

## Proposed Actions regarding California School District Bonds

By San Diego County Treasurer-Tax Collector Dan McAllister

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1. Pursue legislative changes at the state level that will align the California Education Code with the California Government Code on school district bond financings, limiting terms to be no longer than 25 years.
2. Pursue state legislative changes that align California Education Code with the California Government Code that requires one of three government entities to sign off on bond documents for school districts.
  - a. The County Board of Supervisors
  - b. The County Superintendent of Schools
  - c. The Governing board of a community college district
3. Seek legislative changes that will offer an outline when School Districts attempt to utilize Capital Appreciation Bonds (CABs). This outline would require that bond documents **must** contain a letter signed by the superintendent and school board members that they acknowledge the interest rate and funding ratio within the transaction and have fully disclosed these terms to their respective constituencies.
4. Mandate that prepayment and refinancing options be part of **all** future school district CAB structures.
5. Call on members of the San Diego legislative delegation, Senate and Assembly, (and current candidates) to support these changes.
6. Work with LA County Treasurer- Tax Collector, Mark Saladino, who has been an advocate for change and the California Association of County Treasurers and Tax Collectors to support the legislative changes outlined above.

7. Develop formal Treasurer-Tax Collector educational briefing sessions or seminars for school district Chief Business Officers regarding bond finance vehicles and how they may be structured more cost effectively.
  
8. We intend to post a summary of all future school district bond issuances on the San Diego County Treasurer-Tax Collector website ([www.sdtreastax.com](http://www.sdtreastax.com)) including a breakdown of related financing details.