



► **ADMINISTRATION REPORT**
FISCAL YEAR 2023/2024
IMPROVEMENT AREA 1 OF COMMUNITY
FACILITIES DISTRICT NO. 2018-2

VAL VERDE UNIFIED SCHOOL DISTRICT

JULY 1, 2023

Prepared For:

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STRATEGIES

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EXHIBIT A:

Rate and Method of Apportionment

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Annual Special Tax Roll for Fiscal Year 2023/2024

INTRODUCTION

This Administration Report ("Report") provides an analysis of the financial and administrative obligations of Community Facilities District ("CFD") No. 2018-2 IA 1 of the Val Verde Unified School District ("School District"), pursuant to the Rate and Method of Apportionment ("RMA") attached as Exhibit A, for the purpose of calculating the Annual Special Tax levy for Fiscal Year 2023/2024. In calculating the Annual Special Tax levy for Fiscal Year 2023/2024, the Report describes (i) the remaining financial obligations of IA 1 of CFD No. 2018-2 for Fiscal Year 2022/2023, (ii) the financial obligations of IA 1 of CFD No. 2018-2 for Fiscal Year 2023/2024 and (iii) the amount of new development which has occurred within the boundaries of IA 1 of CFD No. 2018-2.

The Report is organized into the following sections:

SECTION I

Section I provides a description of the Annual Special Tax levy for Fiscal Year 2022/2023 including any delinquent Special Taxes.

SECTION II

On February 23, 2023, the 2022 Special Tax Bonds ("Bonds") were issued by IA 1 of CFD No. 2018-2 in the amount of \$7,345,000. The Bonds were issued for financing Authorized Facilities of IA 1 of CFD No. 2018-2, pursuant to the Resolution of Intention ("ROI") and are secured by and repaid from the annual levy of Special Taxes within IA 1 of CFD No. 2018-2.

Section II examines the financial activity within the various funds and accounts established pursuant to the Fiscal Agent Agreement ("FAA") dated March 1, 2022 by and between IA 1 of CFD No. 2018-2 and Zions Bancorporation, National Association ("Fiscal Agent") from July 1, 2022 to June 30, 2023. A summary is provided which lists all disbursements, Annual Special Tax receipts, and interest earnings.

SECTION III

Section III contains a description of (i) the initial allocation of Bond proceeds and (ii) the expenditure of Special Taxes and Bond proceeds to fund Authorized Facilities of IA 1 of CFD No. 2018-2 through June 30, 2023, as directed by Senate Bill 165 ("SB 165").

SECTION IV

Section IV calculates the Special Tax Requirement based on the financial obligations of IA 1 of CFD No. 2018-2 for Fiscal Year 2023/2024.

SECTION V

Section V provides the development status of IA 1 of CFD No. 2018-2.

SECTION VI

Section VI describes the methodology used to apportion the Special Tax Requirement among the properties within IA 1 of CFD No. 2018-2 and lists the Special Tax rates for Fiscal Year 2023/2024.

FISCAL YEAR 2022/2023 LEVY SUMMARY

A. SPECIAL TAX LEVY

The aggregate Annual Special Tax levy of IA 1 of CFD No. 2018-2 in Fiscal Year 2022/2023 as well as a summary of the levy can be found in the table below.

ANNUAL SPECIAL TAX RATES FOR FISCAL YEAR 2022/2023

Tax Class	Building Square Footage	Number of Units/Acres ^{[1][2]}	Assigned Annual Special Tax Rate	Total Annual Special Taxes
1	≤ 2,100	1 Units	\$3,080.60 per Unit	\$3,080.60
2	2,101 – 2,300	29 Units	\$2,785.10 per Unit	\$80,767.90
3	2,301 – 2,500	14 Units	\$2,879.26 per Unit	\$40,309.64
4	2,501 – 2,700	10 Units	\$2,972.36 per Unit	\$29,723.60
5	2,701 – 2,900	32 Units	\$3,019.98 per Unit	\$96,639.36
6	2,901 – 3,100	13 Units	\$3,066.52 per Unit	\$39,864.76
7	3,101 – 3,300	17 Units	\$3,113.06 per Unit	\$52,922.02
8	≥ 3,301	16 Units	\$3,160.70 per Unit	\$50,571.20
<i>Developed Property</i>		<i>132 Units</i>	<i>N/A</i>	<i>\$393,879.08</i>
<i>Undeveloped Property</i>		<i>1.28 Acres</i>	<i>N/A</i>	<i>\$0.00</i>
Total				\$393,879.08

[1] One parcel in Tax Class 1 was levied at an incorrect rate in Fiscal Year 2022-23 which has been remedied and reassigned to Tax Class 2 for the Fiscal Year 2023/2024 levy. In addition, one unit was taxed due to presumed construction activity, but a building permit has not actually been issued for such lot. As of May 1, 2022, there were 131 building permits issued.

[2] One parcel in Tax Class 2 was assigned an annual Special Tax levy based on the Certificate of Compliance information.

B. SPECIAL TAX DELINQUENCIES

Cooperative Strategies, LLC has received delinquency information for IA 1 of CFD No. 2018-2 for Fiscal Year 2022/2023 from the County of Riverside ("County"). For the second installment of Fiscal Year 2022/2023 (as of May 9, 2023), \$11,680.50 in Special Taxes were delinquent, yielding a delinquency rate of 2.97%.

FINANCIAL ACTIVITY

This section summarizes the activity within the various funds and accounts created by the FAA. For a more detailed description of the various funds and accounts, please see the FAA. A detailed analysis of all transactions within these funds and accounts for this period is included as Exhibit B.

A. SOURCES OF FUNDS

Sources of funds for IA 1 of CFD No. 2018-2 for the period of July 1, 2022 to June 30, 2023 are summarized in the table below.

SOURCES OF FUNDS JULY 1, 2022 – JUNE 30, 2023

Sources	Amount
Bond Proceeds	\$7,413,212.35
Special Tax Receipts	\$382,063.83
Investment Earnings ^[1]	\$34,228.93
Miscellaneous	\$0.00
Total	\$7,846,773.97

[1] Data summarized in the table below.

