



Measure L & U Citizens' Bond Oversight Committee Meeting

COMMITTEE MEMBER PACKET

March 10, 2021

6:30 pm – 7:30 pm

LOCATION: Via ZOOM

Berryessa Union School District
Citizens Oversight Committee Meeting (CBOC)
Measure L - 2014 and Measure U - 2020

March 10, 2021, Wednesday, 6:30 PM – 7:30 PM

In response to the Shelter in Place Order due to COVID-19, Berryessa Union School District will be conducting its Citizens Oversight Committee meetings at the regular times, in a different modality.

The District will be leveraging a Webinar format (using Zoom) in order for the Committee members to participate remotely and to allow for orderly public comment. There will not be a physical location for this meeting.

PUBLIC COMMENT:

Participants who would like to make comments can join the meeting from their computer, tablet, or smartphone. **We ask the participants to type their full name when joining the meeting, as prompted.** The President of the Board will announce the opportunity for public comment on non-agenda items and for each agenda item. **We ask that all participants who wish to make public comments for that agenda item to use the “Raise your hand” functionality.** The attendees will be called upon, their microphone unmuted, and then allowed to make their public statement for up to three minutes. At the end of the three minutes, the attendee’s microphone will be muted, and the next participant will be called upon.

The instructions to join each board meeting will be included at the top of each posted agenda.

Zoom Information

<https://busd-net.zoom.us/j/85773839988?pwd=MVpuVVFSN3U4M2dISlBYUXBGRnJZQT09>

Meeting ID: 857 7383 9988

Passcode: Xqji07

One tap mobile

+16699006833,,85773839988#,,,,*474022# US (San Jose)

Dial by your location

+1 669 900 6833 US (San Jose)

Meeting ID: 857 7383 9988

Passcode: 474022

Berryessa Union School District
Citizens Oversight Committee Meeting (CBOC)
Measure L - 2014 and Measure U - 2020

Agenda

- | | |
|--|-------|
| 1- Call to order | Marty |
| a. Introduce new member – Sandy Nguyen | |
| b. Roll call | |
| Marty Michaels – Chair | |
| Amy Chen – Vice Chair | |
| Adrienne O’Leary | |
| Frank Cancilla | |
| Susan Fowle | |
| Paul Guth | |
| Sandy Nguyen | |
| b. Adoption of agenda | All |
| c. Approval of December 9, 2020 meeting minute | All |
| 2- Public comments | |
| 3- Reports | |
| a. Measure L external audit report | N &N |
| b. Measure L annual report | Marty |
| c. Measure L project update | Tony |
| d. Measure U project update | Tony |
| e. Financial report - Measure L | Tony |
| 4- Old business | |
| Future meeting date | Marty |
| 5- New business | All |
| 6- Adjournment | Marty |

**Berryessa Union School District
1376 Piedmont Road
San Jose, CA 95132**

Measure L Citizens' Oversight Committee Meeting
Measure U Citizen's Oversight Committee Meeting
Location: Via ZOOM
December 9, 2020
6:30 p.m. – 7:30 p.m.

REGULAR MEETING MINUTES

Members Present: Marty Michaels, Chair
Amy Chen, Vice Chair
Adrienne O'Leary
Jai Srinivasan
Paul Guth
Susan Fowle

District Staff Present: Tony Kanastab, Director of Bond Facilities and
Modernization
Kevin Franklin, Assistant Superintendent
Shamina Choudhury, Bond Budget Accountant

Public Present: None

1. Call to Order

Minutes

Mr. Marty Michaels called the meeting to order at 6:37 pm.

a. Roll Call -

Minutes

All present except for Mr. Cancilla.

b. Adoption of Agenda

Minutes

Motion to approve by Mr. Michaels, 2nd by Ms. Chen, Mr. Srinivasan, Ms. Fowle, Mr. Guth, and Ms. O'Leary. All in favor.

c. Approval of the December 9, 2020, CBOC Meeting Minutes

Minutes

Motion to approve by Mr. Michaels, 2nd by Ms. Fowle, Mr. Srinivasan, Ms. Chen, Mr. Guth, and Ms. O'Leary. All in favor.

