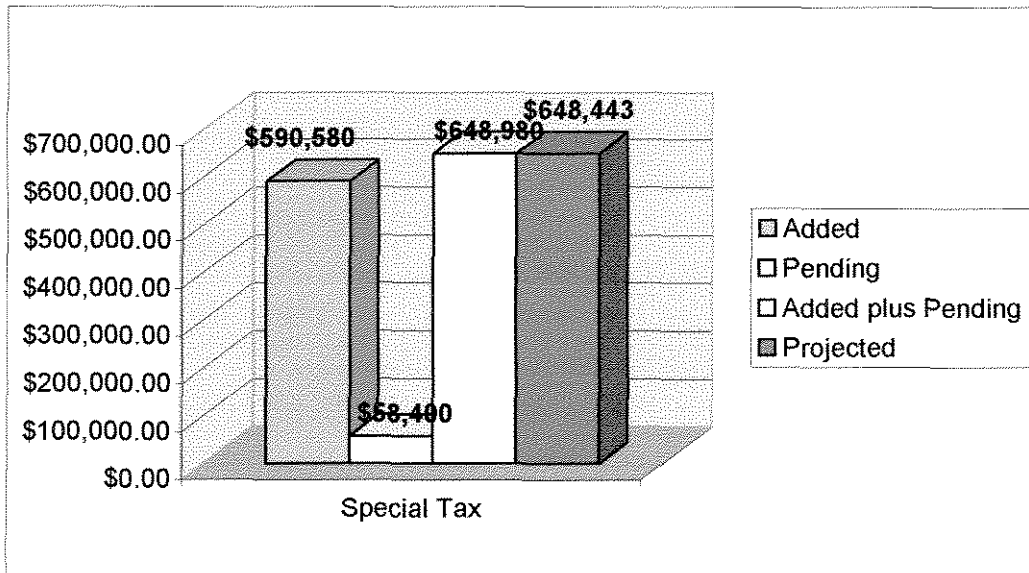
2004 Bond Release Update 6/30/2005

CFD	Number of Units Permitted*	Special Tax Revenue being added to tax roll in FY 04/05	Target Revenue Needed for Projected Draw of \$9.9M**	% Collected	Pending Permit Revenue***	Pending plus added Special Tax revenue
94-2	227	\$181,600.00	\$143,200.00	126.8%	\$12,800.00	\$194,400.00
94-3	0	\$0.00	\$2,858.00	0.0%	\$0.00	\$0.00
95-1	121	\$103,455.00	\$37,620.00	275.0%	\$33,345.00	\$136,800.00
95-2	39	\$8,502.00	\$15,200.00	55.9%	\$0.00	\$8,502.00
99-1	252	\$71,512.50	\$35,910.50	199.1%	\$7,695.00	\$79,207.50
99-2	10	\$5,700.00	\$23,370.00	24.4%	\$570.00	\$6,270.00
99-3	11	\$6,270.00	\$9,120.00	68.8%	\$3,990.00	\$10,260.00
03-1	304	\$213,540.00	\$381,164.00	56.0%	\$0.00	\$213,540.00
Totals	964	\$590,579.50	\$648,442.50	91.1%	\$58,400.00	\$648,979.50

*Includes multifamily

** Per Morgan Stanley/Meyers Group

***District sign off, but permit not yet pulled



Amount Remaining in Escrow	\$24,860,000.00
Amount Released	\$18,302,491.00

Amount Remaining in the
Acquisition and Construction Fund

\$4,351,059.82

2004 Bond Release Update 090705

SAN DIEGUITO PUBLIC FACILITIES AUTHORITY
REVENUE BONDS, 2004
SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Treasurer of the San Dieguito Public Facilities Authority (the "Authority"), based on the information made available to me do hereby state and certify that (all capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture of Trust, dated March 1, 2004, by and between the Authority and U.S. Bank National Association):

- (i) I am the Authorized Representative of the Authority;
- (ii) the Authority requests that an amount of \$8,015,000.00 in the aggregate be lent to the Districts on September 16, 2005 pursuant to Section 3.4(a) of the Indenture of Trust, dated as of March 1, 2004, by and between the Authority and U.S. Bank National Association, as trustee (the "Indenture") (Terms used herein and not defined herein shall have the meanings assigned in the Indenture);
- (iii) the portion of such amount from the Escrow Fund allocated to each District is as follows:

