

**SALES SURTAX CITIZENS' OVERSIGHT COMMITTEE MEETING
MARCH 23, 2021**

The Sales Tax Surtax Citizens' Oversight Committee met on March 23, 2021, in the Training Room at the School District Central Administration Complex, located at 202 Highway 85 North, Niceville, Florida.

Committee Members Present

Michelle Anchors, Chairman; Monica Autrey; Jason Belcher; Mike Carroll; Jacob Foreman; Bernard Johnson; Vince Mayfield; James Puckett; and Marcus Wilson.

Others Present

C. Jeffrey McInnis, Esq., Attorney to the Board; Steve Horton, Assistant Superintendent, MIS; Rita Scallan, Chief Financial Officer; Julie Perry, Director, Budgeting and Financial Services; Bill Smith, Program Director, Facilities Planning; Les Rose, Managing Principal, Jacobs/Titan Technologies; Joel Lindner, Program Director, Jacobs/Titan Technologies; and Dustin Merritt, Project Manager, Jacobs/Titan Technologies.

Ms. Anchors called the meeting to order at 4:00 p.m., for the purpose of receiving preliminary reports related to the School District's Half-Cent Capital Outlay Sales Surtax Program.

A motion was made by Mr. Johnson to approve the minutes of the February 23, 2021 meeting. The motion was seconded by Ms. Autrey and carried unanimously.

Rita Scallan, Chief Financial Officer, provided an explanation of a Certificate of Participation (COP). She stated that a COP is a financing instrument that is unique to governmental agencies and creates a tax-exempt transaction for the investor. She shared a list of questions related to COPs submitted by a Committee Member along with her responses for the benefit of the entire Committee.

Steve Horton, Assistant Superintendent, Operational Services, distributed a glossary of frequently used construction terms that are used in the District's work with Jacobs/Titan. Discussion followed relating to the terms and acronyms included in the glossary, with Mr. Horton addressing questions and comments from Committee Members.

Ms. Anchors requested that the Committee be apprised of significant change orders related to the Sales Surtax project list. She also stated the importance of the Committee's understanding of their role. Discussion followed among Committee Members in regard to their role as it relates to the project list. Mr. Horton explained that the project list has been defined and established by the School Board for every school district-wide through School Board Resolution 20-01. He clarified that the Committee is not responsible for approving these projects, but rather to vet the projects to ensure that the proceeds of the sales surtax are being used in accordance with School Board Resolution 20-01. He added that the Committee is also tasked with making quarterly reports to the School Board and the public regarding the use of the proceeds of the sales surtax and the progress and status of all projects financed by the sales surtax proceeds.

As part of a project update Mr. Horton shared the historical factors related to the development and prioritization of the project list. He provided a summary of sales tax projects currently underway as of March 2021, and explained that emphasis has been placed on school safety and security projects along with critical roofing needs. He stated that the District will also focus on construction projects eligible for COP funding such as cafeteriums, multi-purpose buildings, and classroom additions or renovations. Mr. Horton distributed a copy of Task Order #12 which detailed the COP eligible projects currently in the planning and design phase. He added that a COP cannot be issued until the Guaranteed Maximum Price (GMP) has been determined. Discussion followed regarding the factors regarding the creation and prioritization of the sales tax project lists, with Mr. Horton addressing questions and comments from Committee Members.

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Mrs. Scallan provided a financial update. She reported that the District is currently in the process of obtaining Fitch and Moody credit ratings in preparation for the sale of COPs. She stated that the District anticipates receiving the first collection of sales tax proceeds by the end of March and will provide that information along with any expenditures to the Committee at the next meeting.

Joel Lindner, Program Director, Jacobs/Titan Technologies, provided an overview of the draft of the Sales Surtax Website/Dashboard currently being developed that will provide detailed information to the public regarding the sales tax projects that are currently scheduled to be completed over the course of the next ten years. Discussion followed regarding the content of the dashboard, with Mr. Lindner and Mr. Horton addressing questions and comments from Committee Members.

The next meeting is scheduled for April 27, 2021, beginning at 4:00 p.m. in the Niceville Administrative Complex.

The meeting was adjourned at 5:27 p.m.

Mari McGowan, Recorder



Michelle Anchors, Committee Chairman