



Local Government Solutions



**City of San Jacinto**  
**Community Facilities District No. 2003-2**  
**2007/08 Annual Report**  
**October 2007**

*Prepared by*  
**N|B|S**

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**CITY COUNCIL**

Jim Ayres, Mayor  
Chris Carlson, Vice Mayor  
Dale Stubblefield, Council Member  
Robert Ritchie, Council Member  
John Mansperger, Council Member

**CITY STAFF**

Bernard Simon, Finance Director  
Sandy McKay, Special District Administrator

**FISCAL AGENT**

Union Bank

**SPECIAL TAX ADMINISTRATOR**

N|B|S

Pablo Perez, Client Services Director  
Danielle Wood, Senior Consultant  
Susana Medina, Financial Analyst

[www.nbsgov.com](http://www.nbsgov.com)

# **EXECUTIVE SUMMARY/SPECIAL ISSUES**

## **General Information Summary**

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<b>2007/08 Levy</b>	<b>Parcel Count</b>	<b>Delinquency Rate(1)</b>
\$16,107.96	66	5.30%

(1) Delinquency Rate for Fiscal Year 2006/07

The types of facilities and services provided and financed by Community Facilities District No. 2003-2 include the maintenance of sewer facilities, such as the furnishing of services and materials for ordinary and usual maintenance and operation and the servicing of such sewer facilities, including, but not limited to the repair, removal, or replacement of all or any part of any improvement.

For Fiscal Year 2007/08, 66 parcels were subject to the Special Tax and were levied at 100% of their respective Maximum Special Tax. The Maximum Special Tax Rate for each parcel classified as Residential Property is \$244.07 per number of actual residential units constructed or to be constructed on such parcel. This Maximum Special Tax rate will increase by 2% each Fiscal Year. Property exempt from the Special Tax includes Public Property, non-developable property and common area parcels within Residential complexes.

The overall delinquency rate for the District is 1.81%, as of the end of Fiscal Year 2006/07. NBS recommends that the District continue to send reminder letters to delinquent property owners to help prevent a high delinquency rate in the future.

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# 1. FUND ANALYSIS

## 1.1. Sewer Lift Operations Fund

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Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act. This Act requires that any local special tax or local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001 in accordance with Section 50075.1 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This Section of this report intends to comply with Section 50075.3 of the California Government Code that states:

“The chief fiscal officer of the levying local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain both of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1.”

The requirements of the Act apply to the Sewer Lift Operations Fund of the District:

<b>District</b>	<b>Total Funds Collected(1)</b>	<b>6/30/2007 Balance</b>	<b>Expended Amount</b>	<b>Service Status</b>
CFD 2003-2	\$45,437.76	\$27,006.68	\$18,431.08	On-Going

(1) Funds collected through June 30, 2007

## 2. 2007/08 LEVY

### 2.1. Special Tax Spread

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All parcels were levied a Special Tax of 100% of their respective Maximum Special Tax Rate for Fiscal Year 2007/08. The following table provides the Special Tax Levy breakdown for the CFD for 2007/08.

Total Amount Levied	Maximum Special Tax	Percentage of Maximum
\$16,107.96	\$16,107.96	100%

### 2.2. Annual Levy Components

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Pursuant to the California Government Code, administrative expenses are identified by consultation with Agency staff to ensure that the District is self-supporting and is not being subsidized by the Agency's General Fund.

NBS will assist the Agency in identifying and recovering the following general costs:

- Agency administrative costs. This includes the value of Agency staff time spent on the administration of the District, calculated by using a fully-loaded salary rate that includes benefits and overhead costs. Any Agency expenses that have been incurred, such as copying and mailing expenses, are also recovered as part of this calculation.
- Trustee or Paying Agent costs. Includes the total of Trustee/Paying Agent charges to the Agency for the annual processing of payments to the bondholders, as well as registration and transfer functions that have been performed.
- County Auditor-Controller collection fees. Fees charged by the County Auditor-Controller to place the special tax installments on the tax roll each year are identified and recovered if the charge is subtracted from the amount submitted by NBS. This charge is typically either a flat, per-parcel charge or a percentage charge based on the amount submitted. If the Auditor-Controller adds their charge to the amount submitted, the amount shown on the tax bill will be slightly more than NBS records.
- Administration costs. Also fully recoverable are the costs incurred by Administrator in the year-round administration of the District, which includes the preparation of the annual levy, ongoing reporting to the Agency, and the tracking of activity within the District such as special tax prepayments, installment payments and parcel changes.
- Delinquency Management charges. The cost of any delinquency management actions taken on behalf of parcels with delinquencies, including the mailing of reminder, demand and/or foreclosure letters.
- Manual adjustments. If special circumstances and/or formation errors are discovered, credits and/or charges are made as necessary to the annual special tax installment amount for the specific parcels affected by the situation.

- NBS analyzes the fund balances each year. Interest earnings and/or surplus funds that exist may be applied to the annual levy as a credit to reduce each parcel's annual installment.

### **2.3. Levy Summary**

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The following table summarizes the components that make up the 2007/08 levy for the District. Information from the 2006/07 levy is also included for comparison purposes.

