

MEETING MINUTES

FRESNO UNIFIED SCHOOL DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE

November 21, 2019

The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. (California Education Code)

Citizens' Bond Oversight Committee (CBOC), Fresno Unified School District, Service Center, 4600 N. Brawley, Fresno CA 93720, Huntington Conference Room

Attendance

At a regular meeting of the CBOC held on November 21, 2019, present were CBOC members Brian Andritch, Venancio Gaona, Clint Horwitz, Michael Kelly, Michael Lopez, Jose Mejia, Jim Nau, Bruce O'Neal, Dominic Papagni and Barbara Steck (Chair).

Not present were CBOC members Inez Hill, Mike Karbassi and Arthur Koster.

Also present were Fresno Unified staff Alex Belanger, Jason Duke, Kaleb Neufeld, Ruth Perez, Robert Quiroz and Karin Temple; and Charles Raibley, Crowe, LLP.

1. CALL MEETING TO ORDER

Chair Steck convened the meeting at 12:00 p.m.

2. INTRODUCTIONS / RECOGNITIONS / CHAIR'S REPORT

3. APPROVE DRAFT MEETING MINUTES FOR August 15, 2019

Approved unanimously

4. REVIEW AND ACCEPT PROJECT/EXPENDITURE REPORTS dated November 21, 2019

Measure Q

- Total Measure Q obligated to date: \$250.7 M
- Total value of Measure Q projects to date (including state funding): \$320.9 M
- Increase in total impact to Measure Q since last report: \$.7 M

Measure X

- Total Measure X obligated to date: \$102.2 M
- Total value of Measure X projects to date (including state funding): \$102.2 M
- Increase in total impact to Measure X since last report: \$4.2 M

Accepted unanimously

5. REVIEW AND ACCEPT QUARTERLY REPORT OF INDEPENDENT ACCOUNTANTS FOR MEASURE Q for the period July 1 – September 30, 2019

Selected a sample of 25 expenditures totaling \$930,120. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 23% of the total number of expenditures and 89% of the total expenditure value. Obtained purchase orders and invoices for each of the 25 expenditures; verified that the expenditures properly charged to the location indicated, were properly coded as to the nature of the expenditure and were made for the acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and the funds were not spent for administrative salaries.

Accepted unanimously

6. REVIEW AND RECOMMEND BOARD OF EDUCATION APPROVE FOR MEASURE Q for the period July 1, 2018 – June 30, 2019:

- a. **ANNUAL FINANCIAL STATEMENTS AUDIT** states on page 2: In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fresno Unified School District Measure Q General Obligation Bonds activity as of June 30, 2019, and the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.
- b. **ANNUAL PERFORMANCE AUDIT** states on page 4: The results of our tests indicated that in all significant respects, Fresno Unified School District expended Measure Q General Obligation Bond funds for the year ended June 30, 2019 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1 (b)(3)(C) of Article XIII A of the California Constitution.

Recommended unanimously

7. REVIEW AND ACCEPT QUARTERLY REPORT OF INDEPENDENT ACCOUNTANTS FOR MEASURE X for the period July 1 - September 30, 2019

Selected a sample of 25 expenditures totaling \$9,539,829. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 2.2% of the total number of expenditures and 65% of the total expenditure value. Obtained purchase orders and invoices for each of the 25 expenditures; verified that the expenditures properly charged to the location indicated, were properly coded as to the nature of the expenditure and were made for the acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and that funds were not spent for administrative salaries.

Accepted unanimously

8. REVIEW AND RECOMMEND BOARD OF EDUCATION APPROVE FOR MEASURE X for the period July 1, 2018 – June 30, 2019:

- a. **ANNUAL FINANCIAL STATEMENTS AUDIT** states on page 2: In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fresno Unified School District Measure X General Obligation Bonds activity as of June 30, 2019, and the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

- b. ANNUAL PERFORMANCE AUDIT** states on page 3: The results of our tests indicated that, in all significant respects, Fresno Unified School District expended Measure X General Obligation Bond funds for the period July 1, 2018 to June 30, 2019 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Recommended unanimously

9. DISCUSS AND APPROVE FOR PRESENTATION DRAFT 2018/19 ANNUAL REPORT

Approved unanimously, for presentation at the January 29, 2020 Board Meeting

10. DISCUSS UPDATE ON POTENTIAL 2020 BOND MEASURE

Staff provided and discussed:

- a.** November 20, 2019 Board Workshop and Board Meeting Agenda Item B-12 presentation (Potential 2020 Bond)
- b.** November 20, 2019 Board Meeting Agenda Item B-13 presentation (Potential 2020 Bond)
- c.** November 20, 2019 Board Workshop presentation (Project Labor Agreements)

11. PUBLIC COMMENT

Mr. Papagni commended staff for their hard work and clear explanations provided to the Committee. Mr. Kelly requested CBOC members to reach out to their appointing Trustee to encourage them to educate themselves on project labor agreements.

12. ADJORN

Next meeting February 20, 2020 at noon (lunch served at 11:45am) at the Brawley Service Center.