INVESTMENT EARNINGS JULY 1, 2022 – JUNE 30, 2023

Funds and Accounts	Amount
Administrative Expense Fund	\$76.34
City Facilities Account	\$7,296.72
Cost of Issuance Account	\$58.42
EMWD Account	\$12,155.95
Interest Account	\$0.00
Principal Account	\$0.00
Reserve Fund	\$3,292.29
Residual School Facilities Account	\$0.00
School Facilities Account	\$10,582.96
Special Tax Fund	\$766.25
Total	\$34,228.93

B. USES OF FUNDS

Uses of funds for IA 1 of CFD No. 2018-2 for the period of July 1, 2022 to June 30, 2023 are summarized in the table below.

**USES OF FUNDS
JULY 1, 2022 – JUNE 30, 2023**

Uses	Amount
Interest Payments	\$0.00
Principal Payments	\$0.00
Acquisition/Construction Payments	\$2,282,013.85
Administrative Expenses	\$250,201.01
Miscellaneous	\$0.00
Total	\$2,532,214.86

C. FUND AND ACCOUNT BALANCES

The balances as of June 30, 2023 in the funds and accounts established pursuant to the FAA are shown in the table below.

**FUND AND ACCOUNT BALANCES
AS OF JUNE 30, 2023**

Funds and Accounts	Amount
Administrative Expense Fund	\$12,995.74
City Facilities Account	\$13,476.32
Cost of Issuance Account	\$11,055.51
EMWD Account	\$2,300,349.40
Interest Account	\$0.00
Principal Account	\$0.00
Reserve Fund	\$623,020.45
Residual School Facilities Account	\$0.00
School Facilities Account	\$2,002,680.25
Special Tax Fund	\$350,981.44
Total	\$5,314,559.11

SENATE BILL 165 COMPLIANCE

The Board of Education ("Board") of the School District, pursuant to the provisions of the Local Agency Special Tax and Bond Accountability Act ("Accountability Act"), has directed the filing of the Special Tax and Bond Accountability Report for IA 1 of CFD No. 2018-2. According to SB 165, any local special tax and/or bond measure subject to voter approval on or after January 1, 2001, must follow the requirements of the Accountability Act. All capitalized terms herein are used as defined in the RMA of IA 1 of CFD No. 2018-2.

A. AUTHORIZED FACILITIES

Pursuant to the Mello-Roos Community Facilities Act of 1982, as Amended ("Act"), IA 1 of CFD No. 2018-2 can only be used to fund the "Authorized Facilities" as outlined at the time of formation. The following is an excerpt taken from the CFD Report to establish IA 1 of CFD No. 2018-2 which describes the Authorized Facilities.

"School District Facilities" mean the construction, acquisition, modification, expansion, maintenance and/or rehabilitation of public school facilities, including central office, support facilities and school district fees of the Val Verde Unified School District, both onsite and offsite, and all appurtenances and appurtenant work in connection with the foregoing, all required to be constructed to facilitate development of the Property, as permitted under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

"Water District Facilities" mean the construction, acquisition, modification, expansion, maintenance and/or rehabilitation of public water system facilities, including capacity in existing facilities, and sanitary sewer facilities, including capacity in existing facilities and sewage treatment and disposal capacity of the Eastern Municipal Water District, including both onsite and offsite, and all appurtenances and appurtenant work in connection with the foregoing, all required to be constructed to facilitate development of the Property, as permitted under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

"Incidental Expenses" the District may also finance any of the following incidental expenses to be incurred, as permitted under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, including:

- The cost of engineering, planning, designing and rehabilitating the Facilities.
- All costs chargeable as administrative or incidental costs associated with the creation of the CFD, the issuance of the Bonds thereby in one or more series, and the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the CFD.
- All other expenses incidental to the construction, acquisition, modification, maintenance, rehabilitation, completion and inspection of the Facilities.

B. BOND PROCEEDS

In accordance with the FAA by and between IA 1 of CFD No. 2018-2 and the Fiscal Agent, the proceeds of the 2018 Bonds were deposited into the funds and accounts shown in the table below.

INITIAL DEPOSIT OF 2018 BOND PROCEEDS

Funds and Accounts	Initial Deposit
School Facilities Account	\$1,992,097.29
EMWD Facilities Account	\$2,288,193.45
City Facilities Account	\$2,288,193.45
Reserve Fund	\$619,728.16
Cost of Issuance ^[1]	\$293,662.35
Total	\$7,481,874.70

[1] This amount includes the Underwriter's discount of \$110,175.00 and the Original Issue Premium of \$178,387.35. However, the actual amount deposited in the Costs of Issuance Fund was \$225,000.00.

C. CONSTRUCTION/ACQUISITION ACCOUNTS

The tables on the following page shows the accruals and expenditures in the construction/acquisition account of IA 1 of CFD No. 2018-2 through June 30, 2023, for the construction of School Facilities, EMWD Facilities, and City Facilities.

SCHOOL FACILITIES ACCOUNT

Initial Deposit from Bond Proceeds		\$1,992,097.29
Accruals		\$10,582.96
Investment Earnings	\$10,582.96	
Expenditures		(\$0.00)
Balance as of June 30, 2023		\$2,002,680.25

EMWD FACILITIES ACCOUNT

Initial Deposit from Bond Proceeds		\$2,288,193.45
Accruals		\$12,155.95
Investment Earnings	\$12,155.95	
Expenditures		(\$0.00)
Balance as of June 30, 2023		\$2,300,349.40

CITY FACILITIES ACCOUNT

Initial Deposit from Bond Proceeds		\$2,288,193.45
Accruals		\$7,296.72
Investment Earnings	\$7,296.72	
Expenditures		(\$2,282,013.85)
City of Perris Facilities	(\$2,282,013.85)	
Balance as of June 30, 2023		\$13,476.32

D. SPECIAL TAX FUND

Each Fiscal Year, IA 1 of CFD No. 2018-2 will levy, collect, and expend Special Taxes in an amount necessary to pay interest and principal to bondholders, cover Administrative Expenses, and fund Authorized Facilities necessary to serve students generated from residential units constructed within the boundaries of IA 1 of CFD No. 2018-2.

The table on the following page presents a detailed listing of the Special Taxes collected and expended by IA 1 of CFD No. 2018-2 through June 30, 2023.

SPECIAL TAX FUND

Balance as of February 1, 2023		\$0.00
Accruals		\$382,830.08
Special Tax Receipts	\$382,063.83	
Investment Earnings	\$766.25	
Expenditures		(\$31,848.64)
Transfer to the Administrative Expense Fund	(\$31,848.64)	
Balance as of June 30, 2023		\$350,981.44

Special Taxes collected in excess of annual debt service obligations are transferred to the Surplus School Facilities Account to be used by the School District for the construction of Authorized Facilities. The table below shows the accruals and expenditures within the Residual School Facilities Account through June 30, 2023.

