

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



FROM: Treasurer - Tax Collector

SUBMITTAL DATE:
July 11, 2006

SUBJECT: Resolution No. 2006-280 – General Obligation Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election 2005, Series 2006

RECOMMENDED MOTION: That your Honorable Board approve and adopt Resolution No. 2006-280, 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 2006" in the Aggregate Principal Amount not to Exceed \$3,053,746.40.

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

Departmental Concurrence

FORM APPROVED
COUNTY COUNSEL
JUN 28 2006

FINANCIAL DATA	Current F.Y. Total Cost:	\$	In Current Year Budget:
	Current F.Y. Net County Cost:	\$	Budget Adjustment:
	Annual Net County Cost:	\$	For Fiscal Year:

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE


County Executive Office Signature

- Policy
- Consent
- Dept't Recomm.:
- Per Exec. Ofc.:
- Policy
- Consent

Prev. Agn. Ref.: _____ **District:** _____ **Agenda Number:** _____

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.89

Date: July 11, 2006
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Page 2

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.

This Board previously adopted Resolution No. 2005-361 authorizing the issuance of the first series of tax-exempt general obligation bonds in an aggregate principal amount not to exceed \$3,300,000. Pursuant to that authority, the Bonds of School Facilities Improvement District 2004-1 of Palo Verde Community College District, Election 2005, Series 2005 were issued in an aggregate amount of \$2,946,253.60 on October 19, 2005.

This Resolution Number 2006-280 approves and authorizes the issuance of a second series of tax-exempt general obligation bonds, "Bonds of School Facilities Improvement District No. 2004-1 of the Palo Verde Community College District, Election 2005, Series 2006" (the "Series 2006 Bonds") in the Aggregate Principal Amount not to Exceed \$3,053,746.40. In addition, Resolution Number 2006-280 approves the form of and authorizes the execution of the Contract of Purchase and other documents related to the issuance of the Series 2006 Bonds.

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 Number 2006-280 and has approved it as to form.