



SPECIAL TAX REPORT

Mountains Recreation and Conservation Authority

Community Facilities District 2015-1 (Sterling West
Hills)

Fiscal Year 2021-22

Engineer of Work:



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Table of Contents

Annual Report (FY 2021-22)	4
<i>Summary of Land Use</i>	4
<i>Rate and Method of Apportionment of Special Tax</i>	4
CFD Special Tax Collections and Other Revenue.....	6
<i>Use of Special Tax Proceeds</i>	6
<i>Prepayment of Special Tax</i>	6
<i>Duration of the Special Tax</i>	6
<i>Manner of Collection</i>	7
<i>CFD Special Tax Delinquencies</i>	7
<i>Accountability Report</i>	7
<i>Public Information</i>	7
<i>Notice of Special Tax</i>	7
Exhibit A – Boundaries of CFD	9
Exhibit B – Description of Services and Facilities to be Financed by the CFD ...	11
Exhibit C – Rate and Method of Apportionment of Special Tax	12
Exhibit D – Notice of Special Tax	20
Exhibit E – Special Tax Roll Fiscal Year 2021-22	23

Table of Figures

Figure 1 – Summary of Land Use (CFD 2015-1) 4

Figure 2 – Expenditures for Fiscal Year 2021-22..... 6

Annual Report (FY 2021-22)

This CFD Special Tax Annual Report (“Annual Report”) covers all assessor parcels of land within the boundaries of Community Facilities District 2015-1 (Sterling West Hills) (“CFD”) of the Mountains Recreation and Conservation Authority (“Authority”). The special tax attributed to each parcel was computed in accordance with the special tax formula as approved by Resolution No. 15-131 of the Authority Board of Directors. The Annual Report summarizes the fiscal year 2021-22 special tax and rate and method of apportionment and fiscal year 2021-22 special tax collection, expenditures, fund balance, and other related data.

Summary of Land Use

The CFD includes 160 parcels within the development known as Sterling West Hills, located in the Simi Hills southeast of MRCA-owned Sage Ranch Park and by the southwest corner of the Chatsworth Reservoir Nature Preserve. The CFD was formed in 2015 in order to provide funding for services provided to the Sterling West Hills residential development. The boundaries of the CFD for FY 2021-22 are attached in Exhibit A.

Figure 1 – Summary of Land Use (CFD 2015-1)

Developed Property	114 parcels
Undeveloped Property	42 parcels
Exempt Property	4 parcels
Total Parcels	160 parcels

Rate and Method of Apportionment of Special Tax

The special taxes within the CFD were levied in accordance with the Rate and Method of Apportionment of Special Tax (the “RMA”) which is attached as Exhibit B. The maximum special taxes for fiscal year 2021-22 are \$1,590.84 per parcel for Special Tax A Services and \$787.51 per parcel for Special Tax B Services.

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the District shall levy the Special Tax A on all taxable property until the amount of Special Tax A equals the Special Tax A requirement in accordance with the following steps:

First: The Special Tax A shall be levied proportionately on each parcel of developed property at up to 100% of the applicable Maximum Special Tax A as needed to satisfy the Special Tax A requirement;

Second: If additional moneys are needed to satisfy the Special Tax A requirement after the first step has been completed, the Special Tax A shall be levied proportionately on each parcel of undeveloped property at up to 100% of the Maximum Special Tax A for undeveloped property

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the District shall levy the Special Tax B on all taxable property until the amount of Special Tax B equals the Special Tax B requirement in accordance with the following steps:

First: The Special Tax B shall be levied proportionately on each parcel of developed property at up to 100% of the Maximum Special Tax B applicable to such parcel as needed to satisfy the Special Tax B requirement;

Second: If additional moneys are needed to satisfy the Special Tax B requirement after the first step has been completed, the Special Tax B shall be levied proportionately on each parcel of undeveloped property at up to 100% of the Maximum Special Tax B applicable to such parcel;

It was determined that \$1,590.84 per taxable parcel was needed to satisfy the Special Tax A requirement and \$787.51 per taxable parcel was needed to satisfy the Special Tax B requirement for fiscal year 2021-22. For fiscal year 2021-22 \$2,378.35 (Special Tax A + Special Tax B) per developed parcel was levied.

