

Annual Report to the Community
July 1, 2009 – June 30, 2012

Committee Established:

The Dinuba Unified School District was successful in the election conducted on November 7, 2006 in obtaining authorization from the District's voters to issue a \$37,000,000 aggregate principal amount of the District's general obligation bonds, pursuant to a 55% vote. The election was conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 et seq. of the Education Code of the State. Pursuant to Section 15278 of the Education Code, the District was obligated to establish the Bond Oversight Committee to satisfy the accountability requirements of Proposition 39.

On January 4, 2007, the board took action to establish a Bond Oversight Committee, which allows the District to appoint members to the "Measure T" Bond Oversight Committee. An advertisement was placed in our local newspaper for interested parties and seven members were appointed to the committee. The original members were appointed on February 22, 2007 as follows:

Ken Melban
Pat de la Montanya
Janelle Cochran
Steve Raymond
Joe Morgan
Gilbert Gonzalez
Tresa Berry

Committee Activities – Year One

The Bond Oversight Committee met on June 20, 2007. The committee bylaws here covered and Joe Morgan was elected as Chairperson. The projects that were presently underway were reviewed and then the committee held a discussion about selling future bonds and reviewing the bond financial report.

The Committee continued to meet with meetings held on September 11, 2007, December 11, 2007, March 4, 2008, June 3, 2008, October 7, 2008, February 23, 2009 and May 5, 2009. The June 16, 2009 meeting was cancelled.

Committee Activities – Year Two

The committee continued to meet during the second year of the bond with a number of project updates given at each of the meetings. Each meeting the committee reviewed the bond financial report presented by the District Fiscal Services Officer. Attendance at the committee meetings became an issue as towards the end of the 2008-09 school year a quorum was not reached at some of the meetings and no business could be conducted.

The School Board is in the process of approving the architectural drawings for submission to the Division of the State Architect for a proposed K – 8 school. Construction would be contingent on state funding being available.

Committee Activities – Year 3

The committee members' terms expired in 2009. On November 12, 2009 the Board of Trustees made the following appointments to the committee.

Joseph Morgan
Jim Lamb
Rodolfo Lopez
Pat Delamontanya
Albert Cendejas

In December 2009, the committee received an orientation of their duties. The committee continued to meet during the third year of the bond with a number of project updates given at each of the meetings. At each meeting, the committee reviewed the bond financial report presented by the District Fiscal Services Officer.

The architectural drawings for the K-8 school have been submitted to the Division of the State Architect for approval. Construction would be contingent on state funding becoming available.

Committee Activities – Year Four

The annual meeting of the Bond Oversight Committee was held on September 19, 2011. The agenda for the meeting included: review of bond expenditures for the prior year; discussion of utilizing bond funds to defease a COP originally issued for school site modernizations; facility projects for the upcoming year; possible modernization funding and financial hardship qualification; and a presentation from Keygent Advisors concerning an opportunity to refund the 2002 Series A Bonds.

The committee unanimously supported pursuing the COP defeasement, and refunding the 2002 Series A Bonds with projected savings to taxpayers of \$700,000.

The committee also discussed the possibility of the district applying for financial hardship through the Office of Public School Construction. As a requirement of financial hardship, the district would be required to use all available resources or forfeit those funds to the State to offset the costs of projects funded under financial hardship. Therefore the district was considering encumbering all remaining bond funds on high priority needs in the district and then applying for hardship.

The group reviewed the list of proposed projects to be financed in whole or part from bond funds. Those projects included:

- Architectural Fees for Modernization plans for seven campuses: Washington Intermediate, Grandview, Jefferson, Lincoln, Wilson , Roosevelt and Dinuba High School.
- Asbestos Testing and Analysis

- Fees required to facilitate the close-out of 44 facility projects still open with the Division of State Architect.
- Cafeteria tables for five elementary sites.
- Basketball Scoreboard for Dinuba High School West Gym.
- Security fence, retaining wall and fountain at Dinuba High School.
- Technology upgrades for Lincoln and Grandview Elementary schools.
- Disaster recovery equipment for the district's technology infrastructure.
- District-wide telephone upgrade to VOIP (voice over IP).
- Irrigation for Roosevelt playground.
- Demographic study of student growth trends and school site capacities.
- Demolition of condemned building at Grandview Elementary.
- Replacement of gym lockers at DHS.

The committee had no objections to the proposed list of projects and supported the district's upcoming application for financial hardship. At the conclusion of the meeting the committee made plans to present an Annual Report to the Governing Board, however multiple scheduling conflicts prevented this from happening.

In March of 2012 the district applied for financial hardship through the Office of Public School Construction. In early May that application was granted and the district is now eligible to receive upwards of \$17 million in state funds to modernize existing school sites, without the district providing matching funds.

Committee Activities – Year Five

On November 5th 2012 members of the Bond Oversight Committee met to review the report on expenditures and status of bond projects initiated during the 2011-2012 fiscal year.

The district began the 2012-2013 fiscal year with bond funds totaling \$699,136.12. The expenditures through November 5, 2012 were \$148,158.31, with outstanding encumbrances totaling \$538,810.16. The projected ending balance in the bond fund is \$12,167.65.

Present at the November 2012 meeting were:

Joseph Morgan – Chairman
Pat DelaMontanya
Jim Lamb
Albert Cendejas
Joe Hernandez – Superintendent
Peggy Garispe - Director of Business Services
Frank Rios – Director of M&O