



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 10.1h

Meeting Date: June 20, 2019

Subject: Approve Resolution No. 3089: Resolution Requesting Board of Supervisors of the County of Sacramento to Establish Tax Rate for Bonds of the Sacramento City Unified School District Expected to be Sold During Fiscal Year 2019-20, and Authorizing Necessary Actions in Connection Therewith

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Facilities Support Services

Recommendation: Approve and adopt Resolution No. 3089 Requesting Board of Supervisors of the County of Sacramento to establish tax rate for bonds of the Sacramento City Unified School District expected to be sold during fiscal year 2019-20, and authorizing necessary actions in connection therewith.

Background/Rationale: In 2012, District voters passed Measure R, a Proposition 39 election authorizing the issuance of approximately \$68 million of general obligation bonds. The District plans on issuing the remaining \$30.9 million of general obligation bonds in fiscal year 2019-20 to fund the Nutrition Services Center. Resolution No. xxx will permit the County to levy a tax sufficient to pay debt service on the bonds when issued.

Financial Considerations: General Obligation bonds are repaid only by local property tax revenues. Debt service on the bonds is not paid from the general fund of the District. The bonds do not impact the general fund.

LCAP Goal (s): College, Career and Life Ready Graduates; Safe, Emotionally Healthy and Engaged Students; Family and Community Empowerment; Operational Excellence

Documents Attached:

1. Resolution No. 3089

Estimated Time of Presentation: N/A

Submitted by: Cathy Allen, Chief Operations Officer

Approved by: Jorge A. Aguilar, Superintendent

BOARD OF EDUCATION
OF THE
SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 3089

RESOLUTION REQUESTING BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO TO ESTABLISH TAX RATE FOR BONDS OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT EXPECTED TO BE SOLD DURING FISCAL YEAR 2019-20, AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH.

WHEREAS, this Board of Education (the “Board”) of the Sacramento City Unified School District (the “District”), located in the County of Sacramento, California (the “County”), is authorized to, and intends to, issue one or more series of its bonds for purposes authorized by the voters of the District at two elections called and regularly held on November 6, 2012; and

WHEREAS, the Board of Supervisors of the County (the “Board of Supervisors”) is required to take action pursuant to Section 29100 of the Government Code of the State of California (the “Government Code”) approving a tax rate for payment of indebtedness of the District during fiscal year 2019-20 no later than October 3, 2019, and it is the responsibility of the Auditor-Controller of the County, pursuant to Section 29103 of the Government Code, to calculate the several tax rates for the Board of Supervisors’ action thereon; and

WHEREAS, this Board has determined that it is not possible or advisable to sell the District’s bonds in time to permit the Auditor-Controller of the County to calculate the tax rates necessary to pay debt service on such bonds in order that such tax rates may be reflected on 2019-20 property tax bills of taxpayers in the District; and

WHEREAS, Section 15252 of the Education Code of the State of California (the “Education Code”) provides that the board of supervisors of each county, the county superintendent of which has jurisdiction over the district, shall annually, at the time of making the levy of taxes for county purposes, estimate the amount of money required to meet the payment of the principal and interest on bonds of a school district authorized by the electors of the district and not sold, and which the governing board of the district informs the board of supervisors in their belief will be sold before the next tax levy, and further provides that said board of supervisors shall levy a tax sufficient to pay the principal and interest so estimated; and

WHEREAS, the County Superintendent of the County of Sacramento has jurisdiction over the District; and

WHEREAS, this Board deems it necessary and desirable to issue one or more series of the District's bonds during fiscal year 2019-20, as authorized by the Education Code, and believes that said bonds will be sold during said fiscal year; and

WHEREAS, this Board deems it necessary and desirable that the County levy a tax for payment of debt service estimated to come due on such bonds during fiscal year 2019-20, which is more cost effective than generating capitalized interest for the payment of debt service on such bonds in fiscal year 2019-20;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Estimate of Tax Levy. The President of the Board, the Superintendent, the Chief Business Officer, or such other officer of the District as any authorized officer may designate (collectively, the "Authorized District Representative") upon consultation with the District's bond financing consultants, are hereby authorized and directed to prepare an estimate of all payments of principal and interest which shall become due on a series of bonds of the District expected to be sold prior to the making of the tax levy for fiscal year 2019-20, and to cause the debt service schedule so prepared to be provided to the Board of Supervisors and to the officers of the County responsible for preparing the tax levy for bonds of the District and for levying said tax.

Section 3. Request to County to Levy Tax. The Board of Supervisors is hereby requested, in accordance with Section 15252 of the Education Code and Section 29100 of the Government Code, to adopt a tax rate for bonds of the District expected to be sold during fiscal year 2019-20, based upon the estimated debt service schedule prepared by officers of the District upon consultation with the bond financing consultants, and to levy a tax in fiscal year 2019-20 on all taxable property in the District sufficient to pay said estimated debt service. The proceeds of such tax shall be deposited into the interest and sinking fund of the District established pursuant to the Education Code for bonds of the District.

Section 4. Application of Tax Proceeds. In the event that bonds of the District are not sold during fiscal year 2019-20, or sold in such amount and on such terms that the proceeds of the tax requested in Section 3 hereof, or any portions thereof, are not required for payment of debt service due on the bonds, or payment of other outstanding bonds of the District payable from the interest and sinking fund of the District, this Board hereby requests that the Auditor-Controller of the County cause the remaining proceeds of the tax to be held in the interest and sinking fund and applied to debt service on outstanding bonds of the District coming due in fiscal year 2020-21.

Section 5. Filing of Resolution. The Secretary of this Board is hereby authorized and directed to file forthwith a certified copy of this Resolution with the Clerk of the Board of Supervisors, and to cause copies of this Resolution to be delivered to the Auditor-Controller and the Director of Finance of the County.

Section 6. Further Authorization. The members of this Board, the Superintendent, the Chief Business Officer, or such officer of the District as any authorized officer may designate, shall be and they are hereby authorized and directed to take such additional actions consistent with the intent of this Resolution in connection with the sale of bonds of the District, which any of them deem necessary and desirable to accomplish the purposes hereof.

Section 7. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this day, June 20, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jessie Ryan, President of the Board of Education
of the Sacramento City Unified School District

Attest:

Jorge A. Aguilar, Secretary of the Board of Education
of the Sacramento City Unified School District

SECRETARY’S CERTIFICATE

I, Jorge A. Aguilar, Secretary of the Board of Education of the Sacramento City Unified School District, County of Sacramento, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on June 20, 2019, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present, and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at Serna Center, 5735 47th Avenue, Sacramento, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this _____ day of _____, 2019.

Secretary of the Board of Education
Sacramento City Unified School District