

**Fortuna Union Elementary School District
Citizens' Oversight Committee**

Purpose

In November 2000, voters approved a statewide ballot initiative, Proposition 39, and corresponding statute SB 1129, which lowered the threshold needed to pass local school bonds to 55% from the previous 66.7%. Along with lowering the threshold, the law drastically tightened fiscal oversight requirements. The purpose of the committee shall be to monitor how bond funds are spent and inform the public concerning the expenditure of the bond proceeds. This includes the following activities:

- Actively review and report on the proper expenditure of taxpayers' money for school construction.
- Advise the public as to whether the school district is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, that is, that bond funds are spent on facilities and not on teacher or administrator salaries or school operating expenses.

Membership Requirements

By law, the committee must have at least seven members, with five categories prescribed. The Fortuna Union Elementary School District Committee will include:

- One member who is active in a business organization representing the business community located within the school district
- One member who is active in a senior citizens' organization
- One member who is active in a bona fide taxpayers' organization
- One member who is a parent or guardian of a child enrolled in the school district
- One member who is a parent or guardian of children enrolled in the school district and active in a parent-teacher organization
- Two members at large representing the community with interests in education

By law, the Board of Education appoints the Citizens' Oversight Committee and members may not be a current employee, board member, vendor, contractor, or consultant of the school district.

Timeline for Committee Applications and Appointment

Applications, all accompanying documents, and letters must be received by 4:00 p.m. on January 5, 2007 at the Fortuna Union Elementary School District Office, 843 L Street, Fortuna. Faxed applications will be accepted. The fax number is (707) 725-2228. The Fortuna Union Elementary School District Board of Education is scheduled to appoint the Citizens' Oversight Committee in March 2007.

CITIZENS' BOND OVERSIGHT COMMITTEE BYLAWS

Section 1. Committee Established. The Fortuna Union Elementary School District (the "District") was successful at the election conducted on November 7, 2006 (the "Election"), in obtaining authorization from the District's voters to issue up to \$3,900,000 aggregate principal amount of the District's general obligation bonds, pursuant to a fifty-five percent vote. The election was conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish the Oversight Committee to satisfy the accountability requirements of Prop 39. The Board of Trustees of the Fortuna Union Elementary School District (the "Board") hereby establishes the Citizens' Bond Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws. The Committee does not have independent legal capacity from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support at District expense to the Committee as consistent with the Committee's purposes as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under the ballot measure. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform the following duties:

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditures of bond proceeds.

3.2 **Review Expenditures.** The Committee may review quarterly expenditure reports produced by the District to ensure that (a) bond proceeds are expended only for the purposes set forth in the ballot measure; (b) no bond proceeds are used for any teacher or administrative salaries or other operating expenses.

3.3 **Annual Report.** The Committee shall present to the Board, in public session, an annual written report which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of construction contracts,
- (ii) Approval of construction change orders,
- (iii) Appropriation of construction funds,
- (iv) Handling of all legal matters,
- (v) Approval of construction plans and schedules,
- (vi) Approval of Deferred Maintenance Plan, and
- (vii) Approval of the sale of bonds.

3.5 Voter-Approved Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the District has not charged the Committee with responsibility for:

(a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.

(b) The establishment of priorities and order of construction for the bond projects shall be made by the Board in its sole discretion.

(c) The selection of architects, engineers, soil engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) by the Board in its sole discretion and shall report to the Committee on any cost saving techniques considered or adopted by the Board.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry activities set forth in Prop 39 and included herein.

(g) The adoption of a plan for publicizing the activities of the Committee and the determination as to whether a mailer, a newspaper notice or website materials would best suit the distribution of the Committee's findings and recommendations.

(h) The amendment or modification of the Bylaws for the Committee as provided herein, subject to the legal requirements of Prop 39.

(i) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its functions under Prop 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive and review copies of the District's annual independent performance audit and annual independent financial audit, required by Article XIIA of the California Constitution.

(b) Inspect school facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Superintendent.

(c) Review copies of deferred maintenance proposal or plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

Section 5. Membership.

5.1 Number. The Committee shall consist of a minimum of seven (7) members appointed by the Board of Education from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizen's organization.
- One (1) member active in a bona-fide taxpayers association.
- One (1) member shall be a parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the district and active in a parent-teacher organization or school site council.
- Two (2) members of the community at-large appointed by the Board.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age and reside within the District's geographic boundary, in accordance with Government Code Section 1020.

(b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code and the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and to complete the Form 700 as required by all "designated employees" of the District. Additionally, each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, beginning _____, 2006. No member may serve more than two (2) consecutive terms. At the Committee's first meeting, members will draw lots to select a minimum of two (2) members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) appropriate local groups will be solicited for applications; (b) the Superintendent or his designee will review the applications; (c) the Superintendent or his designee will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two (2) consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District. (b) Individual members of the Committee retain the right to address the Board as an individual.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee is required to meet at least once a year including an annual organizational meeting to be held in _____.

6.2 Location. All meetings shall be held within the District.

6.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the

number of Committee members shall constitute a quorum for the transaction of any business except adjournment.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) preparation of and posting of public notices as required by the *Ralph M. Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

(b) provision of a meeting room, including any necessary audio/visual equipment;

(c) preparation and copies of any documentary meeting materials, such as agendas and reports; and

(d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend all Committee proceedings in order to report on the status of projects and the expenditures of bond proceeds.

7.3 No bond proceeds shall be used to provide District support to the Committee.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board at least semi-annually in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Superintendent shall appoint the initial Chair. Thereafter, the Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent, which positions shall continue for two (2) year terms. No person shall serve as Chair for more than two (2) consecutive terms.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a two-thirds vote of the entire Board.

Section 11. Termination. The Committee shall automatically terminate and disband at the earlier of the date when (a) all bond proceeds are spent, or (b) all projects funded by bond proceeds are completed.

Fortuna Elementary School District- Citizens Oversight Committee

Jack Bernstein	Fortuna Police Department
Sally Conley	Cornerstone Realty
Keith DeMello	CPA
Kim Gans	Parent/Site Council
Tom Hiller	Benchmark Realty
Tom Moore	Self Employed- Construction
Phil Nyberg	Veterinarian/Tax League
Kim Peterson	Fortuna High School – Teacher
Tina Taylor	PTA President/Parent
Trudy Wilson	Senior Representative

CITIZENS OVERSIGHT COMMITTEE

DATE: April 24, 2007

PLACE: Fortuna Middle School- Healthy Start Building

AGENDA

OPEN SESSION BEGINS AT 6:30 P.M.

- | | | |
|-------------|--|--------------------|
| I. | Welcome and Introductions | Information |
| II. | Election of Officers | Action |
| III. | Establish Meeting Calendar | Action |
| IV. | Conflict of Interest Statements | Information |
| V. | Bond Information | Information |

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE - SPECIAL MEETING**

**DATE: April 24, 2007
PLACE: Fortuna Elem.
Healthy Start Building
6:30 p.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Phil Nyberg, Trudy Wilson, Jack Bernstein, Cindy Smith, Kay Harden, Kim Peterson, Tom Moore, Tina Taylor, Keith DeMello, Ruthann Schuelte, and Becky Giacomini

- I. Welcome and Introductions-** Committee introduced themselves and an explanation was made about what the committee is to do. The committee should be considered as public agents for the community. After passing a bond that the committee is formed by law to oversee the financial aspects of the building project.

- II. Election of Officers**
Motion to nominate Tom Hiller as chairman for the committee. Nyberg/Peterson Carried
Motion to nominate Kim Peterson as vice-chairman. Hiller/Moore Carried
Motion to nominate Phil Nyberg as Secretary/Treasurer Hiller/Peterson Carried

- III. Establish meeting calendar-** Committee decided to meet on the 3rd Tuesdays at 6:30 p.m. at Fortuna Middle School in the Healthy Start Building when meetings are scheduled. Motion to approve a meeting date/time. Nyberg/Wilson Carried

- IV. Conflict of Interest Statements-** Committee members are required to fill out these statements for the county election board.

- V. Bond Information-** Committee was informed on what is happening with the bond and what the language included for the spending of the bond. There was discussion about using existing approved plans for the new school and not starting from scratch. It was also stated the committee and community need to be concerned about what we can really afford to build.

Meeting adjourned at 7:30 p.m.

**Becky Giacomini
Administrative Assistant**

CITIZENS OVERSIGHT COMMITTEE
PLACE: South Fortuna Elementary
Library

DATE: October 25, 2007

AGENDA

OPEN SESSION BEGINS AT 5:30 P.M.

- | | | |
|-------------|--|--------------------|
| I. | Approval of Minutes of April 24, 2007 | Action |
| II. | Update on funding from the state | Information |
| III. | Time frame from Architects | Information |

FORTUNA ELEMENTARY SCHOOL DISTRICT
Citizens Oversight Committee

DATE: October 25, 2007
PLACE: South Fortuna Elementary
Library
5:30 p.m.

MINUTES

MEMBERS PRESENT: Tom Hiller, Kim Gans, Tom Moore, Kim Peterson, Tina Taylor, and Jack Bernstein

MEMBERS ABSENT: Sally Conley, Phil Nyberg, Trudy Wilson, Kay Harden and Keith DeMello

OTHERS PRESENT: Charlie Lakin, Gary Huber, Patti Hafner and Becky Giacomini

Meeting called to order by President Tom Hiller at 5:30 p.m.

The members were invited to tour the new modernized classrooms. Gary Huber, Director of Maintenance and Charlie Lakin, Project Manager answered questions and described the extent of the project.

I. Approval of minutes- April 24, 2007-

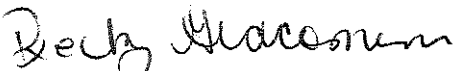
Motion to approve the minutes. Peterson/Taylor Ayes: 6 Nays: 0 Absent: 5 Carried

II. Update on funding from the state – Charlie Lakin and Superintendent Patti Hafner reported to the committee on the current status of the funding for the Middle School project after meeting with OPSC (Office of Public School Construction) staff in Sacramento. A current budget with details of current expenditures and the remaining funds from the bond were discussed.

III. Time frame from Architects- Charlie Lakin described the time frame that is required from the state to utilize the bond funding. TLCD Architects are on target to submit the plans for the Middle School before the deadline expires. The deadline is 2 years from the passage of the bond which is November 2008.

The committee discussed their role as a committee through out this process. How often do they meet and when? Tom Hiller requested that minutes and any correspondence be mailed out with the agendas.

Meeting adjourned at 6:30 p.m.


Becky Giacomini
Assistant Supt. of Business

CITIZENS OVERSIGHT COMMITTEE DATE: February 12, 2008
PLACE: Fortuna Middle School- Library

AGENDA

OPEN SESSION BEGINS AT 5:00 P.M.

- | | | |
|--------------|--|--------------------|
| I. | Call to Order | |
| II. | Roll Call | |
| III. | Approval of Minutes of September 27, 2007 | Action |
| IV. | Budget overview
Review of current expenditures | Information |
| V. | Middle School Building Project
Update on construction plans and timelines for project | Information |
| VI. | Committee Members' Comments | Information |
| VII. | Future Agenda Items | Information |
| VIII. | Adjournment | |

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE -**

DATE: February 12, 2008
PLACE: Fortuna Elementary
Library
5:00 p.m.

MINUTES

MEMBERS PRESENT: Tom Hiller, Phil Nyberg, Jack Bernstein, Kim Peterson, Tom Moore, Tina Taylor and Kim Gans

MEMBER ABSENT: Keith DeMello, Sally Conley, Trudy Wilson, and Kay Harden

OTHER PRESENT: Gary Huber, Charlie Lakin, Janice Olkin, JoAnn Taylor and Becky Giacomini

- I. Call to Order- Chairman, Tom Hiller called the meeting to order at 5: 03 p.m
- II. Approval of Minutes- Committee reviewed the minutes as mailed
Motion to approve the minutes of September 27, 2007 Gans/Taylor Carried
- III. Budget Overview- Review of the current expenditures to date. JoAnn Taylor, project financial clerk, reported to the committee about the expenditures and what is left to close out the project. The Oversight Committee must have an annual audit report to be done one year after receiving money. It is recommended that the Oversight Committee report to the Board of Trustees.
- IV. Middle School Building Project- Charlie Lakin, project manager gave an update about the costs of the new school. The Gym will cost about 2.6-2.7 million to build and the adjoining middle school classrooms will cost 6-6.5 million. There was much discussion about the concern of building the gym first with Bond money and not having the money backfilled by the state. Mr. Lakin explained to the committee about filing for Financial Hardship after we encumber the bond money for the gym.

Bid awards for the gym will hopefully be ready by August 15th which takes about 4-5 weeks. There will be an escape clause in the contract if we don't get the funding for the middle school. We must always plan on changeovers in any bid which is an unknown amount.

Board of Trustees president, Janice Olkin spoke about the amount of money we were told we would be receiving from the state and why we are not getting the additional 3 million needed to build all the classrooms we need. The district is in contact with OPSC (Office of Public School Construction) to receive written assurance of the money we are entitled to according to the funding formula, so we have a true picture of our costs for the new school.

The tentative schedule will be DSA approval of plans in April 2009, bid award in June 2009 and a finish date of August 2010.

Meeting adjourned at 5:55 p.m.



Becky Giacomini
Assistant Superintendent of Business

CITIZENS OVERSIGHT COMMITTEE DATE: July 29, 2008
PLACE: Fortuna Middle School- Healthy Start Building

AGENDA

OPEN SESSION BEGINS AT 5:30 P.M.

- | | | |
|--------------|--|--------------------|
| I. | Call to Order | |
| II. | Roll Call | |
| III. | Approval of Minutes of February 12, 2008 | Action |
| IV. | Budget overview
Review of current expenditures | Information |
| V. | Middle School Building Project
Update on construction plans and timelines for project | Information |
| VI. | Committee Members' Comments | Information |
| VII. | Future Agenda Items | Information |
| VIII. | Adjournment | |

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE**

**DATE: July 29, 2008
PLACE: Fortuna Elementary
Healthy Start Building
5:30 p.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Jack Bernstein, Kim Peterson, Jared Peterson, Tina Taylor and Kim Gans, Trudy Wilson

