

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

327



FROM: Treasurer-Tax Collector

SUBMITTAL DATE:
January 26, 2007

SUBJECT: Resolution No. 2007-049 - Banning Unified School District, General Obligation Bonds, 2006 Election, Series A (Vote on Separately)

RECOMMENDED MOTION: That your Honorable Board approve and adopt Resolution No. 2007-049, Authorizing the Issuance and Sale of General Obligation Bonds of Banning Unified School District not to Exceed the Maximum Aggregate Principal Amount of \$13,500,000.

BACKGROUND: Education Code Section 15140 requires that General Obligation Bonds of a school district be offered for sale by the Riverside County Board of Supervisors, when the Riverside County Superintendent of Schools has jurisdiction over that district, and when the district wishes to offer its bonds via a negotiated sale. Although California law 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)

FORM APPROVED
COUNTY COUNSEL

JAN 24 2007

Departmental Concurrence

Paul McDonnell, Treasurer - Tax Collector

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

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

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

Date: January 26, 2006
From: Treasurer-Tax Collector
Subject: Resolution No. 2007-049
Page 2

The Riverside County Superintendent of Schools has jurisdiction over the Banning Unified School District (the "District") which is planning to issue and sell bonds via a negotiated sale. Therefore the Education Code provides that the Riverside County Board of Supervisors is responsible for issuing and selling these District bonds, via a negotiated sale, on behalf of the District. To that end, the District's Board of Trustees adopted Resolution No. 06-07-23 requesting this Board to sell the District's general obligation bonds in an aggregate principal amount not to exceed \$13,500,000.

An election was held on November 7, 2006, pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution and Section 15266 of the Education Code which codifies, in part, Proposition 39. During that election, a measure authorizing the District to incur general obligation bonded indebtedness in an aggregate principal amount not to exceed \$63,000,000 was approved by more than 55% of the qualified voters voting on the measure.

Resolution No. 2007-049 authorizes the issuance and sale of Banning Unified School District General Obligation Bonds, 2006 Election, Series A in an aggregate principal amount not to exceed \$13,500,000. The bond proceeds are to be expended only for identified school facilities and improvements. All expenditures are subject to the review of a citizen's oversight committee appointed by the District's Board of Trustees.

These bonds represent general obligations of the District; these bonds do not constitute a debt or obligation of the County. No part of any fund of the County is pledged or obligated to the payment of these Bonds.

The Office of County Counsel has reviewed Resolution No. 2007-049 and has approved it as to form.