

# Special Districts Financial Transactions Report

## Conduit Financing Provider

### Cover Page

Agency Name California School Finance Authority

### Submitted by the Reporting Entity

SCO Reporting Year 2014

ID Number 985

Fiscal Year Ended 6/30/2014

(MM/DD/YY)



Signature

Executive Director  
Title

Katrina Johantgen  
Name (Please Print)

17-Dec-14  
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 2014

## 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

	First Name	Middle Initial	Last Name	Title
<b>Member</b>	Bill		Lockyer	State Treasurer & Chair
Member	Tom		Tolakson	Superintendent of Public Instruction
Member	Michael		Cohen	Director of Finance
Member				
Member				
Member				

**Fiscal Year of most recent audit available**

**Estimated Date for completion of FY 2014 Audit**

### Agency Officials

	First Name	Middle Initial	Last Name	Title	Phone	email
<b>Executive Director</b>	Katrina		Johantgen	Executive Director	(213) 620-2305	<a href="mailto:Kjohantgen@treasurer.ca.gov">Kjohantgen@treasurer.ca.gov</a>
<b>Fiscal Officer</b>	Kim		Petelle	Fiscal Officer	(916) 653-7906	<a href="mailto:Kpetelle@treasurer.ca.gov">Kpetelle@treasurer.ca.gov</a>

### Report Prepared By

First Name	Middle Initial	Last Name	Title	Phone	email
Laura		Martinez	Manager	(916) 651-7714	<a href="mailto:Lmartinez@treasurer.ca.gov">Lmartinez@treasurer.ca.gov</a>

Street 1	Street 2	City
915 Capitol Mall		Sacramento
State	Zip	
CA	95814	

### Independent Auditor

First Name	Middle Initial	Last Name	Title	Phone	email

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name** California School Finance Authority

### Statement of Net Assets

**Fiscal Year** 2014

**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
<b>Total Current Assets</b>	<b>\$</b>	<b>597,277</b>

**Noncurrent Assets**

Restricted Cash		
Other Noncurrent Assets		
<b>Total Noncurrent Assets</b>		<b>0</b>
<b>Total Assets</b>	<b>\$</b>	<b>597,277</b>

**Liabilities**

**Current Liabilities**

Accounts Payable	\$	30,947
Interest Payable		
Due to Other Funds		102,491
Due to Other Agencies		
Refundable Deposits		
Current Portion of Long-Term Debt		
Other Liabilities		17,300
<b>Total Current Liabilities</b>		<b>150,738</b>

**Noncurrent Liabilities**

Deferred Revenues		
Long-Term Debt		
All Other Non-Current Liabilities		
<b>Total Noncurrent Liabilities</b>		<b>0</b>
<b>Total Liabilities</b>	<b>\$</b>	<b>150,738</b>

**Net Assets**

Restricted		
Unrestricted		446,539
<b>Total Net Assets</b>	<b>\$</b>	<b>446,539</b>
<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>597,277</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** 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		
<b>Total operating revenues</b>	\$	511,076

**Operating expenses**

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
<b>Total expenses</b>	\$	295,330
<b>Operating income (loss)</b>	\$	215,746

**Nonoperating Revenues (Expenses)**

Interest and Investment Income	\$	954
Miscellaneous revenues		
Interest expense		
Miscellaneous expenses		
<b>Total Nonoperating revenues (expenses)</b>	\$	954
<b>Income (loss) before contributions and transfers</b>	\$	216,700
Capital Contributions		
Transfers in		
Transfers out		
<b>Changes in net assets</b>	\$	216,700
Total Net Assets, Beginning of Year		229,839
<b>Total Net Assets, End of Year</b>	\$	446,539

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name** California School Finance Authority

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### 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		
<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

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### Statement of Changes in Fiduciary Net Assets Fiduciary Funds

**Fiscal Year** 2014

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#### 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		
<b>Total Additions</b>	\$	

#### 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		
<b>Total Deductions</b>	\$	

**Net Increase (Decrease)** \$

**Net Assets, Beginning of the Year** \$

**Net Assets, End of the Year** \$

# 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 2014

Types of Conduit Financing Debt and Public Agency Debt Issues	Debt Issued During Fiscal Year 2014	Total Debt Outstanding as of Fiscal Year 2014
<b>Qualified Private Activity Debt</b>		
Industrial Development Bonds	\$	\$
Enterprise Zone Bonds		
Empowerment Zone Bonds		
Qualified 501(c)(3) Nonprofit - Educational Facility Bonds	163,293,325	275,170,000
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)*	4,575,000	4,575,000
<b>Total Conduit Debt Issued and Outstanding</b>	\$ 167,868,325	\$ 279,745,000
<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>	\$ 167,868,325	\$ 167,868,325

# Special Districts Financial Transactions Report

## Conduit Financing Provider

**Agency Name**

California School Finance Authority

### 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** 2014

**Bond programs**

Types of Debt	Type of Fees				
	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 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)					

# 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					
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)					

**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

<b>Special District ID Number:</b>	
<b>Name of District:</b>	California School Finance Authority

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

- |   |  |  |   |
|---|--|--|---|
| <input type="checkbox"/> July 2013      | <input type="checkbox"/> October 2013  | <input type="checkbox"/> January 2014  | <input type="checkbox"/> April 2014           |
| <input type="checkbox"/> August 2013    | <input type="checkbox"/> December 2013 | <input type="checkbox"/> February 2014 | <input type="checkbox"/> May 2014             |
| <input type="checkbox"/> September 2013 |  | <input type="checkbox"/> March 2014    | <input checked="" type="checkbox"/> 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.

<b>Z00:</b>	\$ 88,486.55
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### B. Capital Outlay Expenditures for Enterprise Activities

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

<b>Airport Enterprise</b>	<b>Amount</b>
Land and Equipment (Census Code G01)	\$
Construction (Census Code F01)	\$

<b>Electric Enterprise</b>	<b>Amount</b>
Land and Equipment (Census Code G92)	\$
Construction (Census Code F92)	\$

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

<b>Hospital Enterprise</b>	<b>Amount</b>
Land and Equipment (Census Code G36)	\$
Construction (Census Code F36)	\$

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

<b>Water Enterprise</b>	<b>Amount</b>
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

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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.

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

<b>Bond Financing</b>	
Fee	Amount
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.