



SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

398 B St. South San Francisco, CA 94080

(650) 877-8700

www.ssfusd.org

Dr. Shawnterra Moore, Superintendent

Meeting Minutes

Meeting Type: Meeting of the Measure T Citizen's Bond Oversight Committee

Meeting Date: Tuesday, March 12, 2024, 6:30 PM

Location: South San Francisco Unified School District Office Board Room
398 B Street
South San Francisco, CA 94080

ORDER OF BUSINESS

I. **Call to Order:**

CBOC Chair

6:30 PM

II. **Roll Call:**

Gina DeMartini

Daniela Jonguitud	Absent
Miguel A. Nava	Present
John R. Penna	Present
John Sanna	Present
Avin Sharma	Present
Soy Wong	Present

III. **Pledge of Allegiance**

CBOC Chair

IV. **Action: Approval of 12/12/23 Meeting Minutes**

CBOC Chair

- *John Penna* motions to approve minutes as submitted from 12/12/23 meeting.
Miguel Nava seconds the motion.
Motion carried unanimously.

V. **Information: Update on Vacant CBOC Member**

Ted O

- Laura Parmer-Lohan has withdrawn herself from the committee for personal reasons. Peter Feng has identified someone from the business sector as a replacement. This person would finish off the remainder of the term and then apply for an additional term. Laura Parmer-Lohan had an initial term of 1 year July 1, 2023 - June 30, 2024. The identified applicant will be presented to the Board of Trustees at the March 28, 2024 meeting.

VI. **Information: Financial Information**

Ted O

- Ted reviewed the financial report and pointed out changes made based on the feedback from the last meeting. The report now clearly shows the budget, what has been spent, encumbrances and balances for each site. The report reflects spending from December 1, 2023 through February 29, 2024.

Questions:

- a) *John Penna*- Are any bond funds used for paying teachers' salaries?

Ted O answers that we cannot use the funds for salaries of teachers. Our expenditures are based on the bond language.

- b) *Lori Shelton* explains that Bond funds are used for modernization.

Ted O explains that by law 3% of the general fund is required for Facilities repairs and maintenance. Miguel asks how 3% compares to other districts. Ted explains it is state law. You can add to the % but you cannot remove.

- c) *Soy Wong*- How does the 3% compare to other districts?

Ted O explains that it is set by the state.

- d) *John Penna*- How do you determine which funds are used between Facilities & Bond? What language is used?

Lori Shelton explains that there is not a specific language used. Facilities funds are used for ongoing maintenance and emergency repairs. Bond funds are used for specific projects and modernization of sites. Typically, in the millions of dollars.

Ted O provides an example that if a wall needs to be repaired or painted that would be Facilities, but if it is within the scope of a modernization project, It will become a Bond project.

- e) *Soy Wong* asks if there is a reason why the balance of the bond has not been sold.

Lori Shelton- explains that we cannot sell all of the bonds and let it sit in the Bank to earn interest. We only selling 1/3 at a time based on the planned project needs.

- f) *John Sanna*- Are any projects currently underway or are we still in the engineering, drawing, and planning phase?

Lori Shelton answers that there is one project currently underway, which is the HVAC Package A. Remaining projects are not even in design. They are in the project assessment phase.

- g) *Soy Wong* notices that the heading on the last section of the financial report needs to be updated to Expenditures instead of Encumbrances. This will be corrected in our accounting system.

VII. Information: Bond Program Update

Lori Shelton/Calvin Wong

- *Lori Shelton* introduces Calvin Wong
- *Calvin Wong*- gives a project overview presentation explaining the project lifecycle. (presentation is attached)

Phase 1- Assessment of the site- Results in a summary of all findings, recommendations, and cost estimates. Bond Management team and District review and prioritize the scope of work based on needs of the site and budget.

Phase 2- Design and drawing development. Once design and drawings are complete they are submitted to DSA. Once approval is received, we move into construction.