**City of San Jacinto**  
**CFD 2003-2**  
**Final Budget for the 08/01/2007 Billing**

Category	Item	08/01/2007 Amount	08/01/2006 Amount	Increase / (Decrease)
<b>Maintenance</b>				
	Sewer Facilities	\$9,000.00	\$9,000.00	\$0.00
	<b>Subtotal:</b>	<b>\$9,000.00</b>	<b>\$9,000.00</b>	<b>\$0.00</b>
<b>Admin. Expenses</b>				
	Legal Expenses	\$1,500.00	\$1,500.00	\$0.00
	Administration costs	3,000.00	3,000.00	0.00
	Other costs	2,294.09	2,293.14	0.95
	Administration expenses	135.00	0.00	135.00
	County Collection Fee	23.76	0.00	23.76
	<b>Subtotal:</b>	<b>\$6,952.85</b>	<b>\$6,793.14</b>	<b>\$159.71</b>
<b>Miscellaneous</b>				
	DM charges - district-wide	\$156.15	\$0.00	\$156.15
	Installment rounding	(1.04)	(0.66)	(0.38)
	<b>Subtotal:</b>	<b>\$155.11</b>	<b>\$(0.66)</b>	<b>\$155.77</b>
<b>Grand Total:</b>		<b>\$16,107.96</b>	<b>\$15,792.48</b>	<b>\$315.48</b>
<b>Total Accounts:</b>		<b>66</b>	<b>66</b>	<b>0</b>

**Budget Notes:** The County Collection Fee was included as part of Other Costs for Fiscal Year 2006/07.  
Administrative Expenses were included as part of Other Costs for Fiscal Year 2006/07.

### **3. DELINQUENCY MANAGEMENT**

#### **3.1. Delinquency Summary**

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The following table shows the 2006/07 delinquency rate for the District as of June 30, 2007:

<b>2006/07 Levy</b>	<b>2006/07 Delinquencies</b>	<b>2006/07 Delinquency Rate</b>	<b>Delinquency Management Steps Taken</b>
\$15,792.48	\$837.48	5.30%	Reminder Letters Sent

NBS monitors the delinquency rate and reviews the delinquency situation after each payment date. The overall delinquency rate of the District is 1.81%; this includes the 2005/06 delinquency rate of 0.00% and the 2006/07 delinquency rate of 5.30%. It is expected that the delinquency rate will drop as late payments are received through the Riverside County Tax Collector.

#### **3.2. Delinquency Management**

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The City does not have a foreclosure covenant for CFD 2003-2 because no bonds have been issued to finance facilities and/or services of the District. It is the policy of the District to send reminder letters to property owners that are delinquent for two or more installments. The letters are a cost of the District and, therefore, recovered with each succeeding fiscal year levy.

### ***3.3. Delinquency Summary Report***

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The following page summarizes delinquencies for the 2006/07 and prior fiscal years.

**City of San Jacinto**  
**Delinquency Summary Report**  
As of: 06/30/2007

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
<b>2003-2</b>									
	<b>8/1/2004 Billing:</b>								
	12/10/2004	\$7,499.58	\$7,499.58	\$0.00	0.00 %	66	66	0	0.00 %
	4/10/2005	7,499.58	7,499.58	0.00	0.00 %	66	66	0	0.00 %
	<b>Subtotal:</b>	<b>\$14,999.16</b>	<b>\$14,999.16</b>	<b>\$0.00</b>	<b>0.00 %</b>	<b>132</b>	<b>132</b>	<b>0</b>	<b>0.00 %</b>
	<b>8/1/2005 Billing:</b>								
	12/10/2005	\$7,741.80	\$7,741.80	\$0.00	0.00 %	66	66	0	0.00 %
	4/10/2006	7,741.80	7,741.80	0.00	0.00 %	66	66	0	0.00 %
	<b>Subtotal:</b>	<b>\$15,483.60</b>	<b>\$15,483.60</b>	<b>\$0.00</b>	<b>0.00 %</b>	<b>132</b>	<b>132</b>	<b>0</b>	<b>0.00 %</b>
	<b>8/1/2006 Billing:</b>								
	12/10/2006	\$7,896.24	\$7,537.32	\$358.92	4.55 %	66	63	3	4.55 %
	4/10/2007	7,896.24	7,417.68	478.56	6.06 %	66	62	4	6.06 %
	<b>Subtotal:</b>	<b>\$15,792.48</b>	<b>\$14,955.00</b>	<b>\$837.48</b>	<b>5.30 %</b>	<b>132</b>	<b>125</b>	<b>7</b>	<b>5.30 %</b>
2003-2	<b>Total:</b>	<b>\$46,275.24</b>	<b>\$45,437.76</b>	<b>\$837.48</b>	<b>1.81 %</b>	<b>396</b>	<b>389</b>	<b>7</b>	<b>1.77 %</b>
<b>Agency Grand Total:</b>		<b>\$46,275.24</b>	<b>\$45,437.76</b>	<b>\$837.48</b>	<b>1.81 %</b>				

## **4. RATE AND METHOD OF APPORTIONMENT**

### **4.1. Special Tax Formula**

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Commencing with Fiscal Year 2004/05 and for each following Fiscal Year without cessation, the City shall determine the amount of money to be collected from Taxable Property in CFD No. 2003-2. The City shall levy the Special Tax at up to the Maximum Rate until the levy equals the Special Tax Requirement, subject to the limitations specified in Section 53321(d) of the Act.

