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History of Secured Assessment Levies, Collections and Delinquencies (Land Only)	ID 3A Hist
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**Santa Margarita Water District  
Revenue and Expense Detail**

	2015-16	2014-15
<b>Operating Revenues</b>		
Water Sales	\$ 30,957,212	\$ 34,142,144
Sanitation Service Charges	21,473,415	19,490,718
Other Charges or Services	5,947,550	4,568,331
<b>Total Operating Revenues</b>	<b>\$ 58,378,177</b>	<b>\$ 58,201,193</b>
<b>Operating Expenses</b>		
Water Purchases	\$ 23,677,839	\$ 24,212,121
Power for Pumping and Transmission	5,189,368	5,460,353
Transmission and Distribution	8,189,709	7,163,497
Regional Facilities	175,282	259,134
Sewage Treatment	2,534,102	2,633,777
Salaries, Wages and Related Benefits	16,022,443	15,655,872
Customer Relations	354,427	505,067
General and Administrative	5,269,003	3,696,633
<b>Total Operating Expenses</b>	<b>\$ 61,412,173</b>	<b>\$ 59,586,454</b>
<b>Operating Loss before Overhead Absorption</b>	<b>\$ (3,033,996)</b>	<b>\$ (1,385,261)</b>
Overhead Absorption-Capitalized Operating Expenses		
<b>Operating Loss before Depreciation Expense</b>	<b>\$ (3,033,996)</b>	<b>\$ (1,385,261)</b>
Depreciation Expense- Capital Recovery	\$ (17,177,880)	\$ (17,081,495)
<b>Operating Loss</b>	<b>\$ (20,211,876)</b>	<b>\$ (18,466,756)</b>
<b>Non Operating Revenues (Expenses)</b>		
Special Assessments for Debt Service	\$ 32,385,845	\$ 23,454,537
Property Taxes for Operations	7,074,733	6,071,301
Investment Earnings	2,420,094	1,430,680
Capacity Lease Revenue	824,530	832,103
Rental Revenue	1,087,296	1,107,415
Interest Expense	(7,345,905)	(9,303,180)
Gain (Loss) on sales of Capital asset	(146,518)	14,866
Debt issuance costs	-	(623,934)
Other Non-Operating Revenue	(739,879)	4,641,062
Contributions to other agencies	(3,318,392)	(16,387,047)
<b>Total Non-Operating, Net</b>	<b>\$ 32,241,804</b>	<b>\$ 11,237,803</b>
<b>Net Income Before Capital Contributions</b>	<b>\$ 12,029,928</b>	<b>\$ (7,228,953)</b>
<b>Capital Contributions</b>		
Contributions from Agencies	\$ 11,227,226	\$ -
Contributed land from developer	3,515,481	2,607,632
Connection Fees	-	
Jointly-operated Facilities Capital Reimbursements	2,064,227	9,553,265
Capital Grants	963,745	9,261,561
<b>Total Capital Contributions</b>	<b>\$ 17,770,679</b>	<b>\$ 21,422,458</b>
<b>Change in Net Position</b>	<b>\$ 29,800,607</b>	<b>\$ 14,193,505</b>
<b>Total Net Assets - Beginning of the Year</b>	<b>436,737,531</b>	<b>418,104,750</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>(25,361,371)</b>
<b>Total Net Position - End of Year</b>	<b>\$ 436,737,531</b>	<b>\$ 406,936,884</b>

Source: The District

**Santa Margarita Water District  
Assessment Rates per \$100 of  
Assessed Value (Land Only)  
Fiscal Year 2016-17**

<b>Improvement District</b>	<b>Assessment Rate Per \$100 of Land AV</b>
2	\$0.0203
2A	0.0000
3	0.2963
4	0.1074
4A	0.2029
4B	0.2570

<sup>(1)</sup> The combined assessment rate for land in Improvement District No. 2A is \$0.0203.

<sup>(2)</sup> The combined assessment rates for land in Improvement Districts Nos. 4A and 4B for 2016 \$0.3103 and \$0.3644 respectively.

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Source: The District

**Santa Margarita Water District**  
**Debt Service Requirements for Improvement District No.3**

<b>Period Ending August 1</b>	<b>2009B Series</b> Debt Service on Improvement Bonds of ID No. 3		<b>2014 Series</b> Forward Refunding Bonds of ID No. 3		<b>2009 Series</b> Debt Service on Improvement Bonds of ID No. 3/3A	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2017	535,000	48,025	1,355,000	302,750	95,000	187,138
2018	570,000	23,075	1,460,000	235,000	95,000	183,338
2019			1,575,000	162,000	100,000	178,588
2020			1,695,000	83,250	110,000	173,588
2021					115,000	168,088
2022					120,000	162,338
2023					125,000	156,038
2024					130,000	149,475
2025					140,000	142,975
2026					145,000	135,975
2027					155,000	128,363
2028					160,000	120,225
2029					170,000	112,225
2030					180,000	103,725
2031					190,000	94,275
2032					200,000	84,300
2033					210,000	73,800
2034					220,000	63,038
2035					235,000	51,763
2036					245,000	39,719
2037					260,000	27,163
2038					270,000	13,838
	<b>\$ 1,105,000</b>	<b>\$ 71,100</b>	<b>\$ 6,085,000</b>	<b>\$ 783,000</b>	<b>\$ 3,670,000</b>	<b>\$ 2,549,969</b>

