

# Special Districts Financial Transactions Report

## Conduit Financing Provider

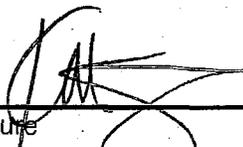
### Cover Page

**Agency Name** California School Finance Authority

#### Submitted by the Reporting Entity

SCO Reporting Year 2013 ID Number 0985

Fiscal Year Ended 06/30/13 (MM/DD/YY)

  
\_\_\_\_\_  
Signature

Executive Director  
\_\_\_\_\_  
Title

Katrina Johantgen  
\_\_\_\_\_  
Name (Please Print)

10/18/13  
\_\_\_\_\_  
Date

The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes

#### 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 Office Changes in Net Assets.  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

**Express Mailing Address:**

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

# Special Districts Financial Transactions Report

Fiscal Year 2013

## Conduit Financing Provider

### General Information

Agency Name California School Finance Authority

#### Mailing Address

Address Change? YES  NO

Street 1	Street 2	City
304 South Broadway Suite 550		Los Angeles
State	Zip	
CA	90013	

#### Members of Governing Body

Member	First Name	Middle Initial	Last Name	Title
Member	Bill		Lockyer	State Treasurer & Chair
Member	Tom		Torlakson	Superintendent of Public Instruction
Member	Ana		Matosantos	Director of Finance
Member				
Member				
Member				

Fiscal Year of most recent audit available 6/30/12

Estimated Date for completion of FY 2013 Audit 1/10/14

#### Agency Officials

	First Name	Middle Initial	Last Name	Title	Phone	email
Executive Director	Katrina		Johantgen	Executive Director	(916) 654-7710	KJohantgen@treasurer.ca.gov
Fiscal Officer	Kim		Petelle	Fiscal Officer	(916) 653-7906	kpetelle@treasurer.ca.gov

#### Report Prepared By

First Name	Middle Initial	Last Name	Title	Phone	email

Street 1	Street 2	City
State	Zip	

#### Independent Auditor

First Name	Middle Initial	Last Name	Title	Phone	email
Sarah	H	Ellis	Shareholder	(916) 646-6464	sarah@gilbertcpa.com

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name**     California School Finance Authority

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### Statement of Net Assets

**Fiscal Year**     2013

**Assets**

**Current assets**

Cash	\$	278,130	
Investments			
Lease Payments Receivable Net			
Mortgages Receivable			
Other Loans Receivable			
Interest Receivable			
Other Receivables		1,477	
Due From Other funds		4,808	
Due From Other Agencies			
Deferred Charges			
Other Assets			
<b>Total Current Assets</b>	<b>\$</b>	<b>284,415</b>	

**Noncurrent Assets**

Restricted Cash			
Other Noncurrent Assets			
<b>Total Noncurrent Assets</b>			
<b>Total Assets</b>	<b>\$</b>	<b>284,415</b>	

**Liabilities**

**Current Liabilities**

Accounts Payable	\$	5,438	
Interest Payable			
Due to Other Funds		46,401	
Due to Other Agencies			
Refundable Deposits			
Current Portion of Long-Term Debt			
Other Liabilities		2,737	
<b>Total Current Liabilities</b>		<b>54,576</b>	

**Noncurrent Liabilities**

Deferred Revenues			
Long-Term Debt			
All Other Non-Current Liabilities			
<b>Total Noncurrent Liabilities</b>			
<b>Total Liabilities</b>	<b>\$</b>	<b>54,576</b>	

**Net Assets**

Restricted			
Unrestricted		229,839	
<b>Total Net Assets</b>	<b>\$</b>	<b>284,415</b>	
<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>284,415</b>	

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name** California School Finance Authority

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

**Fiscal Year** 2013

**Operating revenues**

Financial Service Fees	\$ 265,955
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	551
<b>Total operating revenues</b>	<b>\$ 266,506</b>

**Operating expenses**

Salaries, Wages and Benefits	\$ 40,579
Services and Supplies	
Consultant Services	6,599
Legal Fees	84,745
Trustee Fees	
Underwriter's Fees	
Other Agent Fees	
Insurance	
Project Costs	
Debt Issuance Costs	35,937
Distributions to Outside Agencies	
Other Expenses	9,260
<b>Total expenses</b>	<b>\$ 177,120</b>
<b>Operating income (loss)</b>	<b>\$ 89,386</b>

**Nonoperating Revenues (Expenses)**

Interest and Investment Income	\$ 703
Miscellaneous revenues	
Interest expense	
Miscellaneous expenses	
<b>Total Nonoperating revenues (expenses)</b>	<b>\$ 703</b>
<b>Income (loss) before contributions and transfers</b>	<b>\$ 90,089</b>
Capital Contributions	
Transfers in	
Transfers out	
<b>Changes in net assets</b>	<b>\$</b>
Total Net Assets, Beginning of Year	139,750
<b>Total Net Assets, End of Year</b>	<b>\$ 229,839</b>

# Special Districts Financial Transactions Report

## Conduit Financing Provider

Agency Name N/A

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### Statement of Fiduciary Net Assets

Fiscal Year 2013

#### Assets

Cash	\$	
Investments		
Interest Receivable		
Other Receivables		
Due From Other Funds		
Due From Other Agencies		
Other Assets		
<b>Total Assets</b>	\$	

#### Liabilities

Accounts Payable	\$	
Agency Obligations		
Other Liabilities		
<b>Total Liabilities</b>	\$	

#### Net Assets

Held in Trust	\$	
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# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name** California School Finance Authority

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

Fiscal Year 2013

Types of Conduit Financing Debt and Public Agency Debt Issues,	Debt Issued During Fiscal Year 2013	Total Debt Outstanding as of Fiscal Year 2013
<b>Qualified Private Activity Debt</b>		
Industrial Development Bonds	\$	\$
Enterprise Zone Bonds		
Empowerment Zone Bonds		
Qualified 501(c)(3) Nonprofit - Educational Facility Bonds	91,874,959	124,510,582
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)		
<b>Total Conduit Debt Issued and Outstanding</b>	\$	\$
<b>Public Agency Debt Issues</b>		
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)		
<b>Total Public Agency Debt Issued and Outstanding</b>	\$	\$
<b>Total Debt Issued and Outstanding</b>	\$	\$

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name** California School Finance Authority See attached

### Conduit Debt Fee Schedule

*You may provide the State Controller's Office a copy of your current Fee Schedule rather than completing this form.*

#### Qualified Private Activity Debt

Fiscal Year 2013

**Bond programs**

**Types of Debt**

**Type of Fees**

Application fees      Issuance fees      Closing Fees      Annual administration fees      Project monitoring fees

Industrial Development Bonds

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Enterprise Zone Bonds

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Empowerment Zone Bonds

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

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Qualified Public Educational Facilities Bonds

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Qualified Student Loan Bonds

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

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Qualified 501(c)(3) - Other Bonds

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Qualified Residential Rental Projects Bonds

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Qualified Single Family Mortgage Revenue Bonds

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Solid Waste Disposal Facilities Bonds

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Other Exempt Facilities Bonds (attach explanation)

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Other Qualified Private Activity Debt (attach explanation)

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Conduit Debt Fee Schedule (continued)

Public Agency Issues

Fiscal Year 2013

Bond programs

Types of Debt	Application fees	Issuance fees	Closing Fees	Annual administration fees	Project monitoring fees
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)					

## California School Finance Authority

### 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

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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 short- and 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 par amount of the bonds issued to 0.015% (or 1.5 basis points) on outstanding bond amount 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 30-year 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 stand-alone or pooled financings. The Authority is proposing the following amended fee structure and would take effect immediately after Board approval:

Application Fee: 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.

Issuance Fee: 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.

## California School Finance Authority

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.

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

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

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