2. Public Comments

Minutes

There were no members of the public present

3. Reports

a. Measure L Project Update

Minutes

Mr. Kanastab presented the updated report to the committee.

- Perimeter Fencing – Chain Link -Mr. Kanastab stated that the project for replacing and relocating chain link fences for Laneview, Toyon, and Sierramont had been completed.
- Perimeter Fencing – Black Vinyl – Noble – Mr. Kanastab stated that the project to remove the 4-foot fence in the Kindergarten area and replace it with a 6-foot fence has been complete.
- Perimeter Fencing – Ornamental – Mr. Kanastab stated that the project is complete.
- Schools Hydration System – Mr. Kanastab stated that Brooktree, Laneview, Majestic Way, Noble, Northwood, Summerdale, Toyon, Morrill, Sierramont, and the District Office are also complete.
- Replacement of HVAC Unit at District Office – Mr. Kanastab stated that the project is complete.
- Morrill – HVAC - Mr. Kanastab stated that the HVAC unit had been placed on the roof, the exterior double doors have been installed, and the interior and exterior ductwork has been complete.
- Flooring replacement at Summerdale – Mr. Kanastab stated that the project is complete.
- Ruskin – Lunch Shade Structure – Mr. Kanastab stated that the paving for the project is complete.
- Sierramont Ornamental Fencing project - Mr. Kanastab stated that five bids were received for this project and were within budget. Golden Bay

Fence was awarded the bid. The project is expected to start the week of December 21 and take about 2 -3 weeks to complete.

Mr., Michaels asked if the schools could have more fencing that is ornamental. Mr., Kanastab stated that ornamental fencing is typically used at the front of the school campus, and chain-link fencing is used around the fields. Ornamental fencing is 3x more expensive than chain link fencing, so it is used in limited areas.

- Shade Structures at five sites – Mr. Kanastab stated that four bids were received for this project and were within budget. The project will officially start in January.
- Piedmont – Paving Project – Mr. Kanastab stated that ten bids were received for this project. The project was started on November 19, 2020, and completed on November 30, 2020.
- Projects in Progress – Mr. Kanastab stated that the Toyon shade structure project would be completed in January. The Noble FIS mural will be completed during the holiday break, and the Sierramont ornamental fencing will be completed in January.
- Piedmont – Marquee – Mr. Kanastab stated that the District would be marquee project will start in January. Mr. Marty asked about the position of the marquee. Mr. Kanastab replied that it is right by the road and perpendicular to the road. The District did it so that the marquee would be seen by oncoming traffic and that the lights would not interfere with the neighbors.
- Mr.Srinivasan asked what would theoretically happen if the marquee is broken and the manufacturer is no longer in business. Mr. Kanastab stated that the schools are responsible for providing funding to purchase and maintain the school's marquee.
- Paving Projects – Mr. Kanastab stated that the paving projects at Brooktree, Northwood, and Toyon would take place in summer 2021. Currently, the District is working on the design of the pavement. Bidding will be in January 2021.

Ms. O'Leary asked where the paving was at Toyon, to which Mr. Kanastab replied it would be for the parking lot. Ms. O'Leary asked about the cracks in the Toyon parking lot, to which Mr. Kanastab replied that the District would be completely replacing the asphalt in the parking lot.

Security Cameras – Mr. Kanastab stated that there are currently three vendors, and the District will decide in the next few weeks on which vendor will be awarded the project.

b. Additional Projects December 2020 List

Minutes

Mr. Kanastab presented the report to the committee.

