RIVERSIDE UNIFIED SCHOOL DISTRICT BUSINESS SERVICES AND GOVERNMENTAL RELATIONS DIVISION

Board Finance Subcommittee Thursday, October 10, 2019 District Office, 3380 14th Street Conference Room 3 9:00 a.m.

AGENDA

As required by Government Code 54957.5, agenda materials can be reviewed by the public at the District's administrative offices, Reception Area, First Floor, 3380 Fourteenth Street, Riverside, California.

Call Meeting to Order

Public Input

The subcommittee will consider requests from the public to comment. Comments should be limited to three minutes or less. If you wish to address the subcommittee concerning an item already on the agenda, please indicate your desire to do so on a provided card. You will have an opportunity to speak prior to the subcommittee's deliberation on that item.

Pursuant to Section 54954.2 of the Government Code, no action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of the Subcommittee or staff may briefly respond to statements made or questioned posed by persons exercising their public testimony rights. Discussion of items brought forward that are not on the agenda shall be considered for future agendas by the Subcommittee Chair.

Action/Discussion Items

The following agenda items will be discussed and the subcommittee members may choose to introduce and pass a motion as desired.

1. Approval of Minutes

The Subcommittee will be asked to approve the minutes of the September 18, 2019 meeting.

2. 2016 General Obligation (GO) Bonds, Series B

The Subcommittee will be presented with the resolution recommendation to issue the second series of bonds from the 2016 GO Bonds in an amount not to exceed \$172,000,000.00. The Resolution for the issuing of the second series of the bonds will be presented to the Board of Education at the November 4, 2019 meeting.

3. 2019 General Obligation Refunding Bonds

The Subcommittee will be presented with the resolution recommendation authorizing the issuance of the Refunding Bonds in an aggregate principal amount not to exceed \$28,000,000.00. The resolution authorizing the issuance of the Refunding Bonds will be presented to the Board of Education at the November 4, 2019 meeting.

4. Revolving Cash Resolutions

Staff will present to Subcommittee for review, a draft resolution for revolving cash accounts. The resolution for Revolving Cash Accounts will be presented to the Board of Education at the November 4, 2019 meeting.

Future Agenda Items

Adjournment

UNOFFICIAL

This is an uncorrected copy of Finance Subcommittee Meeting Minutes. The Minutes do not become official until the Board Subcommittee at the next meeting approves them.

RIVERSIDE UNIFIED SCHOOL DISTRICT BUSINESS SERVICES AND GOVERNMENTAL RELATIONS DIVISION

Board Finance Subcommittee Wednesday, September 18, 2019 District Office, 3380 14th Street Conference Room 3

Minutes

CALLED TO ORDER: 10:04 a.m. by Dr. Angelov Farooq

PRESENT: Dr. Angelov Farooq and Kathy Allavie, Board Members, Dr. David Hansen, Superintendent, Mays Kakish, Chief Business Officer/Governmental Relation, and Sergio San Martin, Assistant Superintendent of Operations

Also present were Erin Power, Director Business Services, Melissa Elwood, Asst. Director Business Services, David Watring, RCTA President, Daniel Rudd, CSEA President, Michael Gull, RASM President, Ana Gonzalez, Director Planning and Development, Gaby Adame, Asst. Director Facilities Planning, Jane Jumnongsilp, Director Purchasing, Suparna Jain, Attorney for AALRR, Adam Bauer, CEO/President Fieldman/Rolapp and Susanne Anderson (Recorder)

Public Comment

There were no requests to speak with subcommittee members.

Action/Discussion Items

1. Approval of Minutes

Mrs. Allavie moved and Dr. Farooq seconded to approve the minutes of the August 22, 2019, meeting as presented.

2. Purchasing Policy Revisions

The Subcommittee reviewed and discussed the wording to Board Policy (BP) 3311 Bids that will be presented to the Board of Education for a second reading, at the October 1, 2019 meeting. Legal Counsel provided feedback and the following language is recommended: "The prequalification uniform system will include criteria that will offer additional points to contractors located in the City of Riverside including unincorporated areas encompassed by Riverside Unified School District boundaries."

