

6.3 Consideration of Approval of F/Y 2015/16 Financial and Performance Bond Audit and Measure C Citizens' Oversight Committee Report

Rationale:

On November 4, 2014, the voters of the Dixie School District approved Measure C authorizing the issuance of \$30,000,000 of general obligation bonds. Because the bond required 55% of the vote, Proposition 39 (Article XIII of the California State Constitution) required the District to establish a Citizens Oversight Committee (COC) and conduct a Financial and Performance Bond Audit.

On January 13, 2015 the Board of Trustees approved the Measure C Citizens Bond Oversight Committee (COC) as required under Proposition 39 (Article XIII of the California State Constitution). An advisory committee to the District's Governing Board and Superintendent, the COC was established pursuant to the requirements of state law and the provisions of Measure C. The purpose of the COC is to inform the public concerning the use of bond proceeds. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. Their focus would be to determine if the District is spending the Measure C Bond funds for school capital improvements within the scope of projects outlined in Measure C. One of tasks of the committee is to review the Bond Financial and Performance Audit.

The Measure C COC committee consists of the following members: Ms. Patti Bender; Ms. Therese Bruton; Ms. Ruth Carter; Mr. Larry Cunha; Mr. Andy Falk and Mr. Ryan Madden.

The COC had their first meeting for this fiscal year on September 20, 2016 and reviewed the Measure C ballot language noting the intent and purpose of the citizen's oversight committee. In addition, the committee received an update on construction projects and reviewed financial information including charts and graphs on expenditures to date.

The second COC meeting for the fiscal year was held February 28, 2017. The main focus of this meeting was to review the Financial and Performance Bond Audit for fiscal year ended June 30, 2016. Mr. Kyle Montgomery from Christy White Associates attended the meeting and reviewed the draft audit report with the committee. In addition, the committee members reviewed an update on Measure C construction including projects completed, future projects and other projects in various stages in the process. Committee members then reviewed updated financial information including charts and graphs on expenditures to date.

This agenda item includes the board's review and acceptance of the Financial and Performance Bond Audit for F/Y ended June 30, 2016. Ms. Sarah Fiehler from Christy White Associates will be in attendance to provide an overview of the Bond Performance Audit for year ended June 30, 2016.

This will be followed by a report from members of the COC. Ms. Ruth Carter and Mr. Ryan Madden will be in attendance to advise the public on whether the Dixie School District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution regarding the spending of Measure C bond proceeds.

The Superintendent and Business Manager would like to acknowledge all the committee members for serving on this important committee.