### **Conduit Financing Provider**

### **Cover Page**

ID Number985
(MM/DD/YY)
Executive Director Title
17-Dec-14 Date

#### **To File Your Report**

1. Complete all forms as necessary

2. A responsible member of the agency must sign this cover and mail it to either address below.

#### Mailing Address:

State Controller's Offic€ Changes in Net Assets. Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250

Agency Name California School Finance Authority

#### Express Mailing Address:

State Controller's Office Division of Accounting and Reporting 3301 C Streets, Suite 700 Sacramento, CA 95816

Rev 6/29/2009

**Conduit Financing Provider** 

#### Fiscal Year 2014

## **General Information**

	Agency Name	California School Finan	ce Authority			
		· ·				
		Mailing A				Change? YES (NO)
	Street 1		Street 2		<u>y</u>	$\bigcirc$
	304 South Boadway, Su	ite 550	<u> </u>	Lo	s Angeles	
	State CA		Zip 90013			
	Me	embers of Governi	ng Body			
	First Name	Middle Initial	Last Name	Title		
Member	Bill	· ·	Lockyer	State Treasurer & Chair	Fiscal Year of most re	ecent audit available
				Superitdent of Public		
Member	Tom	· · · · · · · · · · · · · · · · · · ·	Tolakson	Instruction	L	6/30/2013
Member	Michaei		Cohen	Director of Finance		
Member					Estimated Date for co	mpletion of FY 2014 Audit
Member						12/31/2014
Member						
		Agency Officia			Phone	email
Executive Director	Katrina		Johantgen	Executive Director	(213) 620-2305	Kiohantgen@treasurer.ca.gov
Fiscal Officer	Kim		Petelle	Fiscal Officer	(916) 653-7906	Kpetelle@treasurer.ca.gov
		Report Prepared	Ву			
	First Name	Middle Initial	Last Name	Title	Phone	email
	Laura		Martinez	Manager	(916) 651-7714	Lmartinez@treasurer.ca.gov
	Street 1		Street 2	City		
	915 Capitol Mail			Sacramento		
	State CA		Zip 95814			· · · · ·
		Independent Aud	litor			
	First Name	Middle Initial	Last Name	Title	Phone	email
	·······					

### Conduit Financing Provider

Agency Name Calirfornia School Finance Authority

Assets		
Current assets		
Cash	\$	568,996
Investments		
Lease Payments Receivable Net		-
Mortgages Receivable		
Other Loans Receivable		•
Interest Receivable		
Other Receivables		903
Due From Other funds		27,362
Due From Other Agencies		
Deferred Charges		
Other Assets		16
Total Current Assets	\$	597,277
Noncurrent Assets		
Restricted Cash		-
Other Noncurrent Assets	· · · · ·	
Total Noncurrent Assets		
Total Assets	\$	597,277
Liabilities		·
Current Liabilities		
Accounts Payable	\$	30,947
Interest Payable		<u> </u>
Due to Other Funds		102,491
Due to Other Agencies		· · ·
Refundable Deposits		
Current Portion of Long-Term Debt		
Other Liabilities		17,300
Total Current Liabilities		150,738
Noncurrent Liabilities		
Deferred Revenues		
Long-Term Debt		
All Other Non-Current Liabilities		
Total Noncurrent Liabilities		C
Total Liabilities	\$	150,738
Net Assets		
Restricted		
Unrestricted		446,539
Total Net Assets	\$	446,539
Total Liabilities and Net Assets	\$	597,277

