



Division of Fiscal Services
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MEMORANDUM

DATE: July 9, 2015

TO: Karen Janney, Superintendent

FROM: Karen Michel, Chief Financial Officer

RE: UNION BANK LETTER OF CREDIT & CHARTER SCHOOL LOANS

The purpose of this memorandum is to provide an update regarding the following issues:

Union Bank Letter of Credit:

The 2005 Demand Revenue Bonds issued for the L Street property are guaranteed by a Union Bank Letter of Credit. The Letter of Credit guarantee allows for an extremely low interest rate on those bonds. The District was able to secure a two year Letter of Credit extension effective August 2015.

Charter School Loans:

The Hawking Charter Schools do not have outstanding interfund loans and have not had so since September 2014. Attached is the monthly interfund loan board item encompassing all charter school activity through June 30, 2015. In summary: Loans totaling \$425,000 booked in June 2014 were paid July 31, 2014, loans totaling \$70,000 booked in August and September 2014 were paid September 26, 2014. Interest was computed based upon San Diego County Treasury interest rates and was charged to the charter schools. No further loans have been made.

KM:

Attachment: (1)



FINANCIAL REPORT June 2015



Fund	Beg Bal	Date of Loan	Borrowed From	Amount of Loan	Date Paid	Amount Liquidated	Quarterly Interest Due	Interest Rate
09	\$425,000.00	6/4/2014	01	\$10,000.00	7/31/2014	\$10,000.00		
		6/9/2014	01	\$40,000.00	7/31/2014	\$40,000.00		
		6/23/2014	01	\$50,000.00	7/31/2014	\$50,000.00		
		6/25/2014	01	\$240,000.00	7/31/2014	\$240,000.00		
		6/26/2014	01	\$85,000.00	7/31/2014	\$85,000.00		
		8/28/2014	01	\$20,000.00	9/26/2014	\$20,000.00		
		9/17/2014	01	\$50,000.00	9/26/2014	\$50,000.00	1st Qtr. = \$138.86	0.0899318%

Total Temporary Loans for FD 09
Total of liquidated loans
Net Temporary Loan outstanding

\$495,000.00
\$495,000.00
\$0.00

Legend:
01 = General Fund
11 = Adult Education
13 = Cafeteria
09 = Charter School
49 = CFDa/Mello-Roos