

CITIZEN'S BOND OVERSIGHT COMMITTEE – AGENDA	
Location: PHS Room 333	Meeting Date: January 14, 2025

I. Welcome and Introductions

II. Overview of Citizens Bond Oversight Committee

a. Board Policy 7214

b. Bond Oversight Bylaws

III. Measure Q review and next steps

IV. Tour of recent Bond Projects at PHS including room remodels and specialized classrooms

CITIZEN'S BOND OVERSIGHT COMMITTEE — Sign-In Sheet	
Location: PHS Room 333	Meeting Date: January 14, 2025

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PARAMOUNT
UNIFIED SCHOOL DISTRICT
15110 California Ave, Paramount,
CA 90723

ELEMENTARY SCHOOLS

Collins
Gaines
Jefferson
Keppel
Lincoln
Los Cerritos
Mokler
Roosevelt
Tanner
Wirtz

MIDDLE SCHOOLS

Alondra
Hollydale TK-8
Jackson
Paramount Park
Zamboni

HIGH SCHOOLS

Paramount High West
Campus
Paramount High Senior
Campus
Buena Vista
Odyssey STEM Academy
Paramount Community
Day School

OTHER

Paramount Adult School

Information About Measure Q Paramount Unified School District Classroom Repair/ Safety Measure

What is Measure Q?

Measure Q is Paramount Unified School District Classroom Repair/Safety Measure that will appear on your November 5, 2024, ballot.

Why was Measure Q placed on the ballot?

Most of our schools were built more than 60 years ago and many of the classrooms, labs, and facilities, particularly at our elementary schools, haven't been upgraded in 25 years. It's time to upgrade and repair all our schools so children can learn in safe, modern classrooms.

What repairs and upgrades are included in Measure Q?

Measure Q will help us repair and upgrade all our schools by fixing deteriorating infrastructure, roofs, plumbing, and electrical systems, and ensuring that all our schools are accessible to students with disabilities.

How does Measure Q improve school safety?

Measure Q improves student safety and campus security systems including installing and/or repairing security cameras, emergency communications systems, smoke detectors, fire alarms, and sprinklers.

Measure Q also increases after-school program space for tutoring, mentoring, and recreational programs to provide our students with safe places to go after-school.

What fiscal accountability provisions are included?

Measure Q requires the formation of an Independent Citizens Oversight Committee, annual audits to ensure no funds go towards administrators' salaries and benefits, and public disclosure of all spending. By law, all Measure Q funds must be used for Paramount schools and cannot be taken by the State.

How much will Measure Q cost?

Measure Q is a \$190,000,000 bond measure. If passed, it will cost the average homeowner \$60 per \$100,000 of assessed value annually for approximately 38 years.

Where can I get more information about Measure Q?

For more information about Measure Q, visit: <https://www.paramount.k12.ca.us/apps/pages/measureq>



To read Measure Q's full project list visit: <https://bit.ly/PUSDQKS>



Policy 7214: General Obligation Bonds

Status: ADOPTED

Original Adopted Date: 11/01/2012 | **Last Revised Date:** 09/14/2020 | **Last Reviewed Date:** 09/14/2020

The Board of Education recognizes that school facilities are an essential component of the educational program and that the Board has a responsibility to ensure that the district's facilities needs are met in the most cost-effective manner possible. When the Board determines that it is in the best interest of district students, it may order an election on the question of whether bonds shall be issued to pay for school facilities.

The Board's decision to order a bond election, as well as its determinations regarding the appropriate amount, timing, and structure of the bond issuance, shall be consistent with law and the district's debt management policy.

