

CaLBOC CALIFORNIA LEAGUE OF BOND OVERSIGHT COMMITTEES

REVIEW

HELPING SCHOOL BOND OVERSIGHT COMMITTEES SERVE THEIR COMMUNITIES
www.CaLBOC.net

March 14, 2018

ISSUE 121



Farmington CBOC Pans Facility Options

February 26, 2018 | www.farmingtonvoice.com

EXCERPT: An oversight committee monitoring a \$131.5 million Farmington Public Schools bond program recently sent a strong message to board trustees about reducing the burden on taxpayers.

In short, Citizens Bond Oversight committee members Fritz Beiermeister, Jerry Ellis, Tom Buck and Pete Muscio believe the district should cut bond spending to \$115 million, based on the closures of Highmeadow Common Campus, already off-line, and Harrison High School, shuttered next spring.

"Please keep in mind, three bond requests were voted on by the community," the letter states. "Two were voted down. The third one was supported by a committee of community leaders which also formed the Citizen's Oversight Team to monitor bond spending. In the Citizen's Oversight Team's view, to overspend beyond the amount noted above will fail to meet the promise to the community and damage the credibility of Farmington Public Schools."...

In a note accompanying a copy of the letter sent to media, Ellis wrote that the citizens group has only the power to make recommendations and "to keep the citizens advised as to how the funds are being spent."

"We previously advised the school board of our opinion that they were about to deviate from what was promised to the voters," he wrote. "It appears as if they are ignoring us." ...

To read complete article, please visit:

<http://farmingtonvoice.com/farmington-schools-group-pans-some-facility-options/>

California's \$83 Billion of Bond Debt

March 6 2018 | By Rome Varghese | www.bloomberg.com/news

EXCERPT: ... California has about \$83 billion in outstanding general obligation and lease revenue debt, down by \$3 billion from 2016, according to state treasurer reports.

Governor Jerry Brown's administration doesn't want to sell bonds before the proceeds are needed for different stages of construction, said H.D. Palmer, a spokesman for the finance department. Otherwise, "you start racking up debt service costs for cash that's sitting idle," he said.

Indeed, a large increase in outstanding bonds could pressure California's rating, which at AA- from S&P Global Ratings is lower than the company's average AA rating for states but is at the highest in almost two decades.

"They could afford to issue a bit more debt than they're currently amortizing and maintain their current credit profile but not a significant amount," said Bernhard Fischer, senior fixed-income analyst at Principal Global Investors, which oversees about \$8 billion in munis. Fischer said the state could probably sell about \$1 billion more than it is now.

Those chafing at the pace include the California School Boards Association, which wants quicker sales of \$7 billion on bonds for construction projects at elementary and high schools and \$2 billion for community colleges. Brown, who opposed the measure, had wanted tighter accountability requirements before selling the debt.

So far about \$433 million have been sold for the schools and about \$17 million for community colleges, excluding what will be allotted from the proceeds of this week's deal. If the current pace continues, it would take more than a decade to sell the bonds, said Nancy Chaires Espinoza, a lobbyist for the association. ...

To read complete article, please visit:

<https://www.bloomberg.com/news/articles/2018-03-06/california-s-83-billion-of-bond-debt-isn-t-enough-for-some>

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SAVE THE DATE
April 24, 2018
7th Annual CaLBOC
Conference
SACRAMENTO

Theme:

"School Bonds and Property Taxes: A Citizen's Primer"

Archived Newsletters

To view all with topics visit:
calboc.com/newsletters-1.html

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- Little Hoover Commission Report Flaws in Oversight

Mission Statement

To promote school district accountability by improving the training and resources available to California's Proposition 39 School Bond Oversight Committees and educating the state legislature, local school boards and the public about the oversight and reporting powers these Citizens' Bond Oversight Committees (CBOCs) have, and to advocate on a state level, where appropriate, on issues of common concern to all CBOCs.

www.CaLBOC.net

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