

California Department of Education

Executive Office

SBE-005 (REV. 1/2018)

Bond Waiver

# California State Board of Education March 2019 Agenda Item #W-07

## Subject

Request by five local educational agencies to waive one or more of the following California Education Code sections 15102, 15106, and 15268, related to bonded indebtedness limits. Total bonded indebtedness may not exceed 1.25 percent of the taxable assessed valuation of property for high school and elementary school districts or 2.50 percent for unified school districts. Depending on the type of bond, a tax rate levy limit of $30 per $100,000 of assessed value for high school and elementary school districts or $60 per $100,000 for unified districts, may also apply.

## Waiver Numbers

* Heber Elementary School District: 14-12-2018
* Luther Burbank School District: 9-12-2018
* Rio Elementary School District: 15-12-2018
* Robla Elementary School District: 13-12-2018
* Winters Joint Unified School District: 16-12-2018

## Type of Action

Action, Consent

## Summary of the Issues

The Heber Elementary School District’s (Heber ESD) bonded indebtedness is statutorily limited not to exceed 1.25 percent, which prohibits them from proceeding with their proposed issuance of $4 million from Measure A, which was approved by voters on November 6, 2018. The district is requesting that the State Board of Education (SBE) authorize the district to exceed its statutory bonding capacity limit to a rate up to, but not to exceed, 2.25 percent.

The Luther Burbank School District’s (Luther Burbank SD) bonded indebtedness is statutorily limited not to exceed 1.25 percent, which prohibits them from proceeding with their proposed issuance of $10 million from Measure HH. The district is requesting that the SBE authorize the district to exceed its statutory bonding capacity limit to a rate up to, but not to exceed, 4.58 percent.

The Rio Elementary School District’s (Rio ESD) bonded indebtedness is statutorily limited not to exceed 1.25 percent, which prohibits them from proceeding with their proposed issuance of the $33 million from Measure L, which was approved by voters on November 6, 2018. The district is requesting that the SBE authorize the district to exceed its statutory bonding capacity limit to a rate up to, but not to exceed, 1.36 percent.

The Robla Elementary School District’s (Robla ESD) bonded indebtedness is statutorily limited not to exceed 1.25 percent, which prohibits them from proceeding with their proposed issuance of the cumulative $47.9 million—including $463,063 from Measure F, approved by voters in June 1992; $1,275,000 from Measure K, approved by voters in November 2014, and $46,200,000 from Measure H, approved by voters on  
November 6, 2018. The district is requesting that the SBE authorize the district to exceed its statutory bonding capacity limit to a rate up to, but not to exceed, 3.27 percent.

The Winters Joint Unified School District’s (Winters JUSD) bonded indebtedness is statutorily limited not to exceed 2.50 percent, which prohibits them from proceeding with their proposed issuance of the cumulative $31 million—including $11,000,000 from Measure D, approved by voters on November 8, 2016, and $20,000,000 from Measure P, approved by voters on November 6, 2018. The district is requesting that the SBE authorize the district to exceed its statutory bonding capacity limit to a rate up to, but not to exceed, 4.49 percent.

## Authority for Waiver

California *EC* Section 33050

## Recommendation

* Approval: No
* Approval with conditions: Yes
* Denial: No

The California Department of Education (CDE) recommends that the bonded indebtedness limit be waived for each of the districts with the following conditions:   
(1) the period of request does not exceed the recommended period on Attachment 1, (2) the total bonded indebtedness does not exceed the recommended new maximum shown on Attachment 1, (3) the district does not exceed the statutory tax rate, (4) the waiver is limited to the sale of bonds approved by the voters on the measures noted on Attachment 1, and (5) the district complies with the statutory requirements of Assembly Bill 182 related to school bonds which became effective January 1, 2014.

## Summary of Key Issues

The California *EC* provides limits related to a district’s total bonded indebtedness.   
*EC* sections 15102 and 15268 limit an elementary or high school district’s total general obligation (G.O.) bond indebtedness to 1.25 percent. *EC* sections 15106 and 15270(a) limit a unified school district’s total G.O. bond indebtedness to 2.50 percent.

To raise funds to build or renovate school facilities, with voter authorization, school districts may issue G.O. bonds. Under Proposition 46, school districts are allowed to increase the property tax rate above one percent for the period necessary to pay off new G.O. bonds if the following conditions are met:

* Two-thirds of those voting in a local election approve the issuance of the bonds.
* The money raised through the sale of the bonds is exclusively used to purchase or improve land and buildings.

