

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

424
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FROM: Treasurer-Tax Collector

SUBMITTAL DATE: July 26, 2005

SUBJECT: Resolution No. 2005-361 – General Obligation Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election 2005, Series 2005

RECOMMENDED MOTION: That your Honorable Board approve and adopt Resolution No. 2005-361, Authorizing the Sale and Issuance of General Obligation Bonds to be Issued and Sold as the "Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election 2005, Series 2005" in the Aggregate Principal Amount not to Exceed \$3,300,000.

BACKGROUND: Education Code Section 15350 requires that General Obligation Bonds of a school facilities improvement district of a community college district be offered for sale by the Board of Supervisors of Riverside County when the Riverside County Superintendent of Schools has jurisdiction over the community college district, and when the school facilities improvement district wishes to offer its bonds via a negotiated sale. Although recent legislation (Stats.1999, Chap. 667) permits a board of supervisors to opt out of that requirement, this Board has not adopted the necessary enabling resolution. At the same time the County Treasurer has taken the position that school districts should not be negotiating the sale of bonds without his participation.

(Continued on page 2)

Paul McDonnell, Treasurer - Tax Collector

FINANCIAL DATA:

CURRENT YEAR COST: \$ 0

ANNUAL COST: \$ 0

NET COUNTY COST: \$

IN CURRENT YEAR BUDGET: \$

BUDGET ADJUSTMENT: \$

FY: 05/06

SOURCE OF FUNDS: N/A

C.E.O. RECOMMENDATION:

APPROVE.

County Executive Office Signature

FORM APPROVED
COUNTY COUNSEL

JUL 26 2005

Policy

Consent

Department Recommendation:
Per Executive Office:

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The Riverside County Superintendent of Schools has jurisdiction over the Palo Verde Community College District, which serves portions of Riverside County and San Bernardino County. Although School Facilities Improvement District No. 2004-1 is located wholly within the County of San Bernardino, the Education Code requires the Riverside County Board of Supervisors to authorize the issuance and sale of these bonds.

The bonds are being issued pursuant to the Constitution and laws of the state of California, including the provisions of Section 15300 *et seq.* of the Education Code. The District received approval from at least two-thirds of the voters, within School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District (the "College District"), who voted at an election duly held on June 7, 2005. The voter-approved Measure authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$6,000,000.

Resolution No. 2005-361 relates to the first series of the authorized bonds and provides for the issuance of tax-exempt general obligation bonds in an aggregate principal amount not to exceed \$3,300,000. The bond proceeds are to be expended only for identified school facilities and improvements and are subject to review of a citizen's oversight committee. The bonds represent a general obligation of the College District and do not constitute a debt, liability, or obligation of Riverside County.

County Counsel has reviewed Resolution No. 2005-361 and has approved it as to form.