

RESCUE UNION SCHOOL DISTRICT

AGENDA ITEM: **El Dorado Schools Financing Authority
Community Facilities District No. 1
Fiscal Year 2017-18 Update**

Information Item – No Action Required

BACKGROUND:

In 1987, the El Dorado Hills Land Development Company (the Landowners) presented the El Dorado Hills Specific Plan to the County of El Dorado proposing to develop what would become the Serrano Villages. On June 19, 1990, the Rescue Union School District, Buckeye Union Elementary School District, and the El Dorado Union High School District established the El Dorado Schools Financing Authority (a Joint Powers Authority) for the purpose of financing, acquisition, and construction of educational facilities.

In the spring of 1991, the El Dorado Hills Development Company (the “Landowners”) petitioned the El Dorado Schools Financing Authority to form the Community Facilities District No. 1. At or near the same time, the Landowners elected to form the Community Facilities District No. 1 in order to finance adequate school facilities made necessary in part by the development within the El Dorado Hills Specific Plan and adopted by the El Dorado County Board of Supervisors on or about January 19, 1989. In accordance with the Mello-Roos Community Facilities Act of 1982, the Landowners of Community Facilities District No. 1 elected to authorize the levy of a special tax to assist in funding the construction and acquisition of school facilities to serve the residents of dwellings constructed on the Landowners’ property.

STATUS:

Rescue Union School District receives special taxes (Mello Roos) paid by the homeowners in Community Facilities District No. 1 designated for the financing, acquisition and construction school facilities made necessary by the development with the El Dorado Hills Specific Plan.

For 2017-18, the Rescue Union School District has received \$820,757 in special taxes and interest from CFD No. 1. Additionally, the District drew \$4.6M of the 2017 COP (\$5.355M) that will be paid from the CFD#1 funds.

During Fiscal Year 2017-18, the Rescue Union School District expended \$6,544,106 from CFD No. 1 on expenditures related to the building of the Marina Village Middle School Two-Story building. In addition, Rescue Union School District had \$5,797 in cost related to the Sienna Ridge Property, \$36,120 in costs for the Bass Lake Property, paid to EDUHSD \$3,334 for collection of the CFD funds, and made payments on the 2010 Certificates of Participation that include \$116,875 toward principal and \$241,689 toward interest.

As of June 30, 2018, the estimated total fund balances (unaudited) of the El Dorado Schools Financing Authority Community Facilities District No. 1 for Rescue Union School District are as follows:

Fund 35	\$2,212,363	
Fund 49	\$ 383,213	
<u>Funds w/ fiscal agent</u>	<u>\$ 793,786</u>	<i>(El Dorado Union High School District)</i>
Total	<u>\$3,389,362</u>	

FISCAL IMPACT:

The District expended \$6,947,921 in CFD funds in 2017-18.

BOARD GOAL(S):

Board Focus Goal II – FISCAL ACCOUNTABILITY:

Keep the district fiscally solvent through prudent LCAP aligned budget processes in order to meet the needs of our students.

Board Focus Goal V - FACILITY / HOUSING:

Build, improve and maintain school facilities to meet current and future education needs while integrating the most effective and efficient use of resources.

Local Control Accountability Plan GOAL 6:

The District will create and maintain facilities and grounds that are safe, clean and conducive to the learning process.

RECOMMENDATION:

No Action Required – Information Only Item.

**Rescue Union School District
Community Facilities District #1
Fiscal Year 2017-18**

Fund 49 - Community Facilities District	
<i>Includes Funds Held with Fiscal Agent (EDUHSD)</i>	
Beginning Balance:	\$ 1,074,582
<i>Revenues:</i>	
<i>Transfers In - From Fiscal Agent (EDUHSD)</i>	\$ 3,700,000
<i>Cash with Fiscal Agent (EDUHSD)</i>	\$ 755,842
<i>Interest Earned (Fund 49)</i>	\$ 9,112
<i>Interest Earned (With Fiscal Agent)</i>	<u>\$ 41,278</u>
Total Revenues:	\$ 4,506,232
<i>Transfers:</i>	
<i>Marina Village 2-Story Project (Trsfr to FD 35)</i>	\$ (4,000,000)
<i>Expenditures:</i>	
<i>CFD Collection Fees (With Fiscal Agent)</i>	\$ 3,334
<i>Bass Lake Expenses - Legal / Consultant</i>	\$ 36,120
<i>Sienna Ridge Expenses - Legal / Consultant</i>	\$ 5,797
<i>Debt Service - COP Interest & Fees</i>	\$ 241,689
<i>Debt Service - COP Principal</i>	<u>\$ 116,875</u>
Total Expenditures:	\$ (403,815)
Ending Balance:	<u>\$ 1,176,999</u>
<i>Fund 49</i>	<i>\$ 383,213</i>
<i>Funds with Fiscal Agent</i>	<i>\$ 793,786</i>

CFD #1 Assets in Fund 35	
<i>Proceeds of 2010 & 2017 COPs / Transfer for MV 2-Story Project</i>	
Beginning Balance:	\$ 154,936
<i>Revenues:</i>	
<i>Transfers In - From Fund 49</i>	\$ 4,000,000
<i>Interest Earned</i>	\$ 1,533
<i>2017 COP Drawn Proceeds</i>	<u>\$ 4,600,000</u>
Total Revenues:	\$ 8,601,533
<i>Expenditures:</i>	
<i>MV 2-Story Building Project (1032)</i>	<u>\$ 6,544,106</u>
Total Expenditures:	\$ (6,544,106)
Ending Balance:	<u>\$ 2,212,363</u>

Budgeted Assets:

CFD #1 Assets in Fund 35	\$ 2,212,363
Fund 49 - Community Facilities District	\$ 383,213
Cash w/ Fiscal Agent (EDUHSD)	\$ 793,786
Total Assets:	<u>\$ 3,389,362</u>

Budgeted Liabilities (COP Principal Balances):

2010 COP Refunding - CFD Principal Share (69.75%)	\$ 4,767,813
2017 COP Issuance for MV 2-Story Project	\$ 5,355,000
Total Liabilities:	<u>\$ 10,122,813</u>