

## CaLBOC Statewide Conference Highlights

### Alternative and Unconventional School Bond Financing Structures

**Mark Saladino** will speak on alternative financing structures designed to augment funding over authorized limits, and controversial (and costly) financing structures designed to circumvent tax rate limitations, and the improper use of bond proceeds.

#### **Excerpts from Articles & Links:**

**County of Los Angeles School District General Obligation Bonds - White Paper** -- ...To help manage the current fiscal challenges, many districts have sought to issue debt as one means of meeting their financial needs. While debt issuance can be part of a larger fiscal plan, the use of general obligation (GO) bonds to solve budget problems can pose a serious risk to school and community college districts. ....

[www.bondbuyer.com/pdfs/0523LA.pdf](http://www.bondbuyer.com/pdfs/0523LA.pdf)

#### **Regulators crack down on schools' borrowing**

The Los Angeles County Treasurer and Tax Collector warned local school finance managers this week that a number of common internal borrowing practices are dishonest to taxpayers and prohibited by law. ... The letter outlines several unacceptable financing practices that include borrowing from bond project funds, using a joint powers authority to augment Qualified School Construction Bonds, and issuing capital appreciation bonds with maturities over 25 years. ...

[www.capitolweekly.net/article.php?xid=zprytaoyvoxgsu](http://www.capitolweekly.net/article.php?xid=zprytaoyvoxgsu)

#### **Officials warn schools about mishandling bond money**

California school districts are using construction bond money to cover day-to-day operations and in other ways that regulators say misuse taxpayer money and violate state and federal law. In recent weeks, the state attorney general's office and county treasurers have issued warning letters to school officials after seeing an uptick in unauthorized district bond deals that saddle communities with higher debt payments. ...

[californiawatch.org/dailyreport/officials-warn-schools-about-mishandling-bond-money-10710](http://californiawatch.org/dailyreport/officials-warn-schools-about-mishandling-bond-money-10710)

**MARK SALADINO** -- *County Treasurer-Tax Collector, County of Los Angeles, Los Angeles, CA. Mr. Saladino was appointed in 1998 to serve as the Treasurer and Tax Collector of Los Angeles County by the Los Angeles County Board of Supervisors. Prior to 1998, he was an attorney in the office of the Los Angeles County Counsel, handling finance and investment matters. Mr. Saladino also was in private law practice at major law firms in New York and Los Angeles from 1982-1990. He was a 1979 graduate of the University of Illinois, where he earned a Bachelor of Science degree in Finance with High Honors. Mark Saladino obtained his law degree from New York University in 1982 and has been admitted to practice law in the states of New York, California and the District of Columbia.*

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### **Mission Statement What is Our Mission**

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What is Our Mission?  
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.

### **About CaLBOC What is CaLBOC?**

CaLBOC was formed in 2006 by CBOC members trying to find better training to help them perform their duties. Our first training session was held in San Jose in 2007, and we incorporated in the State of California in 2008. In 2009 we were recognized as a 501(c)3 charitable organization by the IRS.