

# Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See [www.sec.gov/info/municipal/nrmsir.htm](http://www.sec.gov/info/municipal/nrmsir.htm) for list of current NRMSIRs and SIDs

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IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located):

**CITY OF SAN DIEGO (STATE: CALIFORNIA)**

**CITY OF SAN DIEGO ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH) LIMITED OBLIGATION  
IMPROVEMENT BONDS**

Other Obligated Person's Name (if any): \_\_\_\_\_  
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP\* number(s), if available, of Issuer: 797283

\*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

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## TYPE OF FILING:

X Electronic Annual Report for the Fiscal Year Ended June 30, 2003.

Paper (no. of pages attached) \_\_\_\_\_

If information is also available on the Internet, give URL: NOT AVAILABLE

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**WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)**

**A.  Annual Report for the Fiscal Year Ended June 30, 2003.**

(Financial information and operating data should not be filed with the MSRB.)

**B. Financial Statements or CAFR pursuant to Rule 15c2-12**

**See the Annual Report, Section (a).**

**C. Notice of a Material Event pursuant to Rule 15c2-12** (Check as appropriate)

- |   |   |
|---|---|
| 1. Principal and interest payment delinquencies                                 | 6. Adverse tax opinions or events affecting the tax-exempt status of the security   |
| 2. Non-payment related defaults   | 7. Modifications to the rights of security holders                                  |
| 3. Unscheduled draws on debt service reserves reflecting financial difficulties | 8. Bond calls   |
| 4. Unscheduled draws on credit enhancements reflecting financial difficulties   | 9. Defeasances  |
| 5. Substitution of credit or liquidity providers, or their failure to perform   | 10. Release, substitution, or sale of property securing repayment of the securities |
|   | 11. Rating changes  |

**D. Notice of Failure to Provide Annual Financial Information as Required**

**E. Other Secondary Market Information** (Specify): \_\_\_\_\_

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**I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:**

**Issuer Contact:**

Name PATRICIA T. FRAZIER Title DEPUTY CITY MANAGER  
Employer CITY OF SAN DIEGO  
Address 202 C STREET, MAIL STATION 9B City SAN DIEGO State CA Zip Code 92101  
Telephone (619) 236-6070 Fax (619) 236-7344  
Email Address \_\_\_\_\_ Issuer Web Site Address \_\_\_\_\_

**Dissemination Agent Contact, if any:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Employer: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email Address \_\_\_\_\_ Relationship to Issuer: \_\_\_\_\_

**Investor Relations Contact, if any:**

Name LAKSHMI KOMMI Title FINANCING SERVICES MANAGER  
Telephone (619) 236-6928 Email Address \_\_\_\_\_

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**ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
RELATING TO**

**\$5,430,000**

**CITY OF SAN DIEGO  
Assessment District No. 4096 (Piper Ranch)  
Limited Obligation Improvement Bonds**

**(CUSIP Number 797283)**

The following Annual Report is being provided by the City of San Diego (the “City”) pursuant to the Continuing Disclosure Certificate, dated December 15, 2003, and executed by the City in its capacity as Dissemination Agent (the “Dissemination Agent”), relating to Assessment District No. 4096 (Piper Ranch) Limited Obligation Improvement Bonds, for the fiscal year ended June 30, 2003.

This Annual Report, including any amendment or supplement hereto, is intended to be deposited by the Dissemination Agent with each of the Nationally Recognized Municipal Securities Information Repositories (the “NRMSIRs”), approved by the Securities and Exchange Commission, set forth in Exhibit A and with the Participating Underwriter, set forth in Exhibit B.

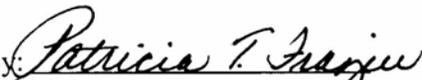
This Annual Report is provided solely for the purposes of the Continuing Disclosure Certificate. The filing of this Annual Report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial, operating or other information about the City, Assessment District No. 4096 (Piper Ranch), or the Limited Obligation Improvement Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the fiscal year to which this Annual Report relates (other than as contained in this Annual Report), or any other date specified with respect to any of the information contained in this Annual Report, or that any other information exists, which may have a bearing on the security for the Limited Obligation Improvement Bonds. Certain information contained in this Annual Report has been obtained from other sources which are believed to be reliable. No statement in this Annual Report should be construed as a prediction or representation about future financial performance of the City and Assessment District No. 4096 (Piper Ranch).

Neither the City, nor the Dissemination Agent has any obligation to update this report other than as expressly provided in the Continuing Disclosure Certificate.