In November 2000, districts were given another option for authorizing and issuing bonds when California voters passed Proposition 39, which allows school bonds to be approved with a 55 percent majority vote if the district abides by several administrative requirements, such as establishing an independent Citizens’ Oversight Committee to oversee the use of the funds. Once G.O. bonds are authorized, school districts issue the bonds in increments as needed to fund their facility projects. When the voters authorize a local G.O. bond, they are simultaneously authorizing a property tax increase to pay the principal and interest on the bond. For Proposition 39 bonds, *EC* Section 15268 limits the tax rate levy authorized in each election to $30 per $100,000 of taxable property for elementary or high school districts. *EC* Section 15270(a) limits the tax rate levy authorized in each election to $60 per $100,000 of taxable property for unified school districts.

Without a waiver, school districts that are close to their bonding capacity must decide either to issue fewer bonds, delay the issuance of bonds until their assessed valuation increases, or obtain other more expensive non-bond financing to complete their projects, the costs of which could be paid from district general funds. Therefore, the CDE has historically recommended that the SBE approve related waiver requests with the condition that the statutory tax levies are not exceeded at the time the bonds are issued.

AB 182 (Chapter 477, Statutes of 2013) has established parameters for the issuance of local education bonds that allow for the compounding of interest, including capital appreciation bonds (CABs). AB 182 requires a district governing board to do the following:

* Before the bond sale, adopt a resolution at a public meeting that includes specific criteria, including being publicly noticed on at least two consecutive meeting agendas.
* Be presented with an agenda item at a public board meeting that provides a financial analysis of the overall costs of the bonds, a comparison to current interest bonds, and reasons why the compounding interest bonds are being recommended.
* After the bond sale, present actual cost information at the next scheduled public meeting and submit the cost information of the sale to the California Debt and Investment Advisory Commission.

### Heber ESD

Heber ESD wishes to proceed with their proposed issuance of the $4 million from Measure A, which was approved by voters on November 6, 2018. The issuance will go toward improving the quality of education; modernizing outdated classrooms, restrooms and school facilities; upgrading classrooms technology; and making health, safety, and security improvements. The proposed issuance of the $4 million will increase the district’s outstanding bonded indebtedness limit to a rate up to, but not to exceed, 2.25 percent.

Item W-10 was previously approved by the SBE as part of the July 2016 agenda. This waiver (10-3-2016) will expire on December 31, 2021.

### Luther Burbank SD

Luther Burbank SD wishes to proceed with their proposed issuance of the $10 million from Measure HH. District voters approved the measure with a 69 percent passage rate on November 6, 2018. This election was conducted under Proposition 46, requiring a two-thirds (66.7 percent) majority in order to pass. The issuance will go toward replacing the district’s main building with a modern, state-of-the-art facility to provide students with a safe, secure, 21st century learning environment. The proposed issuance of the $10 million will increase the district’s outstanding bonded indebtedness limit to a rate up to, but not to exceed, 4.58 percent.

### Rio ESD

Rio ESD wishes to proceed with their proposed issuance of $33 million from Measure L, which was approved by voters on November 6, 2018. The issuance will go toward modernizing outdated classrooms, restrooms and facilities; making health, safety, and security improvements; providing HVAC; upgrading technology; and constructing new classrooms and libraries. The proposed issuance of the $33 million will increase the district’s outstanding bonded indebtedness limit to a rate up to, but not to exceed, 1.36 percent. The district originally requested a rate of 1.39 percent, but when that figure could not be substantiated by the data they provided, they amended the request to 1.36 percent.

### Robla ESD

Robla ESD wishes to proceed with their proposed issuance of a cumulative $47.9 million—including $46,200,000 from Measure H, approved by voters on November 6, 2018; $1,275,000 from Measure K, approved by voters in November 2014; and $463,063 from Measure F, approved by voters in June 1992. Both Measures H and F were approved under Proposition 46, requiring a two-thirds majority, and do not have a legal tax rate limit. The amount of $463,063 from Measure F in 1992 is too cost-prohibitive to issue on its own, and it was an oversight that this amount was not included as part of the initial issuance of the 2014 bond. The proposed issuance will close out the 1992 and 2014 bonds, while also starting on the 2018 bond measure, and will go toward modernizing, and constructing classrooms and school facilities; replacing portables and older schools with new permanent facilities; providing infrastructure and technology; and renovating and equipping the library/student resource center. The proposed issuance of the cumulative $47.9 million will increase the district’s outstanding bonded indebtedness limit to a rate up to, but not to exceed, 3.27 percent.