Notwithstanding the above, under no circumstances will the Special Taxes levied against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within CFD No. 2003-2 by more than ten (10) percent per fiscal year, pursuant to Section 53321(d) of the Act, as in effect on the date of formation of CFD No. 2003-2.

### **4.2. Definitions**

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"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2003-2: the costs of preparing the annual budget to provide the required services; the costs of computing the Special Taxes and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes; the costs of remitting the Special Taxes; costs of the City, including its legal counsel, in the discharge of the duties required of it under the Act, including public inquiries regarding the Special Taxes, the costs associated with the release of funds from any escrow account (to the extent not paid from other sources); the costs of the City or designee related to an appeal of the Special Tax and an allocable share of the salaries and overhead of the City staff directly relating to the foregoing; and the costs of the City or designee related to any rebate calculations for CFD No. 2003-2. Administrative Expenses shall also include amounts advanced by the City for any administrative purposes of CFD No. 2003-2.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

"Bonds" means any bonds or other indebtedness (as defined in the Act), whether in one or more series, secured by the levy of Special Taxes within CFD No. 2003-2.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of Special Taxes.

"City" means the CITY OF SAN JACINTO, or its successors.

"Commercial" means parcels zoned or used for commercial, retail or industrial purposes as shown on County tax records.

“Council” means the City Council of the CITY OF SAN JACINTO, acting as the legislative body of CFD No. 2003-2.

“County” means the County of Riverside, California.

“Developed Property” means parcels with structures, buildings, or improvements , as shown on County records.

“Equivalent Dwelling Units” or “EDU’s” means the factor for use in calculating the Residential Special Tax, being the number of habitable units per Assessor’s Parcel as shown on County tax records.

“Exempt Property” means all property located within the boundaries of CFD No. 2003-2 which is exempt from the Special Tax: Public Property, Common Area property within Residential parcels, and non-developable property.

“Fiscal Year” means the period starting on each July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the City in any Fiscal Year on any Assessor’s Parcel.

“Public Property” means property within the boundaries of CFD No. 2003-2 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public or private road right-of-way has been granted to the federal government, the State of California, the County, or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Residential” means all parcels zoned or used for residential purposes as shown on County tax records.

“Special Tax” means the Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

“Square Foot/Feet” means the total amount of developed structures, as shown on County records.

“Special Tax Requirement” means that amount with respect to CFD No. 2003-2 determined by the City or designee as required in any Fiscal Year to pay for: (1) all maintenance and repair services required to operate the sewer lift station facility serving Tract 29384 in the County of Riverside, (2) including all energy costs, labor and materials required to operate the station (3), reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year, (4) repayment of any funds forwarded to or by the City for allowed services, (5) and Administrative Expenses, (6) less available funds.

“Taxable Property” means all property located within the boundaries of CFD No. 2003-2 which is not exempt from the Special Tax.

### ***4.3. Classification of Parcels Subject to Special Tax***

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Each Fiscal Year, all Taxable Property within CFD No. 2003-2 shall be classified as Residential or Exempt Property, and shall be subject to the Special Tax in accordance with the rate and method of apportionment. Once property has been classified as Developed Property, the Special Tax applicable thereto may not decrease.

For purposes of determining the applicable Maximum Special Tax, all Taxable Property shall be assigned to the applicable classification set forth in the Table below. If more than one classification is applicable to a single Assessor's Parcel, the Maximum Special Tax for such Assessor's Parcel shall be the sum of the Maximum Special Tax for each such classification.

With respect to Residential property, the number of EDUs shall be determined by the number of actual residential units constructed or to be constructed on any Assessor's Parcel.

### ***4.4. Termination of the Special Tax***

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The Maximum Special Tax shall be levied as necessary to satisfy the Special Tax Requirement without cessation.

### ***4.5. Assignment of Maximum Special Tax***

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The Maximum Special Tax Rates are shown in the following table:

**Maximum Special Tax Rates  
Fiscal Year 2007/08**

<b>Property Classification</b>	<b>Special Tax per EDU</b>
Residential	\$244.07
Exempt	0.00

The Maximum Special Tax shall increase annually. The amount of the increase shall be 2% of the previous Fiscal Year's Maximum Special Tax. The increase commenced with the 2005/06 Fiscal Year.

### ***4.6. Exempt Parcels***

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The Special Tax will not be levied against any property that is exempt as follows: Public Property, non-developable parcels, and common area parcels within Residential complexes. Taxable parcels that are acquired by a public entity after formation of CFD 2003-2 shall remain subject to the Special Tax pursuant to Section 53317.3 of the Act.