RESIDUAL SCHOOL FACILITIES ACCOUNT

Balance as of February 1, 2023		\$0.00
Accruals		\$0.00
Expenditures		(\$0.00)
Balance as of June 30, 2023		\$0.00

SPECIAL TAX REQUIREMENT

For Fiscal Year 2023/2024, the Special Tax Requirement for IA 1 of CFD No. 2018-2, as calculated pursuant to the RMA, can be found in the table below.

SPECIAL TAX REQUIREMENT FOR FISCAL YEAR 2023/2024

FY 2022/2023 Current and Projected Funds		\$350,981.44
Balance of the Special Tax Fund (as of June 30, 2022)	\$350,981.44	
FY 2022/2023 Remaining Obligations		\$350,981.44
Interest Payment Due September 1, 2023	\$180,734.58	
Principal Payment Due September 1, 2023	\$155,000.00	
Retention for FY 2023/2024 Obligations	\$15,246.86	
Direct Construction of Authorized Facilities/Projected Special Tax Delinquencies	\$0.00	
FY 2022/2023 Surplus/(Draw on Reserve)		\$0.00
FY 2023/2024 Obligations		\$413,764.12
Interest Payment Due March 1, 2024	\$169,943.75	
Interest Payment Due September 1, 2024	\$169,943.75	
Administrative Expense Budget for Fiscal Year 2023/2024	\$21,648.64	
Direct Construction of Authorized Facilities/Special Tax Delinquencies	\$52,227.98	
Less: Retention of Fiscal Year 2022/2023 Special Taxes		(\$15,246.86)
Minimum Annual Special Tax Requirement		\$398,517.26

DEVELOPMENT SUMMARY

Each Fiscal Year, the School District calculates the Annual Special Taxes to be levied against Taxable Property within IA 1 of CFD No. 2018-2. Taxable Property is classified based on the issuance of a Building Permit. Specifically, Developed Property means, for any Fiscal Year, all Assessor's Parcels in IA 1 of CFD No. 2018-2 for which a Building Permit has been issued as of June 30 of the previous Fiscal Year, provided that the Assessor's Parcel was created prior to January 1 of the prior Fiscal Year and that each such Assessor's Parcel is associated with a Lot. The table below summarizes the Special Tax classification within IA 1 of CFD No. 2018-2 for the previous Fiscal Year and Fiscal Year 2023/2024.

SPECIAL TAX CLASSIFICATION

Tax Class	Building Square Footage	Previous Fiscal Year ^{[1][2]}	Fiscal Year 2023/2024
1	≤ 2,100	1 Units	0 Units
2	2,101 – 2,300	29 Units	29 Units
3	2,301 – 2,500	14 Units	14 Units
4	2,501 – 2,700	10 Units	10 Units
5	2,701 – 2,900	32 Units	32 Units
6	2,901 – 3,100	13 Units	13 Units
7	3,101 – 3,300	17 Units	19 Units
8	≥ 3,301	16 Units	14 Units
<i>Developed Property</i>		<i>132 Units</i>	<i>131 Units</i>
<i>Undeveloped Property</i>		<i>1.28 Acres</i>	<i>1.44 Acres</i>
Total		132 Units	131 Units

[1] One parcel in Tax Class 1 was levied at an incorrect rate in Fiscal Year 2022-23 which has been remedied and reassigned to Tax Class 2 for the Fiscal Year 2023/2024 levy. In addition, one unit was taxed due to presumed construction activity, but a building permit has not actually been issued for such lot. As of May 1, 2022, there were 131 building permits issued.

[2] One parcel in Tax Class 2 was assigned an annual Special Tax levy based on the Certificate of Compliance information.

FISCAL YEAR 2023/2024 LEVY SUMMARY

The Special Tax rates of IA 1 of CFD No. 2018-2 needed to meet the Special Tax Requirement for Fiscal Year 2023/2024 are shown in the table below. The Special Tax roll, which lists the actual Special Tax levied against each Assessor's Parcel, is included as Exhibit C. For a more detailed explanation of the methodology used to apportion the Special Tax Requirement among Developed Property and Undeveloped Property, please see the RMA.

ANNUAL SPECIAL TAX RATES FOR FISCAL YEAR 2023/2024

Tax Class	Building Square Footage	Number of Units/Acres	Assigned Annual Special Tax Rate	Total Annual Special Taxes
1	≤ 2,100	0 Units	\$3,142.20 per Unit	\$0.00
2	2,101 – 2,300	29 Units	\$2,840.80 per Unit	\$82,383.20
3	2,301 – 2,500	14 Units	\$2,936.86 per Unit	\$41,116.04
4	2,501 – 2,700	10 Units	\$3,031.80 per Unit	\$30,318.00
5	2,701 – 2,900	32 Units	\$3,080.38 per Unit	\$98,572.16
6	2,901 – 3,100	13 Units	\$3,127.86 per Unit	\$40,662.18
7	3,101 – 3,300	19 Units	\$3,175.32 per Unit	\$60,331.08
8	≥ 3,301	14 Units	\$3,223.90 per Unit	\$45,134.60
<i>Developed Property</i>		<i>131 Units</i>	<i>N/A</i>	<i>\$398,517.26</i>
<i>Undeveloped Property</i>		<i>1.44 Acres</i>	<i>N/A</i>	<i>\$0.00</i>
Total				\$398,517.26

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EXHIBIT A
RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES OF
VAL VERDE UNIFIED SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 2018-2
IMPROVEMENT AREA NO. 1**

A Special Tax (as defined herein) shall be levied on and collected from all Assessor's Parcels in Improvement Area No. 1 of Community Facilities District No. 2018-2 of the Val Verde Unified School District, a unified school district organized and existing under the laws of the State of California ("School District"), each Fiscal Year commencing in Fiscal Year 2018/2019 an amount determined by the Board through the application of the Rate and Method of Apportionment of Special Taxes ("RMA") described below. All of the real property within Improvement Area No. 1 of the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**SECTION A
DEFINITIONS**

For purposes of this RMA, the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres of land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the Administrator may rely on the land area shown on the applicable Final Map.

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

"Administrative Expenses" means any ordinary and necessary expense incurred by the School District on behalf of the District related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including, but not limited to, the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of the District, and reasonable costs otherwise incurred in order to carry out the authorized purposes of the District.

