



Holtville USD Citizens' Oversight Committee

June 14, 2023

5:00 pm

- Adoption of Agenda
- Approval of Prior Meeting Minutes
- Information/Discussion
 - Bond Audit Report – Year-ended June 30, 2022
 - Update on Bond Financials
 - Balance to Date
 - HMS Gym Final Numbers
 - Update on HUSD Construction
 - Current Project List
 - Current Contracts
 - Questions/Concerns
- Adjournment

Agenda

Citizens' Oversight Committee Meeting

Tuesday, June 30, 2022 – 11:00 a.m.

HUSD Board Room

621 E. 6th Street

Holtville, CA 92250

1. PRELIMINARY

Call to Order: The Measure "G" Citizen's Oversight Committee meeting was called to order at 11:00 a.m. Committee members in attendance at the open of the meeting were: Missy Hernandez, Chris Stergios, Eric Lyerly, Chris Strahm, Lucy Hendry, and Katie Turner. Joanie Thornburg also arrived to the meeting prior to adjournment. The school district was represented by John-Paul Wells.

2. AGENDA

The meeting was held as a follow-up to the June 16, 2022 scheduled meeting. As there was no quorum present at the June 16 meeting, June 30th was chosen as a rescheduled date. All members were present on June 30th. The agenda was presented by Wells and was accepted with no objection, additions, or deletions by the COC.

3. APPROVAL OF MINUTES

The minutes for the last meeting held (6/30/2021) were emailed to the Committee shortly after that meeting. Wells presented them again to the COC on 6/30/22 and were accepted with no objection, additions, or corrections by the COC.

4. INFORMATION/DISCUSSION

Wells provided a PowerPoint Presentation to the Committee that covered the following topics:

- a) Bond Audit Report – Wells covered the independent auditor report for the 2020-21 fiscal year that had been emailed previously to committee members. Wells explained that there were two primary areas discussed in the audit – 1) the financial data including revenues and expenditures related to the two (2) \$4 million issuances under Measure G, and 2) the performance audit of the bond fund ensuring that the District was in compliance with regard to accounting and expenditure practices and fulfilling Citizen's Oversight Committee requirements. Wells reported that there were no audit findings. Wells also advised the COC that due to rising interest rates, the District is exploring the issuance of the final \$2 million in bond authority as soon as possible to avoid additional interest cost.
- b) Update on Bond Financials - Wells provided the Committee with financial information for the bond fund through 6/16/22. Wells explained that in the current fiscal year, the beginning balance at 7/1/21 was \$5,378,563 million, and that revenues were received in the form of interest revenues of \$26,032, a negative adjustment of (-\$41,899) due to the FMV calculation of cash held at the County (reversal of a prior year entry that will be duplicated again this fiscal year), and a \$4,739 refund from the cost of issuance account created during the 2nd Issuance of bonds. Expenditures for the year are estimated at \$1,229,838, which included

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\$746,910 in HMS Gym Expenditures, \$327,920 in HMS Gym Encumbrances, \$6,978 for Finley Admin Planning Expenditures, and \$148,000 in encumbered obligations for the Pine Paving Project. This totals to an estimated year-end balance of Measure G Bond funds of \$4,137,597 at 6/30/22.

- c) Update on HUSD Construction – Wells updated the Committee on the status of HMS Gym construction by providing information on the three construction contracts approved by the Governing Board, as well as an update on the District's other construction plans.

Wells showed that HMS Gym Bid 1 (Design and Construction of Modular Gym) for \$3,352,746 currently has a balance of \$235,410 to pay, Bid 2 (Concrete Demo and Building Pad) for \$70,832 is 100% complete, and Bid 3 (Site Work) for \$714,943 has a balance of \$92,510 remaining. Wells then advised that the gym is near complete, just has minor wiring being completed and the addition of the soccer field lights to the south of the gym remaining as part of the contract.