- Mr. Kanastab stated that the original contingency was \$1.2 million, the District saved about \$3 million throughout the Bond. The interest to date is about \$1.5 million. Therefore the total savings were approximately \$5.7 million. Of the \$5.7 million, there is a remaining bond balance of about \$2.7 million.
- Mr. Kanastab reviews the list of projects that will use the remaining \$2.7 million. The Board approved the additional projects at the December 8, 2020 Board Meeting.

c. Measure L Financial Report

Minutes

Mr. Kanastab presented the Measure L 1st Quarter Report from 07/01/2020 – 6/30/2021 showing that as of the end of the 1st quarter, the District has spent about \$325,000. The low expenses were because many of the invoices were not received for the summer projects. The District has about \$8 million, of which \$2 million is committed, and \$6 million is uncommitted. Of the \$6 million, \$2 million is in contingency.

Mr. Kanastab presented that the \$47,000 was paid towards the energy conservation loan. There was a payment made to pay off some of the QZAB loans. Mr. Michaels asked what a QZAB loan is and why is the Bond measure paying for it. Mr. Franklin and Mr. Kanastab replied that the QZAB loan was made around 2009 to provide equipment and technology to the District. The Bond allows the District to pay for the loan. Mr. Michaels asked how many more years are left to pay off the loan. Mr. Franklin and Mr. Kanastab replied that there are about six more years.

Ms. Chen asked, after everything is done, was the funds equitable towards the schools? Mr. Kanastab replied that the work scope was typically equitable, but the work's cost may differ because the size of the school size is different. For example, painting or carpeting may cost more for the larger schools. Mr. Srinivasan asked if a pie chart can be done to show the expenses for each site. Mr. Kanastab replied that he would make a pie chart to show the costs for each site.

Mr. Michaels asked about an update on the renovation of the District Office (DO). Mr. Kanastab said that there were three options. Option 1 is to renovate the existing building, which would cost

about \$14 million; option 2 is to build a new building on the current site, which would be about \$23 million; option 3 is the construction of a new building on the MOT site, including the District Office staff and MOT staff which would cost about \$28 million. Mr. Kanastab stated that the District is still reviewing these options. Ms. Chen asked if other sites are being considered for building the District Office. Mr. Kanastab replied that the District is not presently considering any other sites. Mr. Michaels asked Mr. Kanastab which option he would recommend to the Board. Mr. Kanastab stated that he would recommend option 1 as it is the most cost-effective. Mr. Kanastab also noted that the current MOT site is not large enough and that part of the Piedmont site would need to be used.

d. Measure U Program Update

Minutes

Mr. Kanastab presented the Measure U Implementation Plan to the committee.

4. Old Business.

a. Future committee meeting dates

Minutes

Mr. Michaels stated the next meeting date would be on March 10, 2021.

5. New Business

Regarding Measure U, the Implementation Plan was officially approved the night before, on December 8, 2020.

Mr. Michael's asked how the projects were selected. Mr. Kanastab stated that Dan Norris (Director) the Maintenance, Operations and Transportation (MOT) Department, Kevin Franklin (Assistant Superintendent), Roxanne Fuentes (Superintendent), and Mr. Kanastab reviewed all the assessments and narrowed the list down from \$350 million to \$98 million worth of projects.

Once the projects were selected, there was a Board workshop to review the implementation plan with the Board on October 28, 2020.

Mr. Kanastab stated that some school's overall budgets were larger than others. The larger budget is because major mechanical or roofing projects will be done at some of the schools. Other than the mechanical and roofing project, the scope for all the schools is the same. For example, the proposed budget for Cherrywood is approximately \$7 million, while Laneview is \$2.6 million. This is due to the mechanical replacement project that will be completed at Cherrywood. The District is replacing the mechanical units at five schools because they are the original units and over 45 years old.

Mr. Franklin stated that the 1st series of Measure U bonds would be sold on December 15 and close on January 8. The first draw of \$40 million, afterward it will be increments of \$29 million. The reason for the large draw, in the beginning, is to take advantage of the low-interest rates, and selling bonds has a cost of about \$100,000. Also, there is a timeframe of about three years for the District to use it.

Mr. Michaels asked if the security camera system would be used to record or be monitored in real-time. Mr. Kanastab replied that the cameras would be for record only, but any staff authorized can view the cameras over the internet. The camera has motion sensors so that it can send email or text alerts. The security cameras are sophisticated enough to tell the difference between humans, dogs, and birds.

