

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

CALL TO ORDER: The Citizens' Bond Oversight Committee (CBOC) meeting was called to order officially at 4:02 pm by President, Birdi Olivarez-Kidwell.

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

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

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: M/S/C to approve the minutes for the June 23, 2015 meeting
M/S/C to approve the minutes for the September 15, 2015 meeting

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 Steve Bottjer for coming to the meeting and discussion will be later during membership regarding him rejoining our group. 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.

GENERAL OBLIGATION BONDS REPORT

Ken Testa reported about the Bond sale that took place this last Thursday, December 17, 2015. The Bond Sales Team worked on selling the second series. MCSD sold just in time before the Federal Interest Rate was raised. MCSD has a good credit rating of AA-, with that good interest rate we are able to spread the community's dollars farther than what was originally projected. There is a cost of issuance so we will receive \$18.2 mil. from the sale of \$19,281,052.27. The money will go to the County, then to the District and we will be able to start issuing contracts.

MEASURE S & MEASURE M BOND PRIORITY PROJECT REPORT:

Ken Testa showed a PowerPoint presentation with the Rivera Admin/Library, safety and security projects, and other projects that will be happening during 2016.

1. Rivera Modernization Building B (Administration/Library) – Central Administrative building for Rivera K-8. It is in the finishing stages, carpet, furnishings, etc. The building will be opening in early January.
2. Safety & Security – fencing and gates with electronics for safety. Burbank, Rivera, Gracey have been completed. Fremont and Sheehy are starting next week. Low fences, security of open areas are reasons that these projects need to happen. At Stefani Elementary, opening up campus for community use but securing the site from that.
3. Camera Project – rejected two previous bid submissions. We are going out to bid again. The bids were too much money and the contractors did not bid what is in the scope.
4. Burbank – starting in May, demolish 6 portables, upgrade security, play courts, SNS and custodial services area.
5. Chenoweth – parking lot, play courts, play equipment, if we rush, with the weather it will cost more, Spring 2016 job.
6. Hoover - 7 million, HVAC electrical, lighting, ceiling height, classroom modernization, 5 phase project, starting summer 2016, fall 2016, Christmas 2016, Spring Break 2016 and summer 2017, by fall of 2017 the project will be done. Prop 39 grant money is where we would like to pay for this project, not necessarily Bond Money. We should get 2.1 mil from Prop 39.
7. Chenoweth – HVAC system, over next two summers, lighting in classrooms, Prop 39 grant money.

Sharon Spinardi asked if these projects are following the LRFMP that was created. Greg Spicer explained that they are following the plan, but some of the offices are not moving at this time. The District has project planned out for years 2016, 2017, 2018 and 2019. Now that the bonds have sold we have money to plan out and move forward on those projects.

QUARTERLY FINANCIAL REPORT:

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

Measure S Expenditure Report:

Actual Accumulated Expenses:	\$ 28,521,439.59
Cash as of December 10, 2015:	\$ 301,162.75
PO Encumbered Balance	\$ (113,602.96)
Balance remaining for other	
Expenditures related to Measure S	\$ 187,559.79
In process – SJVAPCD	\$ 81,194.40
Balance after In-process	<u>\$ 107,365.39</u>

Measure M Expenditure Report:

Measure M Revenue-2014 Series	\$ 11,364,881.30
Interest Income 14/15	\$ 51,738.68
Interest Income 15/16	<u>\$ 15,871.94</u>
Total Revenue	\$ 11,432,491.92
Actual Accumulated expenses	<u>\$ (3,569,933.54)</u>
Cash Available FY 15/16	\$ 7,862,558.38
PO Encumbered Balance	\$ (2,508,281.79)
Cash Balance Available	<u>\$ 5,354,276.59</u>

PUBLIC RELATIONS/COMMUNICATIONS

None

MEMBERSHIP AND RECRUITMENT

Steve Bottjer had a break in service and would like to be back in service on the Bond Oversight Committee. A Board resolution will go to the Board at the next board meeting. Keith Ensminger made a motion to accept Steve Bottjer into the group, Sharon Spinardi 2nd. Votes - all.

Ken mentioned that we are still short a member, we need seven members. We need a member that is active member of bona fide tax payers association. We need to focus on finding a Senior Citizen who is also a member of a bona fide taxpayers association. Discussion of putting an ad into the newspaper to recruit members was held. If we are not able to recruit additional members, Dr. Parga-Duran suggested we contact legal counsel. We need to ensure that we are covered if we show we have made a good faith attempt to meet all of the membership requirements.

NEXT MEETING: February 23, 2016, 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 5:06 P.M.