Item W-12 was previously approved by the SBE as part of the July 2015 agenda. This waiver (10-4-2015) will expire on December 31, 2019.

### Winters JUSD

Winters JUSD wishes to proceed with their proposed issuance of a cumulative $31 million—including $11,000,000 from Measure D, approved by voters on November 8, 2016, and $20,000,000 from Measure P, approved by voters on November 6, 2018. The issuance will go toward making health, safety, and accessibility improvements; repairing/replacing leaky roofs; modernizing outdated classrooms, restrooms, and school facilities; and replacing deteriorating plumbing and sewer systems. The proposed issuance of the cumulative $31 million will increase the district’s outstanding bonded indebtedness limit to a rate up to, but not to exceed, 4.49 percent.

### Demographic Information

Heber ESD has a student population of 1,267 and is located in a small area of Imperial County.

Luther Burbank SD has a student population of 517 and is located in an urban area of Santa Clara County.

Rio ESD has a student population of 5,130 and is located in an urban area of Ventura County.

Robla ESD has a student population of 2,345 and is located in a suburban area of Sacramento County.

Winters JUSD has a student population of 1,527 and is located in a small area of Yolo County.

**Because these are general waivers, if the SBE decides to deny the waivers, it must cite one of the seven reasons in *EC* Section 33051(a), available on the California Legislation Information web page at** <https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=EDC&sectionNum=33051>.

## Summary of Previous State Board of Education Discussion and Action

The SBE has approved all bond limit waiver requests limited to the sale of already authorized bonds and at the tax rate levy stated on the bond measure.

Waiver 10-3-2016 for Heber ESD, was previously approved by the SBE as part of the July 2016 Agenda. It will not expire until December 31, 2021. The waiver is available on the SBE web page located at <https://www.cde.ca.gov/be/ag/ag/yr16/documents/jul16w10.doc>.

Waiver 10-4-2015 for Robla ESD, was previously approved by the SBE as part of the July 2015 Agenda. It will not expire until December 31, 2019. The waiver is available on the SBE web page located at <https://www.cde.ca.gov/be/ag/ag/yr15/documents/jul15w12rev.doc>.

## Fiscal Analysis (as appropriate)

Approval of the waivers would allow the districts to accelerate their issuance of voter-approved bonds.

## Attachments

* **Attachment 1:** Summary Table (5 pages)
* **Attachment 2:**  Heber ESD General Waiver Request 14-12-2018 (2 pages). (Original waiver request is signed and on file in the Waiver Office.)
* **Attachment 3:**  Luther Burbank SD General Waiver Request 9-12-2018   
  (3 pages). (Original waiver request is signed and on file in the Waiver Office.)
* **Attachment 4:**  Rio ESD General Waiver Request 15-12-2018 (2 pages). (Original waiver request is signed and on file in the Waiver Office.)
* **Attachment 5:**  Robla ESD General Waiver Request 13-12-2018 (4 pages). (Original waiver request is signed and on file in the Waiver Office.)
* **Attachment 6:**  Winters JUSD General Waiver Request 16-12-2018 (2 pages). (Original waiver request is signed and on file in the Waiver Office.)

