

CITIZENS' OVERSIGHT COMMITTEE MEETING for
Bakersfield City School District "Measure G"

Thursday, December 7, 2006

Education Center – Superintendent's Conference Room

The first meeting of the Citizens' Oversight Committee was opened at 3:05 p.m. by Teri Schallock.

Members Present: The following members were present:
Mr. Harry Chicklenis
Mr. Philip Field
Mrs. Stephanie Holladay
Mrs. Lori Hughes
Rev. Donald Vereen

Members Absent: The following members were absent:
Mrs. Maria Herrera
Mr. Brian Todd

District Staff Present: Mr. Lingo, Superintendent
Mrs. Schallock, Chief Business Official
Ms. Evelyn Goode, Recorder

Also Present:
Mrs. Lisalee Wells, Bond Counsel from Fulbright & Jaworski

Introductions: Mrs. Schallock introduced Superintendent Mike Lingo who welcomed the Committee and thanked everyone for coming. Mr. Lingo announced that the District had begun work on project prioritizing the day after the successful election. He also informed the Committee that the District is in the process of looking for land to purchase to build a new school.

Mrs. Schallock asked each Committee member to re-introduce themselves.

Process Overview: Mrs. Wells presented, "The Bare Bones of School and College Districts Bonds and Citizens' Oversight Committees" – the statutory requirements of the Oversight Committee. A copy of this presentation is made a part of the minutes of this meeting.

Some of the highlights of the presentation were:

1. Procedural Steps:
 - District calls for a Bond Election
 - Voters pass the measure at 55% for Prop. 39 Bond
 - District appoints a Citizens Oversight Committee
 - Issue Series A Bonds
 - Prioritize and build projects

-Citizens Oversight Committee reports to taxpayers

2. Campaign Promises:

- Max Tax Rate (which for BCSD is \$30 p/\$100,000 of assessed home or business value)
- Describe Projects (BCSD provided a list of projects to be completed with bond proceeds)
- Priorities (following the successful election, BCSD must prioritize its projects)
- Citizen Oversight (a Committee would be formed to oversee/inform the public concerning expenditures of the bond proceeds)

3. Bond proceeds are segregated in a special building fund with the County Treasurer.

4. Bond Proceeds may only be spent on qualified (approved) projects and not salaries.

5. The Citizens' Oversight Committee must be . . .

. . .certified no later than 60 days after the election (BCSD did this prior

to the election)

. . .there must be a minimum of 7 members, with one member:

a Senior Citizen

a Taxpayer Association Representative

a Local Business Representative

a PTA Member

a Parent of a District-Enrolled Student

In addition, the Oversight Committee must . . .

. . .be in accordance with the Brown Act (Open Meetings Law)

. . .provide an Annual Report to the Public

. . .oversee and comment only; no control over bond proceeds/projects

The Purpose of the Oversight Committee is

“to inform the public concerning expenditures of bond revenues.”

To Inform the Public, the Oversight Committee must

-understand the Project List

-get data from the District regarding construction

-ask questions

-discuss and come to an agreement at Committee meetings

-prepare a report (one method of reporting is to have a report on the BCSD web site) as well as having hard copies printed

8. The Committee will be supported administratively by the District, but not with bond proceeds.

The Committee will receive and review:

-Annual Independent Performance Audit – this audit is prepared

regarding the “performance” of an architect or sub-firm the architect has hired.

-Annual Independent Financial Audit – this audit is prepared by the District’s auditing firm

The Committee is to inspect District facilities and grounds to see where the bond proceeds are being spent.

The Committee should receive and review the updated Deferred Maintenance plans.

The Committee is to review the District’s efforts to implement cost efficiency.

The Committee is to adhere to the Brown Act (Open Meetings Law) at each Committee meeting. This requires the “peoples’ business to be conducted in the open.” Basic requirements are:

- posting of a 72-hour notice of the upcoming meeting
- an agenda must be prepared and posted along with the meeting notice
- the meeting location must have public access
- all citizens have a right to speak during the meeting
- there is a limit on closed sessions; however, the Citizens’ Oversight Committee is not permitted to have any closed sessions
- no secret meetings are permitted
- no action is permitted to be taken on any items not listed on the agenda
- any materials considered at meetings must be made available to the public

Questions:

Mr. Field asked if the District had begun to prioritize its projects?

Mr. Lingo responded that prioritizing has begun and that the building of a new school is extremely high on the list. It is hoped that several projects will be worked on at the same time. The District is actively seeking land to purchase for the purpose of building a new school. Several parcels have been visited by District staff and the members of the Board of Education.

When a decision has been made, the Oversight Committee will be informed.

Rev. Vereen asked if Committee members could purchase any of the Bonds, or would that be considered a conflict of interest?

Mrs. Wells responded that it is not a conflict of interest for Committee members to purchase the Bonds. You may do so from your own broker or you may let the superintendent know that you wish to purchase bonds and he will put you in touch with Tim Carty of UBS Securities, LLC., who is providing the underwriter services for the District.

Mr. Field asked what dollar amount of the bonds would be sold?

Mrs. Wells responded that it should be in the \$34 Million range and that

the District would have 36 months to spend that money on the pre-approved projects.

Organization & Reporting: Discussion was held regarding the electing of a Chairperson and a Vice-Chairperson.

Nomination and Election of Officers: In accordance with the Education Code, Mrs. Schallock asked for nominations for Chairperson and Vice-Chairperson.

Chairperson: Mr. Harry Chicklenis made a motion that Stephanie Holladay be elected as
of Chairperson. The motion was seconded by Mrs. Lori Hughes. With no other nominations being received, it was ordered by the affirmative vote of the members present that Mrs. Holladay be elected as Chairperson of the Citizens' Oversight Committee.

Vice-Chairperson: Mr. Phil Field made a motion that Harry Chicklenis be elected as Vice-Chairperson. The motion was seconded by Mrs. Stephanie Holladay. With no other nominations being received, it was ordered by the affirmative vote of the members present that Mr. Chicklenis be elected as Vice-Chairperson of the Citizen's Oversight Committee.

Website Development: Discussion was held regarding getting Bond information onto the District's website. Mrs. Holladay and Mr. Chicklenis will work together on preparing information for the website.

Future Committee Meeting: Discussion was held regarding the next meeting of the Committee. This meeting will be to discuss projects and how the bond proceeds will be spent. The meeting will, most likely, take place some time in March.

January 23rd Board of Education Meeting: Discussion was held regarding the attendance of the Committee Chairperson at the next regular Board of Education meeting on January 23, 2007. The Citizens' Oversight Committee Chair will attend to be introduced.

Comments From the Public: No one addressed the Committee at this time.

Adjournment: On a motion by Mrs. Holladay, seconded by Mr. Chicklenis, it was ordered by the affirmative vote of the members present that the meeting be adjourned. Ayes: Mr. Chicklenis, Mr. Field, Mrs. Holladay, Mrs. Hughes, and Rev. Vereen. Noes: None. Absent: Mrs. Herrera and Mr. Todd.

The meeting adjourned at 4:23 p.m.