



Legislation Text

File #: 21-62, Version: 1

Memorandum

Date: February 23, 2021

To: The Honorable Bruno Sabatier, Chair, Lake County Board of Supervisors

From: Barbara C. Ringen, Treasurer-Tax Collector

Subject: Consideration of Request of Kelseyville Unified School District that the County of Lake Provide Notification to the District that the County will not Authorize the Issuance of Tax and Revenue Anticipation Notes on the District's Behalf.

Executive Summary: (include fiscal and staffing impact narrative):

The Kelseyville Unified School District requests that your Board agree to issue a notification to them that the County of Lake will not authorize the issuance of tax and revenue anticipation notes on the District's behalf. The district has provided the attached memorandum for your Board's review and approval. Your Board's approval will allow the District to issue said notes in its name.

Government Code Section 53853 provides that your Board is to issue tax and revenue anticipation notes on behalf of school district, community college districts and county boards of education which do not have fiscal accountability status. The Kelseyville School District is such an entity. An exception to this above-described statutory requirement exists if these notes are issued in conjunction with other tax and revenue anticipation notes. As is explained below, that exception is applicable here.

The Kelseyville School District participates in a cash flow borrowing program sponsored by the California School Boards Association Finance Corporation. This program is designed to provide school districts, county boards of education, and community college districts with operating liquidity until the State disburses certain deferred revenues in the 2020-2021 fiscal year (the "Program"). The indebtedness of the local agency is represented by a note or notes issued to the lender. Tax and revenue anticipation notes are expected to be issued and pooled by some or all of the entities participating in the program.

Bond counsel for the District has provided written assurances that, "The Notes of the District will be payable exclusively from money of the District and no money of the County will ever be used to pay the principal of and interest on the Notes or any expenses relating to the Program."

The Lake County Treasurer-Tax Collector is in agreement with your Board approving this request by the Kelseyville Unified School District.

If the Board determines to approve this request, you may approve the issuance of the attached memorandum to the Kelseyville Unified School District and authorize the Clerk of the Board to sign.

Thank you.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Consistency with Vision 2028 and/or Fiscal Crisis Management Plan (check all that apply):

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Infrastructure | <input checked="" type="checkbox"/> Not applicable |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Disaster Recovery | <input type="checkbox"/> County Workforce | <input type="checkbox"/> <i>Technology Upgrades</i> |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake | <input type="checkbox"/> <i>Revenue Generation</i> |
| | | | <input type="checkbox"/> <i>Cost Savings</i> |

If request for exemption from competitive bid in accordance with County Code Chapter 2 Sec. 2-38, fill in blanks below:

Which exemption is being requested?

How long has Agreement been in place?

When was purchase last rebid?

Reason for request to waive bid?

Recommended Action: Staff recommends approval of issuance of the attached memorandum.