

CaLBOC CALIFORNIA LEAGUE OF BOND OVERSIGHT COMMITTEES

REVIEW

HELPING SCHOOL BOND OVERSIGHT COMMITTEES SERVE THEIR COMMUNITIES

www.CaLBOC.net

October 16, 2017

ISSUE 117

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Annual CaLBOC Board of Directors Business Meeting

Nov. 20, 2017 In Sacramento

Agenda includes:

- * Election of Officers
- * Adopt Business Plan

Mission Statement

To promote school district accountability by improving the training and resources available to California's Proposition 39 School Bond Oversight Committees and educating the state legislature, local school boards and the public about the oversight and reporting powers these Citizens' Bond Oversight Committees (CBOCs) have, and to advocate on a state level, where appropriate, on issues of common concern to all CBOCs.

2017 6th Annual CaLBOC Conference
Bond Oversight Basics Presentations and Handouts:
www.calboc.com/2017-conference.html

Archived Newsletters

To view all with topics visit:
calboc.com/newsletters-1.html

ISSUE 116 - Sept. 25, 2017
- New Issues in Alum Rock CBOC Bylaws
- Bond Legislation Update
- Watchdog Blasts Pasadena Unified

ISSUE 115 - August 28, 2017
- PVUSD Pushes Against Grand Jury Report
- Gov. Brown Vetoes SB 341, CBOC Member Terms
- Court Sides With District Employee Who Balked at Order to Purge Emails

ISSUE 114 - July 11, 2017
- State Puts Fiscal Oversight over Alum Rock Schools
- State Superintendent Political Ties with Alum Rock Contractor

ISSUE 113 - June 23, 2017
- Mello Roos Property Tax Lacks Oversight
- The Untold Story Behind the Sweetwater Schools Scandal

ISSUE 112 - June 1, 2017
- Alum Rock Bond Review
- School Bond Watchdogs

ISSUE 111 - April 21, 2017
- Field Turf & 1,000 lbs Glue
- Conference Agenda

ISSUE 110 - April 18, 2017
- Alum Rock, Non-existent Construction?

ISSUE 109 - April 12, 2017
Conference Keynote Speaker

ISSUE 108 - March 16 2017
- Little Hoover Commission Report Flaws in Oversight

Opinion: School Bond Secrecy Lobby Prevails Again In Sacramento

Sept. 29, 2017 | By Daniel Borenstein |

www.mercurynews.com

EXCERPT: ... Attempts to alert voters about the cost of school bonds have died in the state Legislature. Your school trustees would rather win than be transparent.

At issue are the 75 words voters see on the ballot when asked to grant a school district authority to float bonds for construction projects. ...

The wording never mentions that the bonds are a form of borrowing, nor that property taxes must be increased, often by hundreds of dollars a year, to pay off the bonds. And it certainly doesn't mention how much those bonds will cost homeowners.

It all contributes to a fiction that bonds are somehow magical, free money. "There's this underlying misperception that bonds aren't basically a tax increase," says Assemblyman Matthew Dababneh, D-Encino, whose efforts to bring more ballot transparency were gutted this year.

Voters are understandably confused: When they are asked to approve state bonds for something like parks or high-speed rail, the repayments come from existing funds. There is no tax increase.

Local bonds are different: They require a new revenue stream from tax increases to pay them off. School trustees, led by the California School Boards Association, would prefer voters don't figure that out. ...

This year, in separate bills, two legislators tried to fix this. Dababneh and Assemblymen Matthew Harper, R-Costa Mesa, each proposed that the ballot label contain information about the cost to property owners.

When lobbyists objected, they each scaled back their measures to require merely a mention on the ballot that voters should check the tax rate statement to learn about the cost.

Even that wasn't enough. [Harper's bill, AB 776](#), died in a Senate committee. [Dababneh's bill, AB 1194](#), passed the Legislature and is now on the governor's desk - but only after the assemblyman removed the key provision regarding ballot label language. ...

To read complete article, please visit:

www.mercurynews.com/2017/09/29/borenstein-school-bond-secrecy-lobby-prevails-again-in-sacramento

CBOC Says West Contra Costa School District is Mismanaging Bonds and Could Run Out Of Funds for New Projects

Sept. 27, 2017 | By Yutao Chen | richmondconfidential.org

Members of a citizens-oversight committee questioned how the West Contra Costa school district uses bond money to construct or improve school facilities. They raised concerns about the district over-spending its budget and draining funds slated for future projects.

Despite the district's desire to align projects with the budget, an independent investigation echoed these concerns, calling several of the district's budgeting practices "high risk."

Currently, the district has an estimated \$362 million available in the next five years for projects such as building new schools or renovating classrooms. But the district has planned projects beyond, which will cost more than \$1 billion.

...
One of the concerns these community members have is setting up the budget that balances the needs of the schools and the financial constraints. El Cerrito resident and CBOC member Gregg Visineau said the district would increase the established budgets to match the costs, which can lead to over-spending and not being able to finish the projects already started. ...

For instance, more than \$271 million has been added onto the budget initially approved by the board, across all six bond measures passed to carry out the facilities plan, according to a report drafted by business-consulting firm Vicenti, Lloyd & Stutzman.

The firm started investigating the district in 2015. Its goal was to make the budgeting process more transparent and assess the risk of "fraud, corruption and waste in the bond program," according to the CBOC. Its conclusions supported the claim that the district increases budgets to match costs, hindering the completion of ongoing projects. ...

The lack of clarity on how the district plans to spend bond dollars is another issue. Anton Jungherr, member of the CBOC and its audit subcommittee, suggested the district needs to do a better job communicating with voters when they ask for money.

"When you go to the voters, you're supposed to identify in the ballot measure the projects you're going to build with the bond money," Jungherr said.

But the ballot measures never cite specific projects that would be built with the bond money. "The only number you've got is the total number of the bond," he said. ...

To read complete article, please visit:

richmondconfidential.org/2017/09/27/oversight-group-says-west-contra-costa-school-district-is-mismanaging-bonds-and-could-run-out-of-funds-for-new-projects