**Santa Margarita Water District  
Improvement District No. 3  
History of Assessed Valuation (Land Only) and Assessment Rates**

<b>Fiscal <u>Year</u></b>	<b>Taxable <u>Assessed Value</u></b>	<b>Assessment Rate <u>Per \$100 of Land AV</u></b>
16/17	\$ 799,168,581	\$0.2963
15/16	760,888,289	0.3013

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Source: The District

**Santa Margarita Water District  
Improvement District No. 3  
History of Secured Assessment Levies, Collections and Delinquencies (Land Only)**

<b>Fiscal Year</b>	<b>Amount Levied <sup>(1)</sup></b>	<b>Amount Collected <sup>(2)</sup></b>	<b>Supplemental Tax</b>	<b>Unsecured &amp; Miscellaneous</b>	<b>Other Revenues <sup>(3)</sup></b>	<b>Amount Delinquent <sup>(4)</sup></b>	<b>Percentage Collected <sup>(5)</sup></b>	<b>Percentage From Total Revenues <sup>(6)</sup></b>
15/16	\$ 985,811	\$ 980,415	\$ 59,866	\$ 8,279	\$ 68,145	\$ 5,131	99.45%	106.37%
14/15	946,287	942,137	14,880	6,422	21,302	455,954	99.56%	101.81%

<sup>(1)</sup> Total amount of ad valorem assessments levied by the District in each fiscal year to pay debt service on outstanding bonds of Improvement District No. 3

<sup>(2)</sup> Amount of ad valorem assessments levied in each fiscal year that was collected in that fiscal year

<sup>(3)</sup> Revenues from supplemental assessments for prior fiscal years and revenues from collection of delinquent ad valorem assessments for prior fiscal years and penalties. These revenues are available to pay debt service on outstanding bonds of Improvement District No. 3.

<sup>(4)</sup> Amount Levied minus Amount Collected & Refunds/Impounds

<sup>(5)</sup> Percentage of Amount Collected on Amount Levied for each fiscal year

<sup>(6)</sup> Percentage of Amount Collected plus Other Revenues on Amount Levied for each fiscal year.

Source: The District

**Santa Margarita Water District  
Improvement District No. 3A  
History of Secured Assessment Levies, Collections and Delinquencies (Land Only)**

<b>Fiscal Year</b>	<b>Amount Levied <sup>(1)</sup></b>	<b>Amount Collected <sup>(2)</sup></b>	<b>Other Revenues <sup>(3)</sup></b>	<b>Amount Delinquent <sup>(4)</sup></b>	<b>Percentage Collected <sup>(5)</sup></b>	<b>Percentage From Total Revenues <sup>(6)</sup></b>
15/16	\$ 1,306,047	\$ 1,298,899	\$ 90,294	\$ 6,797	99.45%	106.37%
14/15	1,255,040	1,249,536	65,221	5,502	99.56%	104.76%

<sup>(1)</sup> Total amount of ad valorem assessments levied by the District in each fiscal year to pay debt service on outstanding bonds of Improvement District No. 3A

<sup>(2)</sup> Amount of ad valorem assessments levied in each fiscal year that was collected in that fiscal year

<sup>(3)</sup> Revenues from supplemental assessments for prior fiscal years and revenues from collection of delinquent ad valorem assessments for prior fiscal years and penalties. These revenues are available to pay debt service on outstanding bonds of Improvement District No. 3.

<sup>(4)</sup> Amount Levied minus Amount Collected & Refunds/Impounds

<sup>(5)</sup> Percentage of Amount Collected on Amount Levied for each fiscal year

<sup>(6)</sup> Percentage of Amount Collected plus Other Revenues on Amount Levied for each fiscal year

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Source: The District

**Santa Margarita Water District  
Improvement District No. 3  
Top Ten Assessment Payers  
Fiscal Year 2016-17**

<b>Owner</b>	<b>Land Assessed Value <sup>(1)</sup></b>	<b>Assessment (Rate \$0.2963/\$100)</b>	<b>% of Total Levy</b>
BEX PORTFOLIO INC	\$ 41,835,602	\$ 123,959	5.23%
COUNTY OF ORANGE	14,918,657	44,204	1.87%
EQR-SKYVIEW LP	14,411,778	42,702	1.80%
SCHOOL, SADDLEBACK	4,929,629	14,606	0.62%
SANTA MARGARITA WATER	2,608,186	7,728	0.33%
CORP PRES BISHOP CHURCH	2,315,436	6,861	0.29%
STATE OF CALIFORNIA	1,404,421	4,161	0.18%
REGENCY LAGUNA LP	1,109,578	3,288	0.14%
VISTA NORTE MAINTENANCE	924,261	2,739	0.12%
BLAIR, RICHARD JOHN TR	796,714	2,361	0.10%
<b>Total</b>	<b>\$ 85,254,262</b>	<b>\$ 252,608</b>	<b>10.67%</b>

