

## TEMPORARY TRANSFER AGREEMENT PROPERTY TAXES

This Temporary Transfer Agreement (Agreement) is made and effective this first day of July, 2019, by and between the County of San Diego, California (County) and the Sweetwater Union High School District (District).

### RECITALS

WHEREAS, by Resolution No. 2487 of its Board of Trustees (attached as Exhibit A), the District has requested the Board of Supervisors to make a temporary transfer (Transfer) of monies to meet its current maintenance expenses; and

WHEREAS, California Constitution Article XVI, Section 6, provides that the County Treasurer (Treasurer) shall have the power and the duty to authorize temporary transfers of monies upon the resolution of the Board of Supervisors authorizing such temporary transfer; and

WHEREAS, the Board of Supervisors by Administrative Ordinance Section 119.1 et seq. (Ordinance) has authorized and directed the Auditor and Controller and the County Treasurer-Tax Collector to make the Transfer to the District in accordance with the terms of the Ordinance; and

WHEREAS, this Agreement represents the agreement of the County and the District with respect to the Treasurer's authorization of the Transfer and its repayment by the District.

### AGREEMENT

Section 1. **Transfer; Timing.** Upon receipt of the District's written request, the Treasurer will authorize such Transfer and the Auditor and Controller will transfer to the District, subject to review and approval, the amount requested within 30 days from the District's Transfer request, provided however, that in no event shall the total amount of all Transfers made in accordance with this Agreement exceed 85% of the remaining revenue type(s), shown below, accruing to the District through June 30, 2020, prorated as of the date of the written request.

#### Revenue Types(s)

<u>  X  </u>	Property Taxes
<u>      </u>	Principal Apportionment(s)
<u>      </u>	Education Protection Account

The written request must contain the amount requested and documentation must be provided demonstrating that the amount requested is necessary to meet current maintenance expenses. Where indicated in the table below, such documentation shall include detailed cash flows for the applicable period that support maintenance expenses and anticipated revenues. Required supporting documentation by revenue type is also presented in the table below.

# TEMPORARY TRANSFER AGREEMENT PROPERTY TAXES

Documentation		
Revenue Type	Description of Documentation Needed	Found in Exhibit
Property Taxes	Not Needed. The necessary documents are compiled by the County of San Diego.	Not Applicable
Principal Apportionment(s)	Cash Flows	
	Verifiable State documents supporting State allocation(s) including deferred allocation(s).	
Education Protection Account	Cash Flows	
	Verifiable State documents supporting State allocation(s).	

The amount requested must be reviewed and approved by the County Auditor and Controller. An authorized Transfer may be made to the District in one or more installments.

No Transfer shall be made after April 27, 2020.

The Transfer will be made from and limited to the County of San Diego Investment Pool (Pool).

Section 2. **Deposit of Transfer.** Any Transfer made by the Treasurer to the District shall be deposited in the District's General Fund (Fund) for the purpose of lending funds to the District to meet its maintenance obligations.

Section 3. **Repayment; Interest.** Repayment of the funds is anticipated to be made from the revenue type(s) identified in Section 1, accruing to the District. However, the District recognizes that the source of repayment may be from other revenues accruing to the District before any other obligation. Interest on any transferred funds will accrue and be payable by the District, at the greater of the same interest rate the Pool is earning or a proxy TRAN cost as determined by the market until the entire amount transferred is repaid. Each month, the appropriate interest rate to be used will be identified, and the resulting calculated interest will be charged.

Upon receipt and deposit, the District agrees that the County may immediately transfer the cash from said revenues to the Pool's Fund for the purpose of repaying the "temporary transfer of funds" obligations.

Section 4. **District Covenant.** The District represents and covenants with the County that the District's anticipated revenue for fiscal year 2019-2020, as documented in the attached exhibit referred to in Section 1, represents the District's best estimate of the remaining revenues. The County Auditor and Controller shall review and approve the District's anticipated revenue calculations included in these documents.

