

# The Main Differences Between General Obligation Bonds and Mello-Roos Community Facilities District Bonds

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## General Obligation Bonds (What the ABC Unified District Board Placed on the November 2018 Ballot)

### Legal Authority for Calling the Election

- Smaller Classes, Safer Schools and Financial Accountability Act of 2000 (“Proposition 39”).
- Requires a Volunteer Citizen’s Oversight Committee.
- ABC Unified School District-Wide Election
- Requires that the Tax Rate is Based on Assessed Valuation.
  - Uniform Tax Rate for Residential, Commercial And Industrial Properties.
  - Statutory Maximum Tax Rate of \$60 Per \$100,000 of Assessed Valuation.
  - ABC USD’s Estimated Tax Rate is \$49.50 Per \$100,000 of Assessed Valuation.
- Requires 55% Community Support.

## Mello-Roos Community Facilities District Bonds

### Legal Authority for Calling the Election

- Mello-Roos Community Facilities District Act of 1982.
- Does Not Require a Citizen’s Oversight Committee.
- Requires the Creation and Filing of an Official Mello-Roos Community Facilities District Boundary Map With the County Recorder.
- Requires a Board-Approved Rate and Method of Apportionment of Special Tax for Tax Levy Calculations.
  - Tax Rate Cannot Be Based on Assessed Valuation.
  - Normally Different Tax Rates for Residential, Commercial and Industrial Properties.
- Requires 2/3<sup>rd</sup> Community Support.