

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 6/3/15

Departmental Concurrence

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

237
A



FROM: Don Kent, Treasurer/Tax Collector

SUBMITTAL DATE:
June 4, 2015

SUBJECT: Resolution No. 2015-138 Murrieta Valley Unified School District General Obligation Bonds Election of 2014, Series 2015; 2nd Dist.; [\$0] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2015-138 authorizing and approving the issuance and sale of Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015 in a principal amount not to exceed \$38,405,000 some of which may provide for the compounding of interest and approving other related matters.

BACKGROUND:

Summary

Education Code Section 15140 requires that General Obligation Bonds of a school district be offered for sale by the Board of Supervisors of the County when the County's Superintendent of Schools has jurisdiction over the 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.)

Don Kent

Don Kent
Treasurer/Tax Collector

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS:	Budget Adjustment: n/a
	For Fiscal Year: 2014-15

C.E.O. RECOMMENDATION:

APPROVE

BY: *Samuel Wong* 6/4/15
Samuel Wong

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.:

District: 2

Agenda Number:

3-61

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

FORM 11: Resolution No. 2015-138 Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015; 2nd Dist.; [\$0] (Vote on Separately)

DATE: June 4, 2015

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BACKGROUND:

Summary (continued).

Murrieta Valley Unified School District (the "District"), under the jurisdiction of the Riverside County Superintendent of Schools, wishes to offer bonds via a negotiated sale. Accordingly, the District Board of Education adopted a resolution requesting this Board to sell the District's general obligation bonds which have been duly authorized by the voters of the District.

An election was held on November 4, 2014 pursuant to Section 1 of Article XIII A of the California Constitution, Section 18 of Article XVI of the California Constitution, and Chapter 1 of Part 10 of Division 1 of Title 1 (Section 15266) of the Education Code, codifying, in part, Proposition 39. The measure, which was approved by more than fifty-five percent of the votes cast by eligible voters of the District, authorized the incurrence of general obligation bonded indebtedness in an aggregate principal amount not to exceed \$98,000,000.

Resolution No. 2015-138 authorizes the issuance and sale of Murrieta Valley Unified School District Election of 2014 General Obligation Bonds, Series 2015 (the "Series 2015 Bonds") in a principal amount not to exceed \$38,405,000. The proceeds of the Series 2015 Bonds will be used to finance specific construction, repair and improvement projects approved by the voters of the District.

The maximum permitted tax rate levy set forth in Proposition 39 for the District is \$60 per \$100,000 of assessed valuation. The District Board has requested the County to authorize the issuance of bonds in the District's name as Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, which, by their terms, are subject to the compounding of interest. The District has determined that the issuance of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds is necessary for the District to access the desired amount of project funds while staying within tax rate limitations.

Assembly Bill 182 amended the California Education Code and the California Government Code to authorize the issuance of capital appreciation bonds and convertible capital appreciation bonds when certain conditions are met. The District resolution reflects that the District has complied with all the requirements of AB 182. Specifically, AB 182 limits the amount of debt service that can be paid on bonds, including capital appreciation bonds and convertible capital appreciation bonds, such that total debt service can be no more than 4 times greater than the principal amount of the bonds. The District estimates that total debt service on the Series 2015 Bonds will be no more than 2.94 times greater than the principal amount of the Series 2015 Bonds.

The Series 2015 Bonds represent a general obligation of the District and do not constitute a debt, liability, or obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the Series 2015 Bonds.

County Counsel has reviewed Resolution No. 2015-138 and has approved it as to form.

Impact on Citizens and Businesses

The voters of the District approved the levy of ad valorem property taxes to pay for increased bonded indebtedness. In exchange for the increased taxes, the citizens in the District will receive new and improved District facilities.