3. Riverside Unified School District CFD No. 34, Special Tax Bonds, Series 2019

The Subcommittee reviewed the plan of finance for CFD 34, Special Tax Bonds, Series 2019 as presented by Fieldman/Rolapp & Associates. The Resolution for the Issuance of Bonds will be presented to the Board of Education for adoption at the November 4, 2019 meeting.

4. Economic Impact Study

The Subcommittee reviewed and discussed the proposal from UCR School of Business for an Economic Impact Study. The cost of the study was renegotiated down by 50% of the original proposal.

- Future Agenda Items
 1. 2016 General Obligation Bonds, Series B
 2. 2019 General Obligation Refunding Bonds

Adjournment
The meeting adjourned at 10:55a.m.





Election of 2016 General Obligation Bonds, Series B (Federally Tax-Exempt) \$172,000,000*

2019 General Obligation Refunding Bonds (Federally Taxable) \$26,480,000*

Board Finance Subcommittee Meeting

October 10, 2019

*Preliminary and subject to change



Table of Contents

History of Measure O and Assessed Valuation

Outstanding General Obligation Bond Debt

Election of 2016 General Obligation Bonds Series B and 2019 General Obligation Refunding Bonds





Section I

History of Measure O and Assessed Valuation



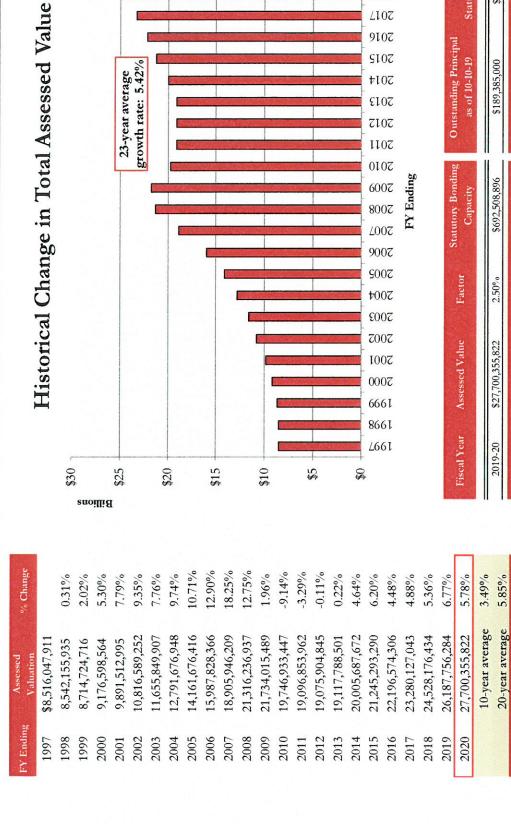
Election of 2016 Measure O

- The Riverside Unified School District passed its Measure O Proposition 39 Election on November 8, 2016, with a 70.44% voter approval
- o Authorizes \$392 million in bond authorization
- * Measure O projected tax rate limit: \$59 per \$100,000 of Assessed Value (legally can project up to \$60)
- ❖ The District issued its first series of bonds in May 2017 for \$100 million, which after costs provided \$99,150,000 to the Building Fund
- The December 2019, the District plans to issue its second series of bonds ("Series B Bonds") in the aggregate amount of \$172 million
- o Following issuance of the Series B Bonds, remaining Measure O authorization will be \$120 million





Historical Assessed Valuation









Section II

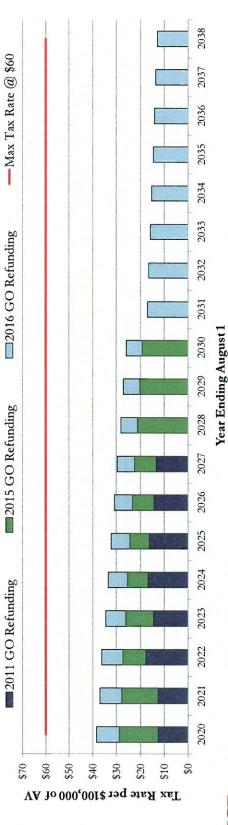
Outstanding General Obligation Bond Debt