Before ordering a bond election, the Board shall obtain reasonable and informed projections of assessed valuations that take into consideration projections of assessed property valuations made by the county assessor. (Education Code 15100)

When any project to be funded by bonds will require state matching funds for any phase of the project, the ballot for the bond measure shall include a statement as specified in Education Code 15122.5, advising voters that, because the project is subject to approval of state matching funds, passage of the bond measure is not a guarantee that the project will be completed. (Education Code 15122.5)

Bonds Requiring 55 Percent Approval by Local Voters

The Board may decide to pursue the authorization and issuance of bonds by approval of 55 percent majority of the voters pursuant to Article 13A, Section 1(b)(3) and Article 16, Section 18(b) of the California Constitution. If two-thirds of the Board agrees to such an election, the Board shall vote to adopt a resolution to incur bonded indebtedness if approved by a 55 percent majority of the voters. (Education Code 15266)

The bond election may only be ordered at a primary or general election, a statewide special election, or a regularly scheduled local election at which all of the electors of the district are entitled to vote. (Education Code 15266)

Bonded indebtedness incurred by the district shall be used only for the following purposes: (California Constitution Article 13A, Section 1(b)(3) and 1(b)(3)(A))

1. The construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities
2. The acquisition or lease of real property for school facilities
3. The refunding of any outstanding debt issuance used for the purposes specified in items #1-2 above

The proposition approved by the voters shall include the following accountability requirements: (California Constitution Article 13A, Section 1(b)(3))

1. Certification that proceeds from the sale of the bonds will be used only for the purposes specified in items #1-2 above, and not for any other purposes including teacher and administrative salaries and other school operating expenses
2. A list of specific school facilities projects to be funded and certification that the Board has evaluated safety, class size reduction, and information technology needs in developing that list
3. A requirement that the Board conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed
4. A requirement that the Board conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects

If a district general obligation bond requiring a 55 percent majority is approved by the voters, the Board shall appoint an independent citizens' oversight committee to inform the public concerning the expenditure of bond revenues as specified in Education Code 15278 and the accompanying administrative regulation. This committee shall be appointed within 60 days of the date that the Board enters the election results in its minutes pursuant to Education Code 15274. (Education Code 15278)

The Superintendent or designee shall ensure that the annual, independent performance and financial audits required pursuant to items #3-4 above are issued in accordance with the U.S. Comptroller General's Government Auditing Standards and submitted to the citizens' oversight committee at the same time they are submitted to him/her and no later than March 31 of each year. (Education Code 15286)

The Board shall provide the citizens' oversight committee with responses to all findings, recommendations, and concerns addressed in the performance and financial audits within three months of receiving the audits. (Education Code 15280)

The Board may disband the citizens' oversight committee when the committee has completed its review of the final performance and financial audits.

Bonds Requiring 66.67 Percent Approval by Local Voters

The Board may decide to pursue the authorization and issuance of bonds by approval of 66.67 percent majority of the voters pursuant to Education Code 15100 and Article 13A, Section 1(b)(2) of the California Constitution. If a majority of the Board agrees to such an election, or upon a petition of the majority of the qualified electors residing in the district, the Board shall adopt a resolution ordering an election on the question of whether to incur bonded indebtedness if approved by a 66.67 percent majority of the voters. (Education Code 15100)

The bond election may be ordered to occur on any Tuesday, except a Tuesday that is a state holiday or the day before or after a state holiday, is within 45 days before or after a statewide election unless conducted at the same time as the statewide election, or is an established election date pursuant to Elections Code 1000 or 1500. (Education Code 15101)

Subject to limits specified in Article 13A, Section 1 of the California Constitution, bonds shall be sold to raise money for any of the following purposes: (Education Code 15100)

1. Purchasing school lots
2. Building or purchasing school buildings
3. Making alterations or additions to school building(s) other than as may be necessary for current maintenance, operation, or repairs
4. Repairing, restoring, or rebuilding any school building damaged, injured, or destroyed by fire or other public calamity
5. Supplying school buildings and grounds with furniture, equipment, or necessary apparatus of a permanent nature
6. Permanently improving school grounds
7. Refunding any outstanding valid indebtedness of the district, evidenced by bonds or state school building aid loans
8. Carrying out sewer or drain projects or purposes authorized in Education Code 17577
9. Purchasing school buses with a useful life of at least 20 years
10. Demolishing or razing any school building with the intent to replace it with another school building, whether in

the same location or in any other location

Except for refunding any outstanding indebtedness, any of the purposes listed above may be united and voted upon as a single proposition by an order of the Board entered into the minutes. (Education Code 15100)

The Board may appoint a citizens' oversight committee to review and report to the Board and the public as to whether the expenditure of bond revenues complies with the intended purposes of the bond.