#### ***4.7. Manner of Collection***

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The Special Tax will be collected in the same manner, at the same time and be subject to the same penalties and interest as ordinary ad valorem property taxes. However, CFD No. 2003-2 may collect Special Taxes at a different time or in a different manner as determined by the City, if necessary to meet its financial obligations.

#### ***4.8. Prepayment of Special Tax***

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Prepayment of the Special Tax is not allowed for CFD 2003-2.

#### ***4.9. Interpretations and Appeals***

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The Council reserves the right to set administrative processes and pass resolutions intended to clarify the application of the Special Tax. In addition, the City reserves the right to use the most accurate data available, through site audits or City records, if the County records are inaccurate or incomplete. An Appeals procedure will also be established for any property owner questioning the application of the Special Tax. This procedure will be administered by City staff and the CFD Administrator. If the review procedure is not acceptable to the property owner, the Council may review application of the Special Tax. The Council's decision will be the final interpretation.

## **5. BACKGROUND INFORMATION**

### **5.1. Description of Services**

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The types of facilities and services provided and financed by the community facilities district are the maintenance of sewer facilities, which have an estimated useful life of five years or longer. The maintenance of sewer facilities include the furnishing of services and materials for ordinary and usual maintenance, operation and servicing of such sewer facilities, including, but not limited to the repair, removal, or replacement of all or any part of any improvement.

### **5.2. Resolutions**

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The resolution for the first year of levy, Fiscal Year 2004/05, is included in the following pages for reference purposes. However, an annual resolution is not required to levy the CFD.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JACINTO ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2003-2 (CFD 2003-2) APPROVING THE BUDGET AND LEVY OF SPECIAL TAXES FOR FY 2004/05 (CFD 2003-2 LEVY FOR FY 2004/2005)**

**WHEREAS**, the City Council ("City Council") of the City of San Jacinto ("City") has previously completed proceedings pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California (the "Act") to form Community Facilities District No. 2003-2 ("CFD No. 2003-2"); and

**WHEREAS**, the types of public facilities to be provided for and financed by the District are the costs of maintenance of sewer facilities, which have an estimated useful life of five years or longer ("Facilities"), within and surrounding the District and within and surrounding the area of any territory to be annexed to the District in the future and the costs associated with the determination of the amount of and collection of taxes, the payment of taxes and costs otherwise incurred in order to carry out the authorized purposes of the District; and

**WHEREAS**, the special tax (Attachment A) shall be collected in the same manner as ordinary ad valorem property taxes are collected; and

**WHEREAS**, all special taxes in this district are levied without regard to property valuation; and


**NOW, THEREFORE**, The City Council of the City of San Jacinto does hereby resolve, determine and order as follows:

**Section 1.** Pursuant to Section 53340 of the Act, the City hereby levies the special taxes on all nonexempt property (Attachment B) within CFD 2003-2 pursuant to the Rate and Method of Apportionment of the Special Tax for CFD 2003-2 (Attachment A).

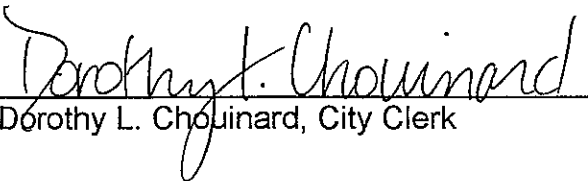
**APPROVED AND ADOPTED** this 15<sup>th</sup> day of July 2004 by the following vote:

Ayes: Carlson-Buydos, Shaw, Stubblefield, Ayres  
Nays: None  
Absent: Conner  
Abstain: None

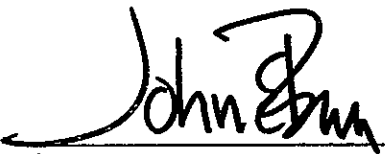
CITY OF SAN JACINTO

By:  \_\_\_\_\_  
Jim Ayres, Mayor

ATTEST:

  
Dorothy L. Chouinard, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney  
Best, Best & Krieger, LLP

## ATTACHMENT A

### CITY OF SAN JACINTO COMMUNITY FACILITIES DISTRICT NO. 2003-2

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

A Special Tax shall be levied and collected within the boundaries of the Community Facilities District No. 2003-2 ("CFD No. 2003-2") of the City Of San Jacinto ("City") each Fiscal Year, in an amount determined by the City Council ("Council") acting in its capacity as the legislative body of CFD No. 2003-2 through the application of the procedures described below. All of the real property in CFD No. 2003-2, unless exempted by the provisions hereof, shall be taxed to the extent and in the manner herein provided.

#### A. DEFINITIONS

The terms used herein shall have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2003-2: the costs of preparing the annual budget to provide the required services; the costs of computing the Special Taxes and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes; the costs of remitting the Special Taxes; costs of the City, including its legal counsel, in the discharge of the duties required of it under the Act, including public inquiries regarding the Special Taxes, the costs associated with the release of funds from any escrow account (to the extent not paid from other sources); the costs of the City or designee related to an appeal of the Special Tax and an allocable share of the salaries and overhead of the City staff directly relating to the foregoing; and the costs of the City or designee related to any rebate calculations for CFD No. 2003-2. Administrative Expenses shall also include amounts advanced by the City for any administrative purposes of CFD No. 2003-2.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"Bonds"** means any bonds or other indebtedness (as defined in the Act), whether in one or more series, secured by the levy of Special Taxes within CFD No. 2003-2.