# Attachment 1: Summary Table

California *Education Code* (*EC*) sections 15102, 15106, and 15268

| **Waiver Number** | **District** | **Period of Request** | **District’s Request** | **CDE Recommended** | **Bargaining Unit Representatives** | **Local Board, Public Hearing Approval and Advisory Committee Consulted** |
| --- | --- | --- | --- | --- | --- | --- |
| 14-12-2018 | Heber Elementary School District | **Requested:** April 1, 2019 to August 30, 2020  **Recommended:** April 1, 2019 to August 30, 2029 | Debt Limit: 2.25% | Debt Limit: 2.25%  Limited to Sale of Bonds applicable to the 2018 Authorization (Measure A), Approved by Voters  Tax Rate $30 per $100,000 (authorization approved under Proposition 39) | California Schools Employees Association (CSEA) Ernesto De La Rosa, President 12/6/2018 **Support**  Heber Teachers Association (HTA) Elena Maciel, HTA President 12/6/2018 **Support** | Local Board Approval Date: 12/13/2018  Public Hearing Date: 12/13/2018  Public Hearing Advertised: Posted on website; posting of notice throughout the district.  Employee Groups, District Board of Trustees 12/13/2018 **No Objections** |
| 9-12-2018 | Luther Burbank School District | **Requested:** March 14, 2019  to August 1, 2037  **Recommended:** March 14, 2019  to August 1, 2037 | Debt Limit: 4.58% | Debt Limit: 4.58%  Limited to Sale of Bonds applicable to the 2018 Authorization (Measure HH) Approved by voters with a 69% passage rate  (Authorization approved under Proposition 46, requiring a 2/3 majority) | American Federation of State, County and Municipal Employees Kellie Butner, President 12/6/2018 **Support**  Luther Burbank Education Association Fadi Saba, President 12/7/2018 **Support** | Local Board Approval Date: 12/11/2018  Public Hearing Date: 12/11/2018  Public Hearing Advertised: Posted notice of public hearing in the San Jose Post-Record on Friday, November 30, 2018.  School Site Council 12/4/2018 **No Objections** |
| 15-12-2018 | Rio Elementary School District | **Requested:** April 1, 2019 to August 1, 2023  **Recommended:** April 1, 2019 to August 1, 2023 | **Original Request:** Debt Limit: 1.39%  **Revised Request:** Debt Limit: 1.36%  The numbers submitted could not substantiate a rate of 1.39% | Debt Limit: 1.36%  Limited to Sale of Bonds applicable to the 2018 Authorization (Measure L) Approved by Voters  Tax Rate $30 per $100,000 (authorization approved under Proposition 39) | Rio Teachers’ Association Marisela Valdez, Teacher Representative 12/12/2018 **Neutral**  Originally submitted as CalSTRS, but revised due to CalSTRS not being a bargaining unit. | Local Board Approval Date: 12/12/2018  Public Hearing Date: 12/12/2018  Public Hearing Advertised: Public notified through District website, emails, and other forms of communication  District Board of Trustees, finance department, employee groups 12/12/2018 **No Objections** |
| 13-12-2018 | Robla Elementary School District | **Requested:** March 14, 2019  to December 31, 2035  **Recommended:** March 14, 2019  to December 31, 2035 | Debt Limit: 3.27% | Debt Limit: 3.27%  Limited to Sale of Bonds applicable to the 2018 (Measure H), 2014 (Measure K), and 1992 (Measure F) Authorizations, Approved by Voters  Tax Rate $30 per $100,000  (Measure K authorization approved under Proposition 39)  Both Measures H and F were approved under Proposition 46, requiring a 2/3 majority, and do not have a legal tax rate limit. | CSEA Lydia Hagar, President 12/13/2018 **Support**  Robla Teachers Association Leah Boylan, President 12/13/2018 **Support** | Local Board Approval Date 12/13/2018  Public Hearing Date: 12/13/2018  Public Hearing Advertised: Posted notice of public hearing in the Sacramento Bee on December 3, 2018  Robla Elementary School Parent Teacher Council 12/14/2018 **No Objections** |
| 16-12-2018 | Winters Joint Unified School District | **Requested:** January 31, 2019 to August 1, 2032  **Recommended:** March 14, 2019 to August 1, 2032 | Debt Limit: 4.49% | Debt Limit: 4.49%  Limited to Sale of Bonds applicable to the 2016 (Measure D) and 2018 (Measure P) Authorizations, Approved by Voters  Tax Rate $60 per $100,000 (authorization approved under Proposition 39) | Winters Area Education Association JoAnn May, President 12/14/2018 **Support**  Winters CSEA Angela Hofstrand, President 12/17/2018 **Support** | Local Board Approval Date: 12/20/2018  Public Hearing Date: 12/20/2018  Public Hearing Advertised: On December 6, 2018, the district posted a notice of public hearing at each school site and three public places in the district. Additionally, on December 7, 2018, the district published a notice in the Davis Enterprise.  LCAP Parent Advisory Council,  12/5/2018 **No Objections** |

Created by the California Department of Education

January 4, 2019

# Attachment 2: **Heber Elementary School District General** **Waiver Request 14-12-2018**

**California Department of Education**

**WAIVER SUBMISSION – General**

CD Code: 1363131

Waiver Number: 14-12-2018

Active Year: 2018

Date In: 12/21/2018 10:33:02 AM

Local Education Agency: Heber Elementary School District

Address: 1052 Heber Ave.