Ms. Chen asked about an update with the State Matching Fund. Mr. Kanastab replied that the District had submitted the required documents to the State. The Districts will not receive funds until the State passed another state bond. Ms. Chen asked what the amount of the matching fund is. Mr. Kanastab and Mr. Franklin replied it's approximately \$3.9 million.

Adjournment

Minutes

Motion to adjourn by Mr. Michaels at 7:38 pm, 2nd by Ms. Chen, Ms. O'Leary, Mr. Guth, Mr. Srinivasan, and Ms. Fowle.



**MEASURE "L" GENERAL OBLIGATION
BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT
AUDIT REPORT
For the Fiscal Year Ended
June 30, 2020**

NIGRO & NIGRO^{PC}

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

For the Fiscal Year Ended June 30, 2020

Table of Contents

FINANCIAL SECTION

	<u>Page</u>
Introduction and Citizens' Oversight Committee Member Listing	1
Independent Auditors' Report	2
Financial Statements:	
Balance Sheet	4
Statement of Revenues, Expenditures, and Changes in Fund Balance	5
Notes to Financial Statements	6

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	12
Independent Auditors' Report on Performance	14

Financial Section

MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF BERRYESSA UNION SCHOOL DISTRICT

Introduction and Citizens' Oversight Committee Member Listing

June 30, 2020

Berryessa Union School District (the District) consists of three middle schools and ten elementary schools supported by a District Office and an operations center. The District serves over 6,800 students.

On November 4, 2014, the voters of the Berryessa Union School District approved by more than 55% Measure "L", authorizing the issuance and sale of \$77.0 million of general obligation bonds. The bonds were authorized to repair, upgrade, acquire, construct, and equip certain District property and facilities and to pay costs of issuance of the bonds.

The passage of Proposition 39, in November 2000, amended the California Constitution to include accountability provisions. Specifically, the District must conduct an annual independent performance audit to ensure that funds have been expended only on the specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended for facilities projects.

Upon passage of Proposition 39, an accompanying piece of legislation, AB1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond Proposition pursuant to the 55% majority authorized in Proposition 39 including formation, composition and purpose of the Citizens' Bond Oversight Committee, and authorization for injunctive relief against the improper expenditure of bond revenues.

The Citizens' Bond Oversight Committee was comprised of the following members as of June 30, 2020.

Name	Title	Representation
Martin Michaels	Chair	Senior Citizen Group Representative
Amy Chen	Vice-Chair	At-Large Community Member
Susan Fowle	Member	At-Large Community Member
Frank Cancilla	Member	Business Representative
Adrienne O'Leary	Member	Parent/ Guardian of Child in District
Paul Guth	Member	Parent/ Guardian of Child in District
Vacant	Member	Parent & PTA Active Member
Vacant	Member	Taxpayer Organization Member



NIGRO & NIGRO^{PC}

A PROFESSIONAL ACCOUNTANCY CORPORATION

INDEPENDENT AUDITORS' REPORT

The Board of Trustees and the
Citizens' Bond Oversight Committee
Berryessa Union School District
San Jose, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure "L" General Obligation Bond Building Fund of Berryessa Union School District, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

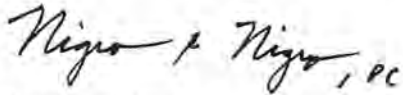
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure "L" General Obligation Bond Building Fund of Berryessa Union School District, as of June 30, 2020, and the changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Measure "L" General Obligation Bond Building Fund and do not purport to, and do not, present fairly the financial position of the Berryessa Union School District, as of June 30, 2020, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Murrieta, California
January 5, 2021

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Balance Sheet

June 30, 2020

	<u>Measure "L"</u>
ASSETS	
Deposits and investments	\$ 9,381,755
Accounts receivable	<u>39,655</u>
Total Assets	<u><u>\$ 9,421,410</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 802,333
Due to other funds	<u>273,667</u>
Total Liabilities	1,076,000
Fund Balance	
Restricted for capital projects	<u>8,345,410</u>
Total Liabilities and Fund Balance	<u><u>\$ 9,421,410</u></u>

