

SCHEDULE I**EVIDENCE OF COMPLIANCE WITH PARITY TEST**

(a) (i) *Historic Test.* Actual Net Revenues of the System for FY 2016 and FY 2017 are \$31,304,797 and \$33,031,061] respectively, each of which is at least 120% of Annual Debt Service on all Outstanding Bonds, there being no outstanding additional obligations issued on a parity with the Bonds; and

(ii) *Projected Test.* Projected Net Revenues of the System for each of the three full Fiscal Years immediately succeeding December 21, 2017, which is the date of issuance of the Series 2017 Bonds, are \$35,619,362 (FY 2019), \$37,354,509 (FY 2020) and \$37,928,163 (FY 2021), each of which is at least 120% of Annual Debt Service on all Outstanding Bonds, plus the Series 2017 Bonds, there being no additional obligations. The Projected Net Revenues from the Series 2017 SDSMT Project and the Series 2017 SDSU Project are included in this calculation.

(b) The minimum amount to be accumulated in the Renewal and Replacement Reserve Account of SDSMT with respect to the Series 2017 SDSMT Project shall be an amount equal to the existing RRR Requirement for SDSMT and at least an additional five percent of the cost of purchasing the Series 2017 SDSMT Project plus the cost of any furnishings and moveable equipment for the Series 2017 SDSMT Project which is financed with the proceeds of the Series 2017 Bonds.

(c) The minimum amount to be accumulated in the Renewal and Replacement Reserve Account of SDSU with respect to the Series 2017 SDSU Project shall be an amount equal to the existing RRR Requirement for SDSU and at least an additional five percent of the cost of construction of the Series 2017 SDSU Project plus the cost of any furnishings and moveable equipment for the Series 2017 SDSU Project which is financed with the proceeds of the Series 2017 Bonds.