Certificate of Results

If the certificate of election results received by the Board shows that the appropriate majority of the voters is in favor of issuing the bonds, the Board shall record that fact in its minutes. The Board shall then certify to the County Board of Supervisors all proceedings it had in connection with the election results. (Education Code 15124, 15274)

Resolutions Regarding Sale of Bonds

Following passage of the bond measure by the appropriate majority of voters, the Board shall pass a resolution directing the issuance and sale of bonds. In accordance with law, the resolution shall prescribe the total amount of bonds to be sold and may also prescribe the maximum acceptable interest rate, not to exceed eight percent, and the time(s) when the whole or any part of the principal of the bonds shall be payable. (Education Code 15140; Government Code 53508.6)

In passing the resolution, the Board shall consider each available funding instrument, including, but not limited to, the costs associated with each and their relative suitability for the project to be financed.

Prior to the sale of bonds, the Board shall place an agenda item at a public meeting and adopt as part of the bond issuance resolution, or in a separate resolution, disclosures of the available funding instruments, the costs and sustainability of each, and all of the following information: (Education Code 15146; Government Code 53508.9)

1. Express approval of the method of sale (i.e., competitive, negotiated, or hybrid)
2. Statement of the reasons for the method of sale selected
3. Disclosure of the identity of the bond counsel, and the identities of the bond underwriter and the financial adviser if either or both are utilized for the sale, unless these individuals have not been selected at the time the resolution is adopted, in which case the Board shall disclose their identities at the public meeting occurring after they have been selected
4. Estimates of the costs associated with the bond issuance, including, but not limited to, bond counsel and financial advisor fees, printing costs, rating agency fees, underwriting fees, and other miscellaneous costs and expenses of issuing the bonds

When the sale involves bonds that allow for the compounding of interest, such as a capital appreciation bond (CAB), the resolution to be adopted by the Board shall include items #1-4 above as well as the financing term and time of maturity, repayment ratio, and the estimated change in the assessed value of taxable property within the district over the term of the bonds. The resolution shall be publicly noticed on at least two consecutive meeting agendas, first as an information item and second as an action item. The agendas shall identify that bonds that allow for the compounding of interest are proposed. (Education Code 15146)

Prior to adopting a resolution for the sale of bonds that allow for the compounding of interest, the Board shall be presented with the following: (Education Code 15146)

1. An analysis containing the total overall cost of the bonds that allow for the compounding of interest
2. A comparison to the overall cost of current interest bonds
3. The reason bonds that allow for the compounding of interest are being recommended

4. A copy of the disclosure made by the underwriter in compliance with Rule G-17 adopted by the federal Municipal Securities Rulemaking Board

At least 30 days prior to the sale of any debt issue, the Superintendent or designee shall submit a report of the proposed issuance to the California Debt and Investment Advisory Commission (CDIAC). (Government Code 8855)

After the sale, the Board shall be presented with the actual issuance cost information and shall disclose that information at the Board's next scheduled meeting. The Board shall ensure that an itemized summary of the costs of the bond sale and all necessary information and reports regarding the sale are submitted to the CDIAC. (Education Code 15146; Government Code 53509.5)

Bond Anticipation Notes

Whenever the Board determines that it is in the best interest of the district, it may, by resolution, issue a bond anticipation note, on a negotiated or competitive-bid basis, to raise funds that shall be used only for a purpose authorized by a bond that has been approved by the voters of the district in accordance with law. (Education Code 15150)

