

Introduction

This report to the Sonora Elementary School Board of Education (the Board) from the Measure H Citizens' Oversight Committee's (COC) covers activities from March 2013 through February 2014.

COC Activity since last Annual Report

The COC 2013 Organizational Meeting, conducted in March elected a Chair, a Vice Chair, and a Secretary and approved the 2013 Annual Report to Board.

Once organized, the COC:

- monitored the Board's monthly expenditures of Bond Funds;
- reviewed the August ISOM Advisors report that discussed options with respect to future bond sales;
- studied the Modernization Project and Master Plan given to the Board in October and November;
- discussed the impact the fire will have on resetting the Modernization Project Plan with Superintendent Shampain.

COC Immediate Future Plans

The School Districts outside auditors have presented the 2012-13 Audit of Bond Funds to the Board and the COC. The audit spans bond funds expended from July 1, 2012 through June 30, 2013 and provides the COC with the basis for our report to the Board and the public. Our initial review of the Bond Audit will occur at our next regularly scheduled meeting on March 19, 2014.

The COC is aware that insurance coverage will allow substantial adjustment to expenditure of bond funds for the benefit of SES. We expect that even more time and effort will be needed by COC to track carefully the rapidly adjusted spending plans.

The COC has been operating for almost a year with only five of the seven members required by the statute. The law requires:

- (one) member active in a business organization representing the business community located in the District, John Williams;
- (one) member active in a senior citizen's organization, Thomas Mannix;
- (one) member active in a bona-fide taxpayers association, Andrew McCluskey;
- (one) member who is a parent or guardian of a child enrolled in the District, Eveleen Sheehan-Smith;
- (one) member of the community at large appointed by the Board, Charles Segerstrom;

- (one) member of the community at large appointed by the Board, **currently vacant**; and
- (one) member who is both a parent or guardian of a child enrolled in the district and active in a parent-teacher organization or school site council, **currently vacant**.

A seven member Committee would satisfy the statutory requirement and help us carry out our most important function, the report to the Board and the public on how the Bond Funds are being used.

COC Vacancy Situation

The Board has had difficulty filling two COC vacancies. At its January, 2014 meeting, the Board discussed the need to fill the two COC vacancies. The SES Board, after having made a good faith effort to fill the two existing vacancies, may need to discuss amending its rules to fill the COC vacancies. Originally, the Board appointed three COC members who fit the people who are a parent or guardian of a child enrolled in the District criterion.

Existing COC members are concerned that unfilled positions required by the statute may impact the perception and reality of the validity of our oversight responsibilities. Taxpayer expectations that oversight by this COC is rigorous and compliant with statutory requirements may not be met. We are concerned that future school bond issues in Tuolumne County may face more opposition if the perception is that COC functions, membership and support have been incomplete or inadequate.

Conclusion

The COC expects to complete its review of the 2012-2013 Bond Fund Audit and present it to the Board no later than June 30, 2014.