**"CFD Administrator"** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of Special Taxes.

**"City"** means the City Of San Jacinto, or its successors.

**"Commercial"** means parcels zoned or used for commercial, retail or industrial

purposes as shown on County tax records.

"**Council**" means the City Council of the City Of San Jacinto, acting as the legislative body of CFD No. 2003-2.

"**County**" means the County of Riverside, California.

"**Developed Property**" means parcels with structures, buildings, or improvements, as shown on County records.

"**Equivalent Dwelling Units**" or "**EDU's**" means the factor for use in calculating the Residential Special Tax, being the number of habitable units per Assessor's Parcel as shown on County tax records.

"**Exempt Property**" means all property located within the boundaries of CFD No. 2003-2 which is exempt from the Special Tax pursuant to Section E below.

"**Fiscal Year**" means the period starting on each July 1 and ending on the following June 30.

"**Indenture**" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"**Maximum Special Tax**" means the maximum Special Tax, determined in accordance with Section C that can be levied by the City in any Fiscal Year on any Assessor's Parcel.

"**Public Property**" means property within the boundaries of CFD No. 2003-2 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public or private road right-of-way has been granted to the federal government, the State of California, the County, or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"**Residential**" means all parcels zoned or used for residential purposes as shown on County tax records.

"**Special Tax**" means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"**Square Foot/Feet**" means the total amount of developed structures, as shown on County records.

"**Special Tax Requirement**" means that amount with respect to CFD No. 2003-2 determined by the City or designee as required in any Fiscal Year to pay for: (1) all maintenance and repair services required to operate the sewer lift station facility serving Tract 29384 in the County of Riverside, (2) including all energy costs, labor and materials required to operate the station (3), reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year, (4) repayment of any funds forwarded to or by the City for allowed services, (5) and Administrative Expenses, (6) less available funds.

"Taxable Property" means all property located within the boundaries of CFD No. 2003-2 which is not exempt from the Special Tax pursuant to Section E below.

**B. CLASSIFICATION OF PROPERTY**

Each Fiscal Year, all Taxable Property within CFD No. 2003-2 shall be classified as Residential or Exempt Property, and shall be subject to the Special Tax in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Once property has been classified as Developed Property, the Special Tax applicable thereto may not decrease.

For purposes of determining the applicable Maximum Special Tax, all Taxable Property shall be assigned to the applicable classification set forth in Table 1 below. If more than one classification is applicable to a single Assessor's Parcel, the Maximum Special Tax for such Assessor's Parcel shall be the sum of the Maximum Special Tax for each such classification.

With respect to Residential property, the number of EDUs shall be determined by the number of actual residential units constructed or to be constructed on any Assessor's Parcel.

**C. MAXIMUM SPECIAL TAX RATE**

The Maximum Special Tax amounts are shown in the following table:

**TABLE 1**  
**Maximum Special Taxes**  
**Community Facilities District No. 2003-2**  
**Fiscal Year 2004-2005**

<b>Property Classification</b>	<b>Special Tax</b>
Residential	\$230/EDU
Exempt	N/A

The Maximum Special Tax shall increase annually. The amount of the increase shall be 2% of the previous Fiscal Year's Maximum Special Tax. The increase shall commence with the 2005/2006 Fiscal Year.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year without cessation, the City shall determine the amount of money to be collected from Taxable Property in CFD No. 2003-2. The City shall levy the Special Tax at up to the Maximum Rate until the levy equals the Special Tax Requirement, subject to the limitations specified in Section 53321(d) of the Act.

Notwithstanding the above, under no circumstances will the Special Taxes levied

against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within CFD No. 2003-2 by more than ten (10) percent per Fiscal Year, pursuant to Section 53321(d) of the Act, as in effect on the date of formation of CFD No. 2003-2.

**E. EXEMPT PARCELS**

The Special Tax will not be levied against any property that is exempt as follows: Public Property, non-developable parcels, and common area parcels within Residential complexes. Taxable parcels that are acquired by a public entity after formation of CFD 2003-2 shall remain subject to the Special Tax pursuant to Section 53317.3 of the Act.

**F. TERM**

The Maximum Special Tax shall be levied as necessary to satisfy the Special Tax Requirement without cessation.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner, at the same time and be subject to the same penalties and interest as ordinary ad valorem property taxes. However, CFD No. 2003-2 may collect Special Taxes at a different time or in a different manner as determined by the City, if necessary to meet its financial obligations.

**H. PREPAYMENT OF SPECIAL TAX**

Not applicable.

**I. INTERPRETATIONS AND APPEALS**

The Council reserves the right to set administrative processes and pass resolutions intended to clarify the application of the Special Tax. In addition, the City reserves the right to use the most accurate data available, through site audits or City records, if the County records are inaccurate or incomplete. An Appeals procedure will also be established for any property owner questioning the application of the Special Tax. This procedure will be administered by City staff and the CFD Administrator. If the review procedure is not acceptable to the property owner, the Council may review application of the Special Tax. The Council's decision will be the final interpretation.

**ATTACHMENT B**

**CITY OF SAN JACINTO  
COMMUNITY FACILITIES DISTRICT NO. 2003-2**

**LEGAL DESCRIPTIONS**

Community Facilities District No. 2003-2 of the City of San Jacinto, County of Riverside, State of California, includes the land situated in the State of California, County of Riverside, City of San Jacinto, described as follows:

THE EAST ½ OF THE SOUTHEAST 1/4 OF LOT 142 OF THE SAN JACINTO LAND ASSOCIATION LANDS, IN THE CITY OF SAN JACINTO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE(S) 357, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor's Parcel Number: 431-090-023

CITY OF SAN JACINTO  
COMMUNITY FACILITIES DISTRICT NO. 2003-2

OWNERSHIP LIST

ASSESSOR'S PARCEL NOS.

OWNER'S NAME

431-090-023

Canaday Company/San Jacinto Partner, L.P.

### **5.3. *Boundary Map***

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The following page shows the proposed and final boundaries of the CFD.

# PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2003-2

for the  
CITY OF SAN JACINTO  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2003 AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. IN BOOK \_\_\_\_\_ PAGE \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

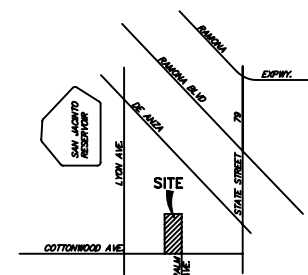
NO. \_\_\_\_\_  
FEE \_\_\_\_\_  
BY: GARY L. ORSO, COUNTY RECORDER  
DEPUTY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2003-1 IN THE CITY OF SAN JACINTO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE SAN JACINTO CITY COUNCIL AT A \_\_\_\_\_ MEETING THEREOF, HELD ON THE DAY OF \_\_\_\_\_, 2003 BY ITS RESOLUTION NO. \_\_\_\_\_

CITY CLERK \_\_\_\_\_

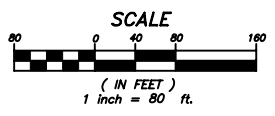
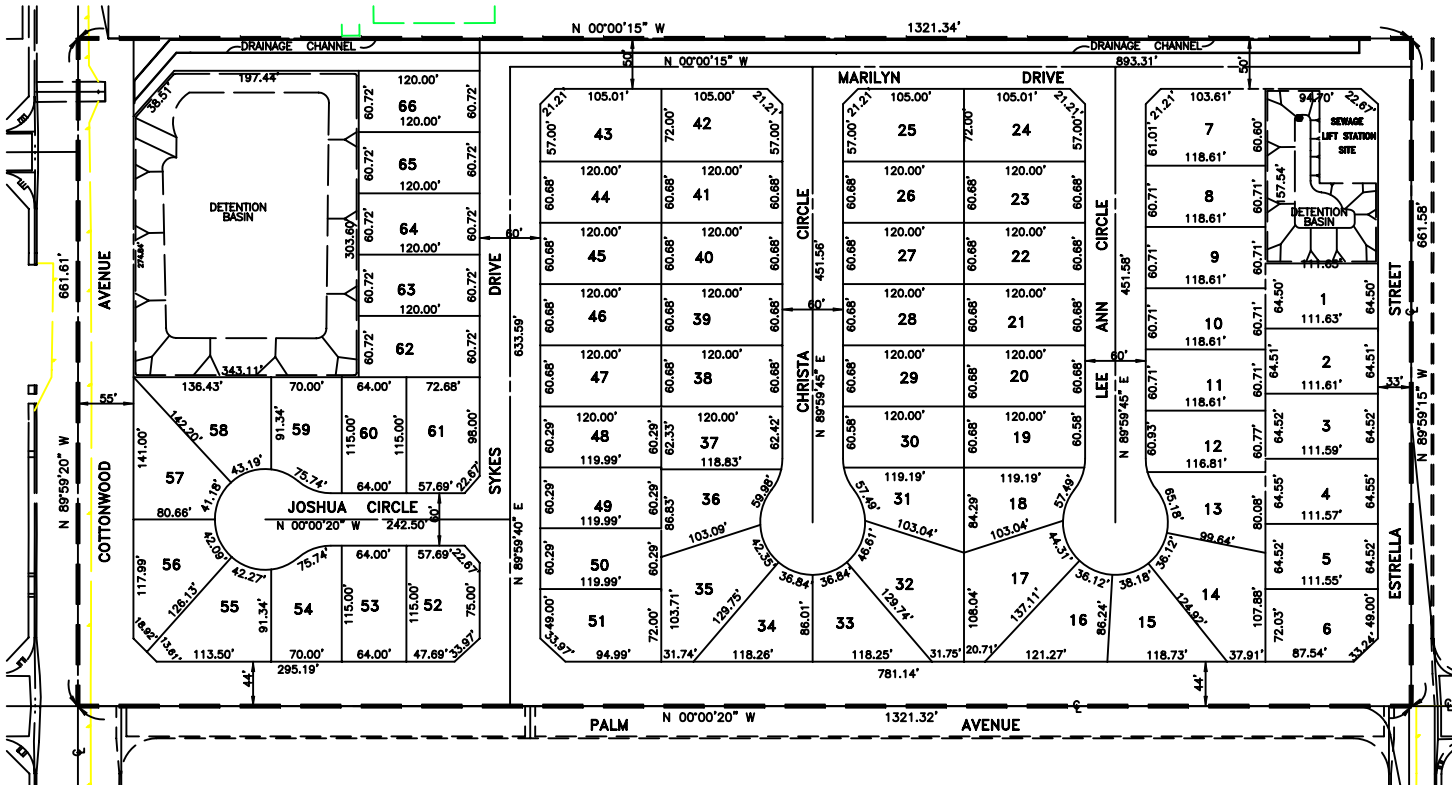
FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAN JACINTO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

