



# CALIFORNIA STATE BOARD OF EDUCATION

## JULY 2004 AGENDA

**General Waiver**

<p><b>SUBJECT</b></p> <p>Request by <b>Wiseburn School District (SD)</b> for a waiver of <i>Education Code (EC) Section 35575</i> and portions of <i>EC 35576</i> to continue to pay bond indebtedness of Measure C (Centinela Valley Union High School District, March 2000 General Obligation Bond) by property owners of Wiseburn School District</p> <p>Waiver Number: 16-5-2004</p>	<input checked="" type="checkbox"/> <b>Action</b>
	<input type="checkbox"/> <b>Consent</b>

### RECOMMENDATION

**Approval**  **Approval with conditions**  **Denial**

First, the State Board of Education (SBE) approves the Wiseburn unification proposal, which also will be heard at the July 2004 meeting. Second the Wiseburn unification proposal must include a description of the method by which bonded indebtedness will be distributed under the terms of the waiver. Such inclusion will ensure that election materials, received by electors voting on the unification proposal, describe the method for distribution of bonded indebtedness. Finally, the SBE sets the election area for the Wiseburn unification proposal as the Wiseburn (SD), if it approves the proposal.

### SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

The State Board of Education (SBE) has never heard this type of waiver before.

### SUMMARY OF KEY ISSUES

The proposed unification of Wiseburn SD would remove the geographic area of this district from the Centinela Valley Union High School District (UHSD) in Los Angeles County, resulting in the removal of approximately 40% of the assessed valuation of Centinela Valley UHSD. Centinela Valley UHSD voters approved a \$59 million general obligation (GO) bond in March 2000, and the shift of assessed valuation would significantly increase the financial responsibility of property owners in the remaining (non-Wiseburn) area of the high school district to repay current outstanding bonded indebtedness associated with this GO bond. Under current law, Wiseburn area property owners would retain no responsibility for this bonded indebtedness after unification, since no high school real property is located within the Wiseburn SD.

Approval of this waiver would require that property owners in the Wiseburn SD retain existing tax rates for bond interest and redemption on the outstanding bonded indebtedness of Centinela Valley UHSD. Taxpayers within the Wiseburn SD would receive no benefits from the proceeds of these bonds since no high school district facilities are within the Wiseburn SD. However, since the unification proposal must be approved at an election, voters would approve retaining the current tax rate.

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Conditions imposed on approval of this waiver ensure that only Wiseburn area electors would vote on the proposal and election materials would contain an explanation to electors of the effect of approval of the unification proposal on tax rates.

**Authority for Waiver:** *Education Code (EC) Section 33050*

**Bargaining unit(s) consulted on date(s):** May 13, 2004; May 19, 2004

Position of bargaining unit(s) (choose only one):

Neutral

Support

Oppose

**Name of bargaining unit/representative(s):** Liz Downer, Gil Gonzalez

**Public hearing identified by (choose one or more):**

posting in a newspaper

posting at each school

other (specify)

**Public hearing held on date(s):** May 25, 2004

**Local board approval date(s):** May 25, 2004

**Advisory committee(s) consulted:** Unification Committee

**Objections raised (choose one):**  None     Objections are as follows:

**Date(s) consulted:** May 21, 2004

**Period of request:** 7/1/2004 to 6/30/2023

**FISCAL ANALYSIS (AS APPROPRIATE)**

Approval of the waiver will retain existing tax rates for property owners in the Centinela Valley Union High School District. It will have no fiscal effect on the state.

**BACKGROUND INFORMATION**

Action Item: Some documentation is available for web viewing. Waiver forms and other hard copy documents are available for viewing at the Waiver Office or State Board Office.