

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

## RESOLUTION NO. 90-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT ESTABLISHING THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1 AND PROVIDING FOR THE LEVY OF A SPECIAL TAX TO PAY FOR CERTAIN PUBLIC FACILITIES IN AND FOR SUCH COMMUNITY FACILITIES DISTRICT AND CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN SUCH COMMUNITY FACILITIES DISTRICT THE QUESTION OF LEVYING SUCH SPECIAL TAX AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR SUCH COMMUNITY FACILITIES DISTRICT

WHEREAS, the Board of Directors (the "Board") of the Rancho Murieta Community Services District (the "District") has heretofore on July 18, 1990, duly adopted Resolution No. 90-17 declaring its intention to establish a community facilities district in a portion of the District to finance certain public facilities in and for the District under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982" (the "Act"), being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and calling a public hearing on the question of the establishment of such community facilities district, which such community facilities district was designated as the "Rancho Murieta Community Services District Community Facilities District No. 1" (the "Community Facilities District"); and

WHEREAS, a report on such proposal was prepared by the Manager of the District in accordance with said Resolution No. 90-17, which such report was submitted to the Board for review and has been reviewed by the Board, and which such report is incorporated herein and made a part of the record of the hearing hereinafter referred to on said Resolution No. 90-17; and

WHEREAS, pursuant to said Resolution No. 90-17, a public hearing was convened by the Board on Tuesday, the 28th day of August, 1990, at the hour of 7:30 o'clock P.M., at the regular meeting place of the Board, 14670 Cantova Way, Rancho Murieta, California 95683, at which hearing the Board considered the establishment of the Community Facilities District, the proposed rate, method of apportionment and manner of collection of a special tax therein, the proposed appropriations limit for the Community Facilities District and all other matters as set forth in said Resolution No. 90-17, and at such public hearing any persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District, were given an opportunity to appear and be heard, and the testimony of all interested persons or taxpayers for or against the establishment of the Community Facilities District and the levy of such special tax, or the extent of the Community Facilities District, or the furnishing of the public facilities proposed therefor, or the establishment of such appropriations limit, or on any

other matters set forth in said Resolution No. 90-17, was heard and considered, and such special tax to be levied within the Community Facilities District has not been precluded by a majority protest pursuant to Section 53324 of the Government Code of the State of California, and the Board at the conclusion of said hearing was fully advised in the premises, and was authorized to proceed as hereinafter provided; and

WHEREAS, on the basis of all of the foregoing, the Board has determined at this time to alter the boundaries of the Community Facilities District to include therein less territory than that described in the notice of said hearing, and on such basis to proceed with the establishment of the Community Facilities District within such lesser territory as provided by said Resolution No. 90-17, and to call an election therein to authorize the levy of a special tax therein (as the rate, method of apportionment and manner of collection of such tax is more particularly set forth in Exhibit A, attached hereto and incorporated herein and made a part hereof) to pay for the public facilities proposed to be provided in and for the Community Facilities District, and to establish an appropriations limit for the Community Facilities District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, AS FOLLOWS:

Section 1. All of the above recitals are true and correct, and the Board so finds and determines.

Section 2. The Board hereby approves and adopts said Resolution No. 90-17, and (except as otherwise provided herein) reconfirms all of its findings and determinations contained therein, and the rate, method of apportionment and manner of collection of the special tax in and for the Community Facilities District shall be as set forth in Exhibit A, attached hereto and incorporated herein and made a part hereof. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the Community Facilities District, which lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of the special tax by the Board ceases.

Section 3. The Board finds and determines that written protests to the establishment of the Community Facilities District, or the extent thereof, or the financing of the public facilities proposed therefor, or the levy of the special tax proposed to be levied in the Community Facilities District, or the establishment of an appropriations limit for the Community Facilities District, are insufficient in number and in amount under the Act, and the Board hereby further orders and determines that all protests to the establishment of the Community Facilities District within such lesser

territory, or the extent thereof within such lesser territory, or the financing of the public facilities proposed therefor, or the levy of the special tax proposed to be levied in the Community Facilities District, or the establishment of an appropriations limit for the Community Facilities District, are hereby overruled.

Section 4. The Board finds and determines that all prior proceedings had and taken by the Board with respect to the establishment of the Community Facilities District are valid and in conformity with the requirements of the Act, and the Board determines to alter the boundaries of the Community Facilities District to include therein less territory than that described in the notice of said hearing, and on such basis to proceed to establish the Community Facilities District within such lesser territory. Accordingly, the Board finds, determines and orders that, consistent with said Resolution No. 90-17, the Community Facilities District is hereby established under and pursuant to the terms and provisions of the Act, the boundaries of which are more particularly described and are shown on that certain map entitled "Amended Map of Boundary, Rancho Murieta Community Services District Community Facilities District No. 1, Sacramento County, California," marked Exhibit B, attached hereto and incorporated herein and made a part hereof, which boundaries include less territory than the original proposed boundaries of the Community Facilities District, a copy of

which original boundary map was recorded on July 30, 1990, pursuant to Section 3111 of the Streets and Highways Code of the State of California, with the County Recorder of Sacramento County in Book 63 of Maps of Assessment and Community Facilities Districts at page 26. The Secretary of the Board is hereby authorized and directed to endorse the certificate set forth on such amended map evidencing the date and adoption of this resolution and is further authorized and directed to record such amended map in accordance with the provisions of Section 3113 of the Streets and Highways Code of the State of California.

Section 5. A general description of the public facilities (the "Facilities") for the District with an estimated useful life of five (5) years or longer, which are public facilities that the District is authorized by law to acquire, construct, own or operate, and accordingly are public facilities which may be financed by the Community Facilities District, and which are necessary to meet increased demands placed upon the District as a result of development occurring in the Community Facilities District and which are the public facilities to be financed by the Community Facilities District under the Act in these proceedings, is as follows: the acquisition, construction and installation of water supply systems, water transmission pipelines, water storage reservoirs, water treatment plant improvements, public irrigation systems, sewer pump stations and pump station

modifications, sewer force mains, wastewater treatment plant improvements, drainage pump stations, bridges and fire suppression equipment, together with necessary appurtenances thereto and equipment therefor.

Section 6. Except where funds are otherwise available, a special tax sufficient to pay for the Facilities, including the payment of interest on and principal of bonds to be issued to finance the Facilities and including the repayment of funds advanced for the Community Facilities District, which tax shall be secured by recordation of a continuing lien against all nonexempt property in the Community Facilities District, will be levied annually within the boundaries of the Community Facilities District, and for particulars as to the rate, method of apportionment and manner of collection of such special tax reference is made to Exhibit A, attached hereto and incorporated herein and made a part hereof, which sets forth the rate, method of apportionment and manner of collection of such special tax in sufficient detail to allow each landowner or resident within the Community Facilities District to estimate the maximum amount that such person will have to pay for the Facilities.

Section 7. It is the intention of the Board, pursuant to Section 53317.3 of the Government Code of the State of California, to levy the special tax on property that is not otherwise exempt from the special tax and that is

acquired by a public entity through a negotiated transaction, or by gift or devise.

Section 8. It is the intention of the Board, pursuant to Section 53317.5 of the Government Code of the State of California, to treat the special tax levied against property that is acquired by a public entity through eminent domain proceedings as if it were a special annual assessment.

Section 9. It is the intention of the Board, pursuant to Section 53340.1 of the Government Code of the State of California, to levy the special tax on the leasehold or possessory interests in property owned by a public agency, which property is otherwise exempt from the special tax.

Section 10. The Board hereby submits the question of levying such special tax and the establishment of an appropriations limit in the amount of \$5,000,000 per fiscal year in connection therewith for the Community Facilities District, as defined by Article XIIIB, Section 8(h) of the Constitution of the State of California, to the landowners within the Community Facilities District, said landowners being the electors and persons qualified to vote at such election, at a special election to be held on September 18, 1990, all in accordance with and subject to the Act and applicable law, all the terms of which shall be applicable to such election.

Section 11. The Board hereby further directs that the election at which the question of levying such special tax



and establishing such appropriations limit is submitted to the landowners within the Community Facilities District shall be consolidated with the election at which the question of incurring a bonded indebtedness in the amount of twenty million dollars (\$20,000,000) for the Community Facilities District is submitted to the landowners within the Community Facilities District, and the question of levying such special tax and establishing such appropriations limit shall be combined in one ballot proposition with the question of incurring such bonded indebtedness, all as provided by the Act; and the Board further directs that the resolution adopted by the Board declaring the necessity to incur such bonded indebtedness shall constitute the notice of the consolidated election on the combined proposition to authorize the levy of such special tax and to establish such appropriations limit and to incur such bonded indebtedness.

Section 12. If two-thirds (2/3) of the votes cast upon the question of levying such special tax and establishing such appropriations limit are cast in favor of levying such special tax and establishing such appropriations limit, as determined by the Board after reviewing the canvass of the returns of such consolidated election, the Board may levy such special tax within the territory of the Community Facilities District under the Act in the amount and for the purposes as specified in this resolution, and such appropriations limit shall be established for the Community Facilities District, as

defined by Article XIII B, Section 8(h) of the Constitution of the State of California. Such special tax may be levied only at the rate and may be apportioned only in the manner specified in this resolution, subject to the Act, except that such special tax may be levied at a rate lower than that specified herein. Such special tax may be levied only so long as it is needed to pay for the acquisition, construction and installation of the Facilities referred to in Section 5 of this resolution, or so long as it is needed to pay the principal of and interest on the bonded indebtedness incurred in order to construct the Facilities (including the repayment of funds advanced for the Community Facilities District).

Section 13. The Secretary of the Board shall, within three business days of the adoption of this resolution, provide a certified copy of this resolution, together with a certified copy of the map of the Community Facilities District constituting Exhibit B hereof and a sufficient description of the Community Facilities District (including Sacramento County Assessor's parcel numbers for the land within the Community Facilities District), to the Sacramento County Registrar of Voters, who is the officer designated by the Board to conduct such election.

Section 14. The Manager of the District, at 14670 Cantova Way, Rancho Murieta, California 95683 (telephone 916/354-2428) will be responsible for preparing annually a current roll of special tax levy obligations by Sacramento

County Assessor's parcel numbers, and will be responsible for estimating future special tax levies pursuant to Section 53340.1 of the Government Code of the State of California.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District this 28th day of August, 1990, by the following vote:

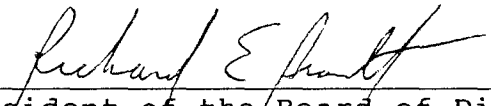
AYES: Directors: Brandt, Twitchell, Reese, Huntley

NOES: None

ABSENT: Director: Sullivan

ABSTAIN: None

APPROVED:

  
\_\_\_\_\_  
President of the Board of Directors  
of the Rancho Murieta Community  
Services District

ATTEST:

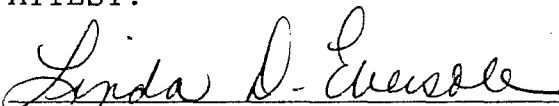
  
\_\_\_\_\_  
Secretary of the Board of Directors  
of the Rancho Murieta Community  
Services District

EXHIBIT A

[ATTACH RATE, METHOD OF APPORTIONMENT  
AND MANNER OF COLLECTION OF SPECIAL TAX]

## EXHIBIT A

### RANCHO MURIETA COMMUNITY SERVICES DISTRICT Community Facilities District No. 1

#### RATE & METHOD OF APPORTIONMENT OF SPECIAL TAX

A special tax under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in Community Facilities District No. 1 (the "CFD") of the Rancho Murieta Community Services District (the "District") shall be levied and collected according to the tax liability determined by the Finance Officer or his designee through the application of the appropriate amount or rate, as described below. All of the land in the CFD, unless exempted by law or by the provisions of Section II below, shall be taxed for the purposes, to the extent and in the manner herein provided.

