

**BOARD MEETING AGENDA  
ANNUAL MEETING OF THE BOARD OF DIRECTORS OF  
CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION  
JUNE 15, 2022 beginning at 6:30 PM**



**DISTRICT ADMINISTRATIVE OFFICE  
6230 SYLVAN ROAD, CITRUS HEIGHTS, CA**

**PHONE CALL IN: (253) 215-8782**

**PHONE MEETING ID: 843 3323 8909**

**COMPUTER AUDIO/LIVE MEETING PRESENTATIONS: <https://us06web.zoom.us/j/84333238909>**

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the General Manager at (916) 725-6873. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Members of the public may attend the meeting in person at the District headquarters or remotely through the phone number and link above.

**CALL TO ORDER:**

Upon request, agenda items may be moved to accommodate those in attendance wishing to address that item. Please inform the Secretary.

**ROLL CALL OF DIRECTORS:**

**VISITORS:**

**PUBLIC COMMENT:**

The Public shall have the opportunity to directly address the Board on any item of interest to the public before or during the Board's consideration of that item pursuant to Government Code Section 54954.3. Public comment on items of interest within the jurisdiction of the Board is welcome. The Presiding Officer will limit comments to three (3) minutes per speaker.

(A) Action Item

(D) Discussion Item

(I) Information Item

**CONSENT CALENDAR: (A)**

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item be removed for separate discussion/action before the motion to approve the Consent Calendar.

CC-1. Consideration of Approval of the Minutes of the Annual Meeting of the Citrus Heights Water District Financing Corporation of June 16, 2021 (A)

Recommendation:

Approve minutes from the June 16, 2021 Annual Meeting of the Citrus Heights Water District Financing Corporation.

CC-2. Confirmation/Appointment of CHWD Financing Corporation Officers (A)

Recommendation:

Consider confirmation and appointment of Citrus Heights Water District

**PRESENTATION:**

P-1. Status of the San Juan Water District / CHWD Revenue Refunding Bonds Series 2012A (A)

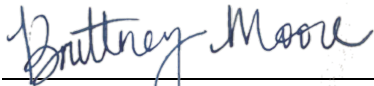
Recommendation:

1. Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A.
2. Authorize Staff to file Annual Report as required to the MSRB.

**ADJOURNMENT:**

**CERTIFICATION:**

I do hereby certify that this agenda was posted in a location accessible to the public at 6230 SYLVAN ROAD, CITRUS HEIGHTS, CA 95610 at least 72 hours prior to the regular meeting in accordance with Government Code Section 54954.2.



\_\_\_\_\_  
Brittney Moore, Chief Board Clerk

Dated: June 9, 2022

CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION  
BOARD OF DIRECTORS MEETING MINUTES  
June 16, 2021

The Annual Meeting of the Board of Directors of the Citrus Heights Water District Financing Corporation was called to order at 8:34 p.m. by President Riehle and roll was called. Present were:

Raymond A. Riehle, President  
David C. Wheaton, Vice President  
Caryl F. Sheehan, Director

Staff:

Madeline Henry, Administrative Services Manager/ Chief Board Clerk  
Brittney Moore, Management Analyst/ Deputy Board Clerk  
Josh Nelson, Assistant General Counsel  
Missy Pieri, Director of Engineering/ District Engineer  
Alberto Preciado, Accounting Manager  
David Rucker, Principal Information Technology Analyst  
Hilary Straus, General Manager  
Susan Talwar, Director of Finance and Administrative Services

**VISITORS:**

None.

**PUBLIC COMMENT:**

None.

**CONSENT CALENDAR:**

President Riehle asked for consideration and/or approval of the consent calendar.

CC-1. Consideration of Approval of the Minutes of the Annual Meeting of the Citrus Heights Water District Financing Corporation of June 17, 2020 (A)

Recommendation:

Approve minutes from the June 17, 2020 Annual Meeting of the Citrus Heights Water District Financing Corporation.

CC-2. Confirmation/Appointment of CHWD Financing Corporation Officers (A)

Recommendation:

Consider confirmation and appointment of Citrus Heights Water District Financing Corporation Officers.