"Administrator" means an official of the School District or designee thereof, responsible for determining the levy and collection of the Special Taxes.

"Annual Special Tax" means for each Fiscal Year and each Assessor's Parcel the Special Tax actually or expected to be levied in such Fiscal Year on such Assessor's Parcel.

"Approved Property" means all Assessor's Parcels of Taxable Property that (i) are associated with a Lot in a Final Map that was recorded prior to the January 1 preceding the Fiscal Year in which

the Special Tax is being levied and (ii) have not been issued a building permit prior to the May 1 preceding the Fiscal Year in which the Special Tax is being levied.

"Assessor's Parcel" means a parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of Improvement Area No. 1 of the District.

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

"Assessor's Parcel Number" means that number assigned to a parcel of land by the County for purposes of identification.

"Assigned Annual Special Tax" means the Special Tax of that name described in Section D hereof.

"Backup Annual Special Tax" means the Special Tax of that name described in Section E hereof.

"Board" means the Governing Board (Board of Education) of the School District, or its designee, acting as the Legislative Body of the District.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 years with an average rating equivalent to Moody's A1 and/or Standard & Poor's A+, as determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued; for purposes of this calculation, the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the Non-Arbitrage (Tax) Certificate or other similar bond issuance document.

"Bonds" means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Taxes have been pledged for repayment.

"Boundary Map" means a recorded map which indicates the boundaries of Improvement Area No. 1 of Val Verde Unified School District Community Facilities District 2018-2.

"Building Square Footage" or **"BSF"** means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 as determined by reference to the building permit(s) for such Unit.

"City" means the City of Perris, or any successor agency.

"County" means the County of Riverside.

"Developed Property" means all Assessor's Parcels of Taxable Property for which building permit(s) were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year, as determined reasonably by the Administrator.

"District" means Val Verde Unified School District Community Facilities District No. 2018-2.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section K hereof.

"Final Map" means a final tract map, parcel map, condominium map, lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, recorded in the Office of the County Recorder.

"Fiscal Year" means the period commencing on July 1 of any year and ending on the following June 30.

"Improvement Area No. 1" means the property in Val Verde Unified School District Community Facilities District No. 2018-2 designated as Improvement Area No. 1 on the Boundary Map.

"Lot" means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued.

"Maximum Special Tax" means, for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section C, which may be levied by the District in a given Fiscal Year on such Assessor's Parcel.

"Mitigation Agreement" means the School Facilities Funding and Mitigation Agreement made and entered into as of February 6, 2018 by and among the School District and Stratford Ranch Investors, LLC.

"Net Taxable Acreage" means the total Acreage of Developed Property expected to exist in Improvement Area No. 1 of the District after all Final Maps are recorded.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel as described in Section H hereof.

"Prepayment Administrative Fees" means any fees or expenses of the School District or the District associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include among other things the cost of computing the

Prepayment Amount, redeeming Bonds, and recording any notices to evidence the prepayment and redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel as described in Section G hereof.

"Present Value of Taxes" means for any Assessor's Parcel the sum of (i) the unpaid portion, if any, of the Annual Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the present value of Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Administrator, until the termination date specified in Section J, but in no event exceeding 35 Fiscal Years, including the Fiscal Year in which Special Taxes have previously been levied. The discount rate used for this calculation shall be equal to (a) the Bond Yield after Bond issuance or (b) the most recently published Bond Index prior to Bond issuance.

"Proportionately" means that the ratio of the actual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessor's Parcels. In the case of Developed Property subject to apportionment of the Annual Special Tax under Step Four of Section F, "Proportionately" shall mean that the quotient of (i) the Annual Special Tax, less the Assigned Annual Special Tax, divided by (ii) the Backup Annual Special Tax, less the Assigned Annual Special Tax, is equal for all applicable Assessor's Parcels.

"Provisional Undeveloped Property" means all Assessor's Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to Section K, but cannot be classified as Exempt Property because to do so would reduce the Net Taxable Acreage below the required minimum Acreage set forth in Section K, as applicable.

"Reserve Fund Credit" means an amount equal to the lesser of (i) the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount, (ii) the difference between the amount currently on deposit in the reserve fund and the new reserve requirement resulting from the redemption of Bonds with the Prepayment Amount or (iii) ten percent (10%) of the amount of Bonds which will be redeemed. In the event that a surety bond or other credit instrument satisfies the reserve requirement or the reserve requirement is underfunded at the time of the prepayment, no Reserve Fund Credit shall be given. Under no circumstances will the Reserve Fund Credit be less than zero.

"School District" means the Val Verde Unified School District, a unified school district organized and existing pursuant to the Constitution and laws of the State of California.

"Special Tax" means any of the special taxes authorized to be levied by the District within Improvement Area No. 1 pursuant to the Act and this RMA.

"Special Tax Requirement" means the amount required in any Fiscal Year to pay (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account(s) established in association with the

Bonds, (iv) any amount required to establish, in association with the Bonds, or replenish any reserve funds (or accounts thereof) established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities authorized to be financed by the District provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Approved Property, Undeveloped Property, or Provisional Undeveloped Property as set forth in Steps Two through Four of Section F, less (vi) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Special Tax Requirement, the Administrator shall take into account the reasonably anticipated delinquent Special Taxes, provided that the amount included may not cause the Annual Special Tax of an Assessor Parcel of Developed Property to increase by greater than ten percent (10%) of what would have otherwise been levied.

"Taxable Property" means all Assessor's Parcels which are not Exempt Property.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not Developed Property, Approved Property or Provisional Undeveloped Property.

"Unit" means each separate residential dwelling unit, including but not limited to a single family attached or detached unit, condominium, an apartment unit, mobile home, or otherwise, excluding hotels and motels.

**SECTION B
CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, commencing with Fiscal Year 2018/2019, all Assessor's Parcels within Improvement Area No. 1 of the District shall be classified as either Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be classified as Developed Property, Approved Property, Undeveloped Property or Provisional Undeveloped Property. Developed Property shall be further assigned to a Land Use Class, according to Table 1 below, based on the Building Square Footage of the Unit associated with such Developed Property.

Table 1

Land Use Classification

Land Use Class	Building Square Footage
1	≤ 2,100 sq. ft.
2	2,101 – 2,300 sq. ft.
3	2,301 – 2,500 sq. ft.
4	2,501 – 2,700 sq. ft.
5	2,701 – 2,900 sq. ft.
6	2,901 – 3,100 sq. ft.
7	3,101 – 3,300 sq. ft.
8	≥ 3,301 sq. ft.