#### I. Definitions

For this Rate and Method of Apportionment, the following definitions apply:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the costs incurred by the District to determine, levy and collect the Special Taxes and administer the CFD, including salaries of District employees and the fees of consultants and bond paying and/or fiscal agents or trustees for bonds and the costs of the County of Sacramento to collect installments of the Special Taxes upon the general tax rolls.

"Annual Costs" means, for any Fiscal Year, the total of (i) Debt Service for the Calendar Year commencing January 1 for such Fiscal Year through December 31 of the following Fiscal Year, (ii) Administrative Expenses for such Fiscal Year; (iii) any amounts needed to replenish any bond reserve fund for bonds of the District issued for the CFD to the level required under the documents pursuant to which such bonds were issued, (iv) an amount equal to the amount of delinquencies in payments of Special Taxes levied in the previous Fiscal Year, less any credit from earnings on the bond reserve fund, and (v) pay-as-you-go expenditures for authorized facilities to be constructed or acquired by the CFD.

"Board" means the Board of Directors of the Rancho Murieta Community Services District.

"CFD" means Rancho Murieta Community Services District Community Facilities District No. 1.

"District" means the Rancho Murieta Community Services District, County of Sacramento.

"Debt Service" means, for any Fiscal Year, the total amount of principal and interest for bonds issued for the CFD due for the Calendar Year commencing January 1 for such Fiscal Year through December 31 of the following Fiscal Year, less any capitalized interest for such bonds for such Fiscal Year.

"Developable Square Footage" means the gross square footage of a Parcel after excluding any Tax-Exempt square footage for areas that would be classified as a Tax-Exempt Parcel as defined below.

"EDU" means one single- or multi-family residential unit or the equivalent single-family units for non-residential land uses.

"Finance Officer" means the Finance Officer of the District or his or her designee or a consultant employed by the District to compute the Special Taxes.

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

"Maximum Special Tax" means the greatest amount of Special Tax that may be levied in any Fiscal Year on any Parcel.

"Original Parcel" means a Special Tax Area as shown on Attachment 2. If the Special Tax Area consists of more than one Parcel on the Secured Property Tax Roll at the time of formation of the CFD, the Finance Officer will apportion the Maximum Special Tax to each Parcel as described in Section II.B.

"Original EDU Allocation" means the number of EDUs assigned to the Special Tax Area at the time of formation of the CFD.

"Parcel" means any Sacramento County Assessor's Parcel in the CFD based on the Secured Property Tax Roll of Sacramento County as of March 1 of the prior Fiscal Year.

"Phase I Improvements" means the improvements identified in the Engineer's Report to be constructed in Phase I of the capital improvement program. A cost allocation has been prepared distributing a share of the costs to the specific Parcels benefiting from the improvements.

"Receiving Parcel" means a Parcel that receives an agreed upon number of additional EDUs and Maximum Special Tax from another parcel within the CFD.

"Resolution of Formation" means the resolution of the Board adopted under the Act to establish the CFD.

"Special Tax(es)" means(s) any tax levy under the Act in the CFD.

"Special Tax Area" means a defined geographical area within CFD No.1 as shown in **Attachment 2** and described in **Attachment 3**. The territory included in CFD No. 1 is divided into 6 tax areas. These areas were established by the District Engineer to define areas of benefit.

"Successor Parcel" means a Parcel created by subdivision, lot line adjustment or Parcel map from an Original Parcel. Once created, the Successor Parcel will be treated in the same manner as an Original Parcel in the creation of any additional Successor Parcels from such Successor Parcel.

"Tax Collection Schedule" means the document prepared by the Finance Officer and sent to the County Auditor for use in collecting the Special Taxes each Fiscal Year.

"Taxable Parcel" means any Parcel that is not a Tax-Exempt Parcel.

"Tax-Exempt Parcel" means (i) any Parcel that is publicly owned which is normally exempt from ad valorem taxes under California law, including public streets, parks, drainageways, easements, greenbelts, pump stations, treatment plants, and open space, but excluding public schools, or (ii) any Parcel that has prepaid its Special Taxes under Section IV hereof. Certain privately-owned Parcels are exempt from the levy of Special Taxes including private roads, parks, floodplains, private lakes, common areas, golf courses (except as noted below), cemeteries, and open space. Note: the portion of the golf course in Special Tax Area number 19 is a Taxable Parcel.

"Transferring Parcel" means a Parcel that transfers an agreed upon amount of its assigned EDUs and Maximum Special Tax to another Parcel or Parcels within the CFD.

## II. Classification of Parcels and Assignment of Maximum Special Tax

A. Classification. Within 10 days of the beginning of each Fiscal Year, using the Definitions above, the Finance Officer shall cause each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel. Tax-Exempt Parcels created as a Successor Parcel of an Original or Successor Parcel will not be allocated any Special Tax. The Special Tax will be spread to the Successor Parcels that are Taxable Parcels. In the case of a discretionary land use decision on the part of a land-owner to convert the use of a Taxable Parcel to a land use that is normally Tax-Exempt, the Parcel subject to the discretionary land use decision will remain subject to the Special Tax. For example, one Taxable Parcel may convert to a golf course, a Tax-Exempt use; this Parcel would continue to be responsible for the assigned Maximum Special Tax.

B. Assignment of Maximum Special Tax. Immediately following the classifications of Parcels as described in A above, the Finance Officer shall:

1. For each Original Parcel or Successor Parcel which is a Taxable Parcel, assign as the Maximum Special Tax for such Fiscal Year the Maximum Special Tax for such Parcel as shown on **Attachment 1** or the reapportioned amount as a result of the calculations in II.B.2 after adjusting the Special Tax for Phase II Improvements by the Escalation Factor. Tax-Exempt Parcels will not be apportioned any Special Tax. However, in the case of a discretionary land use decision on the part of a land-owner to convert the use of a Taxable Parcel to a land use that is normally Tax-Exempt, the Parcel subject to the discretionary land use decision will remain subject to the Special Tax.