<u>CFD 94-2</u>	\$2,436,814.00
<u>CFD 94-3</u>	\$105,598.00
<u>CFD 95-1</u>	\$1,371,685.00
<u>CFD 95-2</u>	\$108,543.00
<u>CFD 99-1</u>	\$927,505.00
<u>CFD 99-2</u>	\$75,974.00
<u>CFD 99-3</u>	\$74,455.00
<u>CFD 03-1</u>	\$2,914,425.00

- (iv) each District's Pro Rata Share (determined as of the date of issuance of the Bonds) of the amount deposited in the Escrow Interest Fund is as follows:

<u>CFD 94-2</u>	\$400,693.78
<u>CFD 94-3</u>	\$17,398.55
<u>CFD 95-1</u>	\$225,653.87
<u>CFD 95-2</u>	\$17,793.97
<u>CFD 99-1</u>	\$152,500.89
<u>CFD 99-2</u>	\$12,521.68
<u>CFD 99-3</u>	\$12,258.07
<u>CFD 03-1</u>	\$479,250.85

- (v) the following principal amounts of Designated Bonds of each maturity and Mandatory Sinking Account Payment (totaling the aggregate initial loans to the Districts) in integral multiples of \$5,000 will shall hereafter represent Designated Amounts:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
<u>August 1</u>	<u>Amount</u>	<u>August 1</u>	<u>Amount</u>
2009	330,000	2023	565,000
2010	335,000	2024	595,000
2011	345,000	2025	625,000
2012	355,000	2026	655,000
2013	365,000	2027	685,000
2014	380,000	2028	710,000
2015	395,000	2029	745,000
2016	410,000	2030	780,000
2017	420,000	2031	3,770,000
2018	440,000	2032	3,960,000
2019	465,000	2033	4,155,000
2020	490,000	2034	4,365,000
2021	510,000	2035	4,205,000
2022	540,000		

- (vi) the aggregate principal amount of Designated Bonds of each maturity and Mandatory Sinking Account Payment taking into account such loans is as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
<u>August 1</u>	<u>Amount</u>	<u>August 1</u>	<u>Amount</u>
2006	873,235.12	2021	2,326,300.00
2007	913,154.44	2022	2,446,100.00
2008	953,073.76	2023	2,565,900.00
2009	1,322,993.08	2024	2,695,700.00
2010	1,377,892.22	2025	2,830,500.00
2011	1,437,714.37	2026	2,970,300.00
2012	1,502,600.00	2027	3,115,100.00
2013	1,572,500.00	2028	3,264,900.00
2014	1,647,400.00	2029	3,424,800.00
2015	1,727,300.00	2030	3,594,600.00
2016	1,817,200.00	2031	3,770,000.00
2017	1,907,000.00	2032	3,960,000.00
2018	2,006,800.00	2033	4,155,000.00
2019	2,111,600.00	2034	4,365,000.00
2020	2,216,500.00	2035	4,205,000.00

- (vii) attached hereto is a Schedule A to each Loan Agreement as Exhibit A;

- (viii) the Aggregate Maximum Annual Debt Service following this loan shall be \$4,794,250.00 and a debt service schedule for the Designated Bonds and all Parity Debt (as defined in the Loan Agreements) following the making of such loans is attached hereto as Exhibit B;
- (ix) the Aggregate Maximum Annual Loan Payments (as defined in the Loan Agreements) payable by each District following the making of such loans is as follows and a schedule showing Loan Payments and debt service on Parity Debt for each District following the making of such loans is attached hereto as Exhibit C:

<u>CFD 94-2</u>	\$1,580,942.43
<u>CFD 94-3</u>	\$470,808.19
<u>CFD 95-1</u>	\$1,804,926.62
<u>CFD 95-2</u>	\$227,612.87
<u>CFD 99-1</u>	\$300,432.05
<u>CFD 99-2</u>	\$15,365.22
<u>CFD 99-3</u>	\$50,060.87
<u>CFD 03-1</u>	\$344,101.75