Payment of principal and interest on any bond anticipation note shall be made at note maturity, not to exceed five years, from the proceeds derived from the sale of the bond in anticipation of which that note was originally issued or from any other source lawfully available for that purpose, including state grants. Interest payments may also be made from such sources. However, interest payments may be made periodically and prior to note maturity from an increased property tax if the following conditions are met: (Education Code 15150)

1. A resolution of the Board authorizes the property tax for that purpose.
2. The principal amount of the bond anticipation note does not exceed the remaining principal amount of the authorized but unissued bonds.

A bond anticipation note may be issued only if the tax rate levied to pay interest on the note would not cause the district to exceed the tax rate limitation set forth in Education Code 15268 or 15270, as applicable.

Deposit of Bond Proceeds

With regard to general obligation bonds, the district shall invest new money bond proceeds in the county treasury pool as required by law. (Education Code 15146)

CITIZENS' BOND OVERSIGHT COMMITTEE

BYLAWS

Section 1. COMMITTEE ESTABLISHED

The Board of Trustees (the "Board") of the Paramount Unified School District (the "District") hereby establishes the Citizens' Bond Oversight Committee (the "Committee") which shall have the purposes and duties set forth in these Bylaws.

Section 2. PURPOSE

The purpose of the Committee is to inform the public annually concerning the expenditure of Measure E bond (the "Bond") proceeds, approved by the voters in November, 2008, by issuing a written report.

Section 3. DUTIES

To carry out its stated purpose, the Committee shall perform the following duties:

- 3.1 Review Expenditures. The Committee shall review expenditure reports produced by the District to (a) ensure that Bond proceeds are expended only for the purposes set forth in the ballot measure; and (b) ensure that no Bond funds are used for any teacher or administrator salaries or any other operating expenses.
- 3.2 Annual Report. The Committee shall present to the Board an annual written report (the "Annual 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 Committee's proceeding for proceeding year

Section 4. AUTHORIZED ACTIVITIES

- 4.1 In order to perform the duties set forth in Section 3 hereof, 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 XIII A of the California Constitution.
- (b) Inspect school facilities and grounds for which Bond proceeds have been or will be expended to ensure that bond funds are expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

- (c) Receive and review copies of any deferred maintenance proposals or plans developed by the District, including any reports required by Section 17584.1 of the California Education Code (the "Education Code").
- (d) Review efforts by the District to maximize Bond proceeds by implementing cost-saving measures, including, but not limited to, all of the following: (1) mechanisms designed to reduce the costs of professional fees; (2) mechanisms designed to reduce the costs of site preparation; (3) recommendations regarding the joint use of core facilities; (4) recommendations regarding the use of cost-effective and efficient reusable facility plans; or (5) mechanisms designed to reduce costs by incorporating efficiencies in school site design.

4.2 Any Committee requests for copies or inspection of District records shall be made in writing to the Superintendent or designee.

SECTION 5. MEMBERSHIP

5.1 Number. The Committee shall consist of not more than fourteen members, as follows:

- (a) The Board shall appoint at least five members of the Committee from nominees provided by the following organizations:
 - (1) one member from a Business Organization; and
 - (2) one member of the PTSA who is also a parent or guardian of a child enrolled in the District; and
 - (3) one member with a Finance Background Member; and
 - (4) one member from the a taxpayers Association.
 - (5) one member from a Construction Background Member; and
- (b) The Board shall also appoint at least two members from applications received by the District as follows:
 - (1) one member who is active in a senior citizens' organization;
 - (2) one member from the City of Paramount of whom is the parent or guardian of a child currently enrolled in the District.

5.2 Qualification Standard.

- (a) To be a qualified member of the Committee, a person must:
 - (1) be at least 18 years of age and a citizen of the State of California in accordance with Section 1020 of the California Government Code (the "Government Code").
 - (2) not be an employee or official of the District; and

(3) not be a vendor, contractor, or consultant of the District.