MEMBER ABSENT: Keith DeMello, Sally Conley, Tom Moore, Phil Nyberg, Kay Harden

OTHER PRESENT: Gary Huber, Charlie Lakin, Janice Olkin, JoAnn Taylor, Patti Hafner and Becky Giacomini

- I. Call to Order- Chairman, Tom Hiller called the meeting to order at 5: 30 p.m.
- II. Approval of Minutes- Committee reviewed the minutes as mailed
Motion to approve the minutes of February 12, 2008 Gans/Wilson Carried
- III. Budget Overview- Review of the current expenditures to date. JoAnn Taylor, project financial clerk, reported about the close out of Fund 35 for the modernization project at South School. All requirements were met for the state program. 4th quarter interest has not been posted as of today. Fund 21 which is for the Gym and Middle school project has not been separated as of this date.
- IV. Middle School Project- Charlie Lakin reported about progress of the funding from the state for the Middle School. All the timelines are being met to file for financial hardship and facility funding.
Bid meeting is set for the gym project and dates are set with the architect firm to read the bids and then award the bid. Board approval of the contract from the winning contractor will take place in early August, and then hope to break ground mid August.
- V. Committee Comments- An annual audit report needs to be presented to the committee for approval to take to the Board to meet the requirements of the Citizens Oversight Committee. The report will be put together by the district office staff.

Meeting adjourned at 6:20 p.m.



**Becky Giacomini
Assistant Superintendent of Business**

FORTUNA UNION ELEMENTARY SCHOOL		
BUILDING PROJECTS		
2006/07-2007/08		
REVENUES		
Proceeds From Sale of Bonds Fund 21		\$3,899,983.60
Interest Fund 21		96,981.27
State Facilities Apportionment Fund 35		657,358.00
Interest Fund 35		9,176.25
Total Revenues		\$4,663,499.12
Fund 21 Expenses (Town)		
Salaries & Benefits		\$6,149.65
Contracted Services		\$67,746.05
Architect Fees		\$537,346.84
DSA Plan Check		\$52,715.00
Travel & Conference		\$318.18
Other Costs		\$291.00
Total Expenses Fund 21		\$664,566.72
Fund 35 Expenses (South School Renovation)		
Salaries & Benefits		\$9,021.17
Architect Fees		\$50,533.75
Contracted Services		\$12,036.00
DSA Plan Check		\$20,358.16
Bidgs Improve Construction		\$1,169,808.00
Other Costs *		\$104,318.89
Total Expenses Fund 35		\$1,366,075.97
Total Revenues		\$4,663,499.12
Total Expenses		\$2,030,642.69
Balance		\$2,632,856.43
*Other Costs: Labor Compliance, Container Costs, PGE, Environmental Costs		
JoAnne Taylor		
Jun-08		

CITIZENS OVERSIGHT COMMITTEE DATE: October 28, 2008
PLACE: Fortuna Middle School- District Office Conf Room
TIME: 5:00 p.m.

AGENDA

OPEN SESSION BEGINS AT 5:00 P.M.

Site visit for new Gym

- | | | |
|--------------|--|--------------------|
| I. | Call to Order | |
| II. | Roll Call | |
| III. | Approval of Minutes of July 29, 2008 | Action |
| IV. | Budget overview
Review of current expenditures | Information |
| V. | Middle School Building Project
Update on construction plans and timelines for project | Information |
| VI. | Approval of Oversight annual report | Action |
| VII. | Committee Members' Comments | Information |
| VIII. | Future Agenda Items | Information |
| IX. | Adjournment | |

FORTUNA ELEMENTARY SCHOOL DISTRICT
Citizens Oversight Committee

DATE: October 28, 2008
PLACE: Fortuna Elementary
District Office Conf Room
5:00 p.m.

MINUTES

MEMBERS PRESENT: Tom Hiller, Tom Moore, Keith DeMello, Phil Nyberg, Sally Conley, Tina Taylor, and Jack Bernstein

MEMBERS ABSENT: Kim Peterson, Kim Gans, Trudy Wilson, Kay Harden

OTHERS PRESENT: Charlie Lakin, Gary Huber, Patti Hafner and Becky Giacomini

A site visit of the new gym construction site took place with Gary Huber and Charlie Lakin leading the tour and answering any questions.

I. Meeting called to order by President Tom Hiller at 5:30 p.m.

II. Approval of minutes- July 29, 2008

Motion to approve the minutes. Nyberg/Bernstein Carried

III. Budget Overview- Review of current expenditures- Committee would like more detailed expenditures for the next budget overview. All funds have been encumbered to maximize the hardship funding that will be needed for the Middle School project. The gym project completion date will be July, 2009. Fortuna Elementary has qualified for Phase I of the financial hardship grant from the state.

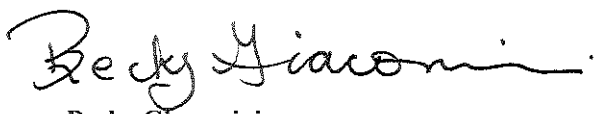
IV. Middle School Building Project- Update on construction plans and timelines for project- Charlie Lakin gave the update on the project and the funding issues. We have been assigned a state auditor for our project and the district has received an extension for the facility hardship grant. The district hopes to go out to bid in March and start construction in April.

V. Approval of Citizen Oversight Committee annual report- The committee reviewed the report that must be approved by the Board of Trustees annually. Chairman Tom Hiller will present the report at the November Board Meeting.

Motion to approve the report. Conley/Nyberg Carried.


VI. Future Agenda Items- Committee would like a detailed budget with all expenditures for next meeting.

Meeting adjourned at 5:55 p.m.



Becky Giacomini
Assistant Supt. of Business

October 22, 2008

To: Becky Giacomini, Assistant Superintendent of Business
From: JoAnne Taylor, Special Projects Accountant 
Re: Financial Reports/ Building Projects Town School

Please find attached a financial report regarding Town School Fund 21. As per our conversation I have started a new spreadsheet that reflects the Town Gym/New School. I have also attached the last financial report given to the Oversight Committee that reflects the final on South Fortuna Renovation Fund 35 along with Fund 21 Expenses in the 2007/08 school year. If you have any questions or would like me to attend the next Oversight Committee meeting let me know.

2008-ANNUAL REPORT
CITIZEN'S OVERSIGHT COMMITTEE
FORTUNA UNION ELEMENTARY SCHOOL DISTRICT

The Citizen's Oversight Committee was formed on April 24, 2007 to be in compliance with the California Constitution and Prop 39, which states that any public school receiving Bond monies from a successful Bond election shall form a committee that will inform the public concerning the District's expenditures of bond proceeds.

The committee should consist of a minimum of seven members, appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39.

One member active in a business organization representing the business community located in the district

One member active in a senior citizen's organization

One member active in a bona-fide taxpayers association

One member shall be parent or guardian of child enrolled in the District

One member shall be both a parent or guardian of a child enrolled in the district and active in parent-teacher organization or school site council

Two members of the community at-large appointed by the Board

The committee consists of eleven members. Tom Hiller was elected chairperson, Kim Peterson, vice-chair and Phil Nyberg as Secretary/Treasurer.

The Committee has met on:

April 24, 2007

October 25, 2007

February 12, 2008

July 29, 2008

October 28, 2008

Attached are the agendas, minutes and roster of the committee

The committee has met at both Fortuna Middle School and South Fortuna Elementary to oversee the progress of the projects taking place using the proceeds of the Bond monies.

South School successfully completed their modernization project in October of 2007.

The state provided \$657,358.00 and the bond monies provided the match of \$708,717.97 needed to complete the \$1,366,075.97 project.

The new gym project at Fortuna Middle school began in August 2008. The successful bid went to Aulubaugh Construction Company. This project will be completed in July, 2009.

The committee has reviewed the budget of the bond monies at each meeting to be kept apprised of the remaining funds that are being used for the school project.

CITIZENS OVERSIGHT COMMITTEE DATE: December 9, 2008
PLACE: Fortuna Middle School- District Office Conf Room
TIME: 5:30 p.m.

AGENDA

OPEN SESSION BEGINS AT 5:30 P.M.

- | | | |
|--------------|--|--------------------|
| I. | Call to Order | |
| II. | Roll Call | |
| III. | Approval of Minutes of October 28, 2008 | Action |
| IV. | Budget overview
Review of current expenditures for Gym project | Information |
| V. | Middle School Building Project
Update on construction plans and timelines for project | Information |
| VI. | Committee Members' Comments | Information |
| VII. | Future Agenda Items | Information |
| VIII. | Adjournment | |

FORTUNA ELEMENTARY SCHOOL DISTRICT
Citizens Oversight Committee

DATE: December 9, 2008
PLACE: Fortuna Elementary
District Office Conf Room
5:30 p.m.

MINUTES

MEMBERS PRESENT: Tom Hiller, Kim Peterson, Kim Gans, Trudy Wilson, Phil Nyberg, and Jack Bernstein

MEMBERS ABSENT: Sally Conley, Keith DeMello, Tom Moore, Tina Taylor

OTHERS PRESENT: Patti Hafner and Becky Giacomini

I. Meeting called to order by President Tom Hiller at 5:30 p.m.

II. Approval of minutes- October 28, 2008
Motion to approve the minutes. Nyberg/Peterson Carried

III. Budget Overview- Review of current expenditures- Dr. Hafner reported on the financial activity for the gym project. Discussed many of the detailed line items. All funds have been encumbered for architect, engineers, Aulubaugh construction company, state inspector and project manager.

IV. Middle School Building Project- Update on construction plans and timelines for project- Dr. Hafner reported with the state budget problems all building project timelines are on hold. We will wait and see what the status of state building funds will be in the near future.