The assessment rate per \$100 of AV is \$0.2963, and total assessed value of land in Improvement District No. 3 for fiscal year  
(1) 201617 is \$799,168,581.00

The District collects an assessment from the parcel owners to pay lease payments to the Municipal Water District of Orange County  
(2) Water Facilities Corporation for the

(3) District's capacity in the Allen-McColloch Pipeline as stipulated in Resolution No. 2014-08-07 for Improvement District No.3

Source: The District



**Santa Margarita Water District  
Improvement Districts Nos. 3 and 3A  
Historical and Projected Funds Available for  
Debt Service on Improvement Bonds and Assessment Rates**

	2015-16	2016-17	Projected 2017/18 <sup>(3)</sup>
Assessments <sup>(1)</sup>	\$ 2,292,538	\$ 2,367,916	\$ 2,567,418
Other Funds Available for Debt Service <sup>(2)</sup>	<u>212,679</u>	<u>202,437</u>	<u>(1,005)</u>
Total Funds Available for Debt Service	\$ 2,505,217	\$ 2,570,353	\$ 2,566,413
Debt Service	\$ 2,459,413	\$ 2,522,913	\$ 2,566,413 <sup>(4)</sup>
Total Assessed Valuation <sup>(5)</sup>	\$ 760,888,289	\$ 799,168,581	\$ 815,151,953
Rate of Assessment per \$100 of Assessed Value <sup>(6)</sup>	\$ 0.3013	\$ 0.2963	\$ 0.3213

<sup>(1)</sup> Actual and estimated amounts of ad valorem assessments levied on land in Improvement District No. 3 and collected on the secured tax roll to pay debt service on the outstanding bonds of Improvement District No. 3.

<sup>(2)</sup> Payment of a portion of debt service from assessments collected on the unsecured tax roll and supplemental assessment revenues.

<sup>(3)</sup> All amounts and the assessment rate for fiscal year 2017-18 are estimated based on the estimated assessed value of land in Improvement District No. 3.

<sup>(4)</sup> Includes debt service on the 2009B Bond issued in November 2009 for Improvement District No. 3.

<sup>(5)</sup> Actual and estimated assessed valuation of land in Improvement District No. 3. Based on Assessed valuations provided by the County Auditor-Controller for purposes of determining ad valorem assessment rates. The Assessed Valuation for fiscal year 2017-18 is estimated.

<sup>(6)</sup> Rate of assessment per \$100 of assessed valuation of land to pay debt service on the Previously Issued Bonds and, for fiscal year 2016-17, the 2009B Bond issued in November 2009 for Improvement District No. 3. Assessment rates for fiscal year 2017-18 is estimated based on estimated increases in assessed valuation of land.

Source: The District

**Santa Margarita Water District**  
**Debt Service Requirements for Improvement District Nos. 4 & 4A**

	<b>2014</b>		<b>2009B</b>		<b>2014</b>		<b>2009</b>	
	Debt Service on Improvement Bonds of ID No. 4A		Debt Service on Improvement Bonds of ID No. 4		Debt Service on Improvement Bonds of ID No. 4		Debt Service on Improvement Bonds of ID No. 4	
<b>Period Ending</b>								
2017	2,290,000	511,750	4,345,000	389,975	5,145,000	1,149,400	610,000	1,233,088
2018	2,465,000	397,250	4,625,000	187,275	5,535,000	892,150	645,000	1,208,688
2019	2,665,000	274,000			5,980,000	615,400	675,000	1,176,438
2020	2,865,000	140,750			6,440,000	316,400	710,000	1,142,688
2021							745,000	1,107,188
2022							785,000	1,069,938
2023							825,000	1,028,725
2024							870,000	985,413
2025							915,000	941,913
2026							965,000	896,163
2027							1,015,000	845,500
2028							1,070,000	792,213
2029							1,125,000	738,713
2030							1,185,000	682,463
2031							1,245,000	620,250
2032							1,315,000	554,888
2033							1,385,000	485,850
2034							1,460,000	414,869
2035							1,530,000	340,044
2036							1,615,000	261,631
2037							1,700,000	178,863
2038							1,790,000	91,738
	<u><b>\$ 10,285,000</b></u>	<u><b>\$ 1,323,750</b></u>	<u><b>\$ 8,970,000</b></u>	<u><b>\$ 577,250</b></u>	<u><b>\$ 23,100,000</b></u>	<u><b>\$ 2,973,350</b></u>	<u><b>\$ 24,180,000</b></u>	<u><b>\$ 16,797,256</b></u>

**Santa Margarita Water District  
Improvement District No. 4 Bonds  
Assessment Rates Per \$100 of Assessed Value (Land Only)  
Fiscal Year 2016-17**

<u>Improvement District</u>	<u>Assessment Rate Per \$100 of AV</u>
4A	\$0.2029
4B	0.2570
4C	0.0230
4D	0.0242
4E	0.0863

**Santa Margarita Water District  
Improvement District No. 4  
History of Assessed Valuation (Land Only) and Assessment Rates**

<b>Fiscal Year</b>		<b>Taxable Assessed Value</b>	<b>Assessment Rate Per \$100 of Land AV <sup>(1)</sup></b>
16/17	\$	6,142,821,201	\$0.1074
15/16		5,524,823,417	0.0957

<sup>(1)</sup> Uniform rates of assessment levied on all land in Improvement District No. 4. These rates do not include additional rates of assessment levied on lands in Improvement District Nos. 4A, 4C, 4D 4E and in the Improvement District No. 4B Tax Rate Area to pay debt service on the ID4 Bonds.