Heber, CA 92249

Start: 4/1/2019

End: 8/30/2020

Waiver Renewal: No

Waiver Topic: School Construction Bonds

*Ed Code* Title: Bond Indebtedness Limit – Non-Unified after 2000

*Ed Code* Section: 15102

*Ed Code* Authority: 33050

*Education Code* or *CCR* to Waive: *EC* 15102: The total amount of bonds issued pursuant to this Chapter and Chapter 1.5 (commencing with Section 15264) [shall not exceed 1.25 percent of the taxable property of the school district] or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county of counties in which the district is located

Outcome Rationale: The District anticipates issuing $4 million of general obligation bonds in May 2019; the bonds will be issued pursuant to the District's 2018 Election (Measure A) in which more than 73% of the District's voters authorized the sale of not to exceed $4 million of GO Bonds. Measure A was authorized pursuant to Prop 39 and the expected maximum tax rate is $30.00 per $100,000 of assessed valuation. Proceeds will be used to modernize classrooms, restrooms and school facilities, upgrade technology, and make health, safety and security improvements. Current bonding capacity does not allow the District to issue the necessary $4 million in general obligation bonds at this time to finance the much needed projects. Further, increasing interest rates and construction costs make it beneficial to sell bonds now instead of waiting.

Student Population: 1,267

City Type: Small

Public Hearing Date: 12/13/2018

Public Hearing Advertised: Website, posting of notice throughout the District

Local Board Approval Date: 12/13/2018

Community Council Reviewed By: Employee Groups, District Board of Trustees – no objections

Community Council Reviewed Date: 12/13/2018

Community Council Objection: No

Community Council Objection Explanation:

Audit Penalty Yes or No: No

Categorical Program Monitoring: No

Submitted by: Mr. David Ostermann

Position: Director of Fiscal Services

E-mail: [Dostermann@hesdk8.org](mailto:Dostermann@hesdk8.org)

Telephone: 760-337-6530

Fax: 760-353-3421

Bargaining Unit Date: 12/06/2018

Name: CSEA

Representative: Ernesto De La Rosa

Title: President CSEA

Position: Support

Bargaining Unit Date: 12/06/2018

Name: HTA

Representative: Elena Maciel

Title: President HTA

Position: Support

# Attachment 3: **Luther Burbank School District General Waiver Request 9-12-2018**

**California Department of Education**

**WAIVER SUBMISSION – General**

CD Code: 4369542

Waiver Number: 9-12-2018

Active Year: 2018

Date In: 12/19/2018 10:31:19 AM

Local Education Agency: Luther Burbank School District

Address: 4 Wabash Avenue

San Jose, CA 95128

Start: 3/14/2019

End: 8/1/2037

Waiver Renewal: No

Waiver Topic: School Construction Bonds

*Ed Code* Title: Bonded Indebtedness Limit

*Ed Code* Section: 15268

*Ed Code* Authority: 33050

*Education Code* or *CCR* to Waive: 15268. The total amount of bonds issued, including bonds issued pursuant to Chapter 1 (commencing with Section 15100), shall not exceed [1.25 percent] of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located.

Outcome Rationale: Background of 2018 Election:

On November 6, 2018, the voters approved Measure "HH" (2018 Election), which allowed for a new $10 million General Obligation (GO) Bond authorization. This election was conducted under Proposition 46, requiring a 2/3 (66.7%) majority in order to pass. District voters approved Measure "HH" with a 69% passage rate. The District intends to issue the entire $10 million authorization in one bond issue.

The proceeds from the bond issuance will provide resources to replace the outdated main education building. More specifically, identified projects include the following:

a) Replace the main building with a modern, state-of-the-art facility

b) Improve student access to 21st century learning environments

c) Provide health and safety for all kids and staff

Current Request:

The District requests that its outstanding bonded indebtedness limit be increased to an amount not to exceed 4.58% of assessed valuation through and until August 1, 2037. The District wishes to issue the entirety of its recently approved Measure "HH" 2018 Election GO Bond authorization in the amount of $10 million. The District's central campus building is a drain on the District due to its high maintenance costs and inhibits students learning. The bond funds will be used to replace the outdated main education building.