V. Approval of Citizen Oversight Committee annual report-Chairman Tom Hiller report to the committee that the annual audit of Citizens Oversight Committee was approved by the Board of Trustees.

VI. Future Agenda Items

Meeting adjourned at 5:55 p.m.



Becky Giacomini
Assistant Supt. of Business

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE**

**DATE: March 19, 2009
PLACE: Fortuna Elementary
District Office Conference Rm.
5:30 p.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Kim Peterson, Tom Moore, Tina Taylor

MEMBER ABSENT: Keith DeMello, Sally Conley, Jack Bernstein, Phil Nyberg, Trudy Wilson, and Kim Gans

OTHER PRESENT: Gary Huber, Charlie Lakin, Janice Olkin, Patti Hafner and Becky Giacomini

- I. **Call to Order- Chairman, Tom Hiller called the meeting to order at 5: 30 p.m. Adjourned for a tour of the new gym project by Gary Huber and Charlie Lakin**
- II. **Approval of Minutes- Committee reviewed the minutes as mailed Motion to approve the minutes of December 9, 2008 Peterson/Moore Carried**
- III. **Budget Overview- Review of the current expenditures to date. Only 1st quarter interest has been posted, so financials are looking on target with very few change orders.**
- IV. **Gym Project- Charlie Lakin reported about progress of the gym and the timelines. Schedule is off about 3 weeks. There have been very few RFI- Requests for Information which slows down a project. Hoping to be done by July.**
- V. **Middle School Project- Charlie Lakin and Patti Hafner reported that they had a phone conference with Jason Hernandez, Office of Public School Construction and the district has completed all the information for Facilities and Financial Hardship funding. With the California Budget constraints, funding is not happening at this time. Another SAB meeting will be held in April for funding approval. The school plans have been approved by DSA, Department of State Architects, so we are ready to go when the funding is released.**
- VI. **Committee Comments- none**

Meeting adjourned at 6:35 p.m.

**Becky Giacomini
Assistant Superintendent of Business**

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FORTUNA UNION ELEMENTARY SCHOOL												
BUILDING PROJECTS 2008/2009												
FUND 21												
2008/2009												
REVENUES												
CARRY-OVER BALANCE												
												\$2,696,384.00
LOCAL REVENUE												
												\$255.00
PROJECTED INTEREST												
												\$20,000.00
TOTAL REVENUE FUND 21												
												\$2,716,639.00
FUND 21 TOWN GYM/NEW SCHOOL												
EXPENSES												
SALARIES & BENEFITS												
												\$12,027.27
LACO ASSOCIATES												
												\$28,572.86
ADVERTISEMENT												
												\$780.30
TOTAL CONTRACTED SERVICES												
												\$29,353.16
ARCHITECT												
TLCD ARCHITECTURE												
												\$158,128.06
DSA PLAN CHECK FEES												
												\$22,422.40
FENTON CONSTRUCTION												
												\$22,422.40
ENGINEERING SERVICES												
SHN CONSULTING												
												\$17,680.00
CONSTRUCTION TESTING												
STATE WATER RESOURCES												
												\$308.00
BLDG/CONSTRUCTION												
AULABAUGH CONSTRUCTION												
												\$864,586.33
TOTAL ACTUAL EXPENSES												
												\$1,104,505.22
ENCUMBERED DOLLARS												
												\$1,630,441.22
TOTAL EXPENSES												
												\$2,734,946.44
BALANCE												
												-\$18,307.44
JOANNE TAYLOR 2/18/2009												

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE - SPECIAL MEETING**

**DATE: June 18, 2009
PLACE: Fortuna Elem.
District Office Conference Rm.
5:00 p.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Phil Nyberg, Tom Moore and Tina Taylor

**MEMBERS ABSENT: Sally Conley, Trudy Wilson, Keith DeMello, Kim Petersen, Jack Bernstein,
Kim Gans**

OTHERS PRESENT: Charlie Lakin, Patti Hafner, and Becky Giacomini

- I. Call to Order by President Tom Hiller at 5: 08 p.m.
- II. Roll Call
- III. Approval of Minutes- March 19, 2009- Due to lack of quorum the minutes could not be approved
- IV. Budget Overview- Committee reviewed the budget to date. Costs are on target with the gym project with a few change orders that have occurred to date. The committee has some concerns about the state inspector being held responsible for problems not caught that might cost the district extra expenses.
- V. Middle School Building Project- Update on construction plans and timelines for project Charlie Lakin and Patti Hafner discussed with the committee that the plans are DSA approved and that the District Financial/Facilities Hardship grants are on the agenda at State Allocation Board for June 24th for unfunded approval.
- VI. Office of Public School Construction Update- Charlie Lakin reported that OPSC has been very good to work with and the funding possibilities are better than we thought when the district started this process of building a new school. OPSC was helpful in finding modernization money to work on the Annex part of the Middle School to be able to qualify for more funding for the new school. These are considered two projects, new construction and Modernization, but the project was approved at DSA as one.
- VII. Committee Comments- Phil Nyberg would like the committee to be notified after the SAB meeting on June 24th for our unfunded approval. Committee members would also like the minutes sent out soon after each meeting and reminder to other members to attend the meetings if at all possible.