President	David C. Wheaton	Appoint as President
Vice President	Caryl F. Sheehan	Appoint as Vice President

Director	Raymond A. Riehle	Appoint as Director
Chief Financial Officer	Susan K. Talwar	Reconfirm as CFO
Secretary	Hilary M. Straus	Reconfirm as Secretary

**ACTION:**

President Riehle moved and Director Sheehan seconded a motion to approve the consent calendar.

The motion carried 3-0 with all Directors voting yes.

**PRESENTATION:**

P-1. Status of the San Juan Water District / CHWD Revenue Refunding Bonds Series 2012A (A)

Recommendation:

1. Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A.
2. Authorize Staff to file Annual Report as required to the MSRB.

**ACTION:**

Vice President Sheehan moved and Director Riehle seconded a motion to approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A; and authorized staff to file Annual Report as required to the MSRB.

The motion carried 3-0 with all Directors voting yes.

**BUSINESS:**

None.

**ADJOURNMENT:**

There being no other business to come before the Board, the meeting was adjourned at 8:41 p.m.

**APPROVED:**

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Brittney C. Moore  
Deputy Secretary  
Citrus Heights Water District

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Caryl F. Sheehan, President  
Board of Directors  
Citrus Heights Water District

# CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS OF THE CHWD FINANCING CORPORATION JUNE 15, 2022 ANNUAL MEETING

SUBJECT : CONFIRMATION / APPOINTMENT OF CHWD FINANCING CORPORATION OFFICERS  
 STATUS : Action Item  
 REPORT DATE : June 6, 2022  
 PREPARED BY : Alberto Preciado, Accounting Manager

### **OBJECTIVE:**

Consider confirmation and appointment of Citrus Heights Water District Financing Corporation Officers.

### **BACKGROUND AND ANALYSIS:**

In light of the change in one of the Board the following proposed changes are noted below.

Existing Officers:

President	David C. Wheaton
Vice President	Caryl F. Sheehan
Director	Raymond A. Riehle
Chief Financial Officer	Susan K. Talwar
Secretary	Hilary M. Straus

Proposed Officers:

President	Caryl F. Sheehan	Appoint as President
Vice President	Raymond A. Riehle	Appoint as Vice President
Director	David C. Wheaton	Appoint as Director
Chief Financial Officer	Alberto Preciado	Confirm as CFO
Secretary	Hilary M. Straus	Reconfirm as Secretary

### **RECOMMENDATION:**

Confirm and appoint the following Citrus Heights Water District Financing Corporation Officers:

President	Caryl F. Sheehan	Appoint as President
Vice President	Raymond A. Riehle	Appoint as Vice President
Director	David C. Wheaton	Appoint as Director
Chief Financial Officer	Alberto Preciado	Confirm as CFO
Secretary	Hilary M. Straus	Reconfirm as Secretary

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

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# CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS OF THE CHWD FINANCING CORPORATION JUNE 15, 2022 ANNUAL MEETING

SUBJECT : STATUS OF THE SAN JUAN WATER DISTRICT/ CITRUS HEIGHTS WATER DISTRICT REVENUE REFUNDING BONDS, SERIES 2012A  
 STATUS : Information / Discussion Item  
 REPORT DATE : June 6, 2022  
 PREPARED BY : Alberto Preciado, Accounting Manager

### **OBJECTIVE:**

1. Approve the draft Annual Report for the Citrus Heights Water District (CHWD) Revenue Refunding Certificates of Participation, Series 2012A and other information related to debt financing by the District.
2. Authorize Staff to file Annual Report as required to the federal self-regulated organization, Municipal Securities Rulemaking Board (MSRB).

### **BACKGROUND AND ANALYSIS:**

The Citrus Heights Water District Financing Corporation (the Corporation) was formed in July 2000 for the purpose of issuing the \$7.9 million in Certificates of Participation (COPs) for the financing of water meter installations and well improvements. Section 3.5 of the Bylaws for the Corporation requires that an annual meeting be held each year. The purpose of this meeting is to review information or developments related to the COP financing and to fulfill a legal requirement for California non-profit corporations.

