

**MERCED CITY SCHOOL DISTRICT
MINUTES OF THE CITIZENS' BOND OVERSIGHT COMMITTEE
District Office Board Room
Tuesday, September 15, 2015
4:00 PM**

CALL TO ORDER: The Citizens' Bond Oversight Committee (CBOC) meeting was called to order officially at 4:04 pm by President, Birdi Olivarez-Kidwell.

MCSD STAFF PRESENT: Superintendent, RoseMary Parga Duran, Associate Superintendent, Greg Spicer, Director of Facilities, Dr. Ken Testa, Account Technician, Julio Rodriguez-Rivera, Facilities Department Secretary, Sherry Munday.

MEMBERS PRESENT: President, Birdi Olivarez-Kidwell, Sharon Spinardi, and Michelle Symes-Thiara.

PLEDGE OF ALLEGIANCE: President, Birdi Olivarez-Kidwell led the pledge.

APPROVAL OF AGENDA: M/S/C To approve the agenda for today's meeting.

APPROVE MINUTES: The June 23, 2015 meeting minutes were tabled. Michelle Symes-Thiara was not in attendance and therefore could not vote, and there was no quorum otherwise.

INTRODUCTIONS/OPENING REMARKS:

Ken Testa welcomed everybody and thanked them for coming. He thanked Sherry Munday for preparing the minutes, agenda and other documentation and emails. He thanked Dr. Parga Duran and Greg Spicer for attending the meeting as well as Julio Rodriguez-Rivera who will be presenting the financials later in the meeting. Tsia Xiong was introduced to the committee and thanked for coming and for submitting of an application to be a CBOC member.

GENERAL OBLIGATION BONDS REPORT

Ken Testa discussed that Measure M projects have begun and starting to ramp up and foresee a need for more bond authorization to be considered for release. Superintendent, RoseMary Parga Duran and Assistant Superintendent, Greg Spicer, met with Dolinka regarding the sale of Series B. Birdi Olivarez-Kidwell asked about the process to increase bond authorization amount. Mr. Spicer explained that we have to show a need and keep the work moving and explained the steps. First, is a review of preliminary report that goes out to the Public review period, the Rating agency is reviewing this report at the same time. Then the Bond Council and Bond underwriter and District Representatives meet to get recommendations. Then Moody's will review and give us a rating. Once we know our rating that will depend on how to structure the sale. Finally, the School Board of Education will make a recommendation and the County Board of Supervisors sign off after checking

our financials. This process takes time and that is why we have to plan ahead per Ken Testa. Dolinka has requested information about what we have already used the money for; what have we done, and what are we planning on doing. Ken Testa and Greg Spicer will submit this by the end of this month. Dolinka will check our financial status and they make sure we are conservative and manage the funds correctly. In December we will have more information about where we are in the process.

MEASURE S & MEASURE M BOND PRIORITY PROJECT REPORT:

Ken Testa showed a PowerPoint presentation with various district projects as well as a Rivera K8 update.

District Priority Projects and Rivera K-8 update:

The irrigation project is still in progress, the Building B modernization is underway, installed gates, and a preschool is being planned and will be ready after Christmas break. Our maintenance staff is helping with the landscaping at Rivera to save money. The grass is starting to come up. The irrigation system is designed to be draught efficient. The latching, gates, security, drinking fountains, alarm functions, lighting, awning and pillars and the portables are finished. Building B, electrical will be done by the end of the month and will be ready to start framing. The sidewalks that have been demolished around the building will be poured back. There were no surprises found underground while plumbing building B. The plan is to move the office staff into the building during Christmas break. The furnishings will be ordered next week. Pictures illustrated where the two different lobbies will be located.

Another large project is the Chenoweth Teak Avenue Parking lot, improve safety and pickup access. This project will be in November. Improvements will be made to the play courts, lighting, security fencing and rebuild the playground structure. ADA upgrades to existing restrooms are also required. This project should start in November.

Safety and Security Fencing projects; Hoover, Muir, Wright, Burbank, Gracey, and Chenoweth. Hoover previously had no fencing around the front of the school. At Gracey, very short fence by preschool at Gracey that is not safe. The goal is to try to make ascetically pleasant as well as safe.

Information about the STEAM center presented as an FYI. This project is not funded by Measure M dollars but it is part of the overall facilities master plan. STEAM Center will be at Givens Elementary. This is a 4500 sq. ft. district facility that will benefit the whole district. We also want to work with the City to try to find other sources of funding. Measure M monies can be used for Geotech studies, engineering and planning but cannot use Measure M for the building.

The two large HVAC projects are Hoover and Chenoweth will be in phases, the first phase to start next summer.

QUARTERLY FINANCIAL REPORT:

Julio Rodriguez-Rivera presented the financial information for Measure S & Measure M

Measure S Expenditure Report:

Actual Accumulated Expenses:	\$ 28,020,909.21
Cash as of June 30, 2015:	\$ 2,276,892.59
Accounts Payable FY 14/15	\$ (766,185.39)
Cash available for FY 15/16	\$ 1,510,707.20
Actual Expense FY 15/16	\$ (658,389.43)
PO Encumbered Balance	\$ (619,486.45)
Budget un-encumbered Balance	\$ <u>(101,168.12)</u>
Balance remaining for other	
Expenditures related to Measure S	\$ 131,663.20

Measure M Expenditure Report:

Measure M Revenue-2014 Series	\$ 11,364,881.30
Actual Accumulated expenses	\$ <u>(2,606,303.80)</u>
Balance as of Sept. 8, 2015	\$ 8,758,577.50
Cash as of June 30, 2015	\$ 9,677,987.34
Accounts Payable FY 14/15	\$ (256,853.53)
Cash Available FY 15/16	\$ 9,421,133.81
Actual Expense FY 15/16	\$ <u>(662,556.81)</u>
Cash Balance Available	\$ 8,758,577.00

PUBLIC RELATIONS/COMMUNICATIONS

Birdi Olivarez-Kidwell and Ken Testa presented information to the Downtown Rotary Association and Franklin-Beachwood MAC. The presentation included information about: what is a bond, what MCSD has done in the past, and what we plan on doing with Measure M monies. It was also mentioned that we will be going again for another bond. It was important to let them know there is financial stewardship and that there is accountability through this committee. They also let them know that if they are interested in being involved, their participation would be greatly appreciated.

MEMBERSHIP AND RECRUITMENT

Birdi Olivarez-Kidwell will take the public information article that was written by Jeff Pennington and herself to the newspaper. This article has been reviewed by the Board of Education and District Staff. Jeff Pennington sent a letter of resignation to Birdi Olivarez-Kidwell and Ken Testa. He is relocating with his family to Sacramento area. He was thanked for his service. Tsia Xiong told the group about himself and his interest in the group and talked about the other community groups he is involved with. Sharon Spinardi motioned that the committee recommend to the Board to approve Tsia Xiong's application for membership. Michele Symes-Thiara 2nd. Motion carried. Tsia Xiong's application for membership will go to the board meeting on September 22, 2015. Birdi Olivarez-Kidwell is planning to attend PTC meetings at under-represented school sites for membership recruitment.

NEXT MEETING: December 15, 2015, at 4:00 P.M. in the Board Room at the District Office.

ADJORNMENT: M/S/C To adjourn the Citizens' Bond Oversight Committee at 5:14P.M.