(b) If a member fails to meet the qualification standards set forth above at any time during the term of service, such member shall be disqualified and the position shall be declared vacant. The Board shall appoint a new person to serve the remainder of the term, in accordance with the appointment process set forth in Section 5.3 below.

5.3 Appointment. The Board shall appoint members to the Committee at each vacancy or at the termination of each two year term. Prior to appointment, the District Superintendent shall conduct a nomination process to ensure that each person nominated meets the qualification standards set forth in Sections 5.1 and 5.2. The Superintendent shall establish a process that provides reasonable notice to Board members, specified nominating organizations and individuals. When an appointment is necessary to fill a vacancy, the Superintendent shall ensure that a nomination is received from a like organization or category as the Committee member whose position is vacant.

5.4 Ethics: Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with Article 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 (Government Code §§ 81000 *et seq.*), and to complete the Form 700 as required by certain designated employees of the District.

5.5 Term. Each member of the Committee shall serve for a term of two years and for no more than two consecutive terms, except at its first meeting the members shall draw lots to establish which four members will serve an initial one year term in order to stagger the terms of office of members.

5.6 Removal; Vacancy. The Board may remove any Committee member for cause, including failure to attend three consecutive committee meetings. Upon the removal of a member, his or her seat shall be declared vacant. The Board shall fill any vacancies on the Committee in accordance with the appointment process set forth in Section 5.3 hereof.

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

Section 6. MEETINGS OF THE COMMITTEE

6.1 Regular Meetings. The Committee shall establish a schedule for the date and time of regular meetings to be held at least three times a year.

6.2 Location. Meeting Locations will rotate to school sites with current bond projects underway.

6.3 Procedures. All meetings shall be open and public in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.* (the "Brown Act"). Meetings shall be conducted according to such 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 Brown Act ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the Board;
- (b) provision of a meeting room;
- (c) preparation and copies of any documentary meeting materials, such as agendas and reports; and
- (d) retention of all Committee records and public access to such records, including the posting of Committee records on the internet website maintained by the District.

7.2 District shall maintain all Committee records and provide public access to such records.

7.3 The District shall not use any Bond proceeds to provide the support set forth in this Section 7.

Section 8. OFFICERS

The Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent; such positions shall continue for two year terms. No person shall serve as Chair for more than two consecutive terms.

Section 9. POWERS RESERVED TO THE GOVERNING BOARD

9.1 In order to clarify that the Committee's duties and activities are limited to those set forth in Sections 3 and 4 respectively, by way of example the Governing Board maintains the exclusive authority with respect to all, but not limited to, the following powers and activities:

- (a) projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, CFD Bonds, the general fund or the sale of surplus property without bond proceeds.
- (b) the establishment of priorities and order of construction for Bond projects.
- (c) the selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the Bond projects.
- (d) the approval of the design for each Bond project including exterior materials, paint color, interior finishes, site plan and construction methods.
- (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 out the activities set forth in Proposition 39 and included herein.
- (g) the allocation of State School Building Program grant funds to projects in the order and in an amount determined by the Board.
- (h) the adoption of a plan for publicizing the activities of the Committee.
- (i) the appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted by the Governing Board.

Section 10. AMENDMENT OF BYLAWS

Any amendment to these Bylaws shall be approved by the Board prior to becoming effective.

Section 11. TERMINATION

The Committee shall automatically terminate and disband at the earliest of the date when (a) all Bond proceeds are spent, or (b) all projects funded by Bond proceeds are completed.

Section 12. APPLICABILITY OF THE CALIFORNIA LAW

The Committee was established by the District in order to comply with Sections 15278 *et seq.* of the Education Code. Nothing in these Bylaws shall be interpreted in a manner that is inconsistent with such provisions of the Education Code.