



PCUPERTINO UNION SCHOOL DISTRICT
Citizens' Measure H Bond Oversight Committee

December 4, 2013 Minutes
(Minutes Approved on February 5, 2014)

MEMBERS PRESENT:

Mark Burns (Chair)
Daniel Nguyen (Vice-Chair)
Benaifer Dastoor
David Fung
Randall Shingai
Orrin Mahoney
Rajeev Singh

MEMBERS ABSENT:

Liz Brockman
Lavanya Noor

NON-MEMBERS PRESENT:

Rick Hausman, CUSD, Chief Business Officer
Pam Mackey, CUSD, Administrative Secretary to Rick Hausman
Mary Ann Duggan, CUSD, Director-Facilities Modernization
Rosa Li, CUSD, Facilities Modernization Analyst/Assistant to Mary Ann Duggan
Mark Newton, Kitchell CEM
Linda Rizzoli, Swinerton Management Consulting
Jeff Scogin, Ann Kennedy Group (AKG)
Ann Kennedy, Ann Kennedy Group (AKG)

CALL TO ORDER:

Mark Burns called the meeting to order at 7:30 p.m.

ADOPTION OF AGENDA: Agenda was approved unanimously.

APPROVAL OF MINUTES OF AUGUST 14, 2013: Daniel Nguyen made a motion to approve the minutes; David Fung seconded the motion; minutes were approved unanimously.

PUBLIC COMMENTS: None

2012 MEASURE H BOND PROGRAM UPDATE (\$220M OVER 6 YEARS)

- **Progress Report** – Mary Ann Duggan gave a PowerPoint presentation to update members on the Bond program. (*PowerPoint Handout dated December 4, 2013.*) Mary Ann Duggan reviewed completed projects, projects in progress as well as program developments.
 - Quarterly Report dated December 1, 2013 will be on the public website. The report has four sections: Overview, Elementary School Projects, Middle School Projects and District-wide Projects. Mary Ann reviewed many parts of the report but made specific reference to Page 28 – CUSD is on budget and on schedule, and Page 29 – Project Sequence. Concerning the chart on Page 28, members asked that the information be in a different format and suggested highlighting the larger and more prominent projects compared to the smaller projects. Ann Kennedy will consider all suggestions and make the changes needed.
 - The Bond Oversight Committee will continue to hold meetings until the District has spent all bond funds. The next series/sale may be as early as March 2014.

- Financial Report – Ann Kennedy reviewed the Program Summary Report dated November 21, 2013 and the 2012 Measure H General Obligation Bond Fund Annual Financial Report for Year Ended June 20, 2013. The Committee must make sure Bond funds are spent properly. Ann noted the Whole Program Summary Report has a change in format. There is approximately a three month lag time from “shovel to expense”, and Ann’s team will report to the Committee if there are projects/expenses that are dragging out longer than expected. Committee members would like to add another column to show where money goes to or comes from. In addition, they want to easily determine if an expense is over/under budget. Members suggested a pin-mark if there is a change from previous reports. Ann explained that a project may be at 90% because they are working out retention. Once a line is at 100%, all financial activity has stopped. The District Board of Education must approve all project list revisions, and the Committee will receive notification of all changes.
- Audit Report – Amad Gharaibeh, CPA/Partner of Vavrinek, Trine, Day & Co., LLP, reviewed the audit reports. Both the Financial Audit and Performance Audit provided unqualified/clean results. Audit fees are billed as Bond administrative expenses, as is the salaries for both Mary Ann Duggan and her assistant Rosa Li. Support costs for the Committee will come from the District’s General Fund.
- Citizens’ Measure H Bond Oversight Committee Annual Report – A sub-committee consisting of Mark Burns, Daniel Nguyen and Orrin Mahoney will prepare the report and present it at the Board meeting February 25, 2014. A final draft will be presented to the Committee for approval at our next meeting on February 5, 2014, at 7:30 p.m.

IMPORTANT: Mailer must be distributed by March 31, 2014. “Distribution” is loosely defined, according to Ann Kennedy, and a web-based report (printable version) and postcard would certainly be appropriate. She has examples of both and the expense will be paid for out of the District’s General Fund. Note: The CUSD Citizens’ Parcel Tax Oversight Committee Report is going out the end of December, so it advisable for us to wait a bit. We do not want to confuse the public by sending both reports out close together.

NEXT MEETING DATE: Wednesday, February 5, 2014, at 7:30 p.m. in the District Board Room. Pam Mackey will confirmation location.

ADJOURNMENT: 9:00 p.m.