The Maximum Special Tax A and Maximum Special Tax B shall be increased each July 1st, commencing July 1, 2017, based on the percentage increase in the Consumer Price Index with a maximum annual increase of three percent (3%) and a minimum annual increase of one percent (1%) of such Maximum Special Tax in effect in the previous Fiscal Year.

CFD Special Tax Collections and Other Revenue

For FY 2021-22, there were 160 total parcels in the CFD, of which 114 were developed. The total annual special tax collected was \$268,973.

Figure 2 – Expenditures for Fiscal Year 2021-22

Beginning Balance	
Balance as of July 1, 2021	\$636,160
Revenues	
CFD No. 2015-1 Special Taxes ¹	\$268,973
Total Revenues	\$268,973
Expenses	
Administration	\$19,783
Land Acquisitions	\$0
Operations, Maintenance, and Improvements	\$0
Ranger Patrol and Fire Prevention	\$46,154
Total Expenses	\$65,937
Ending Balance	
Balance as of June 30, 2022	\$839,196

¹ This amount includes all CFD No. 2015-1 Special Taxes received during the fiscal year, including any prior year's delinquencies collected

Use of Special Tax Proceeds

The special tax will be used solely for the maintenance of open space, wildlife corridors, natural habitats, waters, basins, roads, landscaping, and related facilities to be financed and owned or managed by the MRCA.

Prepayment of Special Tax

Prepayment of the CFD special tax is not authorized.

Duration of the Special Tax

The Special Tax A shall be levied annually in perpetuity as needed to fund the Special Tax A requirement unless terminated earlier by the MRCA. The Special Tax B shall be levied

annually as needed to satisfy the Special Tax B requirement in accordance with this Rate and Method of Apportionment. If the Special Tax A and/or Special Tax B is terminated, the MRCA shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased.

Manner of Collection

The special tax is collected in the same manner and at the same time as ad valorem property taxes.

CFD Special Tax Delinquencies

Special tax delinquencies for the special taxes levied for FY 2021-22 are 1.32% as of June 30, 2022.

Accountability Report

In accordance with Government Code Section 50075.3, Executive Officer, or his or her designee, shall file a report with the Board no later than January 1 of each year. The annual report shall contain both of the following: (a) the amount of funds collected and expended; (b) the status of any project required or authorized to be funded with the proceeds of the special tax in accordance with this Section.

Public Information

Property owners and other interested persons can obtain information regarding special tax levies and other information by contacting the Agency's Special Tax Administrator, SCI Consulting Group, at telephone number (800) 273-5167. SCI Consulting Group's property owner inquire line is also included with property tax bills.

Notice of Special Tax

The Act states "For purposes of enabling sellers of real property subject to the levy of special taxes to satisfy the notice requirements of subdivision (b) of Section 1102.6 of the Civil Code, the designated office, department, or bureau shall furnish a Notice of Special Tax to any individual requesting the notice or any owner of property subject to a special tax levied by the local agency within five working days of receiving a request for such notice. The local agency may charge a reasonable fee for this service not to exceed ten dollars." A copy of this notice is included as Exhibit D.

In addition, any developer, subdivider or his or her agent or representative shall not sell, or lease any property subject to the Special Tax until the prospective purchaser or lessee has been furnished with and signed a written notice of special tax lien similar to that shown in Exhibit D.

Exhibit A – Boundaries of CFD

MOUNTAINS RECREATION AND CONSERVATION AUTHORITY COMMUNITY FACILITIES DISTRICT 2015-1 (STERLING WEST HILLS)

Legend

- Community Facilities District 2015-1 Boundary
- Not Included In Community Facilities District 2015-1
- Streets
- Parcels

Assessor Parcel Number:

2017010003	2017026002	2017035004
2017011005	2017026004	2017035005
2017011006	2017026005	2017035006
2017012008	2017026009	2017035007
2017012010	2017035001	2017035008
2017014047	2017035002	
2017026001	2017035003	

SECRETARY'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, THIS _____ DAY OF _____, 2015.