Any statements regarding the Assessment District No. 4096 (Piper Ranch) Limited Obligation Improvement Bonds, other than a statement made by the City in an official release or subsequent notice or annual report, published in a financial newspaper of general circulation and/or filed with the Municipal Securities Rulemaking Board or the NRMSIRs, are not authorized by the City. The City shall not be responsible for the accuracy, completeness or fairness of any such unauthorized statement.

DATED: March 30, 2004

CITY OF SAN DIEGO

By:   
PATRICIA T. FRAZIER  
Deputy City Manager

## **EXHIBIT A**

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission:

### **Bloomberg Municipal Repositories**

100 Business Park Drive  
Skillman, NJ 08558  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)  
Phone: (609) 279-3225  
Fax: (609) 279-5962

### **Standard & Poor's J.J. Kenny Repository**

55 Water Street, 45th Floor  
New York, NY 10041  
E-mail: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)  
Phone: (212) 438-4595  
Fax: (212) 438-3975

### **FT Interactive Data**

Attn: NRMSIR  
100 William Street  
New York, NY 10038  
Email: [NRMSIR@FTID.com](mailto:NRMSIR@FTID.com)  
Phone: (212) 771-6999  
Fax: (212) 771-7390

### **DPC Data, Inc.**

One Executive Drive  
Fort Lee, NJ 07024  
E-mail: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)  
Phone: (201) 346-0701  
Fax: (201) 947-0107

**EXHIBIT B**

**Participating Underwriter**

Stone & Youngberg LLC  
One Ferry Building  
San Francisco, California 94111  
Attn: Municipal Research Department

**CITY OF SAN DIEGO**  
**Assessment District No. 4096 (Piper Ranch)**  
**Limited Obligation Improvement Bonds**

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**Annual Report Under the Continuing Disclosure Certificate**

This Annual Report includes information required by the Continuing Disclosure Certificate for City of San Diego Assessment District No. 4096 (Piper Ranch) Limited Obligation Improvement Bonds, except for the Comprehensive Annual Financial Report of the City of San Diego (the "CAFR") for the Fiscal Year ended June 30, 2003 (see item (a) below):

- (a) This Annual Report does not include the Comprehensive Annual Financial Report of the City of San Diego (the "CAFR") for the year ended June 30, 2003 (the "2003 CAFR"). The City found errors in the CAFR for the fiscal year ended June 30, 2002 (the "2002 CAFR"), as well as other 2002 financial statements of the City. It is the opinion of the City Auditor and the City Outside Auditor (Caporicci and Larson) that, in accordance with accounting and auditing professional guidelines, discovered errors related primarily to footnotes, and were not material either individually or in the aggregate in the context of the 2002 CAFR taken as a whole. The City has retained the accounting firm of KPMG LLP, to perform a full scope audit and render an opinion on the basic financial statements in the 2003 CAFR. The City currently expects to have the audited 2003 CAFR ready for publication in June of 2004, although no assurance can be given that the audited 2003 CAFR will in fact be published by then. At such time as the audited 2003 CAFR is published, this Annual Report will be appropriately amended.

On January 27, 2004 and again on March 12, 2004, the City voluntarily disclosed information on the City's pension plan, errors with respect to the 2002 CAFR and the Fiscal Year 2002 audited financial statements of the Metropolitan Wastewater Utility for the Fiscal Years ended June 30, 2002 and 2001 (the "Voluntary Disclosures"). Copies of such Voluntary Disclosures may be obtained from any of the Nationally Recognized Municipal Securities Information Repositories (Exhibit A) or from the Investor Relations contact listed on page 2 of the Municipal Secondary Market Disclosure Cover Sheet that prefaces this Annual Report.

Source: Office of the City Treasurer and Office of the City Auditor and Comptroller

- (b) Other information:

Note: All data is as of January 14, 2004, the closing date of the Bonds. Subsequent Annual Reports will reflect data as of December 31<sup>st</sup> of the prior calendar year, pursuant to the Continuing Disclosure Certificate.

**CITY OF SAN DIEGO**  
**Assessment District No. 4096 (Piper Ranch)**  
**Limited Obligation Improvement Bonds**

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(i) Principal amount of bonds outstanding: \$ 5,430,000

Source: Union Bank of California Trustee Statements; Office of the City Treasurer - Special Districts Administration

(ii) Balance in the Reserve Fund: \$ 309,232

The Reserve Requirement is, as of the date of any calculation, the least of:

- (a) 10% of the original aggregate principal amount of the Bonds;
- (b) maximum annual debt service on the Bonds; and
- (c) 125% of average annual debt service on the Bonds.

In calculating such amounts, the principal amount of the Deemed Escrow Bonds, as of such date of calculation, and the annual debt service thereon, shall be excluded.

