



## Agenda Item Details

Meeting	Sep 10, 2019 - Board of Trustees Meeting
Category	12. Action: Institutional Effectiveness
Subject	12.02 First Reading and/or Action - Board Policy 6307 Debt Issuance and Management; Administrative Procedure 6307 Debt Issuance and Management is provided for information.
Type	Action, Information, Discussion
Recommended Action	The Chancellor recommends approval.

### Background

During the 2016 Legislative Session, the California Legislature enacted Senate Bill No. 1029 (Hertzberg) that Governor Brown signed in September 2016 (Statutes of 2016–Chapter 307). SB 1029 requires local agencies, including community college districts, to certify that they have adopted local debt management policies prior to making their initial filings with the California Debt and Investment Advisory Commission (CDIAC). Agencies are also required to certify that each contemplated securities/bond issuance is consistent with such adopted policies.

### Analysis

The District does not presently have a Debt Management Policy in place. SB 1029 requires that each local agency's debt management policy contains certain specific items. In preparation for making initial filings with CDIAC related to the issuance of 2019 General Obligation Refunding Bonds, District staff, in consultation with Norton Rose Fulbright US LLP, the District's bond counsel, has prepared a Debt Management Policy for the District. This Debt Management Policy conforms to the current statutory requirements and reflects generally accepted practices and existing requirements that already apply to debt issuances, as both practical and legal matters. A Debt Management Policy approved by the Governing Board is required prior to the District issuing any General Obligation Bonds, General Obligation Refunding Bonds, Certificates of Participation or other securities.

### Impact of Approval

The District will have a Governing Board authorized Debt Management Policy in place; will be able to continue progression toward the timely issuance of 2019 General Obligation Refunding Bonds to reduce taxes for taxpayers; and, will be able to make the initial filings related to said Refunding Bonds with CDIAC, in compliance with SB 1029.

### Impact of Non-Approval

The District will not have a Governing Board authorized Debt Management Policy in place and, thus, will be unable to move forward with the timely issuance of 2019 General Obligation Refunding Bonds. This may negatively impact the amount of savings available to taxpayers.

### Fiscal

There is no fiscal impact to the General Fund resulting from the adoption of the Debt Issuance and Management Policy.

### Further Information

David El Fattal

[BP 6307 Debt Management Plan 9-4-2019.pdf \(12 KB\)](#)

[AP 6307 Debt Management Plan 9-4-2019.pdf \(46 KB\)](#)

## Motion & Voting

The Chancellor recommends approval.

Motion by Trustee Bernardo Perez, second by Trustee Larry Kennedy.  
Final Resolution: Motion was approved.

Yes: Trustee Joshua Chancer, Trustee Gabriela Torres, Trustee Larry Kennedy, Trustee Dianne McKay, Trustee Bernardo Perez, Student Trustee Jessica Martinez Advisory Vote