Included with Directors' agenda packets is a draft of the Continuing Disclosure Annual Report for the Revenue and Revenue Refunding Bonds (Attachment 1). This report is a requirement of the District's debt issuance and is generally required for all publicly-traded securities. It is filed with the Electronic Municipal Market Access (EMMA) data service of the MSRB, where these reports are made available to the public. The Annual Report shows the status of CHWD's debt, and other financial and operating information about the District as of December 31, 2021. Total outstanding debt for the District as of that date was \$1,520,000.

### **2010 Certificates of Participation**

In June 2010, the Corporation authorized the refunding of the Series 2000 COPs with the issuance of the Revenue Refunding COPs, Series 2010, in the amount of \$5,155,000. As of December 31, 2020, these COPs have been paid in full.

### **2012 Revenue Refunding Bonds**

CHWD originally issued Revenue Refunding Bonds in 2003 under the authority of the San Juan Suburban Water District (SJWD) Financing Corporation and not under the authority of the CHWD Financing Corporation. However, staff has typically reported on the status of the SJWD/CHWD debt issuance at the time of the CHWD Financing Corporation Annual Meeting.

CHWD participated with SJWD in a refunding of the 2003 Series debt that was completed in May 2012. The new debt issuance is identified as the SJWD/CHWD Refunding Revenue Bonds, Series 2012A. This refunding resulted in a savings to SJWD and CHWD over the remaining life of their respective debt. The principal amount outstanding on the Series 2012A bonds as of December 31, 2021 was \$1,520,000. CHWD's annual principal and interest payments on the Series 2012A debt ranges from \$168,325 to \$175,937 annually over the remaining life of the debt through its retirement in 2033 with an outstanding balance of \$ 1.615 million.

In the 4<sup>th</sup> quarter of 2021 SJWD refunded its 2012 Bonds, detaching the CHWD bonds from their bond issuance. At the November 2021 Board meeting, staff provided an update advising that due to the amount outstanding on the bond and the cost of issuance, the District would be best served by bundling a refunding of the 2012 Bonds with the potential need to fund capital projects in the near future, assuming market and debt borrowing conditions are favorable.

Payments on the SJWD/CHWD debt issuance are paid semiannually by CHWD.

**RECOMMENDATIONS:**

1. Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A.
2. Authorize Staff to file Annual Report as required to the MSRB.

**ATTACHMENTS:**

1. Draft of 2021 Continuing Disclosure Annual Report
  2. Series 2012A Revenue Refunding Bonds Debt Service Schedule – pg. 9 of the Official Statement, dated: April 26, 2012, prepared by Citigroup.
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# **ATTACHMENT 1**

2021 Continuing Disclosure Annual Report (Draft)

# **CONTINUING DISCLOSURE ANNUAL REPORT**

**FISCAL YEAR ENDED DECEMBER 31, 2021**

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**SAN JUAN WATER DISTRICT  
REFUNDING REVENUE BONDS  
(SAN JUAN AND CITRUS HEIGHTS PROJECT)  
SERIES 2012A**

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**CITRUS HEIGHTS WATER DISTRICT  
6230 SYLVAN ROAD  
CITRUS HEIGHTS, CALIFORNIA 95610**

**SAN JUAN WATER DISTRICT  
REVENUE REFUNDING BONDS  
(SAN JUAN AND CITRUS HEIGHTS PROJECTS)  
SERIES 2012A**

<b><i>MATURITY DATE</i></b> <b><i>(February 1)</i></b>	<b><i>CUSIP*</i></b>
2023	798326 AL8
2025	798326 AN4
2033	798326 AM6

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## INTRODUCTION

THIS CONTINUING DISCLOSURE ANNUAL REPORT, dated June 9, 2022 (the “Annual Report”) has been prepared to satisfy the obligations of the Citrus Heights Water District (the “District”).

### Definitions

Unless otherwise required, the following are the defined terms for this Annual Report.

**2012 Bonds.** 2012 Bonds means the San Juan Water District Revenue Refunding Bonds (San Juan and Citrus Heights Project) Series 2012A, issued on May 16, 2012.

**2012 Disclosure Certificate.** 2012 Disclosure Certificate means that certain Amended and Restated Continuing Disclosure Certificate, dated May 16, 2012, executed by the District in connection with the issuance of the 2012 Bonds.

