

STRADLING YOCCA CARLSON & RAUTH

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW

660 NEWPORT CENTER DRIVE, SUITE 1600  
NEWPORT BEACH, CA 92660-6422  
TELEPHONE (949) 725-4000  
FACSIMILE (949) 725-4100

JOHN J. MURPHY  
DIRECT DIAL: (949) 725-4160  
JMURPHY@SYCR.COM

ORANGE COUNTY  
(949) 725-4000  
SAN DIEGO  
(858) 720-2150  
SAN FRANCISCO  
(415) 283-2240  
SANTA BARBARA  
(805) 584-0065  
SACRAMENTO  
(916) 449-2350

July 16, 2010

Honorable Board of Supervisors  
County of El Dorado  
330 Fair Lane  
Placerville, California 95667-4103

*Re: Community Facilities District No. 1992-1 (El Dorado Hills Development)*

Dear Supervisors:

After I sent yesterday's letter to you, it was brought to my attention that Attachment 1 to that letter (showing the Estimated Cash Surplus at May 20, 2010) did not reflect the fact that Serrano Associates LLC had received refunds of \$26,785 subsequent to May 20, 2010. Thus, while the total estimated cash surplus shown in the attachment was correct as of May 20, 2010, the amount thereof has been reduced by the amount of the refunds, and we did not wish to appear to overstate the surplus currently available. Accordingly, Ueltzen & Company, LLP has revised Attachment 1 to reflect the more current number, and a copy of the revised document is enclosed herewith. As you will note, that surplus is still in excess of \$3,400,000.

Since special tax revenues that have been received by the County subsequent to May 20, 2010 are not included in the total shown in the attachment, we believe that the surplus cash currently available is actually larger than the amount shown in the attachment.

Very truly yours,



John J. Murphy

cc: Jonathan Cristy  
Kirk Bone  
Michael J. Cook

ATTACHMENT 1

Community Services District No. 1992-1  
 Estimated Cash Surplus at May 20, 2010

Cash Balance as of May 20, 2010 ( <i>Per General Ledger</i> ) (1)	
Special Tax Fund (with County)	\$ 2,144,796
CFD Fund (with County)	1,678,029
Special Tax Fund (Fiscal Agent)	<u>2,509,583</u>
	6,332,408
Plus Excess Funds Held in Reserve Account (2)	273,648
Less Estimated Funds needed for September 2010 Debt Service (3)	(3,053,699)
Less Estimated Annual Administrative Expenses (4)	(86,000)
Less Refunds for Reserve Interest Credit to Serrano after May 20, 2010 (5)	<u>(26,785)</u>
Estimated Cash Surplus as of May 20, 2010	<b>\$ 3,439,572</b>

- (1) May 20, 2010 is the date of the last General Ledger received
- (2) \$4,907,602 Reserve account balance at 5/20/2010 less maximum annual debt service of \$4,633,954
- (3) \$1,573,699 Interest plus \$1,480,000 Principal (*Per Exhibit B*)
- (4) Assumes a 4% increase over 2009/2010 budget
- (5) Checks dated 5/21/2010; #1113799 - \$24,418.20, #1113941 \$230.12, #1113942 \$2,136.64