Meeting adjourned at 5:50 p.m.


Becky Giacomini

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE**

**DATE: August 12, 2009
PLACE: Fortuna Elementary
District Office Conference Rm
5:00 p.m.**

MINUTES

Gym Tour


MEMBERS PRESENT: Tom Hiller, Kim Peterson, Tina Taylor and Kim Gans

MEMBER ABSENT: Keith DeMello, Sally Conley, Tom Moore, Phil Nyberg, Trudy Wilson, Jack Bernstein

OTHER PRESENT: Charlie Lakin, JoAnn Taylor, and Becky Giacomini

- I. Call to Order- Chairman, Tom Hiller called the meeting to order at 5: 15 p.m.**
- II. Approval of Minutes- Committee reviewed the minutes as mailed
Motion to approve the minutes of June 18, 2009 Peterson/Gans Carried**
- III. Budget Overview- Review of the current expenditures to date. JoAnn Taylor, project financial clerk, reported about the budget and encumbered money to finish out the project. Balance at June 30, 2009 was \$320,208.00. Expenditures for 09/10 year to date are at \$103,669.00. There is a retention account that can have funds held if the project is not finished to the district's satisfaction. TLCD Architect firm is requesting an additional \$15,000 for not having the project completed by the set date in the contract.**
- IV. Middle School Project- Charlie Lakin reported that the funding for the new school has been approved, but the state cannot sell bonds in this economic climate to fund any approved plans. The district will not start any project without the funds from the state. With the approved funding from the state is a \$700,000 Modernization portion to renovate the annex building for 2 classrooms and Library/Media Center. The total funding will be close to 6.5 million.**
- V. Committee Comments- With the completion of the gym, the Citizens Oversight Committee will not need to convene. The by-laws of the Citizens Oversight Committee states the committee is only needed to oversee the Bond money and not state funded projects.**
- VI. Future Agenda Items- Next meeting will be held in the middle of September to see the completed project and review the expenditures.**

Meeting adjourned at 6:02 p.m.



**Becky Giacomini
Assistant Superintendent of Business**

REVISED 12/16/2009							
FORTUNA UNION ELEMENTARY SCHOOL							
BUILDING PROJECTS 2008/2009							
FUND 21							
2009/2010							
REVENUES							
CARRY-OVER BALANCE						\$2,696,384.00	
LOCAL REVENUE						\$255.00	
PROJECTED INTEREST						\$71,245.00	
TOTAL REVENUE FUND 21						\$2,767,884.00	
FUND 21 TOWN GYM/NEW SCHOOL							
EXPENSES							
SALARIES & BENEFITS						\$29,706.45	
LACO ASSOCIATES						\$36,241.11	
ADVERTISEMENT						\$780.30	
TOTAL CONTRACTED SERVICES						\$37,021.41	
ARCHITECT							
TLCD ARCHITECTURE						\$221,532.05	
DS/AC/DE PLAN CHECKS						\$118,011.60	
FENTON CONSTRUCTION						\$4,200.00	
CDE						\$122,211.60	
TOTAL PLAN CHECKS							
ENGINEERING SERVICES						\$36,219.47	
SHN CONSULTING							
CONSTRUCTION TESTING						\$375.00	
STATE WATER RESOURCES							
BLDG/CONSTRUCTION						\$2,265,712.04	
AULABAUGH CONSTRUCTION						\$7,591.46	
FIRST SERVICE						\$2,720,369.48	
TOTAL ACTUAL EXPENSES							
ENCUMBERED DOLLARS						\$17,452.63	
TOTAL EXPENSES						\$2,737,822.11	
BALANCE						\$30,061.89	
JOANNE TAYLOR 12/16/2009							

2009-ANNUAL REPORT
CITIZEN'S OVERSIGHT COMMITTEE
FORTUNA UNION ELEMENTARY SCHOOL DISTRICT

The Citizen's Oversight Committee was formed on April 24, 2007 to be in compliance with the California Constitution and Prop 39, which states that any public school receiving Bond monies from a successful Bond election shall form a committee that will inform the public concerning the District's expenditures of bond proceeds.

The committee should consist of a minimum of seven members, appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39.

One member active in a business organization representing the business community located in the district

One member active in a senior citizen's organization

One member active in a bona-fide taxpayers association

One member shall be parent or guardian of child enrolled in the District

One member shall be both a parent or guardian of a child enrolled in the district and active in parent-teacher organization or school site council

Two members of the community at-large appointed by the Board

The committee consists of eleven members. Tom Hiller was elected chairperson, Kim Peterson, vice-chair and Phil Nyberg as Secretary/Treasurer.