**SECTION C
MAXIMUM SPECIAL TAX**

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of the amount derived by the application of the (a) Assigned Annual Special Tax or (b) Backup Annual Special Tax.

2. Approved Property

The Maximum Special Tax for each Assessor's Parcel classified as Approved Property shall be derived by the application of the Assigned Annual Special Tax.

3. Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property or Provisional Undeveloped Property shall be derived by the application of the Assigned Annual Special Tax.

**SECTION D
ASSIGNED ANNUAL SPECIAL TAXES**

1. Developed Property

The Assigned Annual Special Tax for each Assessor's Parcel of Developed Property will be calculated in accordance with Table 2 below, subject to increases as described below.

Table 2

**Fiscal Year 2018/2019
Assigned Annual Special Taxes for
Developed Property**

Land Use Class	Building Square Footage	Assigned Annual Special Tax
1	≤ 2,100 sq. ft.	\$2,486.00 per Unit
2	2,101 – 2,300 sq. ft.	\$2,573.00 per Unit
3	2,301 – 2,500 sq. ft.	\$2,660.00 per Unit
4	2,501 – 2,700 sq. ft.	\$2,746.00 per Unit
5	2,701 – 2,900 sq. ft.	\$2,790.00 per Unit
6	2,901 – 3,100 sq. ft.	\$2,833.00 per Unit
7	3,101 – 3,300 sq. ft.	\$2,876.00 per Unit
8	≥ 3,301 sq. ft.	\$2,920.00 per Unit

2. **Approved Property, Undeveloped Property and Provisional Undeveloped Property**

The Assigned Annual Special Tax for each Assessor's Parcel of Approved Property, Undeveloped Property, or Provisional Undeveloped Property shall be \$19,435 per acre of Acreage, subject to increases as described below.

3. **Increases in the Assigned Annual Special Tax**

a. **Developed Property**

On each July 1, commencing July 1, 2019, the Assigned Annual Special Tax applicable to Developed Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

b. **Approved Property, Undeveloped Property and Provisional Undeveloped Property**

On each July 1, commencing July 1, 2019, the Assigned Annual Special Tax for Approved Property, Undeveloped Property and Provisional Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

**SECTION E
BACKUP ANNUAL SPECIAL TAX**

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax.

1. **Calculation of the Backup Annual Special Tax Rate**

The Backup Annual Special Tax for an Assessor's Parcel of Developed Property within a Final Map shall be the rate per Lot calculated in accordance with the following formula in Fiscal Year 2018/2019 subject to increases as described below:

$$B = (U \times A) / L$$

The terms above have the following meanings:

B = Backup Annual Special Tax per Lot for the applicable Fiscal Year

- U = Assigned Annual Special Tax per Acre for Undeveloped Property in the Fiscal Year the calculation is performed
- A = Acreage of Taxable Property expected to exist in such Final Map at the time of calculation, as determined by the Administrator
- L = Number of Lots in the applicable Final Map at the time of calculation.

2. Changes to a Final Map

If the Final Map(s) described in the preceding paragraph are subsequently changed or modified, then the Backup Annual Special Tax for each Assessor’s Parcel of Developed Property changed or modified in each such Final Map shall be a rate per square foot of Acreage calculated as follows:

- a. Determine the total Backup Annual Special Tax revenue anticipated to apply to the changed or modified Assessor's Parcels prior to the change or modification.
- b. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property of the modified Assessor's Parcels, as reasonably determined by the Administrator.
- c. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Annual Special Tax per square foot of Acreage that shall be applicable to the modified Assessor's Parcels, subject to increases as described below.

3. Increase in the Backup Annual Special Tax

Each July 1, commencing the July 1, 2019, the Backup Annual Special Tax for each Lot of Developed Property within a Final Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

**SECTION F
METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing Fiscal Year 2018/2019 and for each subsequent Fiscal Year through the Fiscal Year of termination pursuant to Section J, the Board shall levy Special Taxes on all Taxable Property in accordance with the following steps:

- Step One:** The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property in an amount equal to the Assigned Annual Special Tax applicable to each such Assessor's Parcel.
- Step Two:** If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Approved Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.
- Step Three:** If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.
- Step Four:** If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Annual Special Tax on each Assessor's Parcel of Developed Property, for which the Maximum Special Tax is the Backup Annual Special Tax, shall be increased Proportionately from the Assigned Annual Special Tax up to 100% of the Backup Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.
- Step Five:** If additional moneys are needed to satisfy the Special Tax Requirement after the fourth step has been completed, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

SECTION G PREPAYMENT OF ANNUAL SPECIAL TAXES

1. Special Tax Prepayment Times and Conditions

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Prepayment Amount for such Assessor's Parcel and shall notify such owner of such Prepayment Amount.

2. Special Tax Prepayment Calculation

The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The abbreviations above have the following meanings:

P	=	Prepayment Amount
PVT	=	Present Value of Taxes
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Special Tax Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District on behalf of Improvement Area No. 1 of the District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement, indenture or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax obligation is prepaid, the Board shall indicate in the records of the District that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of the owner of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Annual Special Taxes that may be levied on Taxable Property, excluding Provisional Undeveloped Property, after such prepayment net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

**SECTION H
PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAXES**

1. Partial Prepayment Times and Conditions

The Special Tax obligation of Assessor’s Parcels of Taxable Property may be partially prepaid provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcels at the time the Special Tax obligation would be partially prepaid. An owner of an Assessor's Parcel(s) intending to partially prepay the Special Tax obligation shall provide the District with written notice of its intent to partially prepay, including the percentage by which the owner of such Assessor’s Parcel intends to prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Partial Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Partial Prepayment Amount.

2. Partial Prepayment Calculation

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = PVT \times F - RFC + PAF$$

The abbreviations above have the following meanings:

- PP= the Partial Prepayment Amount
- PVT = Present Value of Taxes
- F = the percent by which the owner of the Assessor’s Parcel is partially prepaying the Special Tax obligation
- RFC = Reserve Fund Credit
- PAF = Prepayment Administrative Fees

3. Partial Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District on behalf of Improvement Area No. 1 of the District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement, indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the partial prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax obligation is partially prepaid, the District shall indicate in the records of the District that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Assigned Annual Special Taxes that may be levied on Taxable Property, excluding Provisional Undeveloped Property, after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to partially prepay the Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolute and sole discretion for and on behalf of the District, without notice to the owners of property within Improvement Area No. 1 of the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION I ANNUAL SPECIAL TAX REMAINDER

In any Fiscal Year which the Annual Special Tax collected from Developed Property exceeds the amount needed to make regularly scheduled annual interest and principal payments on outstanding Bonds and pay Administrative Expenses, the School District may use such amount for acquisition, construction or financing of facilities in accordance with the Mitigation Agreement and certain costs associated with the maintenance and operations of school facilities in accordance with the Act, the District proceedings and other applicable laws as determined by the Board.

SECTION J TERMINATION OF SPECIAL TAX

The Annual Special Tax shall be levied for thirty-five (35) Fiscal Years after the Bonds are issued but no later than Fiscal Year 2058/2059. However, the Special Tax may cease to be levied in an earlier Fiscal Year if the Board had determined (i) that all required interest and principal

payments on the Bonds have been paid, (ii) all authorized facilities of the District have been acquired and all reimbursements have been paid, and (iii) all other obligations of the District have been satisfied.

SECTION K EXEMPTIONS

The Administrator shall classify Assessor's Parcels as Exempt Property in the chronological order in which each such Assessor Parcel becomes (i) owned by the State of California, federal or other local governments, (ii) used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) owned by a homeowners' association, (iv) burdened with a public or utility easements making impractical their utilization for other than the purposes set forth in the easement, or (v) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to be less than 19.71 ("Minimum Taxable Acreage").

Notwithstanding the above, the Administrator or Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to be less than the Minimum Taxable Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to be less than the Minimum Taxable Acreage will be classified as Provisional Undeveloped Property and will continue to be subject to Special Taxes accordingly.

SECTION L APPEALS

Any property owner claiming that the amount or application of the Special Tax levied on his or her property is not correct may file a written notice of appeal with the Administrator to be received by the Administrator not later than 1 year after having paid the first installment of the Special Tax that is disputed. The reissuance or cancellation of a building permit is not an eligible reason for appeal. In order to be considered sufficient, any notice of appeal must (i) specifically identify the property by address and Assessor's Parcel Number, (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax, (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect, (iv) include all documentation, if any, in support of the claim, and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the Administrator's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Annual Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) or an adjustment shall be made for the amount due for any prior Fiscal Year as the Administrator's decision shall indicate.

SECTION M
MANNER OF COLLECTION

The Annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the District may directly bill all or a portion of the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of ten percent (10%) of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

EXHIBIT B

SUMMARY OF TRANSACTIONS FOR FUNDS AND ACCOUNTS

SOURCES AND USES OF FUNDS

Feb 1 2023 - Jun 30 2023

06065020212

Account Name	SOURCES					USES					Transfer	Ending Balance	
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/Construction Payments	Legal/Consulting/Services	Miscellaneous			Total Uses
Administrative Expense Fund 228441009	\$0.00	\$0.00	\$76.34	\$17,268.86	\$17,345.20	\$0.00	\$0.00	\$0.00	(\$36,198.10)	\$0.00	(\$36,198.10)	\$31,848.64	\$12,995.74
City Facilities 228441006	\$0.00	\$0.00	\$7,296.72	\$2,288,193.45	\$2,295,490.17	\$0.00	\$0.00	(\$2,282,013.85)	\$0.00	\$0.00	(\$2,282,013.85)	\$0.00	\$13,476.32
Cost of Issuance 228441008	\$0.00	\$0.00	\$58.42	\$225,000.00	\$225,058.42	\$0.00	\$0.00	\$0.00	(\$214,002.91)	\$0.00	(\$214,002.91)	\$0.00	\$11,055.51
EMWD Facilities 228441005	\$0.00	\$0.00	\$12,155.95	\$2,288,193.45	\$2,300,349.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,300,349.40
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$0.00	\$0.00	\$3,292.29	\$619,728.16	\$623,020.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$623,020.45
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$0.00	\$0.00	\$10,582.96	\$1,992,097.29	\$2,002,680.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,002,680.25
Special Tax Fund 228441000	\$0.00	\$382,063.83	\$766.25	\$0.00	\$382,830.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$31,848.64)	\$350,981.44
Total:	\$0.00	\$382,063.83	\$34,228.93	\$7,430,481.21	\$7,846,773.97	\$0.00	\$0.00	(\$2,282,013.85)	(\$250,201.01)	\$0.00	(\$2,532,214.86)	\$0.00	\$5,314,559.11

Note: \$1,992,097.29 was due to an initial deposit of bond proceeds.

\$2,288,193.45 was due to an initial deposit of bond proceeds.

\$225,000.00 was due to an initial deposit of bond proceeds.

\$619,728.16 was due to an initial deposit of bond proceeds.

Miscellaneous Sources of Funds in the amount of \$17,268.86 was correct disbursement make in error on 5/8/2023.

SOURCES AND USES OF FUNDS

02/01/2023

06065020212

Account Name	SOURCES				USES							Ending Balance	
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/Construction Payments	Legal/Consulting/Services	Miscellaneous	Total Uses		Transfer
Administrative Expense Fund 228441009	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
City Facilities 228441006	\$0.00	\$0.00	\$0.00	\$2,288,193.45	\$2,288,193.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,288,193.45
Cost of Issuance 228441008	\$0.00	\$0.00	\$0.00	\$225,000.00	\$225,000.00	\$0.00	\$0.00	\$0.00	(\$214,002.91)	\$0.00	(\$214,002.91)	\$0.00	\$10,997.09
EMWD Facilities 228441005	\$0.00	\$0.00	\$0.00	\$2,288,193.45	\$2,288,193.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,288,193.45
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$0.00	\$0.00	\$0.00	\$619,728.16	\$619,728.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$619,728.16
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$0.00	\$0.00	\$0.00	\$1,992,097.29	\$1,992,097.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,992,097.29
Special Tax Fund 228441000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total:	\$0.00	\$0.00	\$0.00	\$7,413,212.35	\$7,413,212.35	\$0.00	\$0.00	\$0.00	(\$214,002.91)	\$0.00	(\$214,002.91)	\$0.00	\$7,199,209.44

Note: \$1,992,097.29 was due to an initial deposit of bond proceeds.

\$2,288,193.45 was due to an initial deposit of bond proceeds.

\$225,000.00 was due to an initial deposit of bond proceeds.

\$619,728.16 was due to an initial deposit of bond proceeds.

SOURCES AND USES OF FUNDS

03/01/2023

06065020212

Account Name	SOURCES				USES						Ending Balance		
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/Construction Payments	Legal/Consulting/Services	Miscellaneous		Total Uses	Transfer
Administrative Expense Fund 228441009	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$3,176.33)	\$0.00	(\$3,176.33)	\$21,648.64	\$18,472.31
City Facilities 228441006	\$2,288,193.45	\$0.00	\$126.95	\$0.00	\$126.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,288,320.40
Cost of Issuance 228441008	\$10,997.09	\$0.00	\$0.61	\$0.00	\$0.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,997.70
EMWD Facilities 228441005	\$2,288,193.45	\$0.00	\$126.95	\$0.00	\$126.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,288,320.40
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$619,728.16	\$0.00	\$34.38	\$0.00	\$34.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$619,762.54
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$1,992,097.29	\$0.00	\$110.52	\$0.00	\$110.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,992,207.81
Special Tax Fund 228441000	\$0.00	\$192,376.81	\$0.00	\$0.00	\$192,376.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$21,648.64)	\$170,728.17
Total:	\$7,199,209.44	\$192,376.81	\$399.41	\$0.00	\$192,776.22	\$0.00	\$0.00	\$0.00	(\$3,176.33)	\$0.00	(\$3,176.33)	\$0.00	\$7,388,809.33

Note:

SOURCES AND USES OF FUNDS

04/01/2023

06065020212

Account Name	SOURCES				USES						Transfer	Ending Balance	
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/ Construction Payments	Legal/ Consulting/ Services	Miscellaneous			Total Uses
Administrative Expense Fund 228441009	\$18,472.31	\$0.00	\$19.72	\$0.00	\$19.72	\$0.00	\$0.00	\$0.00	(\$322.22)	\$0.00	(\$322.22)	\$0.00	\$18,169.81
City Facilities 228441006	\$2,288,320.40	\$0.00	\$3,984.10	\$0.00	\$3,984.10	\$0.00	\$0.00	(\$2,282,013.85)	\$0.00	\$0.00	(\$2,282,013.85)	\$0.00	\$10,290.65
Cost of Issuance 228441008	\$10,997.70	\$0.00	\$19.15	\$0.00	\$19.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,016.85
EMWD Facilities 228441005	\$2,288,320.40	\$0.00	\$3,984.10	\$0.00	\$3,984.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,292,304.50
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$619,762.54	\$0.00	\$1,079.04	\$0.00	\$1,079.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$620,841.58
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$1,992,207.81	\$0.00	\$3,468.55	\$0.00	\$3,468.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,995,676.36
Special Tax Fund 228441000	\$170,728.17	\$0.00	\$182.26	\$0.00	\$182.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$170,910.43
Total:	\$7,388,809.33	\$0.00	\$12,736.92	\$0.00	\$12,736.92	\$0.00	\$0.00	(\$2,282,013.85)	(\$322.22)	\$0.00	(\$2,282,336.07)	\$0.00	\$5,119,210.18

Note:

SOURCES AND USES OF FUNDS

05/01/2023

06065020212

Account Name	SOURCES				USES							Ending Balance	
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/ Construction Payments	Legal/ Consulting/ Services	Miscellaneous	Total Uses		Transfer
Administrative Expense Fund 228441009	\$18,169.81	\$0.00	\$31.51	\$17,268.86	\$17,300.37	\$0.00	\$0.00	\$0.00	(\$32,699.55)	\$0.00	(\$32,699.55)	\$10,200.00	\$12,970.63
City Facilities 228441006	\$10,290.65	\$0.00	\$3,161.86	\$0.00	\$3,161.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,452.51
Cost of Issuance 228441008	\$11,016.85	\$0.00	\$18.98	\$0.00	\$18.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,035.83
EMWD Facilities 228441005	\$2,292,304.50	\$0.00	\$3,949.62	\$0.00	\$3,949.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,296,254.12
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$620,841.58	\$0.00	\$1,069.71	\$0.00	\$1,069.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$621,911.29
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$1,995,676.36	\$0.00	\$3,438.54	\$0.00	\$3,438.54	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,999,114.90
Special Tax Fund 228441000	\$170,910.43	\$0.00	\$294.50	\$0.00	\$294.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$10,200.00)	\$161,004.93
Total:	\$5,119,210.18	\$0.00	\$11,964.72	\$17,268.86	\$29,233.58	\$0.00	\$0.00	\$0.00	(\$32,699.55)	\$0.00	(\$32,699.55)	\$0.00	\$5,115,744.21

Note: Miscellaneous Sources of Funds in the amount of \$17,268.86 was correct disbursement make in error on 5/8/2023.

SOURCES AND USES OF FUNDS

06/01/2023

06065020212

Account Name	SOURCES				USES							Ending Balance	
	Beginning Balance	Special Tax Receipts	Investment Earnings	Miscellaneous	Total Sources	Interest Payments	Principal Payments	Acquisition/ Construction Payments	Legal/ Consulting/ Services	Miscellaneous	Total Uses		Transfer
Administrative Expense Fund 228441009	\$12,970.63	\$0.00	\$25.11	\$0.00	\$25.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,995.74
City Facilities 228441006	\$13,452.51	\$0.00	\$23.81	\$0.00	\$23.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,476.32
Cost of Issuance 228441008	\$11,035.83	\$0.00	\$19.68	\$0.00	\$19.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,055.51
EMWD Facilities 228441005	\$2,296,254.12	\$0.00	\$4,095.28	\$0.00	\$4,095.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,300,349.40
Interest Account 228441001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Principal Account 228441002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund 228441003	\$621,911.29	\$0.00	\$1,109.16	\$0.00	\$1,109.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$623,020.45
Residual School Facilities 228441007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Facilities 228441004	\$1,999,114.90	\$0.00	\$3,565.35	\$0.00	\$3,565.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,002,680.25
Special Tax Fund 228441000	\$161,004.93	\$189,687.02	\$289.49	\$0.00	\$189,976.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$350,981.44
Total:	\$5,115,744.21	\$189,687.02	\$9,127.88	\$0.00	\$198,814.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,314,559.11

Note:

EXHIBIT C

ANNUAL SPECIAL TAX ROLL
FISCAL YEAR 2023/2024

Val Verde Unified School District
Improvement Area 1 of Community Facilities District No. 2018-2
Special Tax Levy for Fiscal Year 2023/2024