Source: The District

**Santa Margarita Water District  
Improvement District No. 4  
History of Secured Assessment Levies, Collections and Delinquencies (Land Only)**

<b>Fiscal Year</b>	<b>Amount Levied <sup>(1)</sup></b>	<b>Amount Collected <sup>(2)</sup></b>	<b>Other Revenues <sup>(3)</sup></b>	<b>Amount Delinquent <sup>(4)</sup></b>	<b>Percentage Collected <sup>(5)</sup></b>	<b>Percentage From Total Revenues <sup>(6)</sup></b>
15/16	\$ 5,366,095	\$ 5,315,395	\$ 801,466	\$ 36,454	99.06%	113.99%
14/15	5,512,237	2,898,768	299,662	2,645,488	52.59%	58.02%

<sup>(1)</sup> Total amount of ad valorem assessments levied by the District in each fiscal year to pay debt service on outstanding bonds of Improvement District No. 4

<sup>(2)</sup> Amount of ad valorem assessments levied in each fiscal year that was collected in that fiscal year

<sup>(3)</sup> Revenues from supplemental assessments for prior fiscal year and revenues from collection of delinquent ad valorem assessments for prior fiscal years and penalties. These revenues are available to pay debt service on outstanding bonds of Improvement District No. 4.

<sup>(4)</sup> Amount Levied minus Amount Collected & Refunds/Impounds

<sup>(5)</sup> Percentage of Amount Collected on Amount Levied for each fiscal year

<sup>(6)</sup> Percentage of Amount Collected plus Other Revenues on Amount Levied for each fiscal year

Source: The District

**Santa Margarita Water District  
Improvement District No. 4  
History of Standby Charge Collections and Delinquencies <sup>(1)</sup>**

<b>Fiscal Year</b>	<b>Total Charges</b>	<b>Amount Collected</b>	<b>Prior Years Charges and Penalties</b>	<b>Amounts Delinquent</b>	<b>Percent Collected</b>	<b>Percent of Total Collections</b>
15/16	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
14/15	-	-	-	-	0.00%	0.00%

<sup>(1)</sup> No Acreage Assessment has been levied in Improvement District No. 4 since 2000/01.

Source: The District

**Santa Margarita Water District  
Improvement District No. 4  
Top Ten Assessments Payers  
Fiscal Year 2016-17**

<b>Owner</b>	<b>Land Assessed Value</b>	<b>Assessment <sup>(1)</sup></b>	<b>AMP Assessment <sup>(2)</sup></b>	<b>Total Assessment</b>	<b>% of Total Levy</b>
LAS FLORES APARTMENTS RSM	\$ 47,712,078	\$ 477,121	\$ 17	\$ 477,137	7.16%
COUNTY OF ORANGE	46,427,691	464,277	1,571	465,848	6.99%
SCHOOL, CAPISTRANO	45,126,764	451,268	167	451,435	6.77%
APPLIED MEDICAL RESOURCES	37,901,735	379,017	134	379,151	5.69%
MERCANTILE EAST LADERA	26,645,998	266,460	234	266,694	4.00%
CITY OF SAN JUAN	26,494,006	264,940	67	265,007	3.98%
CITY OF RANCHO SANTA	23,930,777	239,308	134	239,441	3.59%
22751 EL PRADO LLC	22,844,362	228,444	17	228,460	3.43%
APPLIED MEDICAL	18,518,696	185,187	67	185,254	2.78%
FG RANCHO SANTA	16,374,425	163,744	17	163,761	2.46%
<b>Total</b>	<b>\$ 311,976,532</b>	<b>\$ 3,119,765</b>	<b>\$ 2,423</b>	<b>\$ 3,122,188</b>	<b>46.83%</b>

<sup>(1)</sup> The assessment rates per \$100 of AV are: \$0.2029 for land in Improvement District No. 4A, \$0.257 for land in the Improvement District No.4B, \$0.023 for land in Improvement No.4C, \$0.0242 for land in Improvement District No. 4D, and \$0.0863 for land in Improvement District No. 4E.

<sup>(2)</sup> The District collects an assessment from the parcel owners to pay lease payments to the Municipal Water District of Orange County Water Facilities Corporation for the District's capacity in the Allen-McColloch Pipeline as stipulated in Resolution No. 2014-08-09 for Improvement District No. 4.

