

## **Disclosure of Non-Voter Approved Debt**

Enclosed is the reporting form and instructions necessary to comply with the AB1200 and Education Code Section 17150 public disclosure requirements for proposed non-voter approved debt agreements:

- Disclosure of Non-Voter Approved Debt -- General Instructions
- Disclosure of Non-Voter Approved Debt form and information on attachments required

This form and supporting documents, such as debt repayment schedules evidencing the ability of the district to repay the obligation, must be made available to the \_\_\_\_\_ County Superintendent of Schools prior to the date the governing board will take action on the proposed non-voter approved debt issuance. This information should be provided to Business Advisory Services within fifteen (15) days of the scheduled board meeting approving the issuance.

Instructions for completing the forms are enclosed for your information. If additional explanations of the terms of the agreement are necessary, please include a written narrative explanation.

The district should provide a multi-year (three year) financial projection for all funds pledged for debt repayment (generally the General Fund or Capital Facilities Funds). The projection should show the revenue stream being committed to repayment of the debt obligation and the calculations on how the revenues are to be generated (i.e., developer fee projections, etc.)

If you have any questions, please do not hesitate to contact Business Advisory Services.

**EDUCATIONCODE**  
**SECTION 17150**

(a) Upon the approval by the governing board of the school district to proceed with the issuance of certificates of participation or revenue bonds or to enter into any agreement for financing school construction pursuant to Chapter 18 (commencing with Section 17170), the school district shall notify the county superintendent of schools and the county auditor. The superintendent of the school district shall provide the repayment schedules for that debt obligation, and evidence of the ability of the school district to repay that obligation, to the county auditor, the county superintendent, the governing board, and the public. Within 15 days of the receipt of the information, the county superintendent of schools and the county auditor may comment publicly to the governing board of the school district regarding the capability of the school district to repay that debt obligation.

(b) Upon the approval by the county board of education to proceed with the issuance of certificates of participation or revenue bonds or to enter into any agreement for financing pursuant to Chapter 18 (commencing with Section 17170), the county superintendent of schools or superintendent of a school district for which the county board serves as governing board shall notify the Superintendent of Public Instruction. The county superintendent of schools or the superintendent of a school district for which the county board serves as the governing board shall provide the repayment schedules for that debt obligation and evidence of the ability of the county office of education or school district to repay that obligation, to the Superintendent of Public Instruction, the governing board, and the public. Within 15 days of the receipt of the information the Superintendent of Public Instruction may comment publicly to the county board of education regarding the capability of the county office of education or school district to repay that debt obligation.

(c) Prior to delivery of the notice required by subdivision (a) neither the county nor any of its officers shall have any responsibility for the administration of the school district's indebtedness. Failure to comply with the requirements of this section will not affect the validity of the indebtedness.

**DISCLOSURE OF NON-VOTER APPROVED DEBT  
GENERAL INSTRUCTIONS:**

**(Pursuant to Education Code Section 17150)**

- 1) Please submit this form to the County Superintendent of Schools prior to the date the district's governing board will take action on the non-voter approved debt issuance (the initial approval to proceed with the financing).
- 2) This form is to be used for all new and refunded issuances of non-voter approved debt.
- 3) Attachments to this form include: debt repayment schedule evidence of the ability of the school district to repay the obligation (multi-year financial projections for the funds pledged for the repayment, including assumptions used, calculations or data analysis to substantiate growth or revenue projections).

**SPECIFIC INSTRUCTIONS:**

Type of Issue: Indicate the type of debt instrument, i.e. Certificates of Participation (COP), Direct Capital Lease, Land Bank, Revenue Bonds, or any agreement to finance school construction.

Board Approval Date: The initial date the board approved proceeding with the debt issuance, along with the date the actual issuance is expected to be approved by the board.

Amount of Issue: The total dollar amount the district is borrowing, including any amounts to refund existing debt issuances.

Anticipated Date of Sale: The date the debt instrument is expected to be purchased by the investor(s).

Interest Rate %: The expected rates of interest payable on the debt instrument for the term of the issue. If variable rate, indicate what drives variability, expected rate ranges, and the highest rate of interest that can be charged.

Bond Counsel and Financial Advisory/Underwriter: Indicate the company and individual contact person handling your debt financing.

Purpose of the Issue: Describe the projects to be covered by the debt issuance, i.e., building a multi-purpose room, district match to state school building project, refunding existing debt issuance for lower interest rate.

Pledged Source(s) of Funds for Debt Repayment as Indicated in the Official Statement: Indicate the sources of the funds the district is expecting to receive to repay this debt obligation as indicated in the official debt disclosure document (O.S.), i.e., state school building project apportionments, developer fees, and revenue limit apportionments. Provide analysis of projections for developer fees and/or calculations of anticipated student attendance growth for revenue limit pledges.

**DISCLOSURE OF NON-VOTER APPROVED DEBT**

In accordance with Education Code Section 17150, the following information is being provided to the county superintendent of schools and the county auditor.

School District \_\_\_\_\_ Date \_\_\_\_\_

Contact \_\_\_\_\_ Phone \_\_\_\_\_

Type of Issue \_\_\_\_\_

Board of Approval Date \_\_\_\_\_ Amount of Issue \$ \_\_\_\_\_

Anticipated Date of Sale \_\_\_\_\_ Interest Rate \_\_\_\_\_%

Bond Counsel \_\_\_\_\_

Contact \_\_\_\_\_ Phone \_\_\_\_\_

Financial Advisor/Underwriter \_\_\_\_\_

Contact \_\_\_\_\_ Phone \_\_\_\_\_

Purpose of the Issue \_\_\_\_\_

Pledged Source(s) of Funds for Debt Repayment as indicated in Official Statement \_\_\_\_\_

Alternate Sources of Funding Available for Debt Repayment \_\_\_\_\_

- Attach copies of:**
- Official Statement
  - Debt Repayment Schedule
  - \* Multi-year Financial Projections and Assumptions for all funds (General Fund, Capital Facilities, etc.) Pledged for Debt Repayment (Include calculations/backup to support anticipated revenue stream.)

Please return within 15 days of your board's approval of issuance to Business Advisory Services.