

**Berryessa Union School District (BUSD)**  
**Citizens Bond Oversight Committee (CBOC)**  
**For Construction Bond Measures L and U**  
**Annual Report to the Board of Trustees, March 8, 2023**

**SUMMARY**

2022 has again been a very challenging year for the bond program due to the after-effects of the pandemic. Our bond projects were affected by supply chain issues affecting the availability of needed materials, which required significant rescheduling. The Board of Trustees approved the remaining project list for Measure L at the November 2022 board meeting, and it is anticipated that all of Measure L's remaining funds will be spent by the end of 2023.

**SIGNIFICANT EVENTS**

The interior construction at the Ridder Park District Office started in late 2022 and is scheduled to be completed in the spring of 2023. The move from the Piedmont office to the Ridder Park office will occur once the construction is completed and the new office furniture is installed.

Material availability has impacted some of our bond projects. The unavailability of control panels, sensors, and horns caused the fire alarm replacement projects will again push the completion date of the fire alarm projects at the Brooktree, Majestic Way, Noble, and Summerdale from being completed in the summer of 2023 to the end of 2023 and the summer of 2024.

The District sold the rest of the \$58 M Measure U bond funds as tax-exempt bonds (\$40.6 M), subject to the IRS 3-year spend-down rule and taxable bonds, not subject to any spend-down requirements (\$17.4 M). With these sales, the total Measure U cost was \$141.5 million. In October 2019, the Board was provided with an estimated cost for Measure U of \$226 million; by selling the bonds early, there was a saving of 84.5 million.

The District applied for a one-time grant for the New Gymnasium and window replacement at Piedmont Middle School for \$10 million from the State. In September, the District received news from the State that the District would receive the \$10 million grant.

**THE OVERSIGHT COMMITTEE**

The primary presentation and discussion topics have been the detailed construction completion plan and financial budget compliance. The District's management has cooperated with the CBOC in all respects, with identified issues resolved or resolved. The Assistant Superintendent and Bond Director, or their representatives, have actively participated in our meetings.

## **ANNUAL EXTERNAL AUDIT**

The audit was conducted by Nigro and Nigro. The audit scope included finance, bidding procedures, and invoice/payment integrity. 44% of the year's invoices were audited, and project sites were visited to ensure that the District received what it paid for. The audit reported one finding, and the District has updated its policies to prevent this from happening in the future.

## **CONCLUSION**

BUSD's bond management has been excellent. CBOC feels confident that the District will continue managing its bond programs and making the appropriate decisions to benefit its students, teachers, staff, and the community.

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Frank Cancilla

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Susan Fowle

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Marty Michaels

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Sandy Nguyen

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Paul Guth

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Adrienne O'Leary

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