**Debt Obligation.** Debt Obligation means the 2012 Bonds.

**Disclosure Document.** Disclosure Document means the 2012 Disclosure Certificate.

**EMMA.** EMMA means the Electronic Municipal Market Access, a service of the Municipal Securities Rulemaking Board.

**Fiscal Year.** Fiscal Year means the period beginning on January 1 of each year and ending on the last day of December of such year, or any other twelve-month period selected and designated as the official Fiscal Year of the District.

**Official Statements.** Official Statements means that certain Official Statement, dated April 26, 2012 with regards to the 2012 Bonds.

**Rule.** Rule means Rule 15c2-12 of the Securities Exchange Act of 1934, as amended.

**San Juan.** San Juan means the San Juan Water District.

## **Delivery of the Annual Report**

The District has agreed under the Disclosure Document to provide certain annual financial information and operating data and notices of significant events. These covenants have been made in order to assist the underwriters of the Debt Obligation in complying with the Rule. As provided in Section 3 of the Disclosure Document, this Annual Report is being prepared for publication with EMMA for the benefit of the owners of the Debt Obligation and the underwriter. Capitalized terms used in the Disclosure Certificate, which are not otherwise defined herein, shall have the respective meaning specified in the Official Statement.

The following is information as required under Section 4 of the Disclosure Document.

### **AUDITED FINANCIAL STATEMENTS**

The audited financial statements of the District for the Fiscal Year ending December 31, 2021 are attached hereto as Appendix A.

### **PRINCIPAL AMOUNTS OUTSTANDING**

#### **2012 Bonds**

As of the date of this Annual Report, the outstanding principal amount of the 2012 Installment Purchase Agreement attributable to the District in connection with the 2012 Bonds is \$1,420,000. As of Fiscal Year ended 2021, the outstanding principal amount of the 2012 Installment Purchase Agreement attributable to the District in connection with the 2012 Bonds is \$1,520,000.

### **RESERVE FUND REQUIREMENTS**

#### **2012 Bonds**

Pursuant to the 2012 Bonds Indenture, there is no debt service reserve fund.

## FINANCIAL INFORMATION AND OPERATING DATA

### Water Deliveries

The following table summarizes water deliveries in acre feet for the last Fiscal Year.

#### CITRUS HEIGHTS WATER DISTRICT WATER DELIVERIES (in acre feet) Fiscal Year 2021

<i>Treated Water Deliveries</i>	<i>Groundwater Deliveries</i>	<i>Total Water Deliveries</i>
7,749	3,756	11,505

Source: Citrus Heights Water District.

### Service Connections

The following table represents a summary of average service connections to the Water System for the last Fiscal Year.

#### CITRUS HEIGHTS WATER DISTRICT SERVICE CONNECTIONS Fiscal Year 2021

<i>Service Connections</i>	<i>Percent Increase/(Decrease)</i>
20,201	1.22%

Source: Citrus Heights Water District.

### Water Sales Revenues

The following table shows annual water sales revenues of the District for the last Fiscal Year.

#### CITRUS HEIGHTS WATER DISTRICT WATER SALES REVENUES

<i>Fiscal Year Ending December 31</i>	<i>Sales Revenues</i>	<i>Percent Increase/(Decrease)</i>
2021	\$16,579,945	(1.95)%

Source: Citrus Heights Water District.

## Water System Rates and Charges

The table below lists the annual water system rates and the percentage rate increases approved by the Board of Directors of the District for the last two completed Fiscal Years for single family residences.

### CITRUS HEIGHTS WATER DISTRICT WATER SYSTEM RATES AND CHARGES – SINGLE FAMILY RESIDENCES

<i>Fiscal Year Ending December 31</i>	<i>Annual Rate</i>	<i>Percent Increase</i>
2021	\$806.94	0%
2020	\$806.94	11.26%

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Source: Citrus Heights Water District. 1" meter bi-monthly service charge with 20 units of water consumption.

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## Operating Results and Debt Service Coverage

The following table is a summary of operating results for the most recently completed fiscal year. These results have been derived from the District's Financial Statements but exclude certain non-cash items and include certain other adjustments.

