

Minutes of Citizens' Bond Oversight Committee
Meeting of March 18, 2005
9:00-11:00 a.m. * Business Services Conference Room
*** 211 Ridgway Avenue**

Chair Jack Atkin called the meeting to order 9:00 a.m.

In Attendance: Oversight Committee Members Jack Atkin, Lee Tipon, Patty Collis, Ronald Scoggins; Staff Members Doug Bower, Louise Bostrom; Prospective New Members Michael Metela and Hanah Bjorklund, representing Proctor Terrace Elementary; Carla Wiles and Dana Rudy, representing Burbank Elementary; Sharon DeMartini, representing Montgomery High; Absent Committee Members: William Keck

Mr. Bower introduced the guests who are potential new members of the committee and explained the application process.

Ms. Collis moved and Mr. Scoggins seconded approval of the minutes of the October 15, 2004 meeting as presented. Motion carried 4-0. Mr. Atkin requested that when the minutes from the October meeting are posted on the website that the approved committee response to the Grand Jury be published as well.

Auditors Report

Copies of the final, Board-approved 2003/2004 financial and performance audits of Measures B and C were distributed to all members. There were no exceptions in the audit and all expenditures are in compliance with the ballot measure. Ms. Collis moved to accept the financial and performance audit reports for the elementary and high school districts for the fiscal year ending 6/30/04 as presented and to use the same motion language as last year's acceptance. *(The language is... In the performance audit reports the auditors addressed a number of issues related to the District's compliance with the provision of the law related to these bonds. The auditors did not report any exceptions. Complete copies of the reports are available to the public at the District office.)* Mr. Scoggins seconded the motion and the motion carried 4-0.

Committee Chair

Mr. Atkin asked if any committee members would like to take his place as chair, although he would be willing to continue if no one else was interested. The committee members all agreed that Mr. Atkin should continue to serve. Mr. Scoggins suggested that a procedure be set up for electing a chair in the future. It was then discussed that the committee would possibly only function until 2007 after approval of the audit for 2006/2007 because the bond money will be fully expended. Ms. Collis moved to re-appoint Mr. Atkin as chair for the next year and Ms. Tipon seconded. Motion carried 4-0.

Status Report on District Projects

Mr. Bower explained that the district operates a Facility Master Plan that includes other funding sources beside Measures B and C Bonds. He distributed a list of projects planned for this summer and described a few of them as examples of the use of different sources of funds. Mr. Atkin asked if the construction managers are district employees or outside consultants. They are outside consultants. Mr. Atkin said that he had been contacted by a neighbor of Montgomery High School about the field projects and the high use of the improved field's impact on the surrounding community. Mr. Atkin invited the neighbor to attend to state his case but he did not attend today. Mr. Atkin has referred the neighbor to Mr. Bower to answer questions with the factual information about how the field improvements have been funded. Mr. Bower said that possible field lighting at Montgomery is starting to go through the CEQA process. The expenses in Measure B that were used to improve the fields have been reviewed and approved as part of the 2003/2004 audit. There was no action needed or taken by the committee on the status reports.

Salary Related Bond Expenses

Mr. Bower distributed a spreadsheet listing bond projects that had a modest amount of custodial salary charged to the bond funds. Mr. Atkin explained that the subject of district staff salaries paid out of bonds is sensitive because law prohibits expenditures for administrative or teacher salaries. He reviewed the history of hiring a construction manager versus hiring a staff member as discussed at the October 15, 2004 meeting. The consensus of the committee was that the expenditures are modest and are directly related to the construction project. Mr. Bower explained that due to the timing and expediency needed to prepare for school opening after a construction project, custodians are hired to clean up and move in. There were no exceptions in the audit for salaries. The committee reviewed the text of the minutes from the October committee meeting and reached a consensus that, since these were modest expenditures and that they meet the charge of the law for the district to find efficiencies in expending the funds, that the committee would not take any action relative to the reported salary expenses. Mr. Atkin stated he would be concerned if the amount got larger each year.

The next meeting will on October 15, 2005 at 9:00 a.m.

Meeting Adjourned at 9:55 a.m.

Requests for Information: None

Thanks to Ms. Tipon for providing cookies at the meeting.

LB 3/18/05