



SOLANO COUNTY TAXPAYERS ASSOCIATION

Update by Michael Nolan, President

August 14, 2018

The School Board has adopted the position of a limited “scope” of the Citizens’ Bond Oversight Committee’s (CBOC) responsibilities regarding oversight of the Measure Q Bond funds. The Board has opined that the purpose of the Committee is to review and report on the bond expenditures. However the Committee has not received any expenditure report since their Feb. 28, 2018 meeting, although they had four meetings since then. Considering the School Board, in their role as “Trustees”, seldom, if ever discuss the expenditures of the District during their meetings, they may believe this “independent oversight committee” doesn’t need to review expenditures of the Measure Q fund in order to report to the citizens. In fact, the District expenditures are only randomly included on the “consent calendar”.

The Committee’s review of the annual audit has also been characterized as “allowed”, although the Ed Code clearly states that the audit “shall” be provided to the oversight committee at the same time it is provided to the School District. For what purpose is the Committee required to be provided the audit report if not to review it? Additionally, the failure of the District to form the Committee in a timely manner, both required by provisions of the Ed Codes that implement the Prop 39 law, were not considered as noteworthy in last year’s Measure Q Performance Audit.

Were you aware that the assessment for the Measure Q Bond and the assessment for the Measure J Bond (new high school) were combined on your 2017-2018 tax statement? This makes it impossible by reading your property tax statement to know what amount you pay for each bond. Our inquiry with the Solano County Audit/Controller office revealed the Measure Q assessment is \$ 49.81 per \$100K assessed value instead of the \$36.75 promised in the ballot measure. Homeowners are paying \$42.43 per \$100k of assessed values for Measure J for a total of \$ 92.24 per \$100K assessed value of their home for both measures.

Documentation on this issue indicates the School District may NOT have bonding capacity to sell anymore bonds to finish the Measure Q promised projects. Dixon's assessed valuation is almost \$2.9 billion for the 2016/2017 tax year. In reviewing the debt service schedule for the \$19.2 mil, issued on Measure Q, the bond payment due in 2018 is over \$2 million. If they used the \$36.75/100K tax rate they promised the voters the revenue would only be about \$1.04mil. Not enough to make the payment that is due in 2018.

Apparently it is believed lack of transparency is a better strategy than having to explain why the financial “experts” missed calculating the correct amount required to pay the bond holders.

Would you have voted for Measure Q if you were told that you would be paying almost \$50 per \$100k of the assessed value of your house?

Then the School Board asked David Soldani one of the District's legal counsel to attend the June 27, 2018, meeting of the CBOC. The purpose of his attendance was to tell the CBOC members that the "committee" did not take an "official action by majority vote" to send to the Board the letter in regards to last year's audit. The CBOC discussed the issue at a public meeting but an actual vote was not taken. Mr. Soldani wanted to ensure that a motion, second and a formal vote must be taken on issues discussed by the committee.

Our public records request revealed the cost in attorney's fees for Mr. Soldani to "prepare for and to attend the CBOC meeting" was \$2,495.00!! This cost was charged to the Measure Q funds although it was the School Board that requested Mr. Soldani to attend the CBOC meeting.

We have requested to see Mr. Soldani's invoice for this expenditure, which is public record. Since Mr. Soldani comes from Fresno we are interested to see what was charged for travel and other expenses and what was charged for attending the meeting.

On a positive note it is encouraging that three new candidates are challenging the incumbents in the November election. Hopefully they will get elect it and will take seriously their roles of "Trustees."