Source: The District

**Santa Margarita Water District  
Improvement District No. 4 ONLY  
Historical and Projected Funds Available for  
Debt Service on Improvement Bonds and Assessment Rates**

	2015-16	2016-17	2017-18 <sup>(3)</sup>
Assessments <sup>(1)</sup>	\$ 9,784,237	\$ 9,895,846	\$ 10,419,529
Other Funds Available for Debt Service <sup>(2)</sup>	<u>3,046,443</u>	<u>2,976,617</u>	<u>2,673,584</u>
Total Funds Available for Debt Service	\$ 12,830,680	\$ 12,872,463	\$ 13,093,113
Debt Service	\$ 12,600,663	\$ 12,872,463	\$ 13,093,113 <sup>(4)</sup>
Total Assessed Valuation <sup>(5)</sup>	\$ 5,524,823,417	\$ 6,142,821,201	\$ 6,265,677,625
Rates of Assessment per \$100 of Assessed Value <sup>(6)</sup>			
ID 4A	\$ 0.2099	\$ 0.1874	\$ 0.2343
ID 4B TRA <sup>(7)</sup>	\$ 0.3110	\$ 0.3402	\$ 0.3745
ID 4C	\$ 0.3958	\$ 0.1304	\$ 0.2015
ID 4D	\$ 0.0957	\$ 0.1074	\$ 0.1225
ID 4E	\$ 0.1316	\$ 0.1695	\$ 0.1335

<sup>(1)</sup> Actual and estimated amounts of ad valorem assessments levied on land in Improvement District No. 4 and collected on the secured tax roll to pay debt service on the ID 4 Bonds.

<sup>(2)</sup> Allocated share of general fund revenues, ad valorem assessments collected on the unsecured tax roll and supplemental assessment revenues for Improvement District No. 4.

<sup>(3)</sup> All amounts and the assessment rates for fiscal year 2017-18 are estimated based on the estimated assessed value of land in Improvement District No. 4.

<sup>(4)</sup> Includes debt service on the ID 4 Bonds, including the 2009B Bonds issued in November 2009 for Improvement District No. 4

<sup>(5)</sup> Actual and estimated assessed valuation of land Improvement District No. 4. Based on assessed valuations provided by the County Auditor-Controller for purposed of determining ad valorem assessment rates. The Assessed Valuation for fiscal year 2017-18 is estimated.

<sup>(6)</sup> Rates of assessment per \$100 of assessed valuation of land to pay debt service on the ID 4 Bonds. Includes the portions of the assessments levied in Improvement Districts Nos. 4A, 4B, 4C, 4D, and 4E to pay debt service on the previously issued bonds and for fiscal year 2015-16. Also includes portions of such assessments levied to pay debt service on the District bond issued for Improvement District No. 4.

<sup>(7)</sup> Improvement District No. 4B Tax Rate Area. Portions of Improvement District No. 4B that are not in Improvement District No. 4D or Improvement District No. 4E.

Source: The District



**Santa Margarita Water District  
Improvement District No. 4A  
History of Assessed Valuation (Land Only) and Assessment Rates <sup>(1)</sup>**

<b><u>Fiscal Year</u></b>	<b><u>Taxable Assessed Value</u></b>	<b><u>Assessment Rate Per \$100 of Land AV</u></b>
16/17	\$ 2,278,789,469	\$0.3103
15/16	2,131,183,735	0.3381

<sup>(1)</sup> These assessments rates include rates of assessment levied to pay debt service on the Previously Issued Bonds of both Improvement District Nos. 4 and 4A.

Source: The District

**Santa Margarita Water District  
Improvement District No. 4A  
History of Secured Assessment Levies, Collections and Delinquencies (Land Only)**

<b>Fiscal Year</b>	<b>Amount Levied <sup>(1)</sup></b>	<b>Amount Collected <sup>(2)</sup></b>	<b>Other Revenues <sup>(3)</sup></b>	<b>Amount Delinquent <sup>(4)</sup></b>	<b>Percentage Collected <sup>(5)</sup></b>	<b>Percentage From Total Revenues <sup>(6)</sup></b>
15/16	\$ 5,165,016	\$ 5,143,500	\$ 222,961	\$ 20,554	99.58%	103.90%
14/15	4,339,580	2,249,191	102,040	2,079,382	51.83%	54.18%

<sup>(1)</sup> Total amount of ad valorem assessments levied by the District in each fiscal year to pay debt service on outstanding bonds of Improvement District No. 4A

<sup>(2)</sup> Amount of ad valorem assessments levied in each fiscal year that was collected in that fiscal year

<sup>(3)</sup> Revenues from supplemental assessments for prior fiscal years and revenues from collection of delinquent ad valorem assessments for prior fiscal years and penalties. These revenues are available to pay debt service on outstanding bonds of Improvement District No. 4A.

<sup>(4)</sup> Amount Levied minus Amount Collected & Refunds/Impounds

<sup>(5)</sup> Percentage of Amount Collected on Amount Levied for each fiscal year

<sup>(6)</sup> Percentage of Amount Collected plus Other Revenues on Amount Levied for each fiscal year.

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Source: The District

**Santa Margarita Water District  
Improvement District No. 4A  
Top Ten Assessment Payers  
Fiscal Year 2016-17**

<b>Owner</b>	<b>Land Assessment Value <sup>(1)</sup></b>	<b>Total Assessment <sup>(2)</sup> (Rate \$0.2029/\$100)</b>	<b>% of Total Levy</b>
APPLIED MEDICAL RESOURCES	37,901,735	\$ 76,903	1.09%
CITY OF RANCHO SANTA	23,930,777	48,556	0.69%
22751 EL PRADO LLC	22,844,362	46,351	0.66%
APPLIED MEDICAL	18,518,696	37,574	0.53%
FG RANCHO SANTA	16,374,425	33,224	0.47%
SCHOOL, SADDLEBACK	15,498,022	31,445	0.44%
VILLA LA PAZ PARTNERS L P	13,889,641	28,182	0.40%
CP EMPRESSA RSM LLC	12,874,768	26,123	0.37%
VR RSM TWO LLC	12,407,050	25,174	0.36%
KAHL & GOVEIA/EL PASEO	9,799,576	19,883	0.28%
<b>Total</b>	<b>\$ 184,039,052</b>	<b>\$ 373,415</b>	<b>5.28%</b>

<sup>(1)</sup> The assessment rate per \$100 of AV is \$0.2029, and total assessed value of land in Improvement District No. 4A for fiscal year 2016-17 is \$2,278,789,469

<sup>(2)</sup> The District collects an assessment from the parcel owners to pay lease payments to the Municipal Water District of Orange County Water Facilities Corporation for the District's capacity in the Allen-McColloch Pipeline as stipulated in Resolution No. 2014-08-10 for Improvement District No. 4A

Source: The District

**Santa Margarita Water District  
Improvement District No. 4A ONLY  
Historical and Projected Funds Available for  
Debt Service on Improvement Bonds and Assessment Rates**

	2015-16	2016-17	2017-18 <sup>(3)</sup>
Assessments <sup>(1)</sup>	\$ 7,205,555	\$ 7,071,109	\$ 7,212,531
Other Funds Available for Debt Service <sup>(2)</sup>	<u>871,859</u>	<u>865,542</u>	<u>868,601</u>
Total Funds Available for Debt Service	\$ 8,077,414	\$ 7,936,651	\$ 8,081,132
Debt Service <sup>(4)</sup>	\$ 7,933,942	\$ 7,994,567	\$ 8,081,132
Total Assessed Valuation <sup>(5)</sup>	\$ 2,131,183,735	\$ 2,278,789,469	\$ 2,324,365,258
Rate of Assessment ( ID 4 Bonds) per \$100 of Assessed Value <sup>(6)</sup>	\$ 0.2099	\$ 0.1874	\$ 0.2343
Rate of Assessment ( ID 4A Bonds) per \$100 of Assessed Value <sup>(7)</sup>	\$ 0.1282	\$ 0.1229	\$ 0.1205
Combined Rate ID4 and ID 4A	\$ 0.3381	\$ 0.3103	\$ 0.3548

<sup>(1)</sup> Actual and estimated amounts of ad valorem assessments levied on land in Improvement District No. 4A and collected on the secured tax roll to pay debt service on the ID 4A Bonds and ID 4 Bonds

<sup>(2)</sup> Allocated share of general fund revenues, ad valorem assessments collected on the unsecured tax roll and supplemental assessments revenues for Improvement District No. 4

<sup>(3)</sup> All amounts and the assessments rates for fiscal year 2017-18 are estimated based on the estimated assessed value of land in Improvement District No. 4A

<sup>(4)</sup> The portion of the annual debt service on the ID 4 Bonds which is paid from ad valorem assessments levied on land in Improvement District No. 4A

<sup>(5)</sup> Actual and estimated assessed valuation of land in Improvement District No. 4A. Based on assessed valuations provided by the County Auditor-Controller for purposes of determining ad valorem assessment rates. The Assessed Valuation for fiscal year 2017-18 is estimated .

<sup>(6)</sup> Rate of assessment per \$100 of assessed valuation of land to pay debt service on the ID 4 Bonds and, for fiscal year 2016-17, the 2009B Bonds issued in November 2009 for Improvement District No.4. Assessment rate for fiscal year 2017-18 is estimated based on estimated increase in assessed valuation of land.

<sup>(7)</sup> Rate of assessment per \$100 of assessed valuation of land to pay debt service on the Previously Issued Bonds of ID 4A. Assessment rate for fiscal year 2017-18 is estimated based on estimated decrease in assessed valuation of land.