CITY CLERK \_\_\_\_\_



**VICINITY MAP**  
NTS

THE LINES AND DIMENSIONS FOR EACH LOT OR PARCEL OF LAND WITHIN THE DISTRICT ARE SHOWN ON THE ASSESSOR'S PARCEL MAPS ON FILE IN THE OFFICE OF THE RIVERSIDE COUNTY ASSESSOR.



## TRACT NO. 29384

### LEGEND

— — — — — COMMUNITY FACILITIES DISTRICT BOUNDARY



PREPARED BY:  
**GFB-FRIEDRICH & ASSOC., INC.**  
CONSULTING CIVIL ENGINEERS  
6529 RIVERSIDE AVENUE, STE. 230  
RIVERSIDE, CA 92506  
(909) 781-0811

## **6. DELINQUENCY DETAIL**

The following pages detail delinquencies for the 2006/07 and prior fiscal years.

**City of San Jacinto**  
**CFD 2003-2**  
**Delinquency Detail Report**  
 Late Charges Calculated Through 06/30/2007

Property ID	Owner	Due Date	Amount	Penalty	Interest	Fees (1)	Total	Delinquency Mgmt (2)	Misc (3)
431-490-012-6	MANCILLA CAROLINA & RAFAEL 1143 LEE ANN CIR SAN JACINTO, CA 92582	12/10/2006	119.64	11.96	0.00	0.00	131.60	RL	
		04/10/2007	119.64	11.96	0.00	0.00	131.60	RL	
	<b>Account Subtotal:</b>		<b>\$239.28</b>	<b>\$23.92</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$263.20</b>		
431-490-037-9	WALTERS MICHAEL J 3476 STATEVIEW BLV FT MILL, SC 29715	04/10/2007	119.64	11.96	0.00	0.00	131.60		
		<b>Account Subtotal:</b>		<b>\$119.64</b>	<b>\$11.96</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$131.60</b>	
431-490-038-0	PATINO SANTIAGO & ERIKA 1154 CHRISTA CIR SAN JACINTO, CA 92582	12/10/2006	119.64	11.96	0.00	0.00	131.60	RL	
		04/10/2007	119.64	11.96	0.00	0.00	131.60	RL	
	<b>Account Subtotal:</b>		<b>\$239.28</b>	<b>\$23.92</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$263.20</b>		
431-490-049-0	STALEY HAZELENA G & MARCUS J 1135 SYKES DR SAN JACINTO, CA 92582	12/10/2006	119.64	11.96	0.00	0.00	131.60	RL	
		04/10/2007	119.64	11.96	0.00	0.00	131.60	RL	
	<b>Account Subtotal:</b>		<b>\$239.28</b>	<b>\$23.92</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$263.20</b>		
<b>District Totals: 4 Accounts</b>			<b>\$837.48</b>	<b>\$83.72</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$921.20</b>		
<b>Report Totals: 4 Accounts</b>			<b>\$837.48</b>	<b>\$83.72</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$921.20</b>		

(1) Fees: This amount excludes Delinquency Management fees that were or will be collected in a subsequent billing.

(2) Delinquency Management Codes: RL=Reminder Sent; DL=Demand Letter Sent; SR=Tax Roll Removal Requested; SC=Tax Roll Removal Confirmed; FL=Foreclosure Letter Sent; OL=Other Letter Sent; FI=Judicial Foreclosure Initiated; CP=County Payment Plan; FH=Judicial Foreclosure on Hold/Special Case; FC=Foreclosure Complete; LIT=Litigation Guarantee; LGL=Legal Fees and Costs; O=Other Fees; SO=Tax Roll Removal County Fee; PP = Payment Plan.

(3) Miscellaneous Codes: DB=Direct Bill Sent ; BK=Declared Bankruptcy; PM=Partial Payment made, remainder delinquent.

## **7. 2007/08 SPECIAL TAX ROLL**

The following pages provide the 2007/08 Special Tax Roll for the CFD.

