



GOLETA UNION SCHOOL DISTRICT

Minutes

Citizens' Bond Oversight Committee (CBOC) (Measure M)
March 21, 2023, 5:30 p.m.

Attendance

Michael Grillo, Chairperson	Kim Tesoro, Committee Member
Larry Hansen, Vice Chairperson	Jorge Velasco, Committee Member
Conrad Tedeschi, Asst. Supt., Fiscal Services	

Not In Attendance

Dr. Diana Galindo-Roybal, GUSD Superintendent	Dave Gore, Committee Member
Rajeev Bajaj, Committee Member	Cortney Hebert-Rintoul, Committee Member

Minutes taken by Rosi Maldonado-Shaquir, Administrative Secretary, Fiscal Services

ORDER OF BUSINESS

- Welcome and Call to Order and Pledge of Allegiance - Michael Grillo, CBOC Chairperson**
Mr. Grillo opened the meeting at 5:37 p.m. and led the committee in the pledge of allegiance.
Mr. Tedeschi welcomed everyone.
- Roll Call - Michael Grillo, CBOC Chairperson**
Mr. Grillo took roll.
- Approve Agenda- Michael Grillo, CBOC Chairperson**
Motion to approve agenda made by: Mr. Larry Hansen
Motion seconded by: Ms. Kim Tesoro
Member Vote: Unanimous in favor
- Approve Minutes from December 13, 2023, Michael Grillo, CBOC Chairperson**
Motion to approve minutes from prior meeting made by: Mr. Larry Hansen
Motion seconded by: Mr. Jorge Velasco
Member Vote: Unanimous in favor
- Audit Reports and Updates - Conrad Tedeschi**
Mr. Tedeschi reported that Goleta Union School District has contracted with a new local audit firm from Santa Maria, Moss & Levy, starting June 2023. He clarified that up until now GUSD was contracted with the firm EideBailly.

Mr. Tedeschi continued with the review of the Audit Report and reported that there had been no transaction findings for the Building Fund on the use of Measure M funds.

Mr. Grillo asked for clarification on the "material weakness" reported in the Audit Report page 13. Mr. Tedeschi explained that the Government Code requires the balance of unspent Measure M Bond funds must be kept in the County Treasury. GASB 31 requires the Treasury to inform school districts what their cash balances would be if the District were to pull all of the bond money from the County Treasury. This would require the County Treasury to liquidate all investments, which they would never do. GUSD has never recorded the fair value of investments entry required by GASB 31 in the general ledger as auditors normally make it a financial statement adjustment. For the 2021-22 fiscal year, the amount became material, requiring the adjusting entry in the Measure M Bond fund with no real notice to GUSD staff prior to closing the books. The entry was not posted in the general ledger resulting in the audit adjustment and finding in the annual report, for the first time ever. Going forward, Mr. Tedeschi added that the district accountant will record the GASB 31 Fair Market Value Adjustment financial transactions at the end of this fiscal year before the books are closed.

6. Legal Opinion - GUSD Board Presentation - Conrad Tedeschi

Mr. Tedeschi presented the CBOC bylaws written by attorney Janet Muller of law firm DWK and clarified that the CBOC does not have to provide a report to the GUSD Board of Trustees. Mr. Tedeschi added that the CBOC should present to the GUSD Board of Trustees to keep them informed of the CBOCs work. Mr. Tedeschi and Mr. Grillo agreed to present to the GUSD Board of Trustees at the April 12, 2023 General Board Meeting.

7. Reports: Projects and Budget Update - Conrad Tedeschi

Mr. Tedeschi reported that the District is in the design phase of the asphalt project for El Camino and Mountain View Schools, roofs and HVAC projects at Ellwood and La Patera Schools and the work will be done over summer 2023. It is estimated that the roof replacements will cost about \$3 million per roof and about \$4-\$5 million per HVAC project and the asphalt project around \$600,000 - \$700,000 dollars for both El Camino and Mountain View Schools. He noted that Leon Cavallo, Program Manager, Kitchell CEM, is the project manager for all these projects. He apprised the Committee with the fact that all of the contracts for these projects will be on the agenda of the April GUSD General Board Meeting for approval and will also be available at the next CBOC meeting for the Committee' review. Mr. Grillo asked if it will be the same contractor for the roofs and HVACs at all sites to which Mr. Tedeschi answered that the projects are all going to be bid out separately. He explained that this would assure that the District will get the most out of the money and make sure that the projects will get done by the start of the 2023-2024 school year. Mr. Grillo asked if two roofing contractors will be working simultaneously at both sites. Mr. Tedeschi answered that both schools will be worked on simultaneously but that it might not be the same contract because it will depend on the bids.

Mr. Tedeschi let everyone know that the playground equipment design and specifications for Mountain View School are with DSA for review and approval and that Brandon and Hollister Schools are in the next phase. He informed the Committee that the work to replace the playground equipment will commence as soon as a Contractor has been selected and the equipment arrives. He continued with the fact that Shawn Dahlen, GUSD MOT Director, will manage this project and that schools do not have to be closed to get this work done but that playgrounds will have to be closed off for about 2-3 weeks while work is being done and completed.

Mr. Tedeschi added that pictures will be posted on the GUSD website once the projects are started for the public to see and that everything will be shown and grouped by school site and project with how much is being spent.

Mr. Tedeschi updated the Committee on the Procore Dashboard. Kitchell CEM is working with the District to get all the budgets, contracts, and invoicing into Procore. GUSD staff will be doing the data entry into Procore and the Dashboard will soon be up and running. Mr. Tedeschi explained that the delay was due to unexpected staffing changes within Kitchell CEM but now Kitchell CEM has contracted with another firm, without any added expense to GUSD, to get the Dashboard up and running as soon as possible. Mr. Tedeschi showed the Committee PDFs of the Dashboard portal with real numbers as a sample of what is currently on the Dashboard.

Mr. Grillo asked who was DSA. Mr. Tedeschi answered that it was the Department of State Architect.

Mr. Tedeschi continued with the financial reporting of the Measure M Bond. Mr. Tedeschi reported that most of the expenditures of the bond funds are soft costs from architects, attorneys, engineers and consultants. He continued with, once summer projects get started the money will be spent down by approximately \$20 million.

8. Public Comment (Non-Agendized Items)

There were no public comments.

9. Committee Member Comments

Mr. Hansen asked what happens with the Committee members who have already served their one year term. Mr. Tedeschi replied that he will look into what we need to do about the terms.

Mr. Hansen asked if there had been any significant damages from the rain. Mr. Tedeschi answered that other than minor leaks there have been none. Mr. Tedeschi disclosed that the La Patera Relocatable Classroom Project was affected but this project is not a Measure M bond project. The contractor had to dig an extra five feet because of soil saturation with an extra cost of \$245,000. Mr. Tedeschi reached out to FEMA to see if there were any funds that they could give the District for this extra cost but FEMA replied that it was the contractor's responsibility.

10. Adjournment

A motion was made at 6:25 p.m. to adjourn the meeting.

Motion made by: Mr. Larry Hansen

Motion seconded by: Mr. Michael Grillo

Member Vote: Unanimous in favor