**Statement of Net Assets** 

**Conduit Financing Provider** 

## Statement of Revenues, Expenditures and Changes in Net Assets

Fiscal Year 2014		
Operating revenues		
Financial Service Fees	\$	511,076
Application Fees		
Issuance Fees		
Closing Fees		
Monitoring Fees		
Annual Administration Fees		
Lease Program Fees		
Other Fees and Charges		
Lease Rental Payments		
State Grants		
Federal Grants		
Other Governmental Agencies		
Other Revenues		
Total operating revenues Operating expenses	\$	511,076
Salaries, Wages and Benefits	\$	88,487
Services and Supplies		
Consultant Services		103,508
Legal Fees		24,692
Trustee Fees		·····
Underwriter's Fees		
Other Agent Fees		
Insurance		
Project Costs		
Debt Issuance Costs		68,923
Distributions to Outside Agencies		
Other Expenses		9,720
Total expenses	_\$	295,330
Operating income (loss) Nonoperating Revenues (Expenses)	\$	215,746
Interest and Investment Income	\$	954
Miscellaneous revenues		
Interest expense		
Miscellaneous expenses		
Total Nonoperating revenues (expenses)	\$	954
Income (loss) before contributions and transfers	\$	216,700
Capital Contributions		· · · · · · · · · · · · · · · · · · ·
Transfers in		
Transfers out		
Changes in net assets	\$	216,700
Total Net Assets, Beginning of Year		229,839
Total Net Assets, End of Year	\$	446,539

**Conduit Financing Provider** 

Agency Name California School Finance Authority

## **Statement of Fiduciary Net Assets**

Fiscal Year 2014

#### Assets

Cash

Investments

Interest Receivable

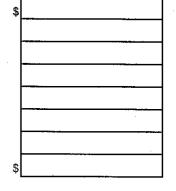
Other Receivables

Due From Other Funds

**Due From Other Agencies** 

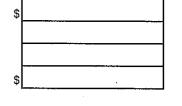
Other Assets

**Total Assets** 

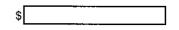


#### Liabilities

Accounts Payable Agency Obligations Other Liabilities Total Liabilities



#### Net Assets Held in Trust



### **Conduit Financing Provider**

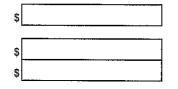
Agency Name California School Finance Authority

## Statement of Changes in Fiduciary Net Assets Fiduciary Funds

Fiscal Year 2014	
Additions	
Financial Service Fees	\$
Application Fees	
Issuance Fees	
Closing Fees	
Monitoring Fees	
Annual Administration Fees	
Other Fees and Charges	
Other Revenues	
Interest and Investment Income	-
Total Additions	\$
Deductions	
Administration Expense	\$
Salaries, Wages and Benefits	
Services and Supplies	
Consultant Fees	
Legal Fees	
Trustee Fees	
Underwriter's Fees	
Other Agent's Fees	
Debt Issuance Costs	
Distributions to Outside Agencies	
Deposits Returned	-
Other Deductions	
Total Deductions	\$

Net Increase (Decrease)

Net Assets, Beginning of the Year Net Assets, End of the Year



#### **Conduit Financing Provider**

Agency Name California School Finance Authority

## Summary of Conduit and Public Agency Debt Issued and Outstanding

#### Fiscal Year 2014

### Types of Conduit Financing Debt and Public Agency Debt Issues

**Qualified Private Activity Debt** 

Industrial Development Bonds

Enterprise Zone Bonds

Empowerment Zone Bonds

Qualified 501(c)(3) Nonprofit - Educational Facility Bonds

**Qualified Public Educational Facilities Bonds** 

Qualified Student Loan Bonds

Qualified 501(c)(3) Nonprofit - Hospital and Health Care Bonds

Qualified 501(c)(3) - Other Bonds

Qualified Residential Rental Projects Bonds

Qualified Single Family Mortgage Revenue Bonds

Solid Waste Disposal Facilities Bonds

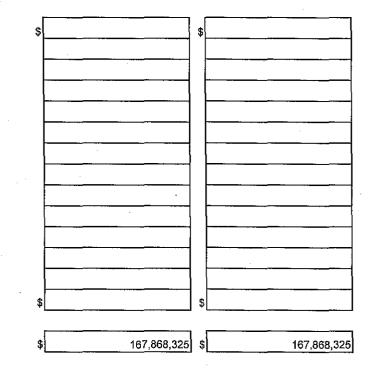
Other Exempt Facilities Bonds (attach explanation)

