

# 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

---

**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):

**\$105,400,000**

**CITY OF SAN DIEGO, CALIFORNIA**

**TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION**

**Tobacco Settlement Asset-Backed Bonds**

**Series 2006**

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:

**CITY OF SAN DIEGO TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION related CUSIP-  
797330**

**9 digit CUSIP: 797330AA5**

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

---

**TYPE OF FILING:**

Electronic 7 pages \_\_\_\_\_

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

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

---

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

A.  **Annual Financial Information and Operating Data pursuant to Rule 15c2-12**  
(Financial information and operating data should not be filed with the MSRB.)

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

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 the Audited Financial Statement for the fiscal year ended June 30, 2007.**  
**See Part A. of the Annual Report.**

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

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

**Issuer Contact:**

Name \_\_\_\_\_ **MARY LEWIS** \_\_\_\_\_ Title \_\_\_\_\_ **CHIEF FINANCIAL OFFICER** \_\_\_\_\_  
Employer \_\_\_\_\_ **CITY OF SAN DIEGO** \_\_\_\_\_  
Address \_\_\_\_\_ **202 C STREET, MAIL STATION 9A** \_\_\_\_\_ City \_\_\_\_\_ **SAN DIEGO** \_\_\_\_\_ State \_\_\_\_\_ **CA** \_\_\_\_\_ Zip Code \_\_\_\_\_ **92101**

**Dissemination Agent Contact, if any:**

Name: \_\_\_\_\_ **MARY LEWIS** \_\_\_\_\_ Title: \_\_\_\_\_ **CHIEF FINANCIAL OFFICER** \_\_\_\_\_  
Employer: \_\_\_\_\_ **CITY OF SAN DIEGO** \_\_\_\_\_  
Address: \_\_\_\_\_ **202 C STREET, MAIL STATION 9A** \_\_\_\_\_ City: \_\_\_\_\_ **SAN DIEGO** \_\_\_\_\_ State: \_\_\_\_\_ **CA** \_\_\_\_\_ Zip Code: \_\_\_\_\_ **92101**  
Relationship to Issuer: \_\_\_\_\_ **DISCLOSURE REPRESENTATIVE** \_\_\_\_\_

**Press Contact:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

**ANNUAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2007 RELATING TO**

**\$105,400,000**

**CITY OF SAN DIEGO**

**TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION**

**(CUSIP Number 797330)**

This Annual Report is being provided by the City of San Diego (the "City") on behalf of the San Diego Tobacco Settlement Revenue Funding Corporation (the "Corporation") for the above stated issuance pursuant to Continuing Disclosure Undertaking requirements and in compliance with Securities and Exchange Commission Rule 15c2-12 for the Fiscal Year ended June 30, 2007 (the "Annual Report").

This Annual Report, including any amendment or supplement hereto, is intended to be deposited by the Corporation with each of the Nationally Recognized Municipal Securities Information Repositories (the "NRMSIRs"), approved by the Securities and Exchange Commission, set forth in Exhibit A. Such filing is accomplished by filing with the Central Post Office through Disclosure USA.

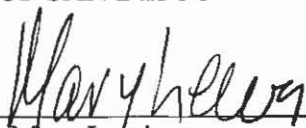
This Annual Report is provided in accordance with the terms of the Continuing Disclosure Undertaking, and does not purport to provide full and complete information on the terms of the above stated issuance. The filing of this Annual Report does not constitute or imply any representation that no changes, 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 that no other information exists, which may have a bearing on the security for the above stated issuance or an investor's decision to buy, sell or hold the above stated issuance. The information contained in this Annual Report has been obtained from 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 Corporation.

The City is acting as the Dissemination Agent for the above stated issuance. The City does not have any obligation to update this report other than as expressly provided in the Continuing Disclosure Undertaking for the above stated issuance.

Any statements regarding the above stated issuance, 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: April 9, 2008

CITY OF SAN DIEGO

By:   
Mary Lewis  
Chief Financial Officer

Distribution: Nationally Recognized Municipal Securities Information Repositories  
Wells Fargo Bank, National Association

## EXHIBIT A

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

### **Bloomberg Municipal Repository**

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

### **Interactive Data Pricing and Reference Data, Inc.**

Attn: NRMSIR  
100 William Street, 15<sup>th</sup> Floor  
New York, NY 10038  
Phone: (212) 771-6999  
Fax: (212) 771-7390  
Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)

### **Standard & Poor's Securities Evaluations, Inc.**

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

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

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

**TOBACCO SETTLEMENT REVENUE FUNDING CORPORATION**

**Tobacco Settlement Asset-Backed Bonds, Series 2006**

**Annual Report for the Fiscal Year Ended June 30, 2007**

(A) This Annual Report does not include the audited financial statement of the Corporation for the fiscal year ended June 30, 2007, because the audit is not yet complete. As required by the Continuing Disclosure Undertaking for the issuance covered by this Annual Report, below are the updates of the required certain tabular information from the Offering Circular.

(B) Update of Strategic Contribution Fund and Total Payments Received by Indenture Trustee - Strategic Contribution Fund Payments

Total Payments			
Date	Total Annual Payments to Indenture Trustee	Total Strategic Contribution Fund Payments to Indenture Trustee	Total Payments to Indenture Trustee
4/25/2006	–	–	(1)
4/25/2007	\$9,684,464.45 <sup>(2)</sup>	--	\$9,684,464.45

(1) No payments were made to the Indenture Trustee in Fiscal Year 2005-06

(2) Includes \$75,490.46 received on 6/04/07

Source: Wells Fargo Bank, National Association, Indenture Trustee

(C) Debt Service Coverage Ratio

---

Fiscal Year	Total Available Funds	Sizing Amounts for Series 2006 Bond Maturity	Interest	Total Debt Service	Sizing Amounts for Series 2006 Bond Maturity Debt Service Coverage Ratio
2005-06	\$3,079,362.97 <sup>(1)</sup>	\$0	\$0	\$0	--
2006-07	\$9,825,874.34 <sup>(2)</sup>	\$2,700,000 <sup>(3)</sup>	\$7,092,541.67	\$9,792,541.67	1.00

<sup>(1)</sup> Cost Value of Capitalized Interest Account as of 6-30-06

<sup>(2)</sup> Includes MSA payments of \$9,684,464.45, and approximately \$141,409 in interest earnings and fund balances in various trustee held accounts for the Series 2006.

<sup>(3)</sup> Reflects Turbo Redemption on 6-01-07

Source: Wells Fargo Bank, National Association, Indenture Trustee