### CITRUS HEIGHTS WATER DISTRICT OPERATING RESULTS FISCAL YEAR ENDED DECEMBER 31, 2021

<b>Revenues</b>	
Water Sales	\$ 16,579,945
Capacity Fees, Other Fees and Charges	938,016
Interest Earnings <sup>(1)</sup>	51,586
Miscellaneous <sup>(2)</sup>	42,759
Total Revenues	<u>\$ 17,612,306</u>
<b>Operation and Maintenance Expenses</b>	
Water Purchases	\$ 2,798,201
Pumping & Well Maintenance	1,047,987
Transmission & Distribution	2,350,969
Administrative & General and Conservation <sup>(3)</sup>	5,022,202
Total Operation and Maintenance Expenses	<u>\$ 11,219,359</u>
<b>Net Revenues</b>	\$ 6,392,947
Rate Stabilization (RS) Reserve	\$ 0
<b>Net Revenues &amp; RS Reserve</b>	<u>\$ 6,392,947</u>
<b>Parity Debt Service</b>	
2012 Installment Purchase Agreement	171,713
Total Parity Debt Service	<u>\$ 171,713</u>
Total Debt Service Coverage	37.23x
Citrus Heights Revenues Available for other Purposes	<u>\$ 6,221,235</u>

(1) Fiscal Year 2021 excludes unrealized loss on investment in the amount of \$51,929.

(2) Includes groundwater transfers and sales revenue.

(3) Excludes certain non-cash items related to pension and OPEB expenses.

Source: Citrus Heights Water District

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## **CERTAIN DISCLAIMERS**

The information contained in this Annual Report expresses only the views of the applicable party. An explanation of the significance of any such information may be obtained from the applicable party; provided, however, that no information provided by any party is incorporated in this Annual Report. The District undertakes no responsibility to oppose any revision or withdrawal of such information contained in this Annual Report.

To the extent the District provides information in this Annual Report, the District is not obligated to present or update information in future Annual Reports. Investors are advised to refer to the applicable Official Statement for the Debt Obligations for information concerning the initial issuance of and security for the Debt Obligations.

By providing the information in this Annual Report, the District does not imply or represent (a) that all information provided in this Annual Report is material to investors' decisions regarding investment in the Debt Obligations, (b) the completeness or accuracy of any financial, operational or other information not included herein or in the Official Statements, (c) that no changes, circumstances or events have occurred since the date of this Annual Report (other than as contained herein), or (d) that no other information exists which may have a bearing on the District's financial condition, the security for the Debt Obligations or an investor's decision to buy, sell or hold the Debt Obligations.

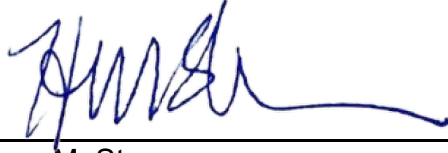
The information set forth in this Annual Report or incorporated in this Annual Report has been furnished by the District and is believed to be accurate and reliable but is not guaranteed as to accuracy or completeness. Statements contained in or incorporated by this Annual Report which involves estimates, forecasts or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, expressions of opinion contained in this Annual Report or incorporated in this Annual Report are subject to change without notice and the delivery of this Annual Report will not, under any circumstances, create any implication that there has been no change in the affairs of the District. The District is relying upon and has not independently confirmed or verified the accuracy or completeness of information provided by others or other information incorporated by reference therein.

No statement contained in this Annual Report should be construed as a prediction or representation about future financial performance of the District. Historical results presented herein may not be indicative of future operating results.

## CONCLUSION

The information set forth in this Annual Report has been obtained from sources believed by the District to be reliable and is fairly presented.