Election of 2001 Debt Outstanding

- The District has three series of GO Bonds currently outstanding under the November 2001 Prop 39 Election
- Issued the entire bond authorization amount of \$175,000,000 •
- o Series A Bonds issued for \$60,000,000
- The 2011 GO Refunding Bonds refunded the Election of 2001, Series A Bonds
- Series B Bonds issued for \$65,000,000 0
- The 2015 GO Refunding Bonds refunded the Election of 2001, Series B Bonds
- Series C Bonds issued for \$50,000,000 0
- The 2016 GO Refunding Bonds refunded the Election of 2001, Series C Bonds

Projected Tax Rates Under Election of 2001(1)





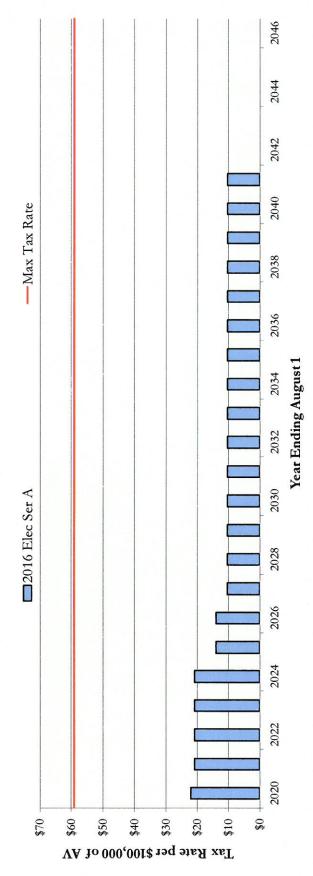
RUSD (1) Assumes 4.00% growth for FY 20-21 and every year thereafter



Election of 2016 Debt Outstanding

- The District has one series of GO Bonds currently outstanding under the November 2016 Prop 39 Election
- Has issued a portion of the total bond authorization amount of \$392,000,000 o Series A Bonds issued for \$100,000,000 •

Projected Tax Rates Under Election of 2016(1)







Summary of Outstanding GO Debt

- The 2011 General Obligation Refunding Bonds can be refinanced at par value on February 1, 2021
- Current taxable rates are near all-time historic lows and could provide total taxpayer savings over \$2 million

General Obligation Bonds Outstanding

))	
Issue	Final Maturity	Original Principal	Outstanding as of 10-10-19	Next Call Date
2011 General Obligation Refunding Bonds	2/1/2027	\$46,125,000	\$29,065,000	2/1/21 @ 100
2015 General Obligation Refunding Bonds	8/1/2030	48,810,000	36,760,000	8/1/25 @ 100
2016 General Obligation Refunding Bonds (Taxable)	8/1/2038	53,365,000	51,215,000	8/1/26 @ 100
2016 Election General Obligation Bonds, Series A	8/1/2041	100,000,000	72,345,000	8/1/27 @ 100
Total			\$189,385,000	





Section III

Election of 2016 General Obligation Bonds Series B and 2019 General Obligation Refunding Bonds





	Debt Service Fund	(\$3,748,640)	(5,732,250)	(862,624)	I	Ĭ		ť	ī	1		1		Ĭ	Ē	i	ī	j	1	ì	1	ť		(\$15.762.414)
Debt Service	Interest	\$3,748,640	5,732,250	4,984,500	4,963,700	4,933,300	4,848,700	4,749,300	4,610,500	4,453,300	4,276,100	4,077,500	3,856,100	3,610,500	3,339,100	3,040,300	2,712,100	2,352,900	1,960,500	1,639,950	1,294,500	923,100	524,100	\$82,049,840
ources & Uses	Principal	\$9,745,000	10,445,000	520,000	760,000	2,115,000	2,485,000	3,470,000	3,930,000	4,430,000	4,965,000	5,535,000	6,140,000	6,785,000	7,470,000	8,205,000	8,980,000	9,810,000	10,685,000	11,515,000	12,380,000	13,300,000	17,470,000	\$172,000,000
	Date	8/1/2020	8/1/2021	8/1/2023	8/1/2024	8/1/2025	8/1/2026	8/1/2027	8/1/2028	8/1/2029	8/1/2030	8/1/2031	8/1/2032	8/1/2033	8/1/2034	8/1/2035	8/1/2036	8/1/2037	8/1/2038	8/1/2039	8/1/2040	8/1/2041	8/1/2042	Total
		172,000,000.00	15,785,435.10	18/,/85,455.10	\$ 187,785,435.10				2 500 00	00.000,			15,785,435.10			382,500.00	860,000,00	1.242.500.00	9					\$ 187,785,435.10
Sources & Uses		\$ 172,000		# 18/,/	\$ 187.7		· · · · · · · · · · · · · · · · · · ·		170 75	4 1/0,/2/,500.00			\$ 15,785			\$ 38	98	\$ 1.242						\$ 187