- (x) the amount of Consolidated Gross Coverage Taxes is \$7,406,921, which is \$5,274,264 ((Consolidated Net Coverage Taxes for such Bond Year) plus \$2,132,656 (the maximum amount of Special Taxes which could be received by the Districts from a levy of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property)), and the amount of Consolidated Gross Coverage Taxes at least equals 115% of the Aggregate Maximum Annual Debt Service;
- (xi) the amount of each District's Gross Coverage Taxes set forth in the District Special Tax Certificate for such District attached hereto as Exhibit D at least equals 115% of the Aggregate Maximum Annual Loan Payments for such District;
- (xii) the amount of Consolidated Net Coverage Taxes is \$5,274,264;
- (xiii) there are no Consolidated Net Coverage Taxes attributable to any owner of land in the Districts responsible for more than 1% of the Consolidated Special Taxes for the current Bond Year, who, to the actual knowledge of the Authority, is in bankruptcy proceedings, foreclosure proceedings with respect to a parcel in any of the Districts or is having a special tax obligation with respect to a parcel in any of the Districts met by a mortgage holder (and therefore no Special Taxes in any District are attributable to such an entity);
- (xiv) the amount of Loan Payments payable from Consolidated Special Taxes attributable to the entity holding parcels in the Districts which parcels in the

aggregate are responsible for the largest dollar amount of Consolidated Special Taxes is \$109,263 or 2.07% of total Consolidated Special Taxes;

- (xv) the amount of Consolidated Net Coverage Taxes, less any portion of Consolidated Special Taxes identified in paragraph (xiii) above ($\$5,274,264 - \$0 = \$5,274,264$) at least equals the greater of (A) 110% of the Aggregate Maximum Annual Debt Service ($\$4,794,250 \times 110\% = \$5,273,675$) or (B) 100% of Aggregate Maximum Annual Debt Service plus the portion of Loan Payments payable from Consolidated Special Taxes attributable to the entity holding parcels in the Districts which parcels in the aggregate are responsible for the largest dollar amount of Consolidated Special Taxes as identified in paragraph (xiv) above ($\$4,794,250 + \$109,263 = \$4,903,513$);
- (xvi) the amount of Net Coverage Taxes for each District at least equals 110% of the Aggregate Maximum Annual Loan Payments for such District (calculations are set forth on Exhibit E hereto);
- (xvii) based upon the information available to the Authority and the School District, the aggregate value of all Developed Property and Undeveloped Property within all of the Districts (based on either an MAI appraisal and/or the assessed valuation of the parcels) is not less than \$584,105,304.00 (8 times \$73,013,163.00 (the aggregate amount of monies (A) released to the Districts pursuant to (i) all of the Loan Agreements (\$31,595,000), and (ii) all of the 1998 Loan Agreements (\$41,418,163.00); and the aggregate amount of borrowings by the Districts creating liens on the Developed Property and Undeveloped Property (\$73,013,163.00);
- (xviii) the test specified in Section 3.4(a) of the Indenture has been satisfied for the loan requested by this Special Tax Certificate;
- (xix) the Pro Rata Share attributable to the CFD 94-2 Loan does not exceed the percentage of all monies disbursed (or designated to be disbursed) from the Project Fund that have been expended (or are designated to be expended) for Qualified 94-2 Facilities; and
- (xx) in making the certifications set forth herein, for any Developed Property for which the period to elect whether to prepay taxes has not expired and no such election has been made at the time of preparation hereof, it is assumed that such taxes will be prepaid in calculating Gross Coverage Taxes, Consolidated Gross Coverage Taxes, Net Coverage Taxes and Consolidated Net Coverage Taxes.

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Attached hereto are (i) a Cash Flow Certificate has been prepared by MuniFinancial, Inc., Financial Consultant, and (ii) for each District, (A) a "Schedule A" to each respective District's Loan Agreement, and (B) a District Special Tax Certificate for each of the Districts, upon which I have relied in making the above certifications.

I have read the pertinent provisions of the Indenture and the definitions therein relating thereto. This Certificate is based upon the schedules that are attached hereto. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO PUBLIC FACILITIES AUTHORITY

Eric J. Hall
Treasurer

Based upon the information relating to the developed and undeveloped parcels within the Districts provided to MuniFinancial, Inc. by the School District, MuniFinancial, Inc has prepared the attached Cash Flow Certificate and reviewed the attached District Special Tax Certificates and supporting schedules in approving this Special Tax Certificate, excluding paragraph (xix) above to which we do not provide any certification.

I have read the pertinent provisions of the Indenture and the related definitions therein, and hereby certify that MuniFinancial, Inc. (i) is in fact independent and not under the domination of the Authority or any of the Districts; (ii) does not have any substantial interest, direct or indirect, in the Authority or any of the Districts; and (iii) is not connected with the Authority or any of the Districts as a member, officer or employee of the Authority or any of the Districts. In the opinion of MuniFinancial, Inc., sufficient examination or investigation was made as is necessary to enable MuniFinancial, Inc., to express an informed opinion with respect to the information set forth herein.

September ____, 2005

Approved By:

MuniFinancial, Inc, as
Financial Consultant

By: _____
Mark Risco
Division Manager

**\$48,440,000 SAN DIEGUITO PUBLIC FACILITIES AUTHORITY
REVENUE BONDS, SERIES 2004**

CASH FLOW CERTIFICATE

This Cash Flow Certificate is provided pursuant to the Indenture of Trust, dated as of March 1, 2004, by and between the San Dieguito Public Facilities Authority and U.S. Bank National Association, as trustee (the "Indenture"). All terms used and not defined herein shall have the meanings ascribed to them in the Indenture.

This will certify that the amount on deposit in the Escrow Fund (\$16,845,000) as of September 16, 2005, together with (x) the earnings to accrue on the investment of the amount on deposit in the Escrow Fund at a yield of 2.18% pursuant to the Investment Agreement, and (y) the amounts on deposit in the Escrow Interest Fund (\$1,318,071.65) as of September 16, 2005, and earnings to accrue on the investment of such amounts at a yield of 2.18% pursuant to the Investment Agreement, will be sufficient in time and amount to pay the principal of, including Mandatory Sinking Account Payments, and interest on, the Undesignated Bonds, from the day immediately following the last Interest Payment Date to which interest on the Undesignated Bonds has been paid or made available for payment to and including the Final Release Date. For purposes of this Cash Flow Certificate, it is assumed that:

(i) all amounts on deposit in the Escrow Fund and the Escrow Interest Fund on the Final Release Date will be used to redeem Undesignated Bonds pursuant to the Indenture;

(ii) amounts on deposit in the Escrow Interest Fund will be used on each Interest Payment Date to pay interest on Outstanding Undesignated Bonds to the extent earnings on the Investment Agreement are insufficient to do so;

(iii) the Loan Payments will be sufficient in time and amount to pay the principal of, including Mandatory Sinking Account Payments, and interest on Outstanding Designated Bonds, from the day immediately following the last Interest Payment Date to which interest on the Designated Bonds has been paid or made available for payment to and including the maturity of such Outstanding Designated Bonds; and

(iv) the following table sets forth the principal amount of Undesignated Bonds, by maturity and Mandatory Sinking Account Payment, as of September 16, 2005.

<u>Year</u> <u>August 1</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>August 1</u>	<u>Principal</u> <u>Amount</u>
2009	410,000	2024	735,000
2010	420,000	2025	770,000
2011	430,000	2026	805,000
2012	445,000	2027	840,000
2013	460,000	2028	880,000
2014	475,000	2029	920,000
2015	490,000	2030	960,000
2016	510,000	2031	970,000
2017	535,000	2032	1,005,000
2018	550,000	2033	795,000
2019	575,000	2034	260,000
2020	605,000	2035	-
2021	635,000		
2022	665,000		
2023	700,000		

I have read the pertinent provisions of the Indenture and the definitions related thereto, and hereby certify that MuniFinancial, Inc. (i) is in fact independent and not under the domination of the Authority or any of the Districts; (ii) does not have any substantial interest, direct or indirect, in the Authority or any of the Districts; and (iii) is not connected with the Authority or any of the Districts as a member, officer or employee of the Authority or any of the Districts. This Certificate is based upon the schedules that are attached hereto. In the opinion of MuniFinancial, Inc., sufficient examination or investigation was made as is necessary to enable MuniFinancial, Inc., to express an informed opinion with respect to the information set forth herein.

MuniFinancial, Inc.