Other Qualified Private Activity Debt (attach explanation)\*

Total Conduit Debt Issued and Outstanding

	During Fiscal Year 2014	Outstanding as of Fiscal Year 2014
\$		\$ 
	163,293,325	 275,170,000
-		
-	4,575,000	4,575,000
\$	167,868,325	\$ 

Debt Issued



#### Public Agency Debt Issues

Revenue Bonds Tax Allocation Redevelopment Bonds Certificates of Participation Assessment Bonds 1911 Act Assessment Bonds 1915 Act Marks-Roos Bonds Mello-Roos Bonds Sales Tax Bonds Financial Leases Pension Obligation Bonds Tax and Revenue Anticipation Notes

Commercial Paper

Other (attach explanation)

Total Public Agency Debt Issued and Outstanding

Total Debt Issued and Outstanding

Total Debt

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Conduit Financing Provider

Agency Name Cal	ifornia School Fina	ance Authority			·.	<b>_</b> .
		Conduit D	ebt Fee Sch	nedule		· · · · · · ·
You may provide the State Contr form.	oller's Office	a copy of your	current Fee Sci	hedule rather	than completing this	
Fiscal Year 2014		Qualified F	Private Activit	y Debt		
Bond programs				Туре о	f Fees	
Types of Debt		Application fees	issuance fees	Closing Fees	Annual administration fees	Project monitoring fees
Industrial Development Bonds						
Enterprise Zone Bonds			· · · · · · · · · · · · · · · · · · ·			
Empowerment Zone Bonds						
Qualified 501(c)(3) Nonprofit - Educational Facilit	y Bonds					
Qualified Public Educational Facilities Bonds						
Qualified Student Loan Bonds						
Qualified 501(c)(3) Nonprofit - Hospital and Healt	h Care Bonds					
Qualified 501(c)(3) - Other Bonds						
Qualified Residential Rental Projects Bonds						Г
Qualified Single Family Mortgage Revenue Bonds	s					
Solid Waste Disposal Facilities Bonds	°					· · · · · · · · · · · · · · · · · · ·
Solid Waste Disposal Facilities Donus				1		
Other Exempt Facilities Bonds (attach explanation	n)					
Other Qualified Private Activity Debt (attach expla	nation)					

# Conduit Debt Fee Schedule (continued)

Public Agency Issues

Fiscal Year 2014

Bond programs	• •				
Types of Debt	Application fees	Issuance fees	Closing Fees	Annual administration fees	Project monitoring fees
Revenue Bonds					
Tax Allocation Redevelopment Bonds					
Certificiates of Participation					
Assessment Bonds 1911 Act					
Assessment Bonds 1915 Act					
Marks-Roos Bonds					
Mello-Roos Bonds					
Sales Tax Bonds					
Financial Leases					
Pension Obligation Bonds		· · ·			· · ·
	I		· · · · ·	. <u></u>	· · · · · · · · · · · · · · · · · · ·
Tax and Revenue Anticipation Notes					
Commercial Paper					
Other (attach explanation)					

### Other Qualified Private Activity Debt (explanation)

Rocketship Revenue Anticipation Note (RAN)

\$4,575,000

The purpose of the Charter School Working Capital financing is to provide participating borrowers with access to financing to relieve anticipated temporary monthly cash flow deficits.

## Supplement to the Annual Report of Special Districts

Special District ID Number:	
Name of District:	California School Finance Authority

Mark the appropriate box below to indicate the <u>ending date of your agency's fiscal year</u>. Report data for that period only.

C	July 2013	October 2013		January 2014		April 2014
	August 2013	December 2013		February 2014		May 2014
Π	September 2013		D	March 2014	X	June 2014

Return this form to the **California State Controller's Office**. If you have any questions regarding this form please contact:

U.S. Bureau of the Census, Robyn Harris, 1-800-242-4523

#### A. Personnel Expenditures

Please report your government's total expenditures for salaries and wages during the year, including amounts paid on force account construction projects.

