

**Long Beach Unified School District
Measure K Citizens' Bond Oversight Committee
December 31, 2009**

To the Board of Education and residents of Long Beach Unified School District:

The Citizens' Measure K Bond Oversight Committee (COC) has elected to establish the calendar year as its annual reporting period.

We had three regularly scheduled meetings during 2009 plus a workshop put on by District staff and Capital Program Management (CPM). The first meeting, as well as the workshop, focused on orientation and information. Quarterly financial updates consumed most of the time at the last two meetings along with receiving, in December, the two independent Measure K audit reports. These two audits, required by Measure K, covered the period May 1 to June 30, 2009.

Events and projects involving significant commitments of Measure K funds were few in number:

1) New Middle School at Cherry Ave. and 20th St.

Work on this project consisted primarily of site preparation (grading and earth prep). The District plans on putting approximately \$33,000,000 of Measure K funds into this project.

2) Thematic High School at DeMille Middle School site

Work on this project, through December 31, was still in the late stages of space and infrastructure planning. Final decisions were not to be made until 2010. The District plans to use approximately \$88,000,000 of Measure K money on this project.

3) Liquidation of \$51,250,000 of debt pre-existing at November 4, 2008

This transfer to, or on behalf of, LBUSD was to payoff debt incurred by the District in connection with the acquisition and/or construction of school facilities dating back as far as 1997.

Liquidation of pre-existing debt was not mentioned in the short form description of Measure K on the November 2008 ballot. It was, however, included in the list of permitted uses of Measure K funds in the full text version of the ballot proposition. Both the short form and full text versions were mailed to all registered voters.

Measure K Bond Counsel was instrumental in the structure of the measure and has stated that the use of Measure K funds to payoff the subject debt(s) is legal. We feel, however, that because of the significance of the transaction it should be mentioned in this report.

To the best of our knowledge, the District is in compliance with the requirements of Article XIII A, Section 1 (b) (3) of the California Constitution.

2009/2010 Committee Members

Victor McCarty (Chair)
Karen Hilburn (Vice-Chair)
Byron Bolton
Kristine Hammond
Julia Jackson
Peggy Krynicki
Michael Noll

Representing:

Community-at-large
Senior citizens' organization
Taxpayers' association
Parent with child enrolled in LBUSD
Parent with child enrolled and active in a PTO
Community-at-large
Business association

Respectfully,

Victor McCarty, Chair