



Hello Linda

## What's Really Exotic About Poway's Bonds: Millions in Extra Cash Sept.

24, 2012 | By Will Carless | [www.voiceofsandiego.org](http://www.voiceofsandiego.org)

There's a good reason the Poway Unified School District's 2011 [bond deal](#) cost so much. The district has consistently told the public that it borrowed \$105 million last year to fund the final push in its 10-year effort to modernize Poway's schools. That deal will cost taxpayers almost \$1 billion to repay, thanks to an exotic loan called a capital appreciation bond, which won't be paid off for 40 years. But Poway didn't really borrow \$105 million. It actually borrowed \$126 million.

**The district pushed the boundaries of state law to squeeze \$21 million in extra upfront cash out of the deal. To get the extra money, Poway agreed to boost the interest on its bonds for investors. The result: The ultimate cost of the loan to taxpayers increased by almost \$190 million. ...**

Poway Unified officials knew they needed legal backing to do their billion-dollar deal. So in 2010 they took the preemptive step of bringing it before a San Diego Superior Court Judge. ...

Poway's validation action, notice of which was published in The San Diego Union-Tribune, a local newspaper, [caught the attention](#) of state Attorney General Kamala Harris' office. "It is our Office's view that this proposed use of premium for costs of issuance as described in the complaint is not authorized by the law," a deputy state attorney general wrote in a March 1, 2011 warning letter to the district. "[B]y artificially inflating interest rates to generate premium, the School District is not acting consistent with statutory law, and is also incurring debt beyond what the voters authorized in violation of the California Constitution," the letter states. Despite the stark warning, Harris' office never officially challenged Poway's bond. ...

District officials may choose not to define their extra \$31 million as borrowing. But that money has been spent. And taxpayers will have to repay it - with interest. ...

**To read the complete article please visit:**

[voiceofsandiego.org/education/article\\_2dfa8c46-05cb-11e2-b3d5-001a4bcf887a.html](http://voiceofsandiego.org/education/article_2dfa8c46-05cb-11e2-b3d5-001a4bcf887a.html)

## Sweetwater School Board Hires Brand as Superintendent Despite Discontent

Sept. 25, 2012 | By Caroline Dipping | [www.utsandiego.com](http://www.utsandiego.com)

Sweetwater Union High School District trustees met for hours Monday night to decide whether to name former interim Superintendent Edward Brand as permanent chief, despite discontent expressed by hundreds of parents, teachers and community activists who say Brand has not led with transparency, among other concerns.

Board members, who spent nearly seven hours in a closed-door discussion, came out of the session at 1 a.m. Tuesday, convened the public board meeting that was to have begun at 6:30 p.m. Monday, and began listening to comments from about a dozen audience members.

Shortly after 3 a.m. Tuesday, the board voted 3 to 2 in favor of offering Brand a two-year contract. ...

**To read the complete article please visit:**

[www.utsandiego.com/news/2012/sep/24/no-decision-by-trustees-on-brands-permanent](http://www.utsandiego.com/news/2012/sep/24/no-decision-by-trustees-on-brands-permanent)

## NBC -- Sweetwater School Board Approves Contract

By Wendy Fry | Sept. 25, 2012 | *To see article and videos please visit;* [www.nbcsandiego.com/news/local/Sweetwater-Unified-High-School-District-Approves-Superintendent-Ed-Brand-171171461.html](http://www.nbcsandiego.com/news/local/Sweetwater-Unified-High-School-District-Approves-Superintendent-Ed-Brand-171171461.html)

## CBOC Letter of "No Confidence" Votes Regarding Brand

<http://buildingpropo.sweetwaterschools.org/wp-content/blogs.dir/96/files/2012/09/Nicks-Ltr-Bd-9-9-101.pdf>

## When the Trouble Started for Sweetwater Schools

... The district's decision to hire Gilbane/Seville - and later to give it even more work - brought instant criticism, even allegations of corruption. Now, five years later, it has led to criminal charges, in what District Attorney Bonnie Dumanis says was a pervasive pay-to-play scheme. ...

[voiceofsandiego.org/education/article\\_01b5a2f4-4949-11e1-a7e9-0019bb2963f4.html](http://voiceofsandiego.org/education/article_01b5a2f4-4949-11e1-a7e9-0019bb2963f4.html)

## A Guide to Understanding the Sweetwater Scandal

[voiceofsandiego.org/education/article\\_01b5a2f4-4949-11e1-a7e9-0019bb2963f4.html](http://voiceofsandiego.org/education/article_01b5a2f4-4949-11e1-a7e9-0019bb2963f4.html)

### In This Issue

[Poway's Extra Cash Costing a Premium](#)

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[2013 CalBOC Legislative Program](#)

### The Next CalBOC Board Meeting is November 9, 2012

10 am - 3 pm

Sacramento Chamber of Commerce, One Capital Mall, Sacramento, CA  
Topics: 2013 Legislation  
Conference call service will be available.

This meeting is open to all

### CalBOC is Soliciting for Suggestions for their 2013 Legislation Program

Please email proposals to:

[calboc1@aol.com](mailto:calboc1@aol.com)

by Oct. 31, 2012

CalBOC has successfully co-sponsored three bills:

- Assembly Bill No. 1199,

Chapter 73, July 10, 2012

- Senate Bill No. 423,

Chapter 237, Sept. 6, 2011

- Senate Bill No. 1473,

Chapter 294, Sept. 23, 2010

<http://calboc.org/legis.html>

### Join Our Mailing List!

#### CalBOC recruiting Board of Advisors

Nominate someone or nominate yourself. Contact:

[calboc1@aol.com](mailto:calboc1@aol.com)

For more info

visit: [calboc.com/advise.html](http://calboc.com/advise.html)

#### 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.

#### Archived CalBOC Newsletters

[calboc.org/reviews.html](http://calboc.org/reviews.html)

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