2. If an Original Parcel or Successor Parcel was subdivided in the fiscal year, assign as the Maximum Special Tax and EDUs for each new Successor Parcel an amount determined as follows:

(a) For all Parcels, assign as the Maximum Special Tax and EDUs for each such Successor Parcel an amount equal to the product of

(i) the initial Maximum Special Tax and EDUs for the related original Special Tax Area shown in **Attachment 1** or the Maximum Special Tax and EDUs assigned to the Successor Parcel; and

(ii) a percentage, which is the developable square footage of the particular Successor Parcel divided by the total developable square footage for all Successor Parcels to the respective Original or Successor Parcel.

(b) if the Successor Parcel is a single-family residential Parcel, a subdivision map has been filed, and the actual total EDUs of such Successor Parcel and all other Successor Parcels to a common Original or Successor Parcel are:

(i) less than or equal to the EDU Assignment for such Original Parcel as shown in **Attachment 1**, or as assigned to a Successor Parcel, assign as the Maximum Special Tax to such Successor Parcel an amount equal to the product of:

- a percentage, which is the actual EDUs for the particular Successor Parcel divided by the total actual EDUs for all Successor Parcels to the respective Original Parcel or Successor Parcel;
- times the initial Maximum Special Tax for such Original Parcel as shown on **Attachment 1**, or as assigned to a Successor Parcel, or;

(ii) greater than the original EDU Assignment for such Original Parcel as shown in **Attachment 1**, assign as the Maximum Special Tax to such Successor Parcel an amount determined in the following manner:



- calculate the tax per EDU by dividing the existing Maximum Special Tax assigned to the Parcel by the existing number of EDUs assigned to the parcel;
- multiply this Maximum Special Tax per EDU by the actual EDUs for the Successor Parcel unless a transfer of EDUs is possible as described in Section (c) below); or

(c) In the event a final subdivision map for a single-family Parcel will decrease the number of EDUs shown listed on **Attachment 1** for the Original Parcel or a Successor Parcel of the Original Parcel which includes the Parcel proposed for subdivision, the landowner of the Parcel (the "Transferring Parcel") may propose to transfer the excess units to another Parcel (the "Receiving Parcel") or Parcels within the CFD. The proposal to transfer such excess units shall require approval by the Board of an amendment to the EDU assignment to transferring Parcel and a reapportionment of EDUs to the receiving Parcel(s).

The proposed transfer must be approved by the Board for such excess units (or a portion of them) **prior to the recordation of the final subdivision map** for the Receiving Parcel. After this approval, the Finance Officer will make the following adjustments to the records for each of the Parcels:

(i) The number of EDUs and the Maximum Special Tax liability associated with the transferred EDUs to the Receiving Parcel(s) shall be reassigned to the Receiving Parcel,

(ii) The number of EDUs and the amount of the Maximum Special Tax liability for the Transferring Parcel shall be reduced by the amount of the Maximum Special Tax assumed by the Receiving Parcel(s) as a result of such transfer.

(iii) If only a portion of the excess EDUs can be transferred to a Receiving Parcel(s), then the Maximum Special Tax liability associated with the reduced number of EDUs will be reallocated to the remaining EDUs of the transferring Parcel.

### **III. Apportionment, Levy And Collection Of Special Taxes**

A. Immediately following the assignment of the Maximum Special Tax for each Taxable Parcel as provided in subsection B of Section II above, the Finance Officer shall cause the Special Taxes to be apportioned and levied in each Fiscal Year as follows:

1. For Tax-Exempt Parcels, no Special Tax shall be apportioned or levied.

2. For Taxable Parcels, proceed as follows:

(i) Compute the Annual Costs for such Fiscal Year.

(ii) Calculate the Maximum Special Tax revenue by adding the Maximum Special Tax for each Parcel subject to the tax shown in **Attachment 1**.

(iii) Divided the Annual Costs assigned in (i) by the Maximum Special Tax revenue calculated in (ii) above to determine the ratio of Annual Costs to the Maximum Special Tax revenue.

(iv) For each Parcel, calculate the Special Tax by multiplying the ratio determined in (iii) by the Maximum Special Tax assigned to the Parcel calculated in II.B.

(v) Levy on each Taxable Parcel the Special Tax calculated in (iv).

3. Prepare the Tax Collection Schedule for each Parcel and send it to the Auditor of the County of Sacramento requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall be sent not later than the date required by the Auditor for such inclusion.

B. Collection of the Special Taxes shall be by the County of Sacramento in the same manner as ordinary *ad valorem* property taxes are collected. They shall be subject to the same penalties and the same lien priority in the case of delinquency as *ad valorem* taxes. The Special Taxes shall be collected only so long as required to pay the Annual Costs.

The District shall make every effort to correctly assign the number of EDUs and calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the Parcels subject to the tax and their Special Tax.

#### IV. Prepayment of Special Tax

A landowner may satisfy the Special Tax obligation on any Parcel in one of the following two ways:

A. Prior to the Bond Sale, a landowner may prepay the facility costs allocated to a Parcel up to 30 days prior to the sale of the first series of Special Tax bonds. The amount of such prepayment would be determined as follows:

Step 1: Determine the facility cost allocation for a given Parcel as shown in **Attachment 1**.

Step 2: Add to the facility cost allocation any fees or expenses incurred by the District in connection with the prepayment calculation or the proceeds of the prepayment.

Step 3: Add to the facility cost allocation a proportional share of the CFD formation costs not associated with the issuance of bonds.

The proceeds of the prepayment shall be used to construct authorized CFD facilities, thereby reducing the total amount of bonds and the Annual Costs.

B. After the sale of Bonds, landowners may permanently satisfy the Special Tax obligation by a cash settlement with the District as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- The District determines that the prepayment of the Special Tax obligation does not jeopardize its ability to make timely payments of debt service on outstanding bonds.
- Any landowner prepaying the Special Tax obligation must pay any and all delinquent special taxes and penalties prior to prepayment.

The prepayment amount shall be established by the following calculation:

Step 1: Determine the Maximum Special Tax for the Parcel based on the assignment of the Maximum Annual Special Tax described in Section II above.