Book	Page	Parcel	Interest	Special Tax
302	350	1	0	\$3,080.38
302	350	2	1	\$2,840.80
302	350	3	2	\$3,080.38
302	350	4	3	\$3,175.32
302	350	5	4	\$2,840.80
302	350	6	5	\$3,223.90
302	350	7	6	\$3,080.38
302	350	8	7	\$3,031.80
302	350	9	8	\$2,936.86
302	350	10	8	\$3,080.38
302	350	11	9	\$3,175.32
302	350	12	0	\$2,936.86
302	350	13	1	\$3,127.86
302	350	14	2	\$3,223.90
302	351	1	3	\$3,127.86
302	351	2	4	\$3,175.32
302	351	3	5	\$3,080.38
302	351	4	6	\$3,175.32
302	351	5	7	\$3,031.80
302	351	6	8	\$3,080.38
302	351	7	9	\$2,840.80
302	351	8	0	\$3,127.86
302	351	9	1	\$3,080.38
302	351	10	1	\$2,840.80
302	351	11	2	\$2,936.86
302	351	12	3	\$3,175.32
302	351	13	4	\$3,080.38
302	351	14	5	\$3,127.86
302	360	1	1	\$3,175.32
302	360	2	2	\$2,840.80
302	360	3	3	\$3,223.90
302	360	4	4	\$2,840.80
302	360	5	5	\$3,080.38
302	360	6	6	\$2,840.80
302	360	7	7	\$3,127.86
302	360	8	8	\$3,175.32
302	360	9	9	\$3,223.90
302	360	10	9	\$2,840.80
302	360	11	0	\$2,936.86
302	360	12	1	\$2,840.80
302	361	1	4	\$2,840.80
302	361	2	5	\$3,175.32
302	361	3	6	\$3,127.86
302	361	4	7	\$3,175.32

Val Verde Unified School District
Improvement Area 1 of Community Facilities District No. 2018-2
Special Tax Levy for Fiscal Year 2023/2024

Book	Page	Parcel	Interest	Special Tax
302	361	5	8	\$2,936.86
302	361	6	9	\$3,080.38
302	361	7	0	\$3,223.90
302	361	8	1	\$2,840.80
302	361	9	2	\$3,175.32
302	361	10	2	\$3,127.86
302	362	1	7	\$3,080.38
302	362	2	8	\$2,840.80
302	362	3	9	\$2,936.86
302	362	4	0	\$3,031.80
302	362	5	1	\$3,080.38
302	362	6	2	\$2,840.80
302	362	7	3	\$3,127.86
302	362	8	4	\$2,840.80
302	362	9	5	\$2,840.80
302	362	10	5	\$0.00
302	362	11	6	\$3,223.90
302	362	12	7	\$3,080.38
302	362	13	8	\$0.00
302	362	14	9	\$3,080.38
302	362	15	0	\$3,175.32
302	362	16	1	\$0.00
302	352	1	6	\$2,840.80
302	352	2	7	\$3,080.38
302	352	3	8	\$3,127.86
302	352	4	9	\$2,936.86
302	352	5	0	\$3,080.38
302	352	6	1	\$3,080.38
302	352	7	2	\$3,031.80
302	352	8	3	\$2,840.80
302	352	9	4	\$3,223.90
302	352	10	4	\$2,840.80
302	352	11	5	\$2,840.80
302	352	12	6	\$3,175.32
302	352	13	7	\$3,127.86
302	352	14	8	\$3,080.38
302	352	15	9	\$3,175.32
302	352	16	0	\$2,840.80
302	352	17	1	\$3,080.38
302	352	18	2	\$3,031.80
302	352	19	3	\$3,223.90
302	352	20	3	\$3,080.38
302	352	21	4	\$2,936.86
302	352	22	5	\$2,840.80

Val Verde Unified School District
Improvement Area 1 of Community Facilities District No. 2018-2
Special Tax Levy for Fiscal Year 2023/2024

Book	Page	Parcel	Interest	Special Tax
302	352	23	6	\$3,080.38
302	352	24	7	\$3,223.90
302	352	25	8	\$2,840.80
302	352	26	9	\$3,031.80
302	352	27	0	\$2,840.80
302	352	28	1	\$3,031.80
302	352	29	2	\$2,840.80
302	352	30	2	\$3,080.38
302	352	31	3	\$2,840.80
302	352	32	4	\$3,127.86
302	352	33	5	\$2,936.86
302	352	34	6	\$3,031.80
302	363	1	0	\$3,175.32
302	363	2	1	\$3,080.38
302	363	3	2	\$2,936.86
302	363	4	3	\$3,080.38
302	363	5	4	\$3,175.32
302	363	6	5	\$3,127.86
302	363	7	6	\$3,175.32
302	363	8	7	\$2,840.80
302	363	9	8	\$3,223.90
302	363	10	8	\$2,936.86
302	363	11	9	\$3,080.38
302	363	12	0	\$3,080.38
302	363	13	1	\$3,175.32
302	363	14	2	\$2,840.80
302	363	15	3	\$3,175.32
302	363	16	4	\$3,080.38
302	363	17	5	\$3,080.38
302	363	18	6	\$3,223.90
302	363	19	7	\$2,840.80
302	363	20	7	\$3,031.80
302	363	21	8	\$3,127.86
302	363	22	9	\$3,080.38
302	363	23	0	\$3,031.80
302	363	24	1	\$2,936.86
302	363	25	2	\$3,223.90
302	363	26	3	\$3,080.38
302	363	27	4	\$3,175.32
302	363	28	5	\$2,936.86
302	363	29	6	\$3,080.38
302	363	30	6	\$0.00
302	363	31	7	\$0.00
302	363	32	8	\$0.00

Val Verde Unified School District
Improvement Area 1 of Community Facilities District No. 2018-2
Special Tax Levy for Fiscal Year 2023/2024

Book	Page	Parcel	Interest	Special Tax
302	363	33	9	\$0.00
302	363	34	0	\$0.00
302	352	35	7	\$0.00
302	352	36	8	\$3,223.90
302	352	37	9	\$2,936.86
302	352	38	0	\$3,223.90
302	352	39	1	\$2,840.80
302	352	40	1	\$3,080.38
302	360	13	2	\$0.00
302	361	11	3	\$0.00
302	362	17	2	\$0.00
Major Conclusions				
Total Number of Parcels				143
Number of Parcels Taxed				131
Total Special Tax Levy for Fiscal Year 2023/2024				\$398,517.26