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

*Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2020*

	<u>Measure "L"</u>
REVENUES	
Interest earnings	<u>\$ 220,621</u>
Total Revenues	<u>220,621</u>
EXPENDITURES	
Current:	
Plant Services:	
Classified salaries	45,706
Benefits	15,214
Materials and supplies	1,094,449
Services and other operating expenditures	270,698
Capital Outlay	<u>3,982,327</u>
Total Expenditures	<u>5,408,394</u>
Net Change in Fund Balance	(5,187,773)
Fund Balance, July 1, 2019	<u>13,533,183</u>
Fund Balance, June 30, 2020	<u><u>\$ 8,345,410</u></u>

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Notes to Financial Statements

June 30, 2020

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On November 4, 2014, the District voters authorized \$77.0 million in General Obligation Bonds (Measure "L") for the purpose of financing the modernization and construction of school facilities within the District. The measure required a minimum 55% vote for passage. In response, an advisory committee to the District's Governing Board and Superintendent, the Citizens' Bond Oversight Committee, was established. The Committee's oversight goals include ensuring compliance with conditions of Measure "L".

The Bond proceeds are accounted for in the District's Building Fund (210), where they are expended for the approved projects. The statements presented are for the individual Measure "L" General Obligation Bond Building Fund and are not intended to be a complete presentation of the District's financial position or results of operations.

B. Basis of Accounting

The Measure "L" General Obligation Bond Building Fund is a governmental fund reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

C. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's governing board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

These budgets are revised by the District's governing board during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Notes to Financial Statements

June 30, 2020

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

Committed: The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF BERRYESSA UNION SCHOOL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 2 – DEPOSITS AND INVESTMENTS

Pooled Funds

In accordance with Education Code Section 41001, the District maintains all of its cash from the bond proceeds in the County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited annually to participating funds. Any investment losses are proportionately shared by all funds in the pool. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2020, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 – Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that date if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized – Investments in the Santa Clara County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Notes to Financial Statements

June 30, 2020

NOTE 3 – ACCOUNTS RECEIVABLE

The total accounts receivable at June 30, 2020, in the amount of \$39,655 represents amounts due from the Santa Clara County Treasurer for interest earnings for the quarter ended June 30, 2020.

NOTE 4 – MEASURE "L" GENERAL OBLIGATION BONDS

Series A

On March 12, 2015, the District issued \$40,000,000 of Series A Election of 2014 General Obligation Bonds. The bonds are general obligations of the District. The County is obligated to levy ad valorem taxes upon all property within the District for the payment of interest on and principal of the bonds. The County records the collection of taxes and payments of bond principal and interest in a separate fund, which is not reported here. The bonds were issued to repair, upgrade, acquire, construct, and equip certain District property and facilities and to pay costs of issuance of the bonds.

The bonds were issued as: Current Interest Serial Bonds of \$22,750,000 with stated interest rates ranging between 3.125% and 5.0% and fully maturing on August 1, 2039, Current Interest Term Bonds of \$4,700,000, \$4,900,000, and \$7,650,000 each with stated interest rates of 3.5% due August 1, 2038, 2041, and 2044, respectively. At June 30, 2020, the outstanding principal balance of the bonds was \$37,650,000.

Series B

On May 1, 2017, the District issued \$37,000,000 of Series B Election of 2014 General Obligation Bonds. The bonds are general obligations of the District. The County is obligated to levy ad valorem taxes upon all property within the District for the payment of interest on and principal of the bonds. The County records the collection of taxes and payments of bond principal and interest in a separate fund, which is not reported here. The bonds were issued to repair, upgrade, acquire, construct, and equip certain District property and facilities and to pay costs of issuance of the bonds.

The bonds were issued as: Current Interest Serial Bonds of \$17,750,000 with stