Los Angeles County Office of Education

# INFORMATIONAL BULLETIN # 5250

9300 Imperial Highway, Downey, California 90242-2890 • (562) 922-6111

Debra Duardo, M.S.W., Ed.D., *Superintendent*

August 11, 2020

TO: Business Administrators

From: Jeff Young, Interim Director
Business Advisory Services

Subject: Los Angeles County Schools Pooled Financing Program, 2020-2021 Cross Year Tax Anticipation Notes (TRANs) Pool

The Los Angeles County Schools Pooled Financing Program (Financing Program) is available for districts that wish to participate in our 2020-21 cross-year TRANs issuance.

As you are well aware, the negative impact on school districts has been a moving and uncertain target since the onset of the Coronavirus pandemic. Although the adopted State Budget did not have the dramatic cuts that the May Revise proposed, it included the possibility of $11 billion in deferrals (or over 41% of State Aid revenues), beginning in February 2021.

The deferred revenues are currently projected to be paid back in monthly increments through November 2021. The cross-fiscal year TRAN – which we are targeting for closing in February – will not need to be repaid until those deferred revenues are received by the districts in 2021-22.

We have attached a draft schedule for this cross-fiscal year TRAN.

If you have a need for a TRAN prior to the contemplated February issue, please contact Annette Yee of Montague DeRose and Associates, the program's Municipal Advisor. You can reach Annette at 831-626-4524 or at yee@montaguederose.com.

This bulletin and its attachment is posted on the LACOE website at:

www.lacoe.edu/bulletins.aspx

Use the "Search" function to locate a specific bulletin by number or keyword.

If you have questions, please contact Mr. Gerald Yarbrough at (562) 922-6122.

Approved:
Patricia Smith
Chief Financial Officer

JY/GY:alh
Attachment

# LOS ANGELES COUNTY SCHOOLS POOLED FINANCING PROGRAM
## 2020-21 POOLED TAX AND REVENUE ANTICIPATION NOTES, SERIES B
## TIME & RESPONSIBILITY SCHEDULE (AS OF AUGUST 2, 2020)
## MID-FEBRUARY 2021 CLOSING

**September 2020**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | | | |

**October 2020**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

**November 2020**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | | | | | |

**December 2020**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

**January 2021**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

**February 2021**

| S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | | | | | | |

**Working Group:**

| | | | |
|---|---|---|---|
| L.A. County School and College Districts | Districts | Bond Counsel: Hawkins Delafield & Wood | BC |
| L.A. County Office of Education | LACOE | Underwriters: RBC Capital Markets, LLC | UW |
| Treasurer/Tax Collector, County of Los Angeles | County | Stifel, Nicolaus & Company, Inc. | |
| Municipal Advisor: Montague DeRose & Assoc | MA | Underwriters' Counsel: Norton Rose Fulbright | UWC |

| DATE | EVENT | PARTY RESPONSIBLE |
|---|---|---|
| Aug - Oct 2020 | 1. Distribute Resolutions and Supporting Documents for Approval | BC, UWC |
| Aug - Oct 2020 | 2. Distribute cash flow template and preliminary S&P Questionnaires to Districts | MA |
| 11/13/20 | 3. Deadline for Participating District to Submit Cashflows, S&P Questionnaire and S&P Questionnaire Supplement to Montague DeRose and Assoc. | Districts, MA, UW |
| 12/16/20 | 4. Finalize: Cash Flows, TRANs Sizing, Sources of Alternate Liquidity, S&P Rating Questionnaire | MA |
| 12/18/20 | 5. Submit Cash Flow Worksheet, Questionnaire and TRANs Sizing to Tax Counsel and S&P | MA, UW, BC |
| 12/30/20 | 6. Last day for Participating District Boards to Adopt Resolution and to Adopt Debt Policy | Districts, BC |
| 1/19/21 | 7. Ratings received from S&P for each Series | Ratings Agency |
| 2/3/21 | 8. Pricing. | All |
| 2/17/21 | 9. Closing and Delivery of Funds | All |

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