Source: Union Bank of California Trustee Statements; Office of the City Treasurer - Special Districts Administration

(iii) Balance in the Improvement Fund: \$ 3,097,879

Source: Union Bank of California Trustee Statements; Office of the City Treasurer - Special Districts Administration

(iv) Assessment Delinquency Summary:

Not Applicable - no assessments have been levied.

Source: Office of the City Treasurer - Special Districts Administration

(v) Status of Foreclosure Proceedings and Summary of the Results of Any Foreclosure Sales:

Not Applicable - no assessments have been levied.

Source: Office of the City Treasurer - Special Districts Administration

**CITY OF SAN DIEGO**  
**Assessment District No. 4096 (Piper Ranch)**  
**Limited Obligation Improvement Bonds**

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(vi) Identity of Property Owners, representing more than 5% of the Assessment Levy, who are delinquent in payment of Assessments:

Not Applicable - no assessments have been levied.

Source: Office of the City Treasurer - Special Districts Administration

(vii) An update of the information contained in Table 1 of the Official Statement:

See attached **Exhibit 1**

Source: Office of the City Treasurer - Special Districts Administration

- (c) In addition to any of the information expressly required to be provided above, the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading:

**ADDITIONAL INFORMATION**

On February 13, 2004, the City of San Diego was notified by the U.S. Securities and Exchange Commission of an investigation into certain previous bond issues by the City. At the same time, the United States Attorney's office began its own investigation regarding previous bond issues by the City. The City intends to fully cooperate with both investigations. To the best knowledge of the City, these investigations do not involve matters directly related to the City of San Diego Assessment District No. 4096 (Piper Ranch).

Source: Office of the City Treasurer - Special Districts Administration

**City of San Diego  
Description of Assessment District No. 4096 (Piper Ranch)**

(Update of Table 1 of Official Statement)

| <b>Lot No.</b> | <b>APN</b> | <b>Net<br/>Gross<br/>Acres<sup>(1)</sup></b> | <b>2003-04<br/>Assessed Value</b> | <b>Confirmed<br/>Assessment Amount</b> |
|----------------|------------|--|-----------------------------------|--|
| 1              | 646-240-45 | 1.99   | \$ 114,504                        | \$ 155,365.92                          |
| 2              | 646-240-02 | 2.00   | 115,034                           | 156,146.66                             |
| 3              | 646-240-03 | 2.03   | 116,732                           | 158,488.86                             |
| 4              | 646-240-04 | 2.02   | 116,201                           | 157,708.12                             |
| 5              | 646-240-05 | 2.02   | 116,201                           | 157,708.12                             |
| 6              | 646-240-06 | 2.01   | 115,564                           | 156,927.39                             |
| 7              | 646-240-07 | 1.84   | 105,801                           | 143,654.92                             |
| 8              | 646-240-08 | 1.80   | 103,573                           | 140,531.99                             |
| 9              | 646-240-09 | 2.17   | 124,798                           | 169,419.12                             |
| 10             | 646-240-10 | 1.84   | 105,801                           | 143,654.92                             |
| 11             | 646-240-11 | 2.06   | 118,430                           | 160,831.06                             |
| 12             | 646-240-12 | 2.07   | 119,066                           | 161,611.79                             |
| 13             | 646-240-13 | 2.07   | 119,066                           | 161,611.79                             |
| 14             | 646-240-14 | 2.08   | 119,598                           | 162,392.52                             |
| 15             | 646-240-15 | 2.02   | 116,201                           | 157,708.12                             |
| 16             | 646-240-16 | 2.43   | 139,760                           | 189,718.19                             |
| 17             | 646-240-17 | 5.51   | 296,076                           | 430,184.04                             |
| 18             | 646-240-18 | 4.41   | 253,628                           | 344,303.38                             |
| 19             | 646-240-19 | 4.30   | 247,367                           | 335,715.31                             |
| 20             | 646-240-20 | 4.30   | 247,367                           | 335,715.31                             |
| 21             | 646-240-21 | 4.30   | 247,367                           | 335,715.31                             |
| 22             | 646-240-22 | 4.30   | 247,367                           | 335,715.31                             |
| 23             | 646-240-23 | 4.41   | 253,628                           | 344,303.38                             |
| 24             | 646-240-24 | 5.57   | 320,377                           | 434,868.47                             |
|                |            | <u>69.55</u>                                 | <u>\$3,979,507</u>                | <u>\$5,430,000.00</u>                  |

<sup>(1)</sup> Parcel size and assessment as set forth in Appraisal; does not reflect proposed lot line adjustments.

Source: Assessment Engineer; Office of the City Treasurer - Special Districts Administration