Source: The District

**SANTA MARGARITA WATER DISTRICT  
IMPROVEMENT DISTRICT NO. 3/3A  
DIRECT AND OVERLAPPING DEBT SUMMARY**

<b>Overlapping District</b>	<b>FY 2016-17 Total Levy</b>	<b>Amount of Levy on Parcels in the District</b>	<b>Percent of Levy on Parcels in the District</b>	<b>Total Debt Outstanding [1]</b>	<b>District Share of Total Debt Outstanding</b>
Metropolitan Water District G.O. Bond	\$112,727,311	\$52,532	0.0466%	\$92,865,000	\$43,276
County of Orange CFD No. 87-5B	\$983,124	\$182,268	18.5396%	\$1,833,317	\$339,891
County of Orange CFD No. 87-5C	\$668,790	\$668,790	100.0000%	\$2,120,000	\$2,120,000
County of Orange CFD No. 87-5D	\$550,903	\$550,903	100.0000%	\$1,700,000	\$1,700,000
Capistrano Unified School District CFD No. 88-1	\$0	\$0	0.0000%	\$0	\$0
Capistrano Unified School District SFID No. 1 Series B and 2012 Refunding	\$4,521,097	\$94	0.0021%	\$27,212,966	\$563
Saddleback Valley Unified School District G.O. Bond Series 2004	\$0	\$0	0.0000%	\$0	\$0
Saddleback Valley Unified School District G.O. Bond Series 2007 and 2016 Refunding	\$3,061,818	\$115,015	3.7564%	\$35,140,000	\$1,320,009
Saddleback Valley Unified School District G.O. Bond Series 2013 Refunding	\$5,256,818	\$197,469	3.7564%	\$65,760,000	\$2,470,230
Saddleback Valley Unified School District G.O. Bond Series 2016A	\$713,026	\$26,784	3.7840%	\$10,000,000	\$375,640
Saddleback Valley Unified School District CFD No. 89-2	\$1,724,532	\$1,724,532	100.0000%	\$2,651,602	\$2,651,602
Saddleback Valley Unified School District CFD No. 89-3	\$1,205,177	\$1,205,177	100.0000%	\$1,518,718	\$1,518,718
WRCOG CA HERO Program	NA	NA	NA	NA	\$337,343
ESTIMATED SHARE OF OVERLAPPING DEBT					\$13,165,948
Santa Margarita Water District ID No. 3/3A					\$10,860,000 [2]
TOTAL DIRECT AND OVERLAPPING DEBT					\$24,025,948
TOTAL LAND ASSESSED VALUE [3] VALUE-TO-LIEN RATIO					\$799,168,581 33.263

Sources: David Taussig & Associates, Inc.; Santa Margarita Water District; Metropolitan Water District; Saddleback Valley USD; County Of Orange

[1] Based on principal payments as of September 2, 2016. All districts shown make principal payments on September 1 except for MWD which makes principal payments on March 1.

[2] Based on information provided by the Santa Margarita Water District.

[3] Based on FY 2016-2017 land value provided by County of Orange Auditor-Controller.

**SANTA MARGARITA WATER DISTRICT  
IMPROVEMENT DISTRICT NO. 4/4A/4B  
DIRECT AND OVERLAPPING DEBT SUMMARY**

<b>Overlapping District</b>	<b>FY 2016-17 Total Levy</b>	<b>Amount of Levy on Parcels in the District</b>	<b>Percent of Levy on Parcels in the District</b>	<b>Total Debt Outstanding [1]</b>	<b>District Share of Total Debt Outstanding</b>
Metropolitan Water District G.O. Bond	\$112,727,311	\$394,853	0.3503%	\$92,865,000	\$325,281
County of Orange CFD No. 86-1	\$2,132,349	\$2,686,278	100.0000%	\$2,650,000	\$2,650,000
County of Orange CFD No. 86-2	\$0	\$0	0.0000%	\$1,570,100	\$0
County of Orange CFD No. 87-5A	\$0	\$0	0.0000%	\$165,000	\$0
County of Orange CFD No. 87-5B	\$983,124	\$800,858	81.4605%	\$1,833,317	\$1,493,430
County of Orange CFD No. 87-5E	\$1,081,262	\$1,081,262	100.0000%	\$2,090,000	\$2,090,000
County of Orange CFD No. 99-1	\$1,583,923	\$1,583,923	100.0000%	\$17,005,000	\$17,005,000
County of Orange CFD No. 2000-1	\$1,973,102	\$1,973,102	100.0000%	\$22,030,000	\$22,030,000
County of Orange CFD No. 2001-1	\$2,183,482	\$2,183,482	100.0000%	\$26,505,000	\$26,505,000
County of Orange CFD No. 2002-1	\$4,144,666	\$4,144,666	100.0000%	\$54,040,000	\$54,040,000
County of Orange CFD No. 2003-1	\$3,234,582	\$3,234,582	100.0000%	\$44,340,000	\$44,340,000
County of Orange CFD No. 2004-1	\$4,652,347	\$4,652,347	100.0000%	\$63,955,000	\$63,955,000
County of Orange CFD No. 2015-1	\$4,843,802	\$4,843,802	100.0000%	\$89,730,000 [5]	\$89,730,000
Capistrano Unified School District CFD No. 92-1	\$2,183,767	\$2,183,767	100.0000%	\$10,040,000	\$10,040,000
Capistrano Unified School District CFD No. 98-2	\$8,276,620	\$8,276,620	100.0000%	\$101,679,482 [4]	\$101,679,482
Capistrano Unified School District SFID No. 1 Series B and 2012 Refunding	\$4,521,097	\$93,805	2.0748%	\$27,212,966	\$564,625
Saddleback Valley Unified School District G.O. Bond Series 2007 and 2016 Refunding	\$3,061,818	\$207,620	6.7809%	\$35,140,000	\$2,382,822
Saddleback Valley Unified School District G.O. Bond Series 2013 Refunding	\$5,256,818	\$356,462	6.7809%	\$65,760,000	\$4,459,150
Saddleback Valley Unified School District G.O. Bond Series 2013A	\$363,503	\$24,649	6.7809%	\$7,685,000	\$521,110
Saddleback Valley Unified School District G.O. Bond Series 2016A	\$713,026	\$48,350	6.7809%	\$10,000,000	\$678,094
Saddleback Valley Unified School District CFD No. 88-1	\$996,080	\$996,080	100.0000%	\$3,945,000	\$3,945,000
Santa Margarita Water District CFD No. 2013-1	\$3,477,795	\$3,477,795	100.0000%	\$56,980,000	\$56,980,000
WRCOG CA HERO Program	NA	NA	NA	NA	\$967,825
ESTIMATED SHARE OF OVERLAPPING DEBT					\$506,381,819
Santa Margarita Water District ID No. 4					\$56,250,000 [2]
Santa Margarita Water District ID No. 4A					\$10,285,000 [2]
Santa Margarita Water District ID No. 4B					\$18,510,000 [2]
TOTAL DIRECT AND OVERLAPPING DEBT					\$591,426,819
TOTAL LAND ASSESSED VALUE [3]					\$6,142,821,201
VALUE-TO-LIEN RATIO					10.386

