



Cajon Valley Union School District
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Citizens' Oversight Committee (COC) of the Cajon Valley Union School District

Minutes Adopted

CALL TO ORDER

The meeting of the Citizens' Oversight Committee was called to order by Committee Chair Karen Bunkell on June 27, 2012 at 2:33 p.m. at Cajon Valley Union School District.

Members Present: Karen Bunkell, Les Henderson, Dick Nasif, Linda Webb, and Tim Zelt.
Apologies: Jane Alfano and Craig Wollitz.

District Support Staff: Charles Allen, James Beard, Helena Bristow, Scott Buxbaum, Sharon Clay, Sharon Dobbins, John Forrest, and Vickie Hayman.

WELCOME AND ROLL CALL

Karen welcomed members, staff, and guest: Rob Leonard, Financial Advisor of Dale Scott & Company.

APPROVAL OF MINUTES

The minutes from the March 28, 2012 meeting were approved as amended on a motion made by Les and seconded by Linda and carried 5-0.

APPROVAL OF 12-13 CALENDAR

Sharon presented the draft copy of the 2012-13 meeting calendar, noting that the meeting room location could possibly change pending the approval of room assignments by the District. The motion was made to approve the calendar by Les and seconded by Tim and carried 5-0.

OVERVIEW OF COC REQUIREMENTS

Sharon reviewed the new COC binders for the new committee members, as well as noting the updated inserts for all members. Sharon facilitated a Power Point presentation addressing COC requirements and the roles of its members.

PROJECT STATUS REPORT

Sharon continued with the Power Point presentation, sharing that under Proposition 39, the State sets the requirements for the bonds; Proposition D is local and is a \$156 million bond initiative. She further shared the list of projects under Proposition D that have been completed, along with the projects that are currently in progress as well as future projects. John added that the roof has been installed and the exterior colors have been completed at Greenfield Middle School. Karen inquired as to the time of completion for this project, and Sharon explained that savings from other projects were used to expand the scope of work, which has extended the completion date. Scott added that the project qualified for state matching funds regarding the modernization. Sharon also added that value engineering is

being looked into to create savings regarding the complete rebuilds of two elementary schools.

EXPENDITURE REPORT/CASH FLOW PROJECTION

Sharon reviewed the Consolidated Expenditure Report, noting that the fiscal year-end report showing exact numbers for the 11/12 year will be presented at the COC meeting in September. Thus far, only 17.1% of bond funds have been expended.

Sharon reviewed the Estimated Cash Flow Report, and explained that the Federal Stimulus Plan issued bonds that are tax exempt. She addressed the e-rate monies that will be refunded regarding the technology upgrades to several schools, which is based upon the numbers of students qualifying for the free and reduced lunch program. Monies are refunded after-the-fact about one year later.

Regarding actual and proposed expenditures, the funds are available to complete all projects in progress, however there is concern regarding the funding to move forward with future projects. Lower property values are slowing down the Districts' ability to issue bonds. Scott explained that the District evaluates funding needs related to the timing of projects and expenditure requirements in order to keep positive cash flow, as well as, when the interest rates are most favorable.

BOND REAUTHORIZATION

Sharon shared that on June 12, the Governing Board approved the placing of an initiative on the November ballot to reauthorize \$88,400, the remaining bonds previously approved by voters in February, 2008, through the issuance of new bonds. Rob Leonard distributed information to all members regarding the General Bond Reauthorization. He discussed the current alternatives to bond reauthorization, which provided poor solutions to tax rate problem. He further explained the rationale behind bond reauthorization, which would have a savings of over \$200 million in interest costs. Scott added that there hasn't been a cost escalation in 4-5 years, which is good for Cajon Valley. Rob added that in this low-interest environment, it is better to do this now than waiting. Rob reviewed statistics regarding a voter survey in non-Presidential elections, as well as the response to a telephone poll conducted of active voters within the Cajon Valley District boundaries. There was discussion and clarification regarding the role of the taxpayers in bond measures.

QUESTIONS/ANSWERS

Sharon addressed the expectations of future meetings and thanked the new members for their participation.

ADJOURNMENT

The meeting was adjourned at 3:40 p.m.

Next Meeting

The next COC meeting is scheduled for **Wednesday, September 26, 2012 at 10:00 a.m.** in the Professional Development Conference Room 3.