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

July 13, 2018

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Mr. Steven M. Sturgeon, Board President
William S. Hart Union High School District
21380 Centre Pointe Parkway
Santa Clarita, CA 91350-2948

Dear Mr. Sturgeon:

In accordance with the provisions of Education Code Section 17150(a) and Government Code Section 53635.7, the Los Angeles County Superintendent of Schools has reviewed the William S. Hart Union High School District's (District) "Public Disclosure of Nonvoter-Approved Debt" (Disclosure) for a 2019 Lease Revenue Bonds (LRBs) in the amount of \$19.5 million to finance capital projects. The LRBs issuance is scheduled to be acted upon by the District Governing Board on July 18, 2018.

We reviewed the following information provided by the District for the proposed LRBs' issuance:

- Type of financing and the term of issue;
- Source of funds to be used for repayment;
- District's attendance history and projections;
- Status of the District's current outstanding indebtedness;
- Analysis of the District's cumulative annual debt service projections;
- District's financial projections for the current and two subsequent years;
- District's debt repayment schedule.

According to the information provided in the Disclosure, the District will make twenty-four annual payments ranging from \$704,467 to \$4,783,000. The primary source of repayment for the LRBs will be surplus tax revenues generated through the Community Facilities Districts that are otherwise not required for debt payments.

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We have determined the District's analysis for the proposed financing and the method of repayment appears to be reasonable and repayment probable. If there are significant changes to the terms of this financing, please submit a revised debt disclosure for our review.

We wish to thank District staff for their cooperation in the review of the LRBs' public disclosure documents. If you have any questions regarding this letter or if we can be of further assistance, please call me at (562) 922-6505.

Sincerely,



Rick Chau
Business Services Consultant
Business Advisory Services

RC:lc

cc: Vicki Engbrecht, Superintendent
Ralph Peschek, Chief Financial Officer
Brittany Kruczynski, Director of Fiscal Services
Dr. Candi Clark, Los Angeles County Office of Education (LACOE)
Keith Crafton, LACOE
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