Once the waiver is granted in March 2019, the District expects to issue the $10 million authorization, recently approved in November 2018. This issuance has no legal limit to the tax rate, however an estimated tax rate of $88 was presented to voters at the 2018 Election. The exact tax rate projections will vary depending on the interest rates at the time of sale and assessed valuation growth assumptions. In any event, the total amount of bonded indebtedness following the $10 million Measure "HH" issuance will not exceed the requested debt limit of 4.58% of assessed valuation.

Analysis:

Attached to this waiver request are the following:

Attachment A - Historical Assessed Values for Fiscal Years 2002 through 2019

Attachment B - Summary of General Obligation Bond Indebtedness versus Estimated Debt Limits

Attachment C - Tax Rate Analysis for the Election of 2018 Bonds

Attachment D - Resolution Authorizing Request for Waiver

Attachment E - Notice of Public Hearing and Affidavit of Publication

Based on the Tax Rate Analysis figures, all annual debt service incurred as a result of the issuance of the proposed $10 million of new bonds under the 2018 Election authorization will not exceed the tax rate presented to District voters of $88.00 per year per $100,000 of taxable assessed property value.

The District currently has no Certificates of Participation (COPs) outstanding.

In the event that the District elects to issue any Capital Appreciation Bonds (CABs), all CABs will be compliant with AB 182.

Student Population: 517

City Type: Urban

Public Hearing Date: 12/11/2018

Public Hearing Advertised: Posted Notice of Public Hearing in the San Jose Post-Record on Friday, November 30th. The San Jose Post-Record is a daily newspaper published in the City of San Jose within Santa Clara County, California.

Local Board Approval Date: 12/11/2018

Community Council Reviewed By: School Site Council

Community Council Reviewed Date: 12/4/2018

Community Council Objection: None

Community Council Objection Explanation:

Audit Penalty Yes or No: No

Categorical Program Monitoring: No

Submitted by: Dr. Christopher Ortiz

Position: Superintendent

E-mail: [cortiz@lbsdk8.org](mailto:cortiz@lbsdk8.org)

Telephone: (408) 295-2450

Fax: (408) 295-3168

Bargaining Unit Date: 12/6/2018

Name: American Federation of State, County and Municipal Employees

Representative: Kellie Butner

Title: President

Position: Support

Bargaining Unit Date: 12/7/2018

Name: Luther Burbank Education Association

Representative: Fadi Saba

Title: President

Position: Support

# Attachment 4: **Rio Elementary School District General Waiver Request 15-12-2018**

**California Department of Education**

**WAIVER SUBMISSION – General**

CD Code: 5672561

Waiver Number: 15-12-2018

Active Year: 2018

Date In: 12/21/2018 11:53:52 AM

Local Education Agency: Rio Elementary School District

Address: 2500 East Vineyard Ave.

Oxnard, CA 93036

Start: 4/1/2019

End: 8/1/2023

Waiver Renewal: No

Waiver Topic: School Construction Bonds

*Ed Code* Title: Bond Indebtedness Limit - Non-Unified after 2000

*Ed Code* Section: 15102

*Ed Code* Authority: 33050

*Education Code* or *CCR* to Waive: *EC* 15102: The total amount of bonds issued pursuant to this Chapter and Chapter 1.5 (commencing with Section 15264) [shall not exceed 1.25 percent of the taxable property of the school district] or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county of counties in which the district is located.

Outcome Rationale: The District anticipates issuing $33 million of general obligation bonds in April 2019; the bonds will be issued pursuant to the District's 2018 Election (Measure L) in which more than 55% of the District's voters authorized the sale of not to exceed $59.2 million of GO Bonds. Measure L was authorized pursuant to Prop 39 and the expected maximum tax rate is $30.00 per $100,000 of assessed valuation. Proceeds will be used to modernize classrooms, restrooms and facilities; make health, safety, and security improvements; provide HVAC; upgrade technology; and construct new classrooms and libraries. Current bonding capacity does not allow the District to issue the necessary $33 million in general obligation bonds at this time to finance the much needed projects. Further, increasing interest rates and construction costs make it beneficial to sell bonds now instead of waiting.

Student Population: 5,130

City Type: Urban

Public Hearing Date: 12/12/2018

Public Hearing Advertised: public notified through District website, emails, and other forms of communication

Local Board Approval Date: 12/12/2018

Community Council Reviewed By: District Board of Trustees, finance department, employee groups

Community Council Reviewed Date: 12/12/2018

Community Council Objection: No

Community Council Objection Explanation:

Audit Penalty Yes or No: No

Categorical Program Monitoring: No

Submitted by: Mr. Wael Saleh

Position: Asst. Superintendent, Business Services

E-mail: [wsaleh@rioschools.org](mailto:wsaleh@rioschools.org)

Telephone: 805-485-3111 x2104

Bargaining Unit Date: 12/12/2018

Name: CalSTRS

Representative: Marisela Valdez

Title: Teacher Representative

Position: Support

# Attachment 5: **Robla Elementary School District General Waiver Request 13-12-2018**

**California Department of Education**

**WAIVER SUBMISSION – General**

CD Code: 3467421

Waiver Number: 13-12-2018

Active Year: 2018

Date In: 12/20/2018 2:49:09 PM

Local Education Agency: Robla Elementary School District

Address: 5248 Rose St.

Sacramento, CA 95838

Start: 3/14/2019

End: 12/31/2035

Waiver Renewal: No

Waiver Topic: School Construction Bonds

*Ed Code* Title: Bond Indebtedness Limit - Non-Unified

*Ed Code* Section: 15268

*Ed Code* Authority: 33050

*Education Code* or *CCR* to Waive: 15268. The total amount of bonds issued, including bonds issued pursuant to Chapter 1 (commencing with Section 15100), shall not exceed [1.25 percent] of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located.

Outcome Rationale: Current Need:

The District requests that its outstanding bonded indebtedness limit be increased to an amount not to exceed 3.27% through and until December 31, 2035 The District wishes to issue an additional $46,200,000 of its new 2018 GO Bond authorization, $1 ,275,000 from the 2014 Authorization, and $463,063 from the 1992 Authorization , by the end of Calendar Year 2019. The District is unable to issue these bonds as their current outstanding bonded indebtedness of $37.2 million equates to a 1.43% ratio which is above the state's maximum allowed of 1.25%, but below the current waiver limit of 1.67%, which was granted in July 2015. With the addition of the proposed $47.9 million, total indebtedness would exceed $37.2 million and represent 3.27% of assessed valuation.

In November of 2018, the voters approved "Measure H" which allowed for a new $46.2 million General Obligation (GO) bond authorization. The proceeds will be used for the following major projects within the District:

a) Reconstruct and modernize schools

b) Modernize classrooms to provide students with improved learning environments to more effectively compete with students from neighboring districts

c) Upgrade lighting, windows, heating, and ventilation systems to reduce annual operating costs and improve the efficiency of classrooms

d) Make the District eligible to receive additional State grants for facility improvements

e) Improve student safety and security at all schools

In November of 2014, the voters approved "Measure K" which allowed for a $29.8 million General Obligation (GO) bond authorization. The proceeds will be used for the following major projects within the District:

a) Constructing and improving labs and learning environments;

b) Reconfiguring and modernizing interiors to 21st century standards;

c) Constructing, renovating and equipping a library/student resource center and support facilities;

d) Providing infrastructure and technology;

e) Making repairs to District buildings, including fixing leaky roofs, repairing damaged pavement and replacing substandard security gates; and

f) Replacing portable classrooms with permanent classrooms.

In June of 1992, the voters approved "Measure F" which allowed for a $31 .5 million General Obligation (GO) bond authorization. The proceeds will be used for the following major projects within the District:

a) Land acquisition and construction of new schools

b) Rehabilitation and modernization of existing school facilities

c) The construction of Glenwood School and the modernization of Taylor Elementary School

Analysis:

Attached to this waiver request is the following:

1. Notice of Public Hearing (Attachment A)

ii. Historical Assessed Values for Fiscal Years 2001 through 2019 (Attachment B)

iii. Summary of General Obligation Bond Indebtedness versus Projected Debt Limits (Attachment C)

iv. Tax Rate Analysis (Attachment D)

v. Resolution Authorizing Request for Waiver (Attachment E)

vi. Facilities Assessment and Implementation Plan Update - July 2018 (Attachment F)

Based on the Tax Rate Analysis figures, the District anticipates that the tax rate for Measure K (2014 Election) will not exceed the legal limit of $30.00 per year per $100,000 of taxable property should the California Department of Education grant this waiver request. Both Measure F (1992 Election) and Measure H (2018 Election) were Prop. 46 (two-thirds) Elections and do not have a legal tax rate limit. We have also provided tax rate analysis for Measure F and Measure H.