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

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Obligation Bonds, Series 2015; 2nd Dist.; [\$0] (Vote on Separately)

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ATTACHMENTS (if needed, in this order):

District Map

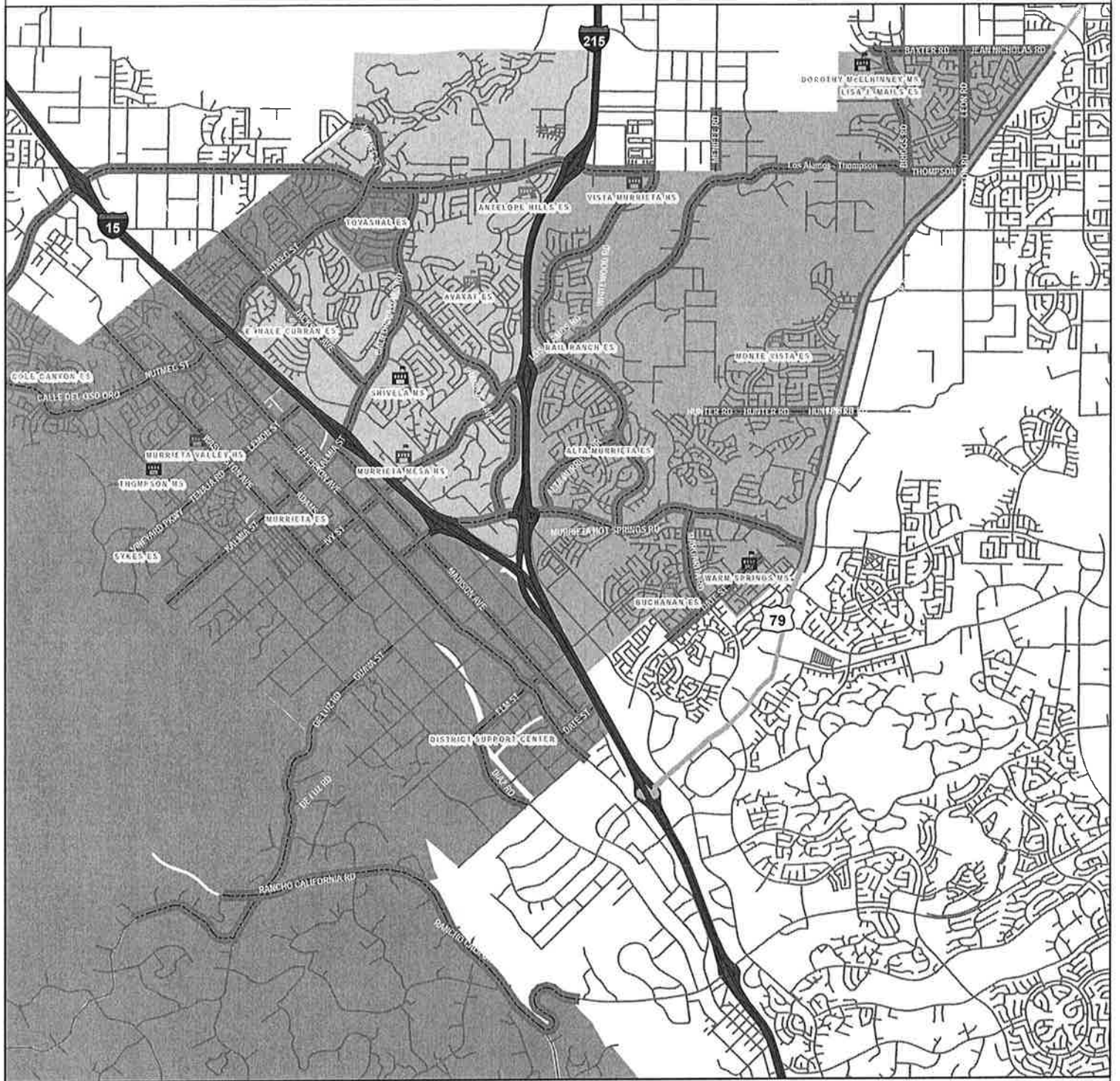
Resolution No. 2015-138

District Resolution 14/15-30

Bond Purchase Agreement

Preliminary Official Statement

High School Site Boundaries



MURRIETA VALLEY HS

MURRIETA MESA HS

VISTA MURRIETA HS