Step 2: Reduce the Maximum Special Tax by the 10 percent delinquency coverage factor and add back the average annual tax delinquency rate for property in the CFD. If no delinquency history has been established for the Special Tax, add back to the annual Special Tax the most recent five-year average annual delinquency rate for secured property taxes in the County as a whole. The Maximum Special Tax may be reduced still further if all bonds of the CFD have been issued and the future debt service, through the maturity of all outstanding bonds, is known with certainty, except that the tax shall not be reduced below the amount determined necessary to pay Annual Costs.

Step 3: Calculate the revenue produced by the Maximum Special Tax from the date of prepayment up to and including the last maturity date of outstanding bonds based on the tax determined in Step 2. If all bonds of the CFD have not yet been issued, for the purpose of this calculation the final bond issue of the CFD shall be assumed to mature in 2020, except that this assumed final maturity date may be amended by the District no later than the time of the calculation of the prepayment.

Step 4: Calculate the present value of the annual revenue stream determined in Step 3. The present value shall be calculated using that discount rate which, when the prepayment is invested in approved investments (as specified by the resolution authorizing the issuance of bonds) earning a rate of interest equal to the discount rate, would produce annual revenues equal to the amounts calculated in Step 3. The discount rate may not exceed the bond yield as determined by the Tax Reform Act of 1986, as may be amended.

Step 5: Determine the prepayment amount by adding to the present value calculated in Step 4 any fees or expenses incurred by the District in connection with the prepayment calculation or the application of the proceeds of the prepayment.

The proceeds of the prepayment may be applied by the District in its discretion by one of the following methods:

- a) As an annuity over the remaining life of outstanding bonds, for the payment of debt service, annual expenses of the CFD, and anticipated direct expenditures for facilities. The annuity must be handled in such a fashion as not to cause the bonds to become arbitrage bonds under the Tax Reform Act of 1986, as may be amended.
- b) To call bonds as provided for in the resolution authorizing the issuance of bonds by the CFD. If this is the preferred use of the prepayment, the calculation of the prepayment amount as described above in Steps 1-5 shall include an allowance for the payment of redemption premiums and expenses as required.
- c) To be applied in full to the next annual Special Tax levy, provided that by doing so the District's ability to make timely payments of debt service in subsequent years is not jeopardized. This method may be used if the amount of the prepayment is such that its application to methods (a) or (b) would be inefficient or burdensome for the District, as determined by the Finance Officer or designee.
- d) To be applied in full to the acquisition or construction of facilities that otherwise would have been financed with bonds issued by the CFD, so as to reduce the amount of bonds actually issued by the CFD.

## V. Administrative Changes

The Finance Officer or designee has authority to make necessary administrative adjustments to the Rate and Method of Apportionment in order to remedy any portions of the Special Tax formula that require clarification.

Any taxpayer who feels that the amount or formula of the Special Tax is in error may file a notice with the Finance Officer appealing the levy of the Special Tax. The Finance Officer will then promptly review the appeal, and if necessary, meet with the applicant. If the findings of the Finance Officer verify that the tax should be modified or changed, a recommendation at that time will be made to the Board and, as appropriate, the Special Tax levy shall be corrected in a manner determined by the Finance Officer.

Interpretations may be made by Board for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

**Attachment 1**  
**Base Year Maximum Annual Special Tax and Original EDU Assignment**

Special Tax Area	Special Tax Area Number	Original Equivalent Dwelling Units (EDUs)	Original Allocation of Improvement Costs	Maximum Annual Special Tax For Special Tax Area
<b>Rancho Murieta South:</b>				
FN Projects Phase 1	1A	367	\$2,423,500	\$381,549
FN Projects Phase 2	1B	253	\$1,670,697	\$263,030
Parcel 3	2	61	\$524,863	\$81,752
Parcel 4	3	213	\$1,832,719	\$285,461
Parcel 5	4	170	\$1,462,733	\$227,833
Parcel 6	5	150	\$1,290,647	\$201,029
Park	5	0	\$0	\$0
<b>Total</b>		<b>1,214</b>	<b>\$9,205,160</b>	<b>\$1,440,654</b>

*\*max\_tax\_rates\_4\**


ATTACHMENT 2  
 SPECIAL TAX RATE AREA MAP  
 MELLO — ROOS  
 COMMUNITY FACILITIES  
 DISTRICT

RANCHO MURIETA

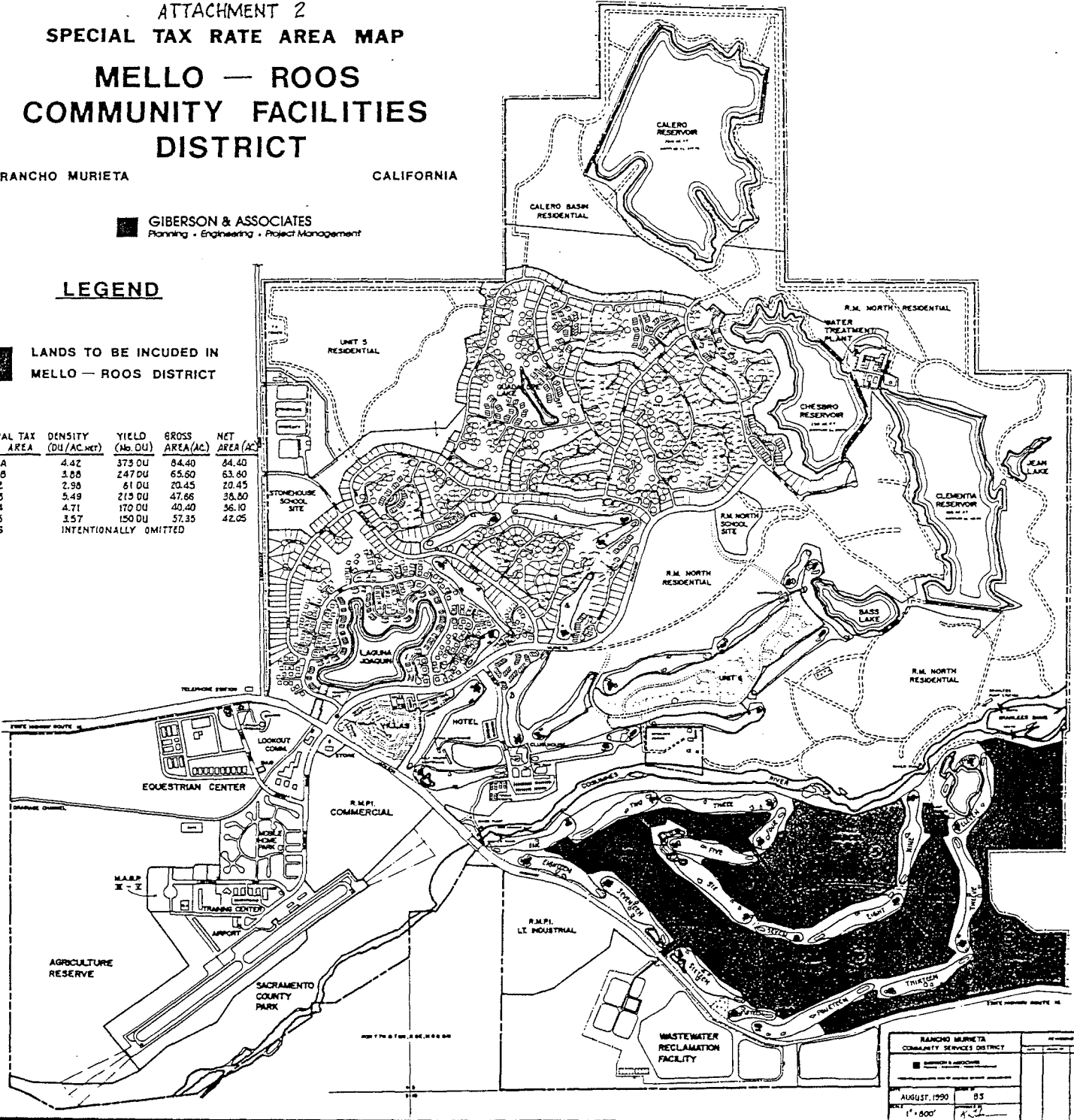
CALIFORNIA

**GIBERSON & ASSOCIATES**  
 Planning • Engineering • Project Management

**LEGEND**

 LANDS TO BE INCLUDED IN  
 MELLO — ROOS DISTRICT

SPECIAL TAX RATE AREA	DENSITY (DU/AC.net)	YIELD (No. DU)	GROSS AREA (Ac.)	NET AREA (Ac.)
1A	4.42	373 DU	84.40	84.40
1B	3.88	247 DU	65.60	63.60
2	2.98	61 DU	20.45	20.45
3	5.49	215 DU	47.66	38.80
4	4.71	170 DU	40.40	36.10
5	3.57	150 DU	57.35	42.05
6	INTENTIONALLY OMITTED			



RANCHO MURIETA COMMUNITY SERVICES DISTRICT	
GIBERSON & ASSOCIATES PLANNING • ENGINEERING • PROJECT MANAGEMENT	
AUGUST, 1990	83
1" = 800'	



DESCRIPTION  
SPECIAL TAX RATE AREAS  
RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 1  
AUGUST 21, 1990

All the lands within those certain boundaries of the Rancho Murieta Community Services District Mello-Roos Community Facilities District No. 1, and described individually as follows:

SPECIAL TAX RATE AREA NO. 1A:

That real property situate in the unincorporated area, County of Sacramento, State of California, being a portion of that certain 150 acre parcel described in that certain grant deed recorded in the Office of the Recorder of said County in Book 881230 Official Records at Page 4790 and being further described as all that portion of said 150 acre parcel lying northerly and westerly of the southeasterly boundary of that certain Subdivision Map filed in the Office of the Recorder of said County in Book 202 of Maps, Map Number 11.

SPECIAL TAX RATE AREA NO. 1B:

That real property situate in the unincorporated area, County of Sacramento, State of California, being a portion of that certain 150 acre parcel described in that certain grant deed recorded in the Office of the Recorder of said County in Book 881230 Official Records at Page 4790 and being further described as all that portion of said 150 acre parcel lying southerly and easterly of that real property described in that certain Subdivision Map filed in the Office of the Recorder of said County in Book 202 of Maps, Map Number 11.

SPECIAL TAX RATE AREA NO. 2:

That real property situate in the unincorporated area, County of Sacramento, State of California, being Parcel 3 of that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15.



**SPECIAL TAX RATE AREA NO. 3:**

That real property situate in the unincorporated area, County of Sacramento, State of California, being Parcel 4 of that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15.

**SPECIAL TAX RATE AREA NO. 4:**

That real property situate in the unincorporated area, County of Sacramento, State of California, being Parcel 5 of that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15.

**SPECIAL TAX RATE AREA NO. 5:**

That real property situate in the unincorporated area, County of Sacramento, State of California, being Parcel 6 of that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15.

**SPECIAL TAX RATE AREA NO. 6:**

Intentionally omitted.



EXHIBIT B

[ATTACH AMENDED BOUNDARY MAP OF  
COMMUNITY FACILITIES DISTRICT]

AMENDED  
MAP OF BOUNDARY

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

COMMUNITY FACILITIES DISTRICT NO. 1

SACRAMENTO COUNTY, CALIFORNIA

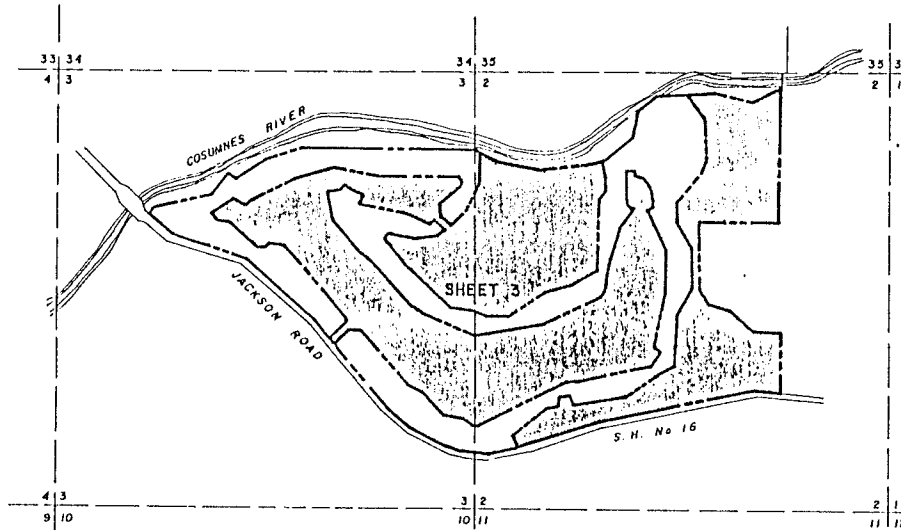
THIS MAP AMENDS THE BOUNDARY MAP FOR RANCHO MURIETA COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1, SACRAMENTO COUNTY, CALIFORNIA, PREVIOUSLY RECORDED AT BOOK 63 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 26, IN THE OFFICE TO THE COUNTY RECORDER FOR THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



EXHIBIT "B"

LEGEND  
 - - - - - COMMUNITY FACILITIES DISTRICT NO. 1 BOUNDARY  
 - - - - - RECORDED PARCEL BOUNDARY

NOTE THE DIMENSIONS SHOWN HEREON ARE COMPILED FROM RECORD OR ASSESSOR PARCEL MAPS AND DO NOT REPRESENT A FIELD SURVEY.



PREPARED AND SUBMITTED BY THE DISTRICT ENGINEER THIS 28<sup>TH</sup> DAY OF August, 1990.

DISTRICT ENGINEER  
GIBERSON AND ASSOCIATES  
BY KENNETH C. GIBERSON

*Kenneth C. Giberson*

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, SACRAMENTO COUNTY, CALIFORNIA, THIS 28<sup>TH</sup> DAY OF August, 1990.

SECRETARY OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT SACRAMENTO COUNTY, CALIFORNIA

*Linda D. Evensen*

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING AMENDMENTS TO BOUNDARIES OF RANCHO MURIETA COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1, SACRAMENTO COUNTY, CALIFORNIA WAS APPROVED BY THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AT A REGULAR MEETING THEREOF, HELD ON THE 21<sup>ST</sup> DAY OF August, 1990.

SECRETARY OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT SACRAMENTO COUNTY, CALIFORNIA

*Linda D. Evensen*

FILED THIS 30<sup>TH</sup> DAY OF August, 1990, AT THE HOUR OF 4:10 O'CLOCK P. M. IN BOOK 64 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT, AT PAGE 11 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

JOYCE E. RUSSELL  
COUNTY RECORDER,  
SACRAMENTO COUNTY, CALIFORNIA

*B. Chatterjee*

DOC BK 900830

PG # 1877

EGR

\$10.-

GIBERSON & ASSOCIATES  
Planning • Engineering • Project Management

AMENDED  
 MAP OF BOUNDARY  
 RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
 COMMUNITY FACILITIES DISTRICT NO. 1  
 SACRAMENTO COUNTY, CALIFORNIA

RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
 COMMUNITY FACILITIES DISTRICT NO. 1

All that portion of Sections 2 and 3 of Township 7 North, Range 4 East, Mount Diablo Meridian, State of California, County of Sacramento described as follows:

Beginning at the northeast corner of Parcel 5 as shown and so designated on that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15; thence, coincident with the east line of said Parcels 5 and 4 as shown on said Parcel Map the following eight (8) courses:

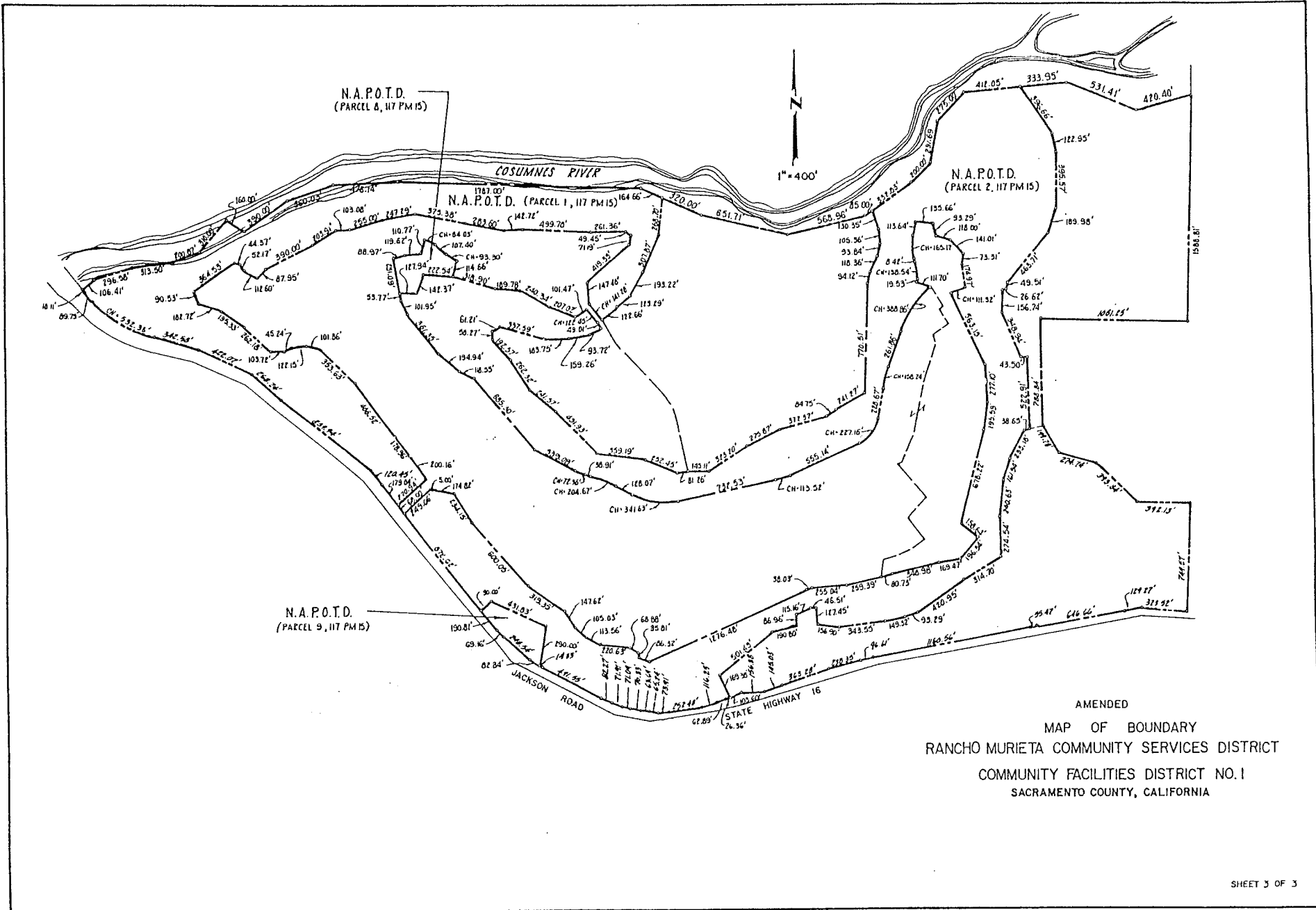
- (1) South 00° 28' 36" West 1508.01 feet;
- (2) West 1051.25 feet;
- (3) South 02° 54' 46" East 788.84 feet;
- (4) South 30° 39' 35" East 199.78 feet;
- (5) South 75° 47' 12" East 274.74 feet;
- (6) South 49° 22' 43" East 343.84 feet;
- (7) North 89° 32' 26" East 392.15 feet; and
- (8) South 00° 59' 29" West 749.57 feet to a point in the northerly line of Jackson Road (State Highway No. 16); thence, leaving the east line of Parcel 4 and coincident with the northerly line of Jackson Road the following thirty-five (35) courses:

- (1) North 86° 01' 50" West 325.52 feet;
- (2) South 78° 40' 11" West 129.27 feet;
- (3) South 78° 54' 05" West 646.66 feet;
- (4) South 78° 49' 49" West 55.47 feet;
- (5) South 77° 39' 15" West 1166.56 feet;
- (6) South 76° 44' 59" West 98.61 feet;
- (7) South 71° 19' 14" West 230.35 feet;
- (8) South 69° 10' 48" West 343.28 feet;
- (9) South 71° 22' 16" West 145.03 feet;
- (10) South 87° 12' 21" West 156.38 feet;
- (11) South 70° 23' 59" West 129.96 feet;
- (12) South 66° 21' 30" West 62.89 feet;
- (13) South 76° 06' 37" West 116.25 feet;
- (14) South 78° 19' 13" West 252.48 feet;
- (15) South 86° 43' 30" West 73.91 feet;
- (16) North 78° 50' 02" West 65.24 feet;
- (17) North 84° 40' 59" West 63.69 feet;
- (18) North 82° 22' 37" West 70.35 feet;
- (19) North 78° 39' 23" West 71.09 feet;
- (20) North 73° 51' 40" West 71.91 feet;
- (21) North 69° 12' 33" West 82.27 feet;
- (22) North 64° 58' 31" West 491.55 feet;
- (23) North 09° 47' 51" West 14.33 feet;
- (24) North 55° 30' 01" West 82.84 feet;
- (25) North 52° 47' 53" West 248.54 feet;
- (26) North 45° 42' 34" West 69.16 feet;
- (27) North 41° 45' 48" West 1310.47 feet;
- (28) North 42° 20' 43" West 120.45 feet;

- (29) North 53° 31' 17" West 839.94 feet;
- (30) North 49° 15' 10" West 268.24 feet;
- (31) North 66° 45' 32" West 422.07 feet;
- (32) North 78° 44' 17" West 342.58 feet;
- (33) along the arc of a tangent 940.00 foot radius curve to the right, said arc being subtended by a chord which bears North 62° 17' 15" West 532.36 feet;
- (34) North 45° 50' 18" West 89.73 feet; and
- (35) North 34° 31' 37" West 18.11 feet to a point in the southerly line of Parcel 7 of said Parcel Map; thence, leaving the northerly line of Jackson Road and coincident with the southerly line of Parcel 7 the following twenty (20) courses:

- (1) North 49° 54' 23" East 106.41 feet;
- (2) North 71° 45' 15" East 296.58 feet;
- (3) North 80° 36' 08" East 313.50 feet;
- (4) North 67° 03' 12" East 200.87 feet;
- (5) North 38° 45' 58" East 310.00 feet;
- (6) South 57° 14' 02" East 160.00 feet;
- (7) North 53° 45' 50" East 390.00 feet;
- (8) North 69° 51' 13" East 368.03 feet;
- (9) North 86° 01' 33" East 476.14 feet;
- (10) East 1,787.00 feet;
- (11) South 68° 11' 55" East 484.66 feet;
- (12) South 79° 07' 16" East 651.71 feet;
- (13) North 74° 24' 02" East 568.96 feet;
- (14) North 53° 45' 39" East 417.83 feet;
- (15) North 43° 02' 09" East 200.00 feet;
- (16) North 09° 46' 11" East 291.69 feet;
- (17) North 43° 02' 09" East 275.00 feet;
- (18) North 83° 35' 08" East 746.00 feet;
- (19) South 70° 12' 04" East 531.41 feet; and
- (20) North 74° 39' 00" East 420.40 feet to the Point of Beginning.

EXCEPTING THEREFROM all that real property described as Parcel 1, 2, 8 and 9 of that certain Parcel Map filed in the Office of the Recorder of said County in Book 117 of Parcel Maps at Page 15.



AMENDED  
MAP OF BOUNDARY  
RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 1  
SACRAMENTO COUNTY, CALIFORNIA