The District currently has no Certificates of Participation (COPs) outstanding.

In the event that the District elects to issue any Capital Appreciation Bonds (CABs), all CABs will be compliant with AB182.

Student Population: 2,345

City Type: Suburban

Public Hearing Date: 12/13/2018

Public Hearing Advertised: Posted Notice of Public Hearing on the Sacramento Bee on December 3, 2018. The Sacramento Bee is a daily newspaper published in Sacramento, California.

Local Board Approval Date: 12/13/2018

Community Council Reviewed By: The District has 1 District-wide council (s), the Robla Elementary School Parent Teacher Council.

Community Council Reviewed Date: 12/14/2018

Community Council Objection: No

Community Council Objection Explanation:

Audit Penalty Yes or No: No

Categorical Program Monitoring: No

Submitted by: Mr. Ruben Reyes

Position: Superintendent

E-mail: [rreyes@robla.k12.ca.us](mailto:rreyes@robla.k12.ca.us)

Telephone: 916-991-1728

Fax: 916-992-0308

Bargaining Unit Date: 12/13/2018

Name: California Schools Employee Association (CSEA)

Representative: Lydia Hagar

Title: President

Position: Support

Bargaining Unit Date: 12/13/2018

Name: Robla Teachers Association (RTA)

Representative: Leah Boylan

Title: President

Position: Support

# Attachment 6: **Winters Joint Unified School District General Waiver Request 16-12-2018**

**California Department of Education**

**WAIVER SUBMISSION – General**

CD Code: 5772702

Waiver Number: 16-12-2018

Active Year: 2018

Date In: 12/21/2018 12:51:17 PM

Local Education Agency: Winters Joint Unified School District

Address: 909 West Grant Ave.

Winters, CA 95694

Start: 1/31/2019

End: 8/1/2032

Waiver Renewal: No

Waiver Topic: School Construction Bonds

*Ed Code* Title: Bond Indebtedness Limit - Unified S.D.

*Ed Code* Section: 15106

*Ed Code* Authority: 33050

*Education Code* or *CCR* to Waive: *EC* 15106: A unified school district or community college district may issue bonds that, in aggregation with bonds issued pursuant to Section 15270, shall not exceed [2.5 percent] of the taxable property of the school district or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county or counties in which the district is located.

Outcome Rationale: The District is currently in the process of issuing the first series of bond from its Election of 2018 Authorization in the amount of $7.9 million. Over the next six months, the District expects to issue its last series of bonds under the Election of 2016 Authorization in a par amount of $11 million. After that issuance, the District will have $12.1 million in authorized but unissued bonds from the Election of 2018 Authorization. The District would like to issue these bonds in the near future and expects them to be repaid over 30 years using only current interest bonds. The District does not expect to issue bonds that would cause the tax rate to increase above the legal requirement of $60 per $100,000 of assessed valuation per authorization. The increase in bonding capacity to 4.49% and the issuances described would allow the District to move ahead with its voter-supported facility improvements without delay.

Student Population: 1,527

City Type: Small

Public Hearing Date: 12/20/2018

Public Hearing Advertised: On 12/6, the District posted a notice of public hearing at each school site and three public places in the District. Additionally, on 12/7, the District published a notice in the Davis Enterprise.

Local Board Approval Date: 12/20/2018

Community Council Reviewed By: Claudia Covarrubias - Member of the LCAP Parent Advisory Council, DELAC, and ELAC

Community Council Reviewed Date: 12/5/2018

Community Council Objection: N

Community Council Objection Explanation:

Audit Penalty Yes or No: N

Categorical Program Monitoring: N

Submitted by: Mr. Todd Cutler

Position: Superintendent

E-mail: [tcutler@wintersjusd.org](mailto:tcutler@wintersjusd.org)

Telephone: 530-795-6100 x8010

Bargaining Unit Date: 12/14/2018

Name: Winters Area Education Association

Representative: JoAnn May

Title: President

Position: Support

Bargaining Unit Date: 12/17/2018

Name: Winters CSEA

Representative: Angela Hofstrand

Title: President

Position: Support