Mark Risco
Division Manager

September __, 2005

**SAN DIEGUITO PUBLIC FACILITIES AUTHORITY
REVENUE BONDS, SERIES 2004**

**PARITY CERTIFICATE PURSUANT TO SECTION 7.3(c)(4) OF
THE 1998 LOAN AGREEMENTS**

I, Eric J. Hall, Assistant Superintendent, Business Services of the San Dieguito Union High School District (the "School District") acting as legislative body of Community Facilities Districts No. 94-2 ("CFD 94-2"), 94-3 ("CFD 94-3"), 95-1 ("CFD 95-1") and 95-2 ("CFD 95-2") of the School District (each a "District" and collectively, the "Districts"), hereby state and certify that (all capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in each of the Loan Agreements, dated December 1, 1998, by and among the San Dieguito Public Facilities Authority, State Street Bank and Trust Company of California, N.A. and one of the Districts):

- (1) the amount of Net Coverage Taxes for CFD 94-2 for this Bond Year is \$1,731,200, which is \$1,731,200 (all Special Taxes received or to be received by CFD 94-2 in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by CFD 94-2 in this Bond Year from a levy on Undeveloped Property), and such amount of Net Coverage Taxes equals at least 110% of \$1,580,942.43 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule A hereto));
- (2) the amount of Gross Coverage Taxes for CFD 94-2 for this Bond Year is \$1,840,810, which is the sum of \$1,731,200 (all Net Coverage Taxes for this Bond Year) plus \$109,610 (the maximum amount of Special Taxes which could be received by CFD 94-2 from a levy of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property), and such amount of Gross Coverage Taxes equals at least 116% of \$1,580,942.43 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule A hereto));
- (3) the amount of Net Coverage Taxes for CFD 94-3 for this Bond Year is \$536,246, which is \$536,246 (all Special Taxes received or to be received by CFD 94-3 in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by CFD 94-3 in this Bond Year from a levy on Undeveloped Property), and such amount of Net Coverage Taxes equals at least 114% of \$470,808.19 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and

premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule B hereto));

- (4) the amount of Gross Coverage Taxes for CFD 94-3 for this Bond Year is \$540,631, which is the sum of \$536,246 (all Net Coverage Taxes for this Bond Year) plus \$4,385 (the maximum amount of Special Taxes which could be received by CFD 94-3 from a levy of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property), and such amount of Gross Coverage Taxes equals at least 115% of \$470,808.19 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule B hereto));
- (5) the amount of Net Coverage Taxes for CFD 95-1 for this Bond Year is \$1,976,400, which is \$1,976,400 (all Special Taxes received or to be received by CFD 95-1 in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by CFD 95-1 in this Bond Year from a levy on Undeveloped Property), and such amount of Net Coverage Taxes equals at least 110% of \$1,804,926.63 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule C hereto));
- (6) the amount of Gross Coverage Taxes for CFD 95-1 for this Bond Year is \$2,198,304, which is the sum of \$1,976,400 (all Net Coverage Taxes for this Bond Year) plus \$221,904 (the maximum amount of Special Taxes which could be received by CFD 95-1 from a levy of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property), and such amount of Gross Coverage Taxes equals at least 122% of \$1,804,926.63 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule C hereto));
- (7) the amount of Net Coverage Taxes for CFD 95-2 for this Bond Year is \$249,302, which is \$249,302 (all Special Taxes received or to be received by CFD 95-2 in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by CFD 95-2 in this Bond Year from a levy on Undeveloped Property), and such amount of Net Coverage Taxes equals at least 110% of \$227,612.87 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and

premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule D hereto));

- (8) the amount of Gross Coverage Taxes for CFD 95-2 for this Bond Year is \$287,112, which is the sum of \$249,302 (all Net Coverage Taxes for this Bond Year) plus \$37,810 (the maximum amount of Special Taxes which could be received by CFD 95-2 from a levy of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property), and such amount of Gross Coverage Taxes equals at least 126% of \$227,612.87 (aggregate maximum Loan Payments and payments of interest, principal and premium, if any, to be made on the outstanding Parity Debt and payments of interest, principal and premium, if any, to be made on any Parity Debt proposed to be issued in this Bond Year (all as set forth in Schedule D hereto)); and
- (9) I have reviewed Schedules A – D and hereby certify that they are true, complete and accurate.