There are more than 20 projects funded by the bond, so we have to prioritize the projects into 5 groups. Some schools did not undergo any improvements in the Measure J Bond, and some schools have been identified with priority needs. We also consider the long lead time projects.

Lori Shelton explains the 5 groups- These groups were approved by the Board of Trustees in September of 2023.

Group 1-

Los Cerritos Elementary and Sunshine Gardens Elementary. These sites did not receive any work during the Measure J Bond. They are currently in the initial phase of assessment. Westborough Middle School field project was designed several years ago and was tabled so this is now a priority. This project is also in the assessment phase. The El Camino kitchen and cafeteria project was started before the formation of the bond, but we picked it up as it is critical to the function of the district. The 5th project is HVAC package A. This project was also started prior to the bond, and we took it over due to its priority needs. These are specific areas in various sites that were identified as priority needs.

Group 2-

El Camino High School and South San Francisco High school are very large campuses which means long lead for project assessments. Spruce and Monte Verde were identified by the District as high priority.

Group 3-

Alta Loma Middle School, Parkway Heights Middle School and Baden

Group 4-

Skyline Elementary, Junipero Serra Elementary, Ponderosa Elementary and the balance of Westborough Middle School.

Group 5-

Buri Buri Elementary, Martin Elementary, District Offices, Children's Center, Hillside Preschool, Serra Vista Campus and Work Force Housing. Note that normally work force housing will not see any expenditures until after the 2nd bond sale but because it is such a complicated project, we are starting the education process in identifying what we need to do.

- a) *John Penna* asks when the committee will get to see the projects. Will we be able to tour the sites?

Lori Shelton explains that we will be providing updates on what phases the projects are in. At some point, we can arrange for the committee to tour the sites. It will be a while before that happens.

- b) *John Sanna* asked for confirmation that the workforce housing project does not need DSA approval because it is not a functioning school site.

Lori Shelton believes that is correct, but we are still trying to get educated on what needs to be done.

- c) *John Penna* wants to understand why these projects are in different groups.

Lori Shelton explains that it is a matter of management of cash flow and personnel.

- d) *John Penna* wants to know how cash flow is related to this.

Lori Shelton answers bond sales.

Ted O explains that we are not waiting for the last bond sale to start group 5. Some of the work on later groups are overlapping.

Lori Shelton- For example, we might be doing the assessment in group one and then start construction but at the same time we are starting the assessment stage for group two. There will be different schools in different phases. The financial expenditures might look like a bell curve as we get into construction. Projects will all be in different phases.

- e) *John Sanna* asks- What is the current DSA approval timeline?

Lori Shelton answers that it depends on the project. Structural heavy projects might take longer. We are watching code changes as well and might accelerate submittal to DSA for approval prior to a code change.

VIII. Information: Removal of Form 700 Requirement from CBOC Bylaws

Ted O

- *Soy Wong* motions to bring to the Board of Trustees the request to remove the Form 700 requirement from the CBOC Bylaws.
John Penna seconds the motion.
Motion carried unanimously.

IX. Information: Bond Audit Reports

Ted O

- *Ted O* - Each year the district is required to have an external audit. Our external auditors are Eide Bailly. The attached audit reports were shared with the board of trustees on January 25, 2024. The district earned an unmodified opinion, also known as a clean opinion. There are no audit findings. They did not identify any deficiencies. This is good news.

Lori Shelton points out that on page 18 on 5b you will see a statement that supporting documents for creditors would not use the salary or other operating expenses of the district. This answers your earlier question about how bond funds are used.

X. **Public Comment on Non-Agendized Items**

CBOC Chair

- *Avin Sharma* asked for a status update on hiring our bond team.

Lori Shelton confirms all positions are in place except the accounting technician. We are trying to figure out where else to advertise.

XI. **Committee Member Announcements/Reports CBOC Chair/Members**

- No announcements/No reports

XII. **Adjournment:**

CBOC Chair

- Meeting adjourned at 7:17 PM
- Next meeting date: May 14,2024 6:30PM