CITRUS HEIGHTS WATER DISTRICT



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Hilary M. Straus  
General Manager

**APPENDIX A**

**AUDITED FINANCIAL STATEMENTS  
FISCAL YEAR ENDED DECEMBER 31, 2021**

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**ATTACHMENT 2**

**Series 2012A Revenue Refunding Bonds  
Debt Service Schedule**

## CITRUS HEIGHTS WATER DISTRICT PAYMENT SCHEDULE

Set forth below is a schedule of Citrus Heights Installment Payments and other Citrus Heights Contract payments for the period ending February 1 in each of the years indicated:

<i>Citrus Heights Installment Payment</i>					
<i>February 1</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Citrus Heights Contracts<sup>(1)</sup></i>	<i>Total Citrus Heights Payments</i>
2013	\$ 105,000.00	\$ 70,718.23	\$ 175,718.23	\$ 573,400.00	\$ 749,118.23
2014	75,000.00	98,787.50	173,787.50	570,000.00	743,787.50
2015	70,000.00	97,287.50	167,287.50	567,250.00	734,537.50
2016	75,000.00	95,187.50	170,187.50	569,200.00	739,387.50
2017	80,000.00	92,937.50	172,937.50	571,200.00	744,137.50
2018	80,000.00	89,737.50	169,737.50	567,400.00	737,137.50
2019	85,000.00	86,137.50	171,137.50	568,000.00	739,137.50
2020	90,000.00	83,587.50	173,587.50	567,800.00	741,387.50
2021	95,000.00	79,087.50	174,087.50	566,800.00	740,887.50
2022	100,000.00	74,337.50	174,337.50	-	174,337.50
2023	105,000.00	69,337.50	174,337.50	-	174,337.50
2024	110,000.00	64,087.50	174,087.50	-	174,087.50
2025	110,000.00	60,787.50	170,787.50	-	170,787.50
2026	115,000.00	57,487.50	172,487.50	-	172,487.50
2027	120,000.00	51,450.00	171,450.00	-	171,450.00
2028	130,000.00	45,150.00	175,150.00	-	175,150.00
2029	130,000.00	38,325.00	168,325.00	-	168,325.00
2030	140,000.00	31,500.00	171,500.00	-	171,500.00
2031	145,000.00	24,150.00	169,150.00	-	169,150.00
2032	155,000.00	16,537.50	171,537.50	-	171,537.50
2033	160,000.00	8,400.00	168,400.00	-	168,400.00
TOTAL	<u>\$2,275,000.00</u>	<u>\$1,335,018.23</u>	<u>\$3,610,018.23</u>	<u>\$ 5,121,050.00</u>	<u>\$8,731,068.23</u>

<sup>(1)</sup> Reflects payments under the 2010 Installment Purchase Agreement. See the caption "CITRUS HEIGHTS FINANCIAL INFORMATION—Outstanding Revenue Obligations."

Source: Fieldman, Rolapp & Associates.

### SECURITY FOR THE 2012 BONDS

#### Limited Obligations Payable From Revenues

**General.** The District is obligated to make payments of principal of and interest on the 2012 Bonds solely from Revenues under the Indenture. The term "Revenues" is defined in the Indenture to mean the District Installment Payments, the Citrus Heights Installment Payments and the investment earnings thereon. NOTWITHSTANDING ANYTHING IN THE INDENTURE OR THE 2012 BONDS, THE TRUSTEE IS NOT REQUIRED TO APPLY ANY MONEYS OTHER THAN THE REVENUES, THE MONEYS IN THE REVENUE FUND DESCRIBED IN THE INDENTURE AND OTHER MONEYS PLEDGED UNDER THE INDENTURE FOR ANY OF THE PURPOSES IN THE INDENTURE MENTIONED, WHETHER FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2012 BONDS OR FOR ANY OTHER PURPOSE OF THE INDENTURE. The Corporation has assigned to the Trustee for the benefit of the Owners of the 2012 Bonds substantially all of its rights, title and interest in the District Installment Purchase Agreement and the Citrus Heights Installment Purchase Agreement, including its right to receive District Installment Payments and Citrus Heights Installment Payments and its right to enforce payment by the District under the District Installment Purchase Agreement and payment by Citrus Heights under the Citrus Heights Installment Purchase Agreement.

All of the Revenues, all amounts held in the Revenue Fund described in the Indenture and any other amounts (including proceeds of the sale of the 2012 Bonds) held in any fund or account established pursuant to the Indenture (except the Rebate Fund) have been irrevocably pledged to secure the payment of the principal of