SECRETARY OF THE BOARD

SECRETARY'S MAP CERTIFICATE

I DO HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2015-1, MOUNTAINS RECREATION AND CONSERVATION AUTHORITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 2015, BY ITS RESOLUTION NO. _____.

SECRETARY OF THE BOARD

RECORDER'S CERTIFICATE

FILED THIS _____ DAY OF _____, 2015 AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

COUNTY RECORDER, COUNTY OF LOS ANGELES

NOTE:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF LOS ANGELES FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

**PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 2015-1 OF THE
MOUNTAINS RECREATION AND CONSERVATION AUTHORITY,
LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**
Sheet 1 of 1 (Sterling West Hills)

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4745 Mangels Blvd
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Exhibit B – Description of Services and Facilities to be Financed by the CFD

MOUNTAINS RECREATION AND CONSERVATION AUTHORITY Community Facilities District 2015-1 (STERLING WEST HILLS)

The types of services to be financed by the CFD ("Services") shall include maintenance of open space, wildlife corridors, natural habitats, waters, basins, roads, landscaping, and related facilities to be financed and owned or managed by the Mountains Recreation and Conservation Authority ("MRCA"), which maintenance may include, but not be limited to, basin and drainage maintenance, slope maintenance, tree and ground cover maintenance, walkway and trail maintenance, weed control, irrigation system maintenance, trash and debris removal, pest control, plant replacement, plant inspection and monitoring, fire / fuel modification compliance, erosion control, wall and monument maintenance, bridge maintenance, trailhead and parking lot maintenance, water trough, signage, water and electricity costs, all related repair / replacement costs, and all appurtenant costs related thereto; any incidental expenses authorized by the Act and any other miscellaneous or incidental services identified by the MRCA necessary to provide the described Services herein.

Exhibit C – Rate and Method of Apportionment of Special Tax

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2015-1 (STERLING WEST HILLS) OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

A Special Tax (all capitalized terms are defined in Section A., "Definitions", below) shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 2015-1 (Sterling Hills West). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, commencing in Fiscal Year 2016-2017, shall be determined by the Governing Board of the Mountains Recreation and Conservation Authority (the "MRCA"), acting in its capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All of the real property within the CFD, unless exempted by law or by the provisions below, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

"Administrative Expenses" means all actual or reasonably estimated costs and expenses of the CFD that are chargeable or allocable to carry out the duties of the Administrator of the CFD as allowed by the Act, which shall include without limitation, all costs and expenses arising out of or resulting from the annual levy and collection of the Special Tax (whether by the MRCA or designee thereof or both), any litigation or appeal involving the CFD, and other administrative expenses of the MRCA or designee thereof directly related to the CFD. Administrative Expenses shall also include amounts estimated or advanced by the MRCA or CFD for attorney's fees and other costs related to commencing and pursuing to completion any foreclosure as a result of delinquent Special Taxes.

"Administrator" means an official of the MRCA, or designee thereof, responsible for the administration of the CFD, including but not limited to, determining the annual amount of the Special Tax levy and collection of the Special Taxes.

"Assessor" means the Assessor of the County.

"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 the number assigned to a lot or Parcel for purposes of identification as determined from an Assessor Parcel Map or the applicable assessment roll.

"Boundary Map" means a recorded map of the CFD which indicates by a boundary line the extent of the territory identified to be subject to the levy of Special Taxes.

"Building Permit" means the first legal document issued by a local agency giving official permission for new construction on a Parcel. For purposes of this definition, "Building Permit" shall not include any subsequent Building Permits issued or changed after the first issuance.