[Remainder of this page intentionally left blank]

I have read the pertinent provisions of each of the Loan Agreements and the definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

September __, 2005

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICTS NO. 94-2,
94-3, 95-1 AND 95-2.**

By: _____
Eric J. Hall
Assistant Superintendent, Business Services of the
School District, acting in its capacity as the
legislative body of the Districts

I have read the pertinent provisions of each of the Loan Agreements and the related definitions therein relating thereto, and hereby certify that MuniFinancial, Inc. (i) is in fact independent and not under the domination of the Authority or any of the Districts; (ii) does not have any substantial interest, direct or indirect, in the Authority or any of the Districts; and (iii) is not connected with the Authority or any of the Districts as a member, officer or employee of the Authority or any of the Districts. In the opinion of MuniFinancial, Inc., sufficient examination or investigation was made as is necessary to enable MuniFinancial, Inc., to express an informed opinion with respect to the information set forth herein.

September ____, 2005

Approved (including schedules) by:

MuniFinancial, Inc, as
Financial Consultant

By: _____
Mark Risco
Division Manager

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 94-2 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$1,840,810 which is \$1,731,200 (all Net Coverage Taxes for this Bond Year) plus \$109,610 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$1,731,200, which is \$1,731,200 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property); and
- (iv) The Pro Rata Share attributable to the CFD 94-2 Loan does not exceed the percentage of all monies disbursed (or designated to be disbursed) from the Project Fund that have been expended (or are designated to be expended) for Qualified 94-2 Facilities.

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September __, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 94-3 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$540,631 which is \$536,246 (all Net Coverage Taxes for this Bond Year) plus \$4,385 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$536,246, which is \$536,246 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 95-1 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$2,198,304 which is \$1,976,400 (all Net Coverage Taxes for this Bond Year) plus \$221,904 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$1,976,400, which is \$1,976,400 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 95-2 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$287,112 which is \$249,302 (all Net Coverage Taxes for this Bond Year) plus \$37,810 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$249,302, which is \$249,302 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 99-1 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$693,370.00 which is \$329,082.00 (all Net Coverage Taxes for this Bond Year) plus \$364,288 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$329,082.00, which is \$329,082.00 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank.]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 99-2 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$17,670 which is \$17,670 (all Net Coverage Taxes for this Bond Year) plus \$0 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$17,670, which is \$17,670 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 99-3 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$57,570 which is \$57,570 (all Net Coverage Taxes for this Bond Year) plus \$0 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$57,570, which is \$57,570 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank.]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services

\$48,440,000
SAN DIEGUITO PUBLIC FACILITIES AUTHORITY REVENUE BONDS
SERIES 2004

DISTRICT SPECIAL TAX CERTIFICATE

I, Eric J. Hall, Assistant Superintendent, Business of San Dieguito Union High School District (the "School District") acting as the legislative body of the Community Facilities District No. 03-1 of the School District (The "District"), based on the information made available to me do hereby state and certify that:

- (i) I am the Authorized Representative of the District;
- (ii) the amount of Gross Coverage Taxes is \$1,771,453.89 which is \$376,794 (all Net Coverage Taxes for this Bond Year) plus \$1,394,659.89 (the maximum amount of Special Taxes on Undeveloped Property assuming that no revenue would be generated from the levy of the Special Taxes on Developed Property); and
- (iii) the amount of Net Coverage Taxes is \$376,794, which is \$376,794 (all Special Taxes received or to be received by the District in this Bond Year, as evidenced by written documentation from the County of San Diego) less \$0 (the amount of Special Taxes received or to be received by the District in this Bond Year from a levy on Undeveloped Property).

[Remainder of this page intentionally left blank]

Attached hereto are the supporting documents upon which I have relied in making the above certifications. All terms used and not defined herein shall have the meanings ascribed to them in the Loan Agreement, dated as of March 1, 2004, by and among the Authority, the District and U.S. Bank National Association, as trustee (the "Loan Agreement").

I have read the pertinent provisions of the Loan Agreement and the related definitions therein. In my opinion, sufficient examination or investigation was made as is necessary to enable me to express an informed opinion with respect to the information set forth herein.

Dated: September ____, 2005

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT,
Acting as the legislative body of the District

Eric J. Hall
Assistant Superintendent, Business Services