**City of San Jacinto**  
**CFD 2003-2**  
**8/1/2007 Billing Final Detail Report**

Account ID	Property ID	DB	Levy	Misc Adjs	Total
431-490-001	431-490-001-6		\$244.07	\$(0.01)	\$244.06
431-490-002	431-490-002-7		244.07	(0.01)	244.06
431-490-003	431-490-003-8		244.07	(0.01)	244.06
431-490-004	431-490-004-9		244.07	(0.01)	244.06
431-490-005	431-490-005-0		244.07	(0.01)	244.06
431-490-006	431-490-006-1		244.07	(0.01)	244.06
431-490-007	431-490-007-2		244.07	(0.01)	244.06
431-490-008	431-490-008-3		244.07	(0.01)	244.06
431-490-009	431-490-009-4		244.07	(0.01)	244.06
431-490-010	431-490-010-4		244.07	(0.01)	244.06
431-490-011	431-490-011-5		244.07	(0.01)	244.06
431-490-012	431-490-012-6		244.07	(0.01)	244.06
431-490-013	431-490-013-7		244.07	(0.01)	244.06
431-490-014	431-490-014-8		244.07	(0.01)	244.06
431-490-015	431-490-015-9		244.07	(0.01)	244.06
431-490-016	431-490-016-0		244.07	(0.01)	244.06
431-490-017	431-490-017-1		244.07	(0.01)	244.06
431-490-018	431-490-018-2		244.07	(0.01)	244.06
431-490-019	431-490-019-3		244.07	(0.01)	244.06
431-490-020	431-490-020-3		244.07	(0.01)	244.06
431-490-021	431-490-021-4		244.07	(0.01)	244.06
431-490-022	431-490-022-5		244.07	(0.01)	244.06
431-490-023	431-490-023-6		244.07	(0.01)	244.06
431-490-024	431-490-024-7		244.07	(0.01)	244.06
431-490-025	431-490-025-8		244.07	(0.01)	244.06
431-490-026	431-490-026-9		244.07	(0.01)	244.06
431-490-027	431-490-027-0		244.07	(0.01)	244.06
431-490-028	431-490-028-1		244.07	(0.01)	244.06
431-490-029	431-490-029-2		244.07	(0.01)	244.06
431-490-030	431-490-030-2		244.07	(0.01)	244.06
431-490-031	431-490-031-3		244.07	(0.01)	244.06
431-490-032	431-490-032-4		244.07	(0.01)	244.06
431-490-033	431-490-033-5		244.07	(0.01)	244.06
431-490-034	431-490-034-6		244.07	(0.01)	244.06
431-490-035	431-490-035-7		244.07	(0.01)	244.06
431-490-036	431-490-036-8		244.07	(0.01)	244.06
431-490-037	431-490-037-9		244.07	(0.01)	244.06
431-490-038	431-490-038-0		244.07	(0.01)	244.06
431-490-039	431-490-039-1		244.07	(0.01)	244.06
431-490-040	431-490-040-1		244.07	(0.01)	244.06
431-490-041	431-490-041-2		244.07	(0.01)	244.06
431-490-042	431-490-042-3		244.07	(0.01)	244.06
431-490-043	431-490-043-4		244.07	(0.01)	244.06
431-490-044	431-490-044-5		244.07	(0.01)	244.06
431-490-045	431-490-045-6		244.07	(0.01)	244.06
431-490-046	431-490-046-7		244.07	(0.01)	244.06

**City of San Jacinto**  
**CFD 2003-2**  
**8/1/2007 Billing Final Detail Report**

Account ID	Property ID	DB	Levy	Misc Adjs	Total
431-490-047	431-490-047-8		244.07	(0.01)	244.06
431-490-048	431-490-048-9		244.07	(0.01)	244.06
431-490-049	431-490-049-0		244.07	(0.01)	244.06
431-490-050	431-490-050-0		244.07	(0.01)	244.06
431-490-051	431-490-051-1		244.07	(0.01)	244.06
431-491-001	431-491-001-9		244.07	(0.01)	244.06
431-491-002	431-491-002-0		244.07	(0.01)	244.06
431-491-003	431-491-003-1		244.07	(0.01)	244.06
431-491-004	431-491-004-2		244.07	(0.01)	244.06
431-491-005	431-491-005-3		244.07	(0.01)	244.06
431-491-006	431-491-006-4		244.07	(0.01)	244.06
431-491-007	431-491-007-5		244.07	(0.01)	244.06
431-491-008	431-491-008-6		244.07	(0.01)	244.06
431-491-009	431-491-009-7		244.07	(0.01)	244.06
431-491-010	431-491-010-7		244.07	(0.01)	244.06
431-491-011	431-491-011-8		244.07	(0.01)	244.06
431-491-012	431-491-012-9		244.07	(0.01)	244.06
431-491-013	431-491-013-0		244.07	(0.01)	244.06
431-491-014	431-491-014-1		244.07	(0.01)	244.06
431-491-015	431-491-015-2		244.07	(0.01)	244.06
<b>66 Accounts</b>			<b>\$16,108.62</b>	<b>\$(0.66)</b>	<b>\$16,107.96</b>