**Z00:** \$ 88,486.55

### B. Capital Outlay Expenditures for Enterprise Activities

Please report your government's capital outlay expenditures for the following enterprise activities, if applicable:

Airport Enterprise	Amount
Land and Equipment (Census Code G01)	\$
Construction (Census Code F01)	\$

Electric Enterprise	Amount
Land and Equipment (Census Code G92)	\$
Construction (Census Code F92)	\$

Harbor and Port Enterprise	Amount
Land and Equipment (Census Code G87)	\$
Construction (Census Code F87)	\$

Hospital Enterprise	Amount
Land and Equipment (Census Code G36)	\$
Construction (Census Code F36)	\$

Waste Disposal Enterprise	Amount
Land and Equipment (Census Code G80)	\$
Construction (Census Code F80)	\$

Water Enterprise	Amount
Land and Equipment (Census Code G91)	\$
Construction (Census Code F91)	\$

U.S. Bureau of the Census - Revised 9/2013

### MEMORANDUM

Date: September 26, 2012

Staff Summary No. 4

To: Members, California School Finance Authority

From: Katrina M. Johantgen, Executive Director

**Re:** Resolution 12-32 Approving a Conduit Bond Financing Fee Schedule

Section 17180(k) of the California School Finance Authority (Authority) Act states that, "the Authority is authorized to charge and equitably apportion among participating parties its administrative costs and expenses incurred pursuant to this chapter." This self-funding structure allows the Authority to provide assistance in obtaining financing for eligible participating parties without taxing the State's General Fund. This provision is similar to that of other authorities such as California Educational Facilities Authority, California Health Facilities Financing Authority, California Pollution Control Financing Authority, and the I-Bank. Borrowers also may issue bonds through non-governmental issuers such as California Statewide Communities Development Authority, California Municipal Finance Authority, California Communities and California Enterprise Development Authority.

In 2010, the Authority adopted a formal fee schedule for conduit bond issuance for shortand long-term debt financings that was determined to be competitive with those offered by the non-governmental conduit issuers. Upon staff's recent review of its annual administration fee for bond financings, staff concluded that revising the fee from 0.02% (or 2 basis points) on the <u>par amount of the bonds issued</u> to 0.015% (or 1.5 basis points) on <u>outstanding bond amount</u> would make this fee more consistent with non-governmental conduit issuers. This incremental reduction in fees will still provide the revenue needed to support staff's annual administration on these financings, but translates to real savings for the borrowers. For example, on a \$10 million financing at a 5.00% interest rate over a 30year period, under our current cost structure, the borrower would pay a total of \$60,000 over a 30-year period. Under our recommended fee structure, assuming the same structure, the borrower would pay a total of \$29,747 in administrative fees. Therefore, staff is recommending that the Authority adopt this revised annual administration fee for standalone or pooled financings. The Authority is proposing the following amended fee structure and would take effect immediately after Board approval:

<u>Application Fee:</u> The application fee would be payable upon the submission of an application for financing through the Authority. The application fee will offset the cost of staff time reviewing the application and preparing a recommendation for board approval. This fee is nonrefundable.

<u>Issuance Fee:</u> This fee will be charged to a borrower based on the par amount of the debt issuance to offset the cost of staff time executing the financing. This fee will be paid out of bond proceeds at the time a financing is closed.

Annual Administration Fee: The annual administration fee is the only proposed change to the fee schedule. This fee is charged annually to the borrower and paid to the Authority to offset the cost of monitoring the bond financing, including the filing of required disclosure documents.

Note Financing		
Fee		Amount
Application Fee		\$1,500
Issuance Fee (new and refunding debt)		0.075% of par amount
Annual Administration Fee		Not Applicable

Bond Financing		
Fee	Amount	
Application Fee	\$1,500	
Initial Fee (new and refunding debt)	0.15% of par amount	
Annual Administration Fee	0.015% of outstanding principal, minimum \$500	

Staff recommends that the Board adopt Resolution No. 12-32 approving the above referenced conduit bond financing fee schedule.