

**Livingston Union School District**  
**CITIZENS' BOND OVERSIGHT COMMITTEE**  
**March 18, 2013 – 3:30 p.m.**

**MINUTES**

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**CITIZENS' BOND OVERSIGHT COMMITTEE MEMBERS**

<i>Ramon Avila</i>	<i>Esthela Martinez</i>
<i>Shahid Bath</i>	<i>Martha Nateras</i>
<i>Amy Pulido</i>	<i>Carmen Gutierrez-Fuentes</i>
<i>Kaye Greeley</i>	

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MEMBERS PRESENT: Ramon Avila, Esthela Martinez, Amy Pulido, Carmen Gutierrez-Fuentes and Kaye Greeley

MEMBERS ABSENT: Martha Nateras, Shahid Bath

DISTRICT STAFF PRESENT: Andrés Zamora, Superintendent; Sara Crawley, Fiscal Services Director; Lupe Maldonado, Recording Secretary

VISITORS: Albert Peché, District's GOB Financial Advisor

I. CALL TO ORDER

The meeting was called to order at 4:00 p.m. by Vice Chairman, Ramon Avila. The meeting was held in the District Conference Building of Livingston Union School District.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Ramon Avila.

III. PUBLIC COMMENTS

There were no public comments.

IV. WELCOME AND INTRODUCTIONS

Mr. Avila welcomed committee members to the annual meeting. Each member introduced themselves. This year there are two new committee members, Amy Pulido and Carmen Gutierrez-Fuentes. Mr. Zamora thanked everyone for their attendance and continued commitment.

V. ROLES AND RESPONSIBILITIES OF COMMITTEE

The roles and responsibilities were reviewed with the committee. Mr. Peche summarized the roles and responsibilities on behalf of the district's bond legal counsel, Bill Kadi of Jones Hall Professional Law Corporation. There are two main requirements 1) school district's must conduct an annual independent performance audit to ensure that funds are expended as voters approved and 2) that the district conduct an annual financial audit.

It's important to know that the committee must be in compliance of Government Code Section 1090 which prohibits public officers and board members, including members of the committee from being financially interested in any contracts with the District. The committee is also subject to the Brown Act which states that the public's business must be conducted in public and generally not permissible for the committee to conduct business outside open meetings. In closing, the committee's purpose is to inform, gather information and report to the public concerning the expenditure of bond revenues as set forth by voter's approval.

VI. BOND EXPENDITURES REPORT

The district's fiscal director, Sara Crawley reported on the handout given to members regarding Bond Fund 21 and Capital Facilities Fund 35 for the 2011/2012 fiscal year. Ending Balance for Fund 21 in June 2012 was 2.5 million. Mrs. Crawley recapped from last year that some expenditures came in before the fund proceeds so they were paid out of developer fees in Fund 35. This account started the year with 3 million from developer fees and \$184,202 in bond proceeds. Those two balances generated interest throughout the year. Auditors have suggested moving the bond balance of \$185K plus any interest back into the Fund 21 account.

Mr. Avila asked why the interest rate is decreasing. Mrs. Crawley indicated that current interest rates are just not good and declining.

Ms. Greeley asked about the land being leased for farming and where do the funds go. Mr. Zamora stated the land is being leased to A.V. Thomas for organic farming and funds received are put into the Superintendent's Literacy Fund for student incentives to support literacy events.

Mrs. Gutierrez-Fuentes asked if there is a date when we will build the new school. Last year an informal study was done to determine how close we are to begin building based on student enrollment. The district is 300 students short of building and enrollment has stayed flat. He also stated that at this point we are not sure whether it would be a middle or elementary site, we would need to relook at the plans and needs of the district when the time comes.

VII. ANNUAL FINANCIAL AND PERFORMANCE AUDIT REVIEW

Mrs. Crawley presented each member with a copy of the annual audit report performed by the district's certified public accountants, Vavrinek, Trine, Day & Co., LLP. She made reference to amounts on pages 3-4 of the report that match the financials that were presented today. She also noted that the district is not currently a party to any legal proceedings. She continued to highlight important facts through the audit report and concluded that no internal findings were identified for the district. There were no expenditures reported last year.

Mr. Avila asked about the cost for the annual audit and how is that being paid. Mrs. Crawley explained the fee will show up in the next report which is approximately \$1,000.

Mrs. Pulido asked how much does it cost to build a new school. The cost ranges from \$20-40 million.

Mr. Peche restated that the bond does not pay for the entire school, however, in 2005 voters actually passed a \$10 million bond, in which the district can request the state for matching funds. State pays about 40% and district will pay remainder possibly through developer fees or other resources.

VIII. NEXT MEETING

The next meeting will be in 2014 unless there is a need to meet earlier. Members will be notified of the date at a later time.

IX. ADJOURNMENT

The meeting adjourned at 4:40 p.m.

Date: March 26, 2013

  
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Andrés Zamora, Superintendent