"CFD" means Community Facilities District No. 2015-1 (Sterling Hills West) of the Mountains Recreation and Conservation Authority.

"Consumer Price Index" means the Consumer Price Index published by the U.S. Bureau of Labor Statistic for "All Urban Consumers" in the Los Angeles-Riverside-Orange County Area, measured as of the month of December in the Calendar Year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Los Angeles-Riverside-Orange County Area.

"County" means the County of Los Angeles, California.

"Developed Property" means all Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit for new construction has been issued prior to June 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Dwelling Unit" or "(D/U)" means a residential unit that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

"Exempt Property" means all Parcels of Public Property or Property Owner's Association Property.

"Final Map" means a subdivision of property by recordation of a Assessor's Parcel Map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

"Fiscal Year" means the 12 month period starting on July 1 of any calendar year and ending the following June 30.

"Governing Board" means the Board of Directors for the Mountains Recreation and Conservation Authority.

"Maintenance Agreement" means the agreement titled "Open Space Acquisition and Maintenance Agreement" between the Mountains Recreation and Conservation Authority and Centex Homes dated September 2, 2015.

"Maximum Special Tax" means the Maximum Special Tax A or the Maximum Special Tax B.

"Maximum Special Tax A" means for each Parcel in each Fiscal Year, the greatest amount of Special Tax A, determined in accordance with Section C., below, which may be levied on such Parcel in such Fiscal Year.

"Maximum Special Tax B" means for each Parcel in each Fiscal Year, the greatest amount of Special Tax B, determined in accordance with Section C., below, which may be levied on such Parcel in such Fiscal Year.

"MRCA" means the Mountains Recreation and Conservation Authority.

"Native Plant Area" means those areas within the boundary of the CFD identified as "Graded Slope Area Outside of Fuel Mod." on Exhibit E of the Maintenance Agreement.

"Native Plant Establishment" means as of July 1st of the Fiscal Year then commencing, that a Native Plant Area requires maintenance and/or irrigation because it cannot survive on annual rainfall as determined by the MRCA in accordance with the Maintenance Agreement.

"Parcel(s)" means a lot or parcel within the CFD shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number valid as of July 1st for the Fiscal Year for which the Special Tax is being levied.

"Property Owner's Association Property" means all Parcels which have been conveyed, dedicated to, or irrevocably offered for dedication to a property owner association, including any master or sub-association, prior to June 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Proportionately" means for Parcels of Taxable Property that are (i) Developed Property, that the ratio of the actual Special Tax levy for Special Tax A or Special Tax B, as applicable, to the Maximum Special Tax is the same for all Parcels of Developed Property and (ii) Undeveloped Property that the ratios of the actual Special Tax levy for Special Tax A or Special Tax B, as applicable, to the Maximum Special Tax is the same for all Parcels of Undeveloped Property.

"Public Property" means all Parcels which, as of June 1st preceding the Fiscal Year in which the Special Tax is being levied, are (i) used for rights-of-way or any other purpose and is owned by, dedicated to, or irrevocably offered for dedication to the federal government, the State, the County, City or any other public agency, provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use; or (ii) encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Residential Property" means all Parcels of Developed Property for which a Building Permit has been issued permitting the construction of one or more residential Dwelling Units.

"Special Tax(es)" means the Special Tax A or Special Tax B to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D.

"Special Tax A" means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D.1 to fund the Special Tax A Requirement.

"Special Tax A Requirement" means for each Fiscal Year, that amount required to: (i) pay the estimated cost of Special Tax A Services for such Fiscal Year as determined by the Administrator; (ii) pay Administrative Expenses; (iii) accumulate funds for Special Tax A Services provided that the inclusion of such amount does not increase the levy of Special Tax A on Undeveloped Property; (iv) pay for the actual shortfall due to Special Tax A delinquencies in the prior Fiscal Year; and (v) less a credit for funds available to reduce the annual Special Tax A levy as determined by the Administrator.

"Special Tax A Services" means the maintenance of open space, wildlife corridors, natural habitats, waters, basins, roads, landscaping, and related facilities to be financed and owned or managed by the MRCA, which maintenance may include, but not be limited to, basin and drainage maintenance, slope maintenance, tree and ground cover maintenance, walkway and trail maintenance, weed control, irrigation system maintenance, trash and debris removal, pest control, plant replacement, plant inspection and monitoring, fire / fuel modification compliance, erosion control, wall and monument maintenance, bridge maintenance, trailhead and parking lot maintenance, water trough, signage, water and electricity costs, all related repair/replacement costs, and all appurtenant costs related thereto.

"Special Tax B" means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D. 2.

"Special Tax B Requirement" means for each Fiscal Year, that amount required to: (i) pay the estimated cost of Special Tax B Services required for Native Plant Establishment for such Fiscal Year; (ii) accumulate funds for Special Tax B Services required for Native Plant Establishment provided that the inclusion of such amount does not increase the levy of

Special Tax B on Undeveloped Property; (iii) pay for the actual shortfall due to Special Tax B delinquencies in the prior Fiscal Year; and (iii) less a credit for funds available to reduce the annual Special Tax B levy as determined by the Administrator.

"Special Tax B Services" means the maintenance of the Native Plant Area during Native Plant Establishment, which maintenance may include, but is not limited to, drainage maintenance, slope maintenance, tree and ground cover maintenance, weed control, irrigation system maintenance, trash and debris removal, pest control, plant replacement, plant inspection and monitoring, fire / fuel modification compliance, erosion control, all related repair/replacement costs, and all appurtenant costs related thereto.

"State" means the State of California.

"Taxable Property" means all Parcels not classified as Exempt Property.

"Undeveloped Property" means all Parcels of Taxable Property not classified as Developed Property.

B. CLASSIFICATION OF TAXABLE PROPERTY

Each Fiscal Year, commencing with Fiscal Year 2016-2017, all Taxable Property shall be classified as either Developed Property or Undeveloped Property and shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C. and D.

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property and Undeveloped Property

The Maximum Special Tax A and the Maximum Special Tax B that may be levied on each Parcel classified as Developed Property or Undeveloped Property shall be determined by reference to table 1 below. The Maximum Special Tax A and the Maximum Special Tax B are subject to annual increases pursuant to Section C.1. (a) below,

Maximum Special Tax A Per Parcel	Maximum Special Tax B Per Parcel
\$1,408.00	\$697.00

(a) Increase in the Maximum Special Tax

The Maximum Special Tax A and Maximum Special Tax B, identified in Table 1 above, shall be increased each July 1st, commencing July 1, 2017,

based on the percentage increase in the Consumer Price Index with a maximum annual increase of three percent (3%) and a minimum annual increase of one percent (1%) of such Maximum Special Tax in effect in the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

1. Special Tax A

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the Administrator shall levy the Special Tax A on all Taxable Property until the amount of Special Tax A equals the Special Tax A Requirement in accordance with the following steps:

First: The Special Tax A shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax A as needed to satisfy the Special Tax A Requirement;

Second: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Special Tax A shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax A for Undeveloped Property.

2. Special Tax B

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the Administrator shall levy the Special Tax B on all Taxable Property until the amount of Special Tax B equals the Special Tax B Requirement in accordance with the following steps:

First: The Special Tax B shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the Maximum Special Tax B applicable to such Parcel as needed to satisfy the Special Tax B Requirement;

Second: If additional moneys are needed to satisfy the Special Tax B Requirement after the first step has been completed, the Special Tax B shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax B applicable to such Parcel;

Notwithstanding the above, under no circumstances will the Special Taxes levied in any Fiscal Year against any Parcel of Residential Property for which a Certificate of Occupancy has been issued be increased by more than ten percent (10%) as a result of a delinquency in the payment of the Special Tax applicable to any other Parcel above the amount that would have been levied in that Fiscal Year had there never been any such delinquency or default.

E. MANNER OF COLLECTION

The 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 Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes as permitted by the Act.