Sources: David Taussig & Associates, Inc.; Santa Margarita Water District; Metropolitan Water District; Saddleback Valley USD; County Of Orange

[1] Based on principal payments as of September 2, 2016. All districts shown make principal payments on September 1 except for MWD which makes principal payments on March 1

[2] Based on information provided by the Santa Margarita Water District

[3] Based on FY 2016-2017 land value provided by County of Orange Auditor-Controller

[4] Principal amount for the outstanding capital appreciation bonds determined by applying accreted value as of September 1, 2016

**SANTA MARGARITA WATER DISTRICT  
IMPROVEMENT DISTRICT NO. 4A  
DIRECT AND OVERLAPPING DEBT SUMMARY**

<b>Overlapping District</b>	<b>FY 2016-17 Total Levy</b>	<b>Amount of Levy on Parcels in the District</b>	<b>Percent of Levy on Parcels in the District</b>	<b>Total Debt Outstanding [1]</b>	<b>District Share of Total Debt Outstanding</b>
Metropolitan Water District G.O. Bond	\$112,727,311	\$149,054	0.1322%	\$92,865,000	\$122,791
Santa Margarita Water District ID No. 4	\$9,881,669 [4]	\$4,270,451 [5]	43.2159%	\$56,250,000	\$24,308,940
County of Orange CFD No. 86-1	\$2,132,349	\$2,132,349	100.0000%	\$2,650,000	\$2,650,000
County of Orange CFD No. 86-2	\$0	\$0	0.0000%	\$1,570,000	\$0
County of Orange CFD No. 87-5A	\$0	\$0	0.0000%	\$165,000	\$0
County of Orange CFD No. 87-5B	\$983,124	\$800,858	81.4605%	\$1,833,317	\$1,493,430
County of Orange CFD No. 87-5E	\$1,801,262	\$1,081,262	100.0000%	\$2,090,000	\$2,090,000
Capistrano Unified School District SFID No. 1 Series B and 2012 Refunding	\$4,521,097	\$21,836	0.4830%	\$27,212,966	\$131,431
Saddleback Valley Unified School District G.O. Bond Series 2007 and 2016 Refunding	\$3,061,818	\$207,620	6.7809%	\$35,140,000	\$2,382,822
Saddleback Valley Unified School District G.O. Bond Series 2013 Refunding	\$5,256,818	\$356,462	6.7809%	\$65,760,000	\$4,459,150
Saddleback Valley Unified School District G.O. Bond Series 2013A	\$363,503	\$24,649	6.7809%	\$7,685,000	\$521,110
Saddleback Valley Unified School District G.O. Bond Series 2016A	\$713,026	\$48,350	6.7809%	\$10,000,000	\$678,094
Saddleback Valley Unified School District CFD No. 88-1	\$996,080	\$996,080	100.0000%	\$39,945,000	\$3,945,000
WRCOG CA HERO Program	NA	NA	NA	NA	\$967,825
ESTIMATED SHARE OF OVERLAPPING DEBT					\$43,750,594
Santa Margarita Water District ID No. 4A					\$100,285,000 [2]
TOTAL DIRECT AND OVERLAPPING DEBT					\$54,035,594
TOTAL LAND ASSESSED VALUE [3] VALUE-TO-LIEN RATIO					\$2,278,789,469 42.172

Sources: David Taussig & Associates, Inc.; Santa Margarita Water District; Metropolitan Water District; Saddleback Valley USD; County Of Orange

[1] Based on principal payments as of September 2, 2016. All districts shown make principal payments on September 1 except for MWD which makes principal payments on March 1.

[2] Based on information provided by the Santa Margarita Water District.

[3] Based on FY 2016-2017 land value provided by County of Orange Auditor-Controller.

[4] Includes FY 2016-2017 levy for ID 4, 4A, 4B, 4C, and 4E attributable to ID 4 debt only.

[5] Based on FY 2016-2017 ID 4 rate of \$0.1074/\$100 and ID 4A rate of \$0.080/\$100 attributable to ID 4 debt only.