With regard to the rest of the District's construction project list, Wells explained that HUSD is going to utilize a combination of grant funding and bond monies to complete several projects throughout the District. As Wells explained, a dust mitigation concrete project has already been completed at Pine School utilizing a grant from the County Air Pollution Control division, supplemented by bond funds. In addition, Wells advised that COVID relief funds will help to pay for additional portable classrooms at Pine, HMS, and HHS, as well as two modular restrooms and a Community Learning Hub at Finley, and a Modular Kitchen at HHS. As part of the Community Learning Hub Project, the Bond will help to pay for a small Admin Modular Office Building and the associated drop-off and parking area. The bond will also assist in the cost of the Modular Kitchen at HHS, as well as a multi-purpose building that is planned to function as a daytime cafeteria, a practice gym, and house a stage.

OTHER DISCUSSION

Wells asked the Committee if there were any further discussion items. A question was raised regarding declining enrollment and if the District had a threshold for school closure. Wells advised that there is no threshold as there is always a need for space at the school district due to an increasing number of programs and services that schools must provide in the modern Educational environment. Wells added that though enrollment declined sharply in the first decade of the 2000s, it has seemed to stabilize in recent years.

A second question was raised on whether or not the District has received any negative comment regarding the Finley Admin project, to which Wells advised that none had

5. ADJOURNMENT

The meeting was adjourned at 11:35 a.m. COC Members were invited to tour the HMS Gym immediately following the meeting.

- Looked at Bond financial transactions 7/1/21-6/30/22
- Discusses bond fund activity in 2021-22
 - \$860,642 in expenditures
 - \$4.42 mil balance 6/30/2022 (cash/AR bal less AP bal)
 - \$2 million left in bond authority under Measure G
- Bond Performance portion of audit showed the following were met:
 - Proper accounting procedures
 - COC requirements
 - Appropriate expenditures
 - No audit findings

2021-22 Bond Audit

- Bond Beginning Balance – 7/1/2022
 - \$4,420,759
- Bond Fund Revenues to date
 - \$ 92,121 Interest Revenues (1st – 3rd Quarters)
 - \$ 96,855 FMV Adj (PY Activity - GASB Requirement)
 - \$1,968,389 Bond Issuance 2018-C, final Measure G issuance
- Bond Fund Expenditures
 - \$250,510 HMS Gym Expenditures
 - \$350,848 Finley Admin/Entrance Expenditures
 - \$372,410 Finley Admin/Entrance Encumbrances
 - \$270,221 Fire Alarm Replacement (All sites) Expenditures
 - \$729,030 Fire Alarm Replacement (All sites) Encumbrances
 - \$285,680 Fencing/Security (All sites) Expenditures
 - \$458,518 Fencing/Security (All sites) Encumbrances
 - \$ 33,238 HHS Kitchen/Dining/Gym Project Expenditures
 - \$117,379 HHS Kitchen/Dining/Gym Project Encumbrances
 - \$ 10,700 HMS Additional Field Lighting (2nd Field) Expenditures
- Current Bond Fund Balance*
 - \$3,699,590

**Actual end fund balance to be determined during 2022-23 closing process.*

Financial Info as of 6/9/2023

- Bid Package 1: Design & Construction of Modular Gym (8,580 sq ft) and Auxiliary Building (1,400 sq ft)
 - Total Contract: \$3,352,746 (ESR Construction)
- Bid Package 2: Concrete Demolition & Building Pad Construction
 - Total Contract: \$70,832 (ESR Construction)
- Bid Package 3: Site Work & Installation of Low Voltage Systems for HMS Gymnasium
 - Total Contract: \$714,943 (ESR Construction)
- Total Gym Expenditures:
 - \$4,670,944 including bid contracts, fees, and equipment
 - Of this total, \$3,613,390 paid from Measure G Bond Funds

Final Numbers - HMS Gym

- Finley Admin/Entrance Current Bond-Funded Contracts:
 - Allegro Arch/Eng Planning: \$43,645 (\$43,645 outstanding)
 - Enviroplex Modular: \$173,769 (\$168,817 outstanding)
 - ESR Construction: \$476,723 (\$147,111 outstanding)
- District-wide Fire Alarm Project Current Bond-Funded Contracts:
 - Allegro Arch/Eng Planning: \$116,972 (\$40,940 outstanding)
 - Pyro-Comm Systems: \$859,205 (\$673,090 outstanding)
- Fencing/Security Project Current Bond-Funded Contracts:
 - Allegro Arch/Eng Planning: \$24,568 (\$24,568 outstanding)
 - ESR Construction: \$703,590 (\$433,950 outstanding)
- HHS Kitchen/Dining/Gym Current Bond-Funded Contracts:
 - Sugimura Finney Architects: \$117,379 (\$101,142 outstanding)

Contracted Bond Projects



Construction Progress Drone Video

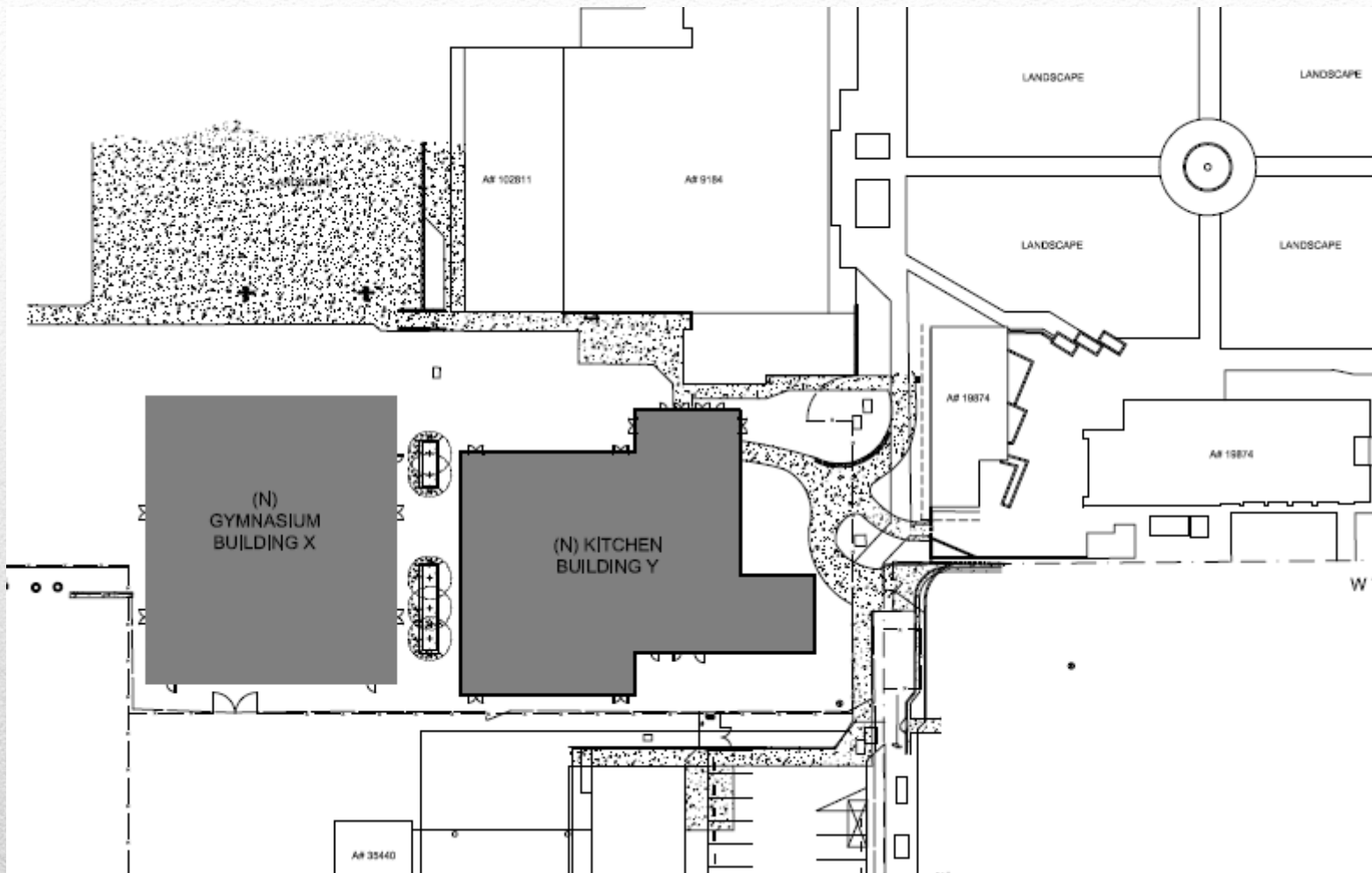
Finley Chestnut Entrance



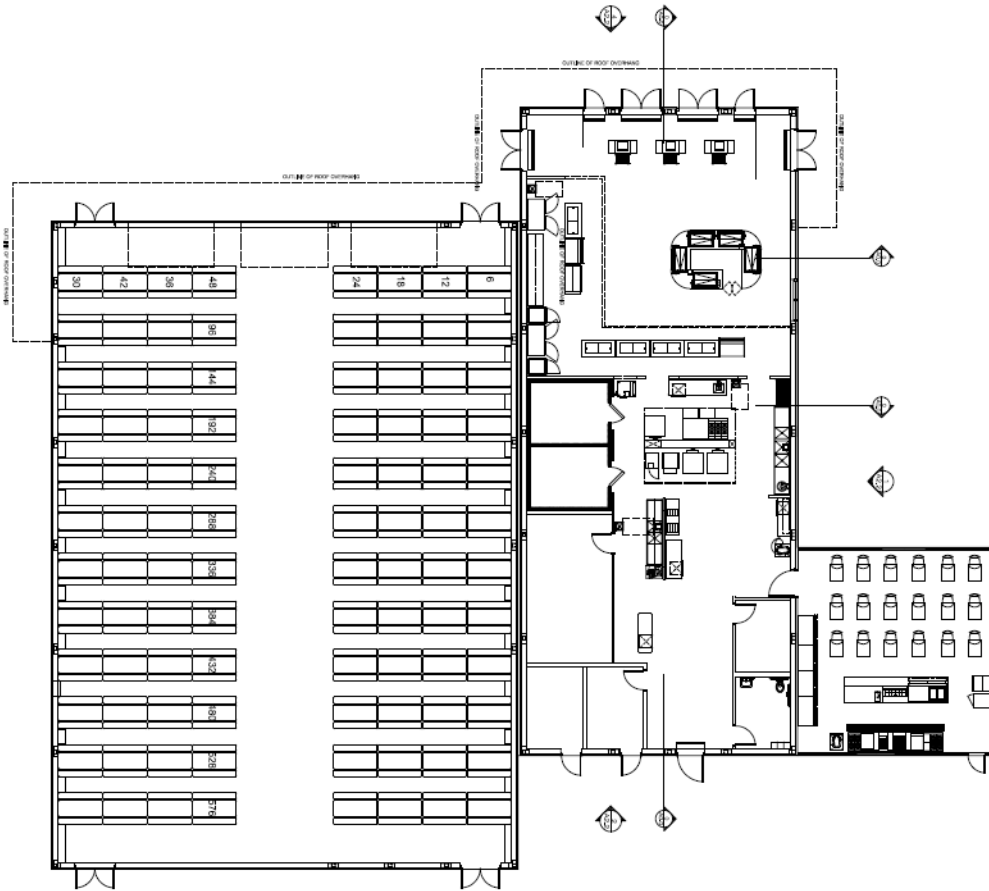
Pine Fencing/Security



HHS Fencing/Security



HHS Kitchen/Dining/Gym



HHS Kitchen/Dining