F. APPEALS

Any taxpayer may file a written appeal of the Special Tax on his/her Parcel(s) with the Administrator, provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal, all Special Taxes must be paid on or before the payment due date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The Administrator shall review the appeal, meet with the appellant if the Administrator deems necessary, and advise the appellant of its determination. If the Administrator agrees with the appellant, the Administrator shall grant a credit to eliminate or reduce future Special Taxes on the appellant's Parcel(s). No refunds of previously paid Special Taxes shall be made.

The Administrator shall interpret this Rate and Method of Apportionment and make determinations relative to the annual levy and administration of the Special Tax and any taxpayer who appeals, as herein specified.

H. TERM OF THE SPECIAL TAX

The Special Tax A shall be levied annually in perpetuity as needed to fund the Special Tax A Requirement unless terminated earlier by the MRCA. The Special Tax B shall be levied annually as needed to satisfy the Special Tax B Requirement in accordance with this Rate

and Method of Apportionment. If the Special Tax A and/or Special Tax B is terminated, the MRCA shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased.

I. PREPAYMENT OF SPECIAL TAX

Prepayment of Special Tax A and Special Tax B are not authorized.

Exhibit D – Notice of Special Tax

The Notice of Special Tax for the CFD is presented on the following page.

NOTICE OF SPECIAL TAX LIEN

MOUNTAINS RECREATION AND CONSERVATION AUTHORITY Community Facilities District No. 2015-1 (Sterling West Hills)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

- (1) This property is subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments on the parcel. This special tax may not be imposed on all parcels within the city or county where the property is located. If you fail to pay this tax when due each year, the property may be foreclosed upon and sold. The tax is used to provide public facilities or services that are likely to particularly benefit the property. **YOU SHOULD TAKE THIS TAX AND THE BENEFITS FROM THE PUBLIC FACILITIES AND SERVICES FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY.**

(2) The maximum annual special tax which may be levied is as follows:

Each property within the CFD shall be classified, as of July 1 of the Fiscal Year, into one of the following property uses, and the Special Tax shall be levied as set forth below:

1. Developed Property (taxable property for which a building permit for new construction has been issued prior to June 1st preceding the fiscal year): **Maximum of \$2,378.35 per parcel for fiscal year 2021-22** (Special Tax A=\$1,590.84; Special Tax B=\$787.51)
2. Undeveloped Property: **Maximum of \$2,378.35 per parcel for fiscal year 2021-22** (Special Tax A=\$1,590.84; Special Tax B=\$787.51)
3. Exempt Property: No Special Tax

The Maximum Special Tax A and Maximum Special Tax B, identified above, shall be increased each July 1st, based on the percentage increase in the Consumer Price Index with a maximum annual increase of three percent (3%) and a minimum annual increase of one percent (1%) of such Maximum Special Tax in effect in the previous Fiscal Year.

The Special Tax shall be levied annually beginning in Fiscal Year 2016-17, Special Tax A shall be levied annually in perpetuity as needed to fund the Special Tax A Requirement unless terminated earlier by the Mountains Recreation and Conservation Authority ("MRCA"). The Special Tax B shall be levied annually as needed to satisfy the Special Tax B Requirement in accordance with this Rate and Method of Apportionment.

The Special Tax shall be collected each Fiscal Year in the same manner and at the same time as ad valorem property taxes are collected and in the case of delinquency, shall be subject to the same penalties and lien priorities that apply to ad valorem taxes levied within the CFD. The MRCA intends that the Special Tax be included in the County Auditor's annual billing for ad valorem taxes. **There is no provision for prepayment of the special tax obligation.**

