

**COUNTY OF SONOMA
AGENDA ITEM
SUMMARY REPORT**

Clerk of the Board Use Only
Meeting Date
____/____/____
Agenda Item No:

Department: Auditor-Controller/Treasurer-Tax Collector

() 4/5 Vote Required

Contact:
Cathy Patton

Phone:
(707) 565-2073

Board Date:
July 14, 2009

Deadline for Board Action:
July 14, 2009

AGENDA SHORT TITLE:

Petaluma Elementary School District 2009 Tax and Revenue Anticipation Notes.

REQUESTED BOARD ACTION:

Approval of the Resolution of the Board of Supervisors providing for the borrowing of funds in the name of the Petaluma (Elementary) School District for fiscal year 2009-10 and the issuance and sale of 2009 Tax and Revenue Anticipation Notes (in an amount not to exceed \$10,000,000.)

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES

ADDITIONAL FUNDS REQUIRING BOARD APPROVAL

Estimated Cost \$

Contingencies \$
(Fund Name:)

Amount Budgeted \$

Unanticipated Revenue \$
(Source:)

Other Avail Approp \$
(Explain below)

Other Transfer(s) \$
(Source:)

Additional Requested: \$

Additional Funds Requested: \$

Explanation (if required):

Prior Board Action(s):

Annually the School District issues short-term notes to bridge shortages in cash flow

Alternatives - Results of Non-Approval: The Petaluma Elementary School District will have to consider other alternatives for cash flow borrowing.

Background:

School districts organized and existing under the laws of the State of California are authorized by Article 7.6 (commencing with section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code to borrow money by the issuance of temporary notes, the proceeds of which may be used and expended for any purpose for which the school district is authorized to spend moneys. The District may borrow funds from the Sonoma County Investment Pool, but the rate is higher than that of the non-taxable Tax and Revenue Anticipation Notes. The District would save money by issuing the Tax and Revenue Anticipation Note (TRAN) and selling them to the public. A TRAN is a short-term debt security that provides public agencies the opportunity to borrow for one year to cover temporary cash deficits caused by the cyclical nature of tax receipts.

The Board of Education of the Petaluma Elementary School District has requested that the Board of Supervisors approve a resolution to issue Tax and Revenue Anticipation Notes in an amount not to exceed \$10,000,000.

Documents were prepared by Quint & Thimmig, L.L.P.

Attachments: Resolution of the Board of Supervisors of the County of Sonoma

On File With Clerk:

- 1) Notice of Intention
- 2) Official Notice of Sale
- 3) Continuing Disclosure Certificate
- 4) Form of Final Opinion of Bond Counsel
- 5) Form of Resolution of the Petaluma Elementary School District

Board Action (If other than Requested)

Vote: