



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: May 18, 2021

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TO: Board of Supervisors

SUBJECT

**CARLSBAD UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS
(ELECTION OF 2018, SERIES B) (DISTRICT: 5)**

OVERVIEW

A bond election was held in the Carlsbad Unified School District, County of San Diego, California (“District”) on November 6, 2018, at which at least 55% of the voters casting ballots authorized the issuance of general obligation bonds of the District in the maximum aggregate principal amount of \$265,000,000 (“Proposition HH Authorization”). The Board of the District (“District Board”) has issued or caused to be issued approximately \$84,995,000 aggregate principal amount of general obligation bonds under the Proposition HH Authorization, over one series of bonds and carries a remaining amount of approximately \$180,005,000. On March 10, 2021, the District Board authorized the issuance of the Series B bonds under the Proposition HH Authorization in an aggregate principal amount not to exceed \$93,000,000 to be designated as the “Carlsbad Unified School District General Obligation Bonds, Election of 2018, Series B (“Series B GO Bonds”). Following the issuance of the Series B GO Bonds there will be approximately \$87,005,000 remaining of the Proposition HH Authorization.

Today’s recommendation will request adoption of a resolution for the issuance of the Series B GO Bonds. The resolution includes authorizing the County on behalf of the District to issue and sell Series B GO Bonds, designating the Treasurer-Tax Collector of San Diego as the Paying Agent, executing a Paying Agent and Investment Management Agreement and directing the Auditor and Controller to maintain the tax roll for the Series B GO Bonds.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Adopt a resolution entitled:
RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AUTHORIZING THE CARLSBAD UNIFIED SCHOOL DISTRICT TO ISSUE AND SELL BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT AND INVESTMENT MANAGEMENT AGREEMENT, DIRECTING THE COUNTY AUDITOR AND CONTROLLER TO MAINTAIN TAXES ON THE

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TAX ROLL, AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES RELATING TO SAID BONDS

FISCAL IMPACT

The Series B GO Bonds will be general obligations of the District to be paid from ad valorem property taxes levied within the boundaries of the Carlsbad Unified School District, and do not constitute an obligation of the County.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

The Debt Advisory Committee, composed of the Assistant Chief Administrative Officer, Deputy Chief Administrative Officer/Chief Financial Officer, the Auditor and Controller, and the Treasurer – Tax Collector, concurs with this recommendation.

BACKGROUND

The District

The Carlsbad Unified School District was established as a unified school district in 1921. The District is located in the northwestern portion of San Diego County and encompasses approximately 30.2 square miles. The District provides kindergarten through twelfth grade education services, maintaining nine elementary schools, three middle schools, two high schools, one alternative school and one independent study school. For fiscal year 2020-21, the District's estimated average daily attendance is 11,012 students.

Authority for Issuance

The Series B GO Bonds would be issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, applicable provisions of the Education Code and other applicable State law, and pursuant to the resolution adopted by the District Board on March 10, 2021.

Purpose of Issuance

Proceeds of the Series B GO Bonds will be used for purposes specified in the Proposition HH Authorization which includes: to upgrade classrooms, science labs and technology that support student achievement, college preparation and career skills for math, science, engineering, healthcare and skilled trades; fix deteriorating roofs, plumbing/wiring; improve safety and security; renovate, construct, acquire classrooms, sites, equipment/facilities.

Sale of the Bonds

Pursuant to the District Resolutions, the Bonds shall be sold as current interest bonds at a negotiated sale pursuant to terms and conditions set forth in the related Purchase Agreement, a form of which has been approved by the District Board. Authorized officers of the District may determine the principal amount of the Series B GO Bond and have been authorized to enter into and execute the Purchase Agreement so long as certain conditions, e.g., maximum principal, maximum costs of issuance, and maximum underwriter's discount, are satisfied.

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Repayment of the Bonds

The Series B GO Bonds represent general obligations of the District payable solely from certain property taxes levied within its boundaries. The Board of Supervisors of the County of San Diego has the power and is obligated to annually levy ad valorem taxes upon all property subject to taxation within the boundaries of the District without limitation of rate or amount, for the payment of the principal and interest on the Series B GO Bonds as such becomes due and payable.

Role of the County of San Diego

The County Treasurer-Tax Collector is appointed to act as Paying Agent pursuant to the District Resolution, and today's recommendation will authorize the Treasurer-Tax Collector to enter into a Paying Agent Agreement and Investment Management with the District. The Auditor and Controller's Office annually calculates the amount of taxes to be levied to meet the debt service requirement and develops the tax rates for approval by the Board of Supervisors.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed recommendation supports the Sustainable Environments/Thriving and Operational Excellence Strategic Initiatives in the County of San Diego's 2021-2026 Strategic Plan by supporting Carlsbad Unified School District's objective of improving the quality of education for students through improvements to the District's facilities and effectively managing its bond program.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

1. County Resolution
2. Form of Paying Agent Agreement
3. Investment Management Agreement
4. District Resolution

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

May 21, 2019 (21), Carlsbad Unified School District 2019 General Obligation Bonds, (Election of 2018, Series A) (District: 5)

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):

N/A

ORIGINATING DEPARTMENT: Finance and General Government Group

OTHER CONCURRENCE(S): Debt Advisory Committee

CONTACT PERSON(S):

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