



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Council



Date: September 8, 2015
Board Meeting Date: October 6, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John C. Beiers, County Counsel

Subject: Issuance and Sale by the San Mateo-Foster City School District of its
Election of 2008 General Obligation Bonds, Series D

RECOMMENDATION:

Adopt a resolution authorizing the San Mateo-Foster City School District to issue and sell Series D Bonds, through a negotiated sale, in an amount not to exceed \$60,000,587.15 without further action of the County.

BACKGROUND:

The voters in the San Mateo-Foster City School District ("District") approved by more than fifty-five percent of the voters a school bond measure on February 5, 2008, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$175,000,000 (the "Bond Measure"). In three prior issuances in 2010 and 2012, the District issued \$114,999,412.85 of the total authorized amount of \$175,000,000.

On September 10, 2015, the District's Board of Education authorized the issuance and sale of "San Mateo-Foster City School District (San Mateo County, California) General Obligation Bonds, Election of 2008, Series D," in an aggregate principal amount not-to-exceed \$60,000,587.15 ("Series D Bonds"), and requested that the County Board of Supervisors authorize the District to issue and sell the Series D Bonds on its own behalf, by negotiated sale.

DISCUSSION:

State law generally provides that the County may issue and sell general obligation bonds on behalf of a school district, but California Government Code §§ 53506 et. seq. and Education Code § 15140(b) also allow the Board of Supervisors to authorize the District to sell and issue bonds directly on its own behalf without further action of the Board of Supervisors or officers of the County.

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The District is being assisted by Stradling, Yocca, Carlson & Rauth, as bond counsel, and Keygent, LLC. as financial advisor.

Authorizing the District to issue and sell its own bonds will contribute to the Shared Vision 2025 outcome of Collaborative Community by supporting fiscal accountability.

FISCAL IMPACT:

These bonds are general obligations of the District, and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the bonds.