- (3) The authorized services ("Services") that are being paid for by the special taxes and authorized facilities ("Facilities") which are being paid for by the special taxes, shall include maintenance of open space, wildlife corridors, natural habitats, waters, basins, roads, landscaping, and related facilities to be financed and owned or managed by the Mountains Recreation and Conservation Authority ("MRCA"), which maintenance may include, but not be limited to, basin and drainage maintenance, slope maintenance, tree and ground cover maintenance, walkway and trail maintenance, weed control, irrigation system maintenance, trash and debris removal, pest control, plant replacement, plant inspection and monitoring, fire / fuel modification compliance, erosion control, wall and monument maintenance, bridge maintenance, trailhead and parking lot maintenance, water trough, signage, water and electricity costs, all related repair / replacement costs, and all appurtenant costs related thereto; any incidental expenses authorized by the Act and any other miscellaneous or incidental services identified by the MRCA necessary to provide the described Services herein. The Facilities may not yet have all been constructed or acquired.

YOU MAY OBTAIN A COPY OF THE RESOLUTION OF FORMATION THAT AUTHORIZED CREATION OF THE COMMUNITY FACILITIES DISTRICT, AND THAT SPECIFIES MORE PRECISELY HOW THE SPECIAL TAX IS APPORTIONED AND HOW THE PROCEEDS OF THE TAX WILL BE USED, FROM MRCA'S SPECIAL TAX ADMINISTRATOR BY CALLING (800) 273-5167. THERE MAY BE A CHARGE FOR THIS DOCUMENT NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENT.

I (WE) ACKNOWLEDGE THAT I (WE) HAVE READ THIS NOTICE AND RECEIVED A COPY OF THIS NOTICE PRIOR TO ENTERING INTO A CONTRACT TO PURCHASE OR DEPOSIT RECEIPT WITH RESPECT TO THE ABOVE REFERENCED PROPERTY. I (WE) UNDERSTAND THAT I (WE) MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT WITHIN THREE DAYS AFTER RECEIVING THIS NOTICE IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER, SUBDIVIDER, OR AGENT SELLING THE PROPERTY.

DATE: _____

Exhibit E – Special Tax Roll Fiscal Year 2021-22

<u>APN</u>	<u>CFD 2015-1 TAX</u>
2017-011-012	\$0.00
2017-011-013	\$2,378.35
2017-011-014	\$0.00
2017-011-015	\$0.00
2017-011-016	\$0.00
2017-011-017	\$0.00
2017-011-018	\$0.00
2017-011-019	\$2,378.35
2017-011-020	\$2,378.35
2017-011-024	\$0.00
2017-011-025	\$0.00
2017-011-900	\$0.00
2017-011-903	\$0.00
2017-011-904	\$0.00
2017-011-905	\$0.00
2017-012-902	\$0.00
2017-012-903	\$0.00
2017-026-012	\$0.00
2017-026-013	\$0.00
2017-035-004	\$2,378.35
2017-035-005	\$2,378.35
2017-035-006	\$2,378.35
2017-035-012	\$2,378.35
2017-035-015	\$0.00
2017-035-020	\$2,378.35
2017-035-021	\$2,378.35
2017-037-001	\$2,378.35
2017-037-002	\$2,378.35
2017-037-003	\$2,378.35
2017-037-004	\$2,378.35
2017-037-005	\$2,378.35
2017-037-006	\$2,378.35
2017-037-007	\$2,378.35
2017-037-008	\$2,378.35
2017-037-009	\$2,378.35
2017-037-010	\$2,378.35
2017-037-011	\$2,378.35