9,612,500 9,996,100

10,395,500 10,809,100 11,245,300 11,692,100 12,162,900 12,645,500 13,154,950 13,674,500 14,223,100 17,994,100 \$238,287,426

5,723,700 7,048,300

10,445,000 10,860,000 4,641,876

\$9,745,000

Net Debt Service 8,219,300 8,540,500

8,883,300 9,241,100

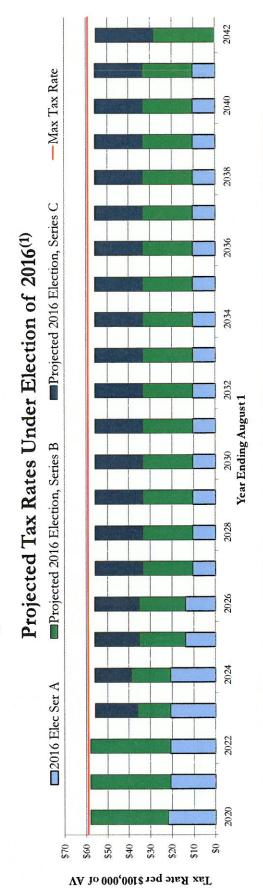
7,333,700





Election of 2016 Measure O Finance Plan

- The District has sufficient tax capacity to issue the remaining \$292 million authorization of Measure O by 2022
- Measure O tax rates are projected to stay under the maximum tax rate of \$59 per \$100,000 of assessed valuation through 2042 **



Issue Date 5/25/2017 12/17/2019 8/1/2022 Par Amount \$100,000,000 \$172,000,000 \$392,000,000 Project Fund \$99,150,000 \$170,757,500 \$119,315,000 \$389,222,500 Final Maturity 8/1/2041 8/1/2042 8/1/2042 8/1/2042 Repayment Ratio 1.40 to 1 1.37 to 1 1.67 to 1 1.48 to 1		Series A	Series B	Series C	Total
\$100,000,000 \$172,000,000 \$120,000,000 \$ \$99,150,000 \$170,757,500 \$119,315,000 \$ 8/1/2041 8/1/2042 8/1/2042 \$ 1.40 to 1 1.37 to 1 1.67 to 1	Issue Date	5/25/2017	12/17/2019	8/1/2022	
\$99,150,000 \$170,757,500 \$119,315,000 \$	Par Amount	\$100,000,000	\$172,000,000	\$120,000,000	\$392,000,000
8/1/2041 8/1/2042 8/1/2042 1.40 to 1 1.37 to 1 1.67 to 1	Project Fund	\$99,150,000	\$170,757,500	\$119,315,000	\$389,222,500
1.40 to 1 $1.37 to 1$ $1.67 to 1$	Final Maturity	8/1/2041	8/1/2042	8/1/2042	8/1/2042
	Repayment Ratio	1.40 to 1	1.37 to 1	1.67 to 1	1.48 to 1





2019 Refunding Bonds Overview*

the outstanding 2011 GO Refunding Bonds, The 2019 GO Refunding Bonds will refund callable on February 1, 2021 at par value Projected net present value savings: 7.39% of the refunded par amount

