

Citizens Oversight Committee
Meeting Minutes
Thursday, January 23, 2014
GUSD Board Room

Members Present

Phillip Taves
David Silva
Julie Avnit
Mike Waller
David Matuszak
Jane Howard

Absent

Matt Morley

Staff Present

Jim Bombacci
Alvaro Meza
Lucy Huerta

Welcome/Roll Call

- Meeting called to order at 6:48

Staff update

- Introduced Lucy Huerta, Administrative Assistant to Business Services

Approval of minutes

- Minutes from November 14, 2013 and July 17, 2013 were approved and motion was made by David Matuszak, to approve minutes.

Measure P cost accounting update

- Item on agenda moved up from # 7 to #5
- Introduced Julie Avnit, District Consultant from Spectrum
- Cash flow for measure P dollars
- Presented PowerPoint presentation that will be showed to the board on January 30th meeting.
- Explained the update, showed the current facilities fund cash flow snapshot, 4 years, and current , included old numbers as well
- Revenues and debt service (payments back), current 2014 are projections, monitor those and project out for each year, watch trends.
- At the beginning of the year we projected 1.25 million in developer fees, at the end of December the DO had already collected over 900,000.
- Bumped up projections because things are picking back up again.
- Prop 39 is a brand new funding program,
- Voted on state wide November 2012 dedicated for energy efficiency programs.
- Purely grant program, district does not have to match with any of own money.
- Based 85% of figure of ADA, 15% for number of students that were eligible for free reduced lunch.
- 2014 GUSD will receive an estimated \$13,000 and change, unless enrollment drastically changes

- Have to put together plan and application, part of that process is pulling together utility bills, they identify projects at various sites and submit that.
- There are guidelines and recommendations, there are stipulations in place.
- Modernization grants; GUSD puts up 40% and the state puts up 60%.
- Permanent buildings must be 25 years or older, portables have to be 20 or older.
- Projected expenditures- these are the projects that have been identified and approved by the board.
- Fiscal year 2017, GHS field turf replacement, they've done a lot of cleaning and repairs, around this time it will need to be replaced.
- Have done some work already at Rod Kelly, part of that was a new library. Improvements and renovations in admin building and MPR. Need to go back and see if it can be applied to state match.
- 10 year view projections shown, bottom part history of measure P itself
- Last march sold another series of bonds, did that and paid 2011 off
- 2015 another series projected to be sold will be used to pay \$15 million.
- Final one was long term on projected expenditures, attachment on board agenda online.
- Updates given once a month.

Measure P project update

- Jim shared handout, showed projects that are still open.
- El Roble ES alarms; does not have start date electrical engineer will do a free audit and give recommendations to get a fire alarm company on board.
- Gilroy Early College Academy (GECA); new portable going to be putting campus together, gave us a start date. Cannot do any work until they completed study (tiger salamanders in pond).
-Will be starting project this summer, MPR room w/ kitchen, admin building
-Projected to have 300 students next year
-Turning the existing buildings around, facing the wrong way.
-Putting in an area for the kids to sit, trying to create a campus setting/security reasons
- Going to board on 30th to solicit bids and authorization
- Gilroy High School (GHS) phase 2b (restroom) did over winter break, nearly complete, has been moved and opened, waiting for lights to be installed, as soon as they arrive February 14th it will be completed.
- Gilroy High School phase 2C is in DSA, student center, theater, DSA are the ones that tell us what we can and cannot do, if projects were not closed out properly they are not allowing any done in the future.
- We have 12 projects outstanding at GHS, turned over to an architect firm to do the close out.
- Glen View ES went out to bid on 12/4/13 Silver Creek got bid in process of putting together plan. Once DSA approves portables they will build at their facility and ship them out- will be completed this summer.
- Gilroy Prep School (GPS)-2 portable placements scheduled to be started begin June 2014, will be increasing students from K-3 to K-8 need two portables per grade.
- Mt. Madonna HS-Safe School locks on all doors, this one is completed.
- Rod Kelley ES phase 3 kitchen basically completed last piece came in today installed, health department will bein next Tuesday/Thursday.
- Rucker ES phase 2 is also complete, phase 2 and 3 MPR and administration building- taking that to the board on February 6th.

- South Valley MS upgrades, complete

MEASURE P budget update (Alvaro Meza):

- Board was provided the audit report, prop 39 approval rating was over 67% -we got over 2/3 highlighted the fact that we are still having oversight committee.
- Explained handout - Prop 39
- The financial audit- a team was brought in, they were at the District Office for 3 days, were given ledgers on a PDF drive to test and go back to the ballots, and made sure everything matched.
- New audit firm; brought a new perspective and asked a lot of questions.
- Reviewed all contracts including Spectrum -compared to other districts
- Audit opinion -unmodified, the best kind of opinion an auditor can issue
- Books are clear and they don't have negative opinions or findings
- Issued bonds, refunded \$43 million dollars. Adjusted beginning fund balance to include\$ 1.4 M.
- Business Services has gone through some transition, what this notes is that 1.4 million was not reconciled in our account system, it was a technical issue and that is what the auditor found.
- There is a new amount in cash \$2 million, \$1.9-large part of this is COP, we have to set up as a payable, due at the beginning of every fiscal year, we are closing out in July
- Audited classified salaries-\$12 million
- Other financing sources; proceeds, issues bonds, everything was accounted for
- Performance audit means that they review and it should be unmodified opinion and he is supposed to (page 9) Alvaro read that portion, what measure P funds can and cannot be used for. That is specifically what he looked for that we were not using towards salaries.

Other business:

- Would like to set up the next COC meeting
- We are supposed to meet on a quarterly basis?
- Next meeting scheduled on April 10th at 6:30 p.m. (reminder will be sent out 2 weeks prior)

Meeting adjourned at 7:51 p.m.