## TEMPORARY TRANSFER AGREEMENT PROPERTY TAXES

Section 5. **Notices.** Any and all notices between the County and the District provided for or permitted under this Agreement or by law shall be in writing and shall be deemed duly given when personally delivered to one of the parties or in lieu of such personal service, when deposited in the United States mail, postage prepaid, addressed to such party at the following address:

If to the County:

Lauren Warrem, Chief Deputy Treasurer County of San Diego Treasurer-Tax Collector 1600 Pacific Highway, Room 101 San Diego, California 92101 619-531-5686 <a href="mailto:Lauren.Warrem@sdcounty.ca.gov">Lauren.Warrem@sdcounty.ca.gov</a>	Brian Ruehle, Deputy Controller County of San Diego Auditor and Controller Department 5530 Overland Avenue, Suite 410 San Diego, California 92123 858-694-2199 <a href="mailto:Brian.Ruehle@sdcounty.ca.gov">Brian.Ruehle@sdcounty.ca.gov</a>
--	---

If to the District:

Karen Janney, Superintendent Sweetwater Union High School District 1130 Fifth Avenue Chula Vista, CA 91911 619-691-5555 <a href="mailto:karen.janney@sweetwaterschools.org">karen.janney@sweetwaterschools.org</a>	Jenny Salkeld, Chief Financial Officer Sweetwater Union High School District 1130 Fifth Avenue Chula Vista, CA 91911 619-691-5550 <a href="mailto:jenny.salkeld@sweetwaterschools.org">jenny.salkeld@sweetwaterschools.org</a>
---	---

Section 6. **Governing Law, Venue and Entire Agreement.** This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in San Diego, California.

This Agreement constitutes the entire agreement between the County and the District with respect to the Transfer and supersedes any previous agreement(s), negotiations, proposals or understanding, whether written or oral concerning such matter, unless expressly included in this Agreement.

Section 7. **Amendment or Modifications.** No amendment, modification or other alternation of this Agreement shall be valid unless in writing and signed by the parties.

**TEMPORARY TRANSFER AGREEMENT  
PROPERTY TAXES**

Section 8. **Severability.** In the event that any provision of this agreement is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and such invalidity shall in no way affect, impair, or invalidate any other provision contained herein if there is no substantive effect to the services to be rendered to the County by such judicial finding of invalidity.

Section 9. **Counterparts.** This Agreement may be executed in any number of counterparts, each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

County of San Diego, California  
Treasurer-Tax Collector

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chief Deputy Treasurer

APPROVED AS TO FORM AND LEGALITY  
Thomas E. Montgomery, County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Senior Deputy

Sweetwater Union High School District

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Jenny Salkeld  
Chief Financial Officer

## RESOLUTION 2487 PROPERTY TAXES

### RESOLUTION OF GOVERNING BOARD OF The Sweetwater Union High School DISTRICT REQUESTING TEMPORARY TRANSFER OF FUNDS

On motion of member \_\_\_\_\_, seconded by member \_\_\_\_\_ the following resolution is adopted:

WHEREAS, the California Constitution, Article XVI, Section 6 and Education Code section 42620 or 85220 provide that the Treasurer of the County of San Diego (Treasurer) shall have the power and it shall be his duty to make such temporary transfer from the funds in his custody as may be necessary to provide funds for meeting the obligations incurred for maintenance purposes by any district whose funds are in his custody and are paid out solely through his office; such temporary transfer of funds shall be made only upon resolution adopted by the governing board of the County to make such temporary transfer; such temporary transfer of funds shall not exceed 85% of anticipated revenue accruing to the District, shall not be made prior to the first day of the fiscal year nor after the last Monday in April of the current fiscal year, and shall be replaced from the revenues accruing to such District before any other obligation of the District; and

WHEREAS, on June 24, 2019, the governing board will/has:

\_\_\_\_\_ Adopt(ed) a tentative budget (community college only)  
\_\_\_\_\_ Adopt(ed) a final budget (community college only)  
\_\_\_X\_\_\_ Adopt(ed) an original budget (K-12 school district only)  
\_\_\_\_\_ Adopt(ed) a revised budget (community college or K-12 school district)

for this District for the fiscal year 2019-2020 pursuant to the provisions of Education Code sections 42127 or 70901, and the revenue type(s) accruing to the District for said fiscal year are estimated to be as follows:

<u>Revenue Type(s)</u>	<u>Estimated Amount(s)</u>
___X___ Property Taxes	\$ 89,397,985
___X___ Principal Apportionment(s)	\$ 240,036,587
___X___ Education Protection Account	\$ 64,405,155
	\$ <u>393,839,727</u> Total

and

WHEREAS, the revenue type(s) and amount(s) accrued to this District during the 2019-2020 fiscal year were as follows:

<u>Revenue Type(s)</u>	<u>Amount(s)</u>
___X___ Property Taxes	\$ 89,508,991
___X___ Principal Apportionment(s)	\$ 227,836,367
___X___ Education Protection Account	\$ 64,607,035
	\$ <u>382,042,393</u> Total

and

WHEREAS, it is necessary to provide funds for meeting obligations incurred for maintenance purposes by this District; AND NOW THEREFORE

IT IS RESOLVED AND ORDERED pursuant to the provisions of the California Constitution, Article XVI, Section 6, and Education Code section 42620 or 85220 as follows:

## RESOLUTION 2487 PROPERTY TAXES

1. The Board of Supervisors of the County of San Diego is requested to direct the Treasurer to make a temporary transfer from the funds in his custody on or before the last Monday in April, 2020 to this District to meet obligations incurred for maintenance purposes in the amount of \$73,432,969, which does not exceed a total of 85% of remaining:

Revenue Type(s)

☒ Property Taxes  
☐ Principal Apportionment(s)  
☐ Education Protection Account

accruing to the District by June 30, 2020, as certified by the District Superintendent and verified by the County Auditor and Controller.

2. Funds will be transferred to this District by the Treasurer in sums as requested by the District Superintendent and certified by him/her to be necessary to provide funds for meeting the obligations incurred for maintenance purposes by the District not to exceed the maximum amount herein specified, provided the Treasurer determines that funds in his custody are available for such transfers.
3. Repayment of the funds is anticipated to be made from the:

Revenue Type(s)

☒ Property Taxes  
☐ Principal Apportionment(s)  
☐ Education Protection Account

accruing to the District, however the District recognizes that the source of repayment may be from other revenues accruing to the District before any other obligation. Interest on any transferred funds will accrue and be payable by the District, at the greater of the same interest rate the County of San Diego Investment Pool is earning or a proxy TRAN cost as determined by the market until the entire amount transferred is repaid. Each month, the appropriate interest rate to be used will be identified, and the resulting calculated interest will be charged.

4. The Clerk/Secretary of this Board is directed to file a copy of this resolution with the Board of Supervisors, the County Superintendent of Schools, the County Auditor and Controller, and the County Treasurer-Tax Collector.
5. Authorize the District Superintendent or designee to sign a Temporary Transfer Agreement consistent with the terms of this Resolution.

PASSED AND ADOPTED by the Governing Board of the Sweetwater Union High School District, County of San Diego, State of California, this 24th day of June, 2019 by the following vote:

AYES:

NOES:

ABSENT:

STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO

I, Deanne Vicedo, Clerk/Secretary of the Governing Board of the Sweetwater Union High School District, County of San Diego, State of California, do hereby certify that the foregoing is a true copy of a resolution adopted by said Board at a meeting thereof, at the time and by the vote therein stated, which original resolution is on file in the office of said Board.

---

Date

---

Clerk/Secretary of the Governing Board