Refunding Savings

Date	Prior Debt Service	Refunding Debt Service	Gross Savings	NPV Savings
2/1/2021	\$602,050	\$597,073	\$4,977	\$4,962
2/1/2022	1,204,100	1,123,894	80,206	81,992
2/1/2022	5,064,100	4,727,984	336,116	323,243
2/1/2023	4,346,100	4,058,604	287,496	269,808
2/1/2024	5,174,350	4,829,400	344,950	314,860
2/1/2025	5,182,850	4,839,643	343,207	305,137
2/1/2026	4,810,100	4,487,592	322,508	279,325
2/1/2027	4,669,600	4,358,832	310,768	262,134
Total	\$31,053,250	\$29,023,021	\$2,030,229	\$1,841,460

Sources & Uses

SOURCES		
Bond Proceeds		
Par Amount	₩	26,480,000.00
Total Sources	S	26,480,000.00
ITSES		
Refunding Escrow Deposits		
Cash Deposit	₩	0.38
SLGS Purchases		26,275,530.00
	₩	26,275,530.38
Delivery Date Expenses		
Cost of Issuance	6	67,500.00
Underwriter's Discount		132,400.00
	₩.	199,900.00
Other Fund Deposits		
Additional Proceeds	₩	4,569.62
Total Uses	€9	26,480,000.00



Financing Schedule*

Description	Board Finance Subcommittee Meeting	Board Considers Financing Approval	Credit Presentation	Rating Received	Pricing	Closing
Date	Thursday, October 10, 2019	Monday, November 4, 2019	Friday, November 8, 2019	Monday, November 18, 2019	Tuesday, December 3, 2019	Tuesday, December 17, 2019



RIVERSIDE UNIFIED SCHOOL DISTRICT RESOLUTION NO. 2003/04-59

RESOLUTION AUTHORIZING THE ESTABLISHMENT AND MAINTENANCE OF REVOLVING CASH FUND

WHEREAS, Section 42800 of the Education Code provides that the governing board of any school district may establish a revolving cash fund for use by the chief accounting officer of the district; and

WHEREAS, the Board of Education of the Riverside Unified School District has previously authorized the establishment of a revolving cash fund in an amount that shall not exceed \$25,000; and

WHEREAS, the Board of Education of the Riverside Unified School District has appointed Herb H. Calderon as custodian of said fund and that the signature of the custodian is required on claims for replenishment of said fund; and

WHEREAS, the day-to-day expenditures of an emergency nature can be paid most efficiently from a revolving cash fund; and

WHEREAS, the District's needs regarding day-to-day expenditures of an emergency nature have increased, and a more reasonable fund balance for a district the size of Riverside Unified School District is \$150,000;

NOW THEREFORE BE IT RESOLVED that the balance of the revolving cash fund shall be increased by an amount of one hundred twenty-five thousand dollars (\$125,000) to a total fund balance of one hundred fifty thousand dollars (\$150,000).

I, Maxine Frost, Clerk of the Board of Education of the Riverside Unified School District, do certify that the foregoing resolution was duly adopted by the Board of Education of said District at a regular meeting of said Board held on the 20th day of January, 2004, at which it was adopted by the following vote:

AYES _	4	
NOES	0	
ABSENT _		Alaxinz Trost
		Maxine Frost

Clerk of the Board of Education



TO THE BOARD OF EDUCATION FROM THE SUPERINTENDENT

Adoption of Resolution 2003/04-59 - Authorizing The Establishment and Maintenance of Revolving Cash Fund

California Education Code Section 42800 provides that the governing board of any school district may establish a revolving cash fund for use by the chief accounting officer. Such funds are limited to the lesser of two (2) percent of the District's estimated expenditures for the current year, or \$150,000 (adjusted annually by the revenue limit cost-of-living-adjustment). The District has previously established and maintained a revolving cash fund of \$25,000 for day-to-day emergencies. In recent months this amount has been insufficient to meet our demand for urgent payments or other authorized needs. A fund limitation of \$25,000 is considerably small for a District the size of Riverside Unified.

The attached resolution has been prepared for the Board's consideration to authorize an increase in the revolving cash fund to \$150,000. This \$150,000 is a component of our ending fund balance and the increase does not have any budgetary impact for 2003-04.

RECOMMENDED ACTION:

It is recommended that the Board of Education adopt Resolution 2003/04-59 - Authorizing the Establishment and Maintenance of Revolving Cash Fund.

BUSINESS & GOVERNMENTAL RELATIONS January 20, 2004 MHF

RIVERSIDE UNIFIED SCHOOL DISTRICT

Resolution No. 2015/16-04

RESOLUTION OF THE BOARD OF EDUCATION OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT AUTHORIZING THE MAINTENANCE OF BANK AND CORPORATE CREDIT CARD ACCOUNTS, AND APPROVING THE AUTHORIZED SIGNATURES FOR SUCH ACCOUNTS

WHEREAS, the Riverside Unified School District (District) has established and maintains bank accounts for the purposes of District operations and associated student body activities; and

WHEREAS, the District has established and maintains a business credit card account for use by designated representatives of the District for business purposes for the benefit of the District, and

WHEREAS, the persons listed below by name and organizational title are designated as being authorized signatures for the purposes set forth below;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- The financial institutions listed below are selected and designated as a depository of funds of the Riverside Unified School District (District), and that such deposit account or accounts be established and maintained by and in the name of the District, and that said financial institutions are authorized to act without further inquiry in accordance with writings bearing the signatures of the persons listed below until such financial institutions receive written notice that signature(s) are no longer authorized.
- 2. The officer named below has been duly authorized, is now acting and is authorized to access information on each account, on behalf of the District:

Mays Kakish, Chief Business Officer/Governmental Relations

3. The employees and/or agents named below have been duly authorized, are now acting and are authorized to draw checks in the manner set forth on each respective account as indicated below:

<u>Cafeterias of Riverside Unified School District Prestige Money Market Account</u>
Altura Credit Union, Account Number ending in "6036"
By any two of the following persons designated by name and organizational title;

Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services Rodney K. Taylor, Director of Nutrition Services Jill Collier, Fiscal Services Manager - Payroll/ASB

District Clearing Fund Prestige Money Market Account

Altura Credit Union, Account Number ending in "8670"

By any two of the following persons designated by name and organizational title;

Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services Jill Collier, Fiscal Services Manager – Payroll/ASB Annette Alvarez, Fiscal Services Manager – Attendance/Accounting Dalia Gadelmawla, Manager Fiscal Services – Budget

Property and Liability Trust Prestige Money Market Account

Altura Credit Union, Account Number ending in "0667"

By any two of the following persons designated by name and organizational title, EXCEPT when the amount is greater than \$25,000, then by any two of the following with a required third signature from a Riverside Unified School District authorized signer.

Fritz Heirich - Chief Executive Officer, Alliance of Schools for Cooperative Insurance Program (ASCIP)

Russell O'Donnell - Chief Operations Officer, ASCIP

Lynn Truong - Chief Financial Officer, ASCIP

Joan Weeks - Claims Manager, CorVel Corporation

Mays Kakish, Chief Business Officer/Governmental Relations

Sandra L. Meekins, Director V - Business Services

Kathleen Everhart, Director II, Risk Management

District Revolving Fund Prestige Money Market Account

Altura Credit Union, Account Number ending in "8669"

By any two of the following persons designated by name and organizational title;

Mays Kakish, Chief Business Officer/Governmental Relations

Sandra L. Meekins, Director V – Business Services

Jill Collier, Fiscal Services Manager - Payroll/ASB

Annette Alvarez, Fiscal Services Manager - Attendance/Accounting

Dalia Gadelmawla, Manager Fiscal Services - Budget

Riverside Unified Workers' Compensation

Altura Credit Union, Account Number ending in "9153"

By any two of the following persons designated by name and organizational title; EXCEPT when the amount is greater than \$3,000, then by any three of the following persons designated by name and organizational title;

Richard Taketa, CEO, York Insurance Services Group Inc.

Jody Gray, Sr. Vice President, York Insurance Services Group Inc.

Carolyn Kho, Vice President Financial Planning, York Insurance Services Group Inc.

Debi L. Harrington, Assistant Vice President Client Banking, York Insurance Services Group Inc.

Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services Kathleen Everhart, Director II – Risk Management Jill Collier, Manager Fiscal Services – Payroll/ASB

Riverside Unified Medical Insurance Program

Union Bank, Account Number ending in "9080"

By Mr. Stamler designated by name and organizational title; EXCEPT when the amount is greater than \$25,000, then by any two of the following persons designated by name and organizational title;

William Michael Stamler, CEO, Delta Health Systems Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services Kathleen Everhart, Director II – Risk Management

Or by any two of the following persons designated by name and organizational title; without regard to amount;

Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services Kathleen Everhart, Director II – Risk Management

4. The officers named below have been duly authorized, are now acting and are authorized and directed to 1) do any and all things which may be deemed necessary or advisable in order to establish and maintain a business credit card program at Altura Credit Union for use by the District for business purposes and for the benefit of the District, 2) authorize named institution to issue credit cards to designated representatives of the District for business purposes and the benefit of the District; said cards to be issued under the normal terms and conditions set forth by the named institution and; 3) access information on each account on behalf of the District:

Mays Kakish, Chief Business Officer/Governmental Relations Sandra L. Meekins, Director V – Business Services

5. This resolution and each such certification shall remain in force and effect, and the financial institution listed above is authorized and requested to rely and act thereon and shall be indemnified and saved harmless from all liability and loss incurred by them in continuing to act in pursuance of this resolution (even though they may have been changed) until they shall receive at their office to which a certified copy of this resolution is delivered, either a certified copy of a further resolution of the Board of Education amending or rescinding this resolution or a further certification as above provided for, as the case may be.

6. The Clerk of the Board of Education is authorized and directed to certify to the financial institution listed above that this resolution has been duly adopted and is in conformity with the articles of incorporation, charter, and by-laws or other governing instrument of the District, and further to certify to the financial institution listed above a copy of this resolution, the names and specimen signatures of the present officers and other persons of this organization authorized to sign as aforesaid, and the fact of any change of the persons herein designated by title together with the names and specimen signature of the successor.

PASSED AND ADOPTED by the Board of Education of the Riverside Unified School District at its regular meeting held on July 20, 2015 by the following vote:

AYES: 4	
NOES:	
ABSTAIN: Ø	
ABSENT: /	
	Brent Lee
	Clerk of the Board of Education
Dated:	

RIVERSIDE UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 2019/20-23

RESOLUTION REGARDING ESTABLISHMENT AND MAINTENANCE OF REVOLVING CASH FUND AND DESIGNATING CUSTODIAN

WHEREAS, Section 42800 of the Education Code provides that the governing board of any school district, with the consent of the county superintendent of schools, may establish a revolving cash fund for use by the chief accounting officer of the district; and

WHEREAS, the Board of Education of the Riverside Unified School District has previously authorized the establishment of a revolving cash fund in an amount that shall not exceed \$150,000, and hereby confirms the necessity for such fund; and

WHEREAS, the chief accounting officer of the Riverside Unified School District is Mays Kakish, Chief Business Officer and Governmental Relations; and

WHEREAS, Ms. Kakish accepts the revolving cash fund as being in good order and fully reconciled to her satisfaction; and

WHEREAS, the revolving cash fund shall be used only for lawful purposes, including the expeditious purchase of services, supplies and materials, to reduce the need for issuing numerous small warrants or to correct an error in a pay warrant;

NOW, THEREFORE BE IT RESOLVED that pursuant to Education Code Section 42800, a revolving cash fund in the amount of one hundred fifty thousand dollars (\$150,000) is hereby authorized for use by Mays Kakish, Chief Business Officer and Government Relations, as specified herein and subject to the approval of the Superintendent of Schools, Riverside County.

PASSED AND ADOPTED by the Board of Education of the Riverside Unified School District at its regular meeting held on November 4, 2019 by the following vote:

	AYES:	
	NOES:	
	ABSTAIN:	
	ABSENT:	
		Thomas R. Hunt II, Clerk Clerk of the Board of Education
Dated:		
383-1/4572212.1		