APN	CFD 2015-1 TAX
2017-037-012	\$2,378.35
2017-037-013	\$2,378.35
2017-037-014	\$2,378.35
2017-037-015	\$2,378.35
2017-037-016	\$2,378.35
2017-037-017	\$2,378.35
2017-037-018	\$2,378.35
2017-037-019	\$2,378.35
2017-037-020	\$2,378.35
2017-037-021	\$2,378.35
2017-037-022	\$2,378.35
2017-037-023	\$2,378.35
2017-037-025	\$2,378.35
2017-037-026	\$2,378.35
2017-037-027	\$2,378.35
2017-037-028	\$2,378.35
2017-037-029	\$2,378.35
2017-037-030	\$2,378.35
2017-037-031	\$2,378.35
2017-037-032	\$2,378.35
2017-037-033	\$2,378.35
2017-037-034	\$2,378.35
2017-037-035	\$2,378.35
2017-037-900	\$0.00
2017-037-901	\$0.00
2017-038-001	\$2,378.35
2017-038-002	\$2,378.35
2017-038-003	\$2,378.35
2017-038-004	\$2,378.35
2017-038-005	\$2,378.35
2017-038-006	\$2,378.35
2017-038-007	\$2,378.35
2017-038-008	\$2,378.35
2017-038-009	\$2,378.35
2017-038-010	\$2,378.35
2017-038-011	\$2,378.35
2017-038-012	\$2,378.35
2017-038-013	\$2,378.35
2017-038-014	\$2,378.35
2017-038-015	\$2,378.35

APN	CFD 2015-1 TAX
2017-038-016	\$2,378.35
2017-038-017	\$2,378.35
2017-038-018	\$2,378.35
2017-038-019	\$2,378.35
2017-038-020	\$2,378.35
2017-038-021	\$2,378.35
2017-038-022	\$2,378.35
2017-038-023	\$2,378.35
2017-038-024	\$2,378.35
2017-038-025	\$2,378.35
2017-038-026	\$2,378.35
2017-038-027	\$2,378.35
2017-038-028	\$2,378.35
2017-038-029	\$2,378.35
2017-038-030	\$2,378.35
2017-038-031	\$2,378.35
2017-038-032	\$2,378.35
2017-038-033	\$2,378.35
2017-038-034	\$2,378.35
2017-038-035	\$2,378.35
2017-038-036	\$2,378.35
2017-038-037	\$2,378.35
2017-038-038	\$2,378.35
2017-038-039	\$2,378.35
2017-038-040	\$2,378.35
2017-038-041	\$2,378.35
2017-038-042	\$2,378.35
2017-038-043	\$2,378.35
2017-038-044	\$2,378.35
2017-038-045	\$2,378.35
2017-038-046	\$2,378.35
2017-038-047	\$2,378.35
2017-038-048	\$2,378.35
2017-038-049	\$2,378.35
2017-038-050	\$2,378.35
2017-039-001	\$0.00
2017-039-002	\$0.00
2017-039-003	\$0.00
2017-039-004	\$0.00
2017-039-005	\$0.00

APN	CFD 2015-1 TAX
2017-039-006	\$0.00
2017-039-007	\$2,378.35
2017-039-008	\$2,378.35
2017-039-009	\$2,378.35
2017-039-010	\$2,378.35
2017-039-011	\$2,378.35
2017-039-012	\$2,378.35
2017-039-013	\$2,378.35
2017-039-014	\$2,378.35
2017-039-015	\$2,378.35
2017-039-016	\$0.00
2017-039-017	\$0.00
2017-039-018	\$0.00
2017-039-019	\$0.00
2017-039-900	\$0.00
2017-039-901	\$0.00
2017-040-001	\$0.00
2017-040-002	\$0.00
2017-040-003	\$0.00
2017-040-004	\$0.00
2017-040-005	\$0.00
2017-040-006	\$0.00
2017-040-007	\$0.00
2017-040-008	\$2,378.35
2017-040-009	\$2,378.35
2017-040-010	\$2,378.35
2017-040-011	\$2,378.35
2017-040-012	\$2,378.35
2017-040-013	\$2,378.35
2017-040-014	\$2,378.35
2017-040-015	\$2,378.35
2017-040-016	\$0.00
2017-040-017	\$0.00
2017-040-018	\$0.00
2017-040-019	\$0.00
2017-040-020	\$0.00
2017-040-021	\$0.00
2017-040-022	\$0.00
2017-040-023	\$2,378.35
2017-040-024	\$2,378.35

APN	CFD 2015-1 TAX
2017-040-025	\$2,378.35
2017-040-026	\$2,378.35
2017-040-900	\$0.00