The Committee has met on:

December 9, 2008

March 19, 2009

June 18, 2009

August 12, 2009

Attached are the agendas, minutes and roster of the committee

The committee has met at Fortuna Middle School to oversee the progress of the project taking place using the proceeds of the Bond monies.

South School successfully completed their modernization project in October of 2007. The state provided \$657,358.00 and the bond monies provided the match of \$708717.97 needed to complete the \$1,366,075.97 project.

The new gym project at Fortuna Middle school began in August 2008. The successful bid went to Aulubaugh Construction Company of Chico. This project was expected to be completed in July, 2009, but with some set backs is not completed at this time.

The committee has reviewed the budget of the bond monies at each meeting to be kept apprised of the remaining funds that are being used for the school project.

CITIZENS OVERSIGHT COMMITTEE DATE: January 14, 2010
PLACE: Fortuna Middle School- District Office Conf Room
TIME: 5:00 p.m.

AGENDA

OPEN SESSION BEGINS AT 5:00 P.M.

- | | | |
|--------------|--|--------------------|
| I. | Call to Order | |
| II. | Roll Call- Jack Bernstein, Sally Conley, Keith DeMello, Kim Gans, Tom Hiller, Tom Moore, Phil Nyberg, Kim Peterson, Tina Taylor, Trudy Wilson | |
| III. | Approval of Minutes of August 12, 2009 | Action |
| IV. | Budget overview
Review of expenditures for Gym project | Information |
| V. | Middle School Building Project
Update on construction plans and timelines for project | Information |
| VI. | Annual Audit to Board of Trustees | Action |
| VII. | Committee Members' Comments | Information |
| VIII. | Future Agenda Items | Information |
| X. | Adjournment | |

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE - SPECIAL MEETING**

**DATE: January 14, 2010
PLACE: Fortuna Elem.
District Office Conference Rm.
5:00 p.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Tom Moore, Tina Taylor, and Kim Peterson

MEMBERS ABSENT: Sally Conley, Trudy Wilson, Keith DeMello, Jack Bernstein, Kim Gans, and Phil Nyberg

OTHERS PRESENT: Charlie Lakin, and Becky Giacomini

- I. Call to Order by President Tom Hiller at 5:15 p.m.**
- II. Roll Call**
- III. Approval of Minutes- due to lack of quorum the minutes could not be approved**
- IV. Budget Overview- Committee reviewed budget that was submitted. Still working with bankruptcy law firm to finalize the costs still owed to sub contractors which is about \$150,000. The retention fund has a balance of \$204,000. The district will not sign and file the notice of completion until legal counsel advises us to do so. The Bonding Company is accepting Stop Notices from the many sub contractors not paid at this time.**
- V. Middle School Building Project- Update on construction- There is a delay in starting the building project due to the state not being able to sell bonds at this time with the poor economy at the state level.**
- VI. Last meeting will not be scheduled until finances are completed with the bankruptcy court.**

Meeting adjourned at 5:45 p.m.


Becky Giacomini

**FORTUNA ELEMENTARY SCHOOL DISTRICT
CITIZENS OVERSIGHT COMMITTEE**

**DATE: February 15, 2011
PLACE: Keith DeMello CPA
Conference Room
8:00 a.m.**

MINUTES

MEMBERS PRESENT: Tom Hiller, Sally Conley, Kim Gans, Tom Moore, Tina Taylor, Keith DeMello, Patti Hafner and Becky Giacomini

MEMBERS ABSENT: Phil Nyberg, Trudy Wilson, Kim Petersen, and Jack Bernstein

- I. Call to Order-Chairman Tom Hiller called the meeting to order at 8:00 a.m.**
- II. Roll Call – see above**
- III. Approval of Minutes- August 12, 2010
Motion to approve the minutes Moore/DeMello Carried**
- IV. Budget Overview- Review of expenditures for Gym Project- Patti Hafner reported on the budget and noted the shortfall of \$5782.33 for the completed project. That was due to overestimating the interest. When we started the project after the bond was passed the interest rates were much higher. All bills are paid and the bankruptcy is being finished up with the bonding company. Change orders were only 1% of the total. We do have some items still to be resolved, but warranties will be taking care of that. The shortfall will be absorbed with other capital project funds in the district.**
- V. Middle School Building Project- Update on construction plans and timelines for project The project is up and running, behind schedule with recent rains and cold weather. Adding more cost because of the lime spill by using more rock and fill dirt. Working with local contractor, Dirk Dinsmore has been great. He has been able to save money in some areas which helps the district. Saramark Co. is the contractor for the pre-fab part of the school buildings. Hoping to have students in for the first part of school in August or by first of the year,**
- VI. Committee Members' comments- last meeting**
- VII. Adjournment**

Meeting adjourned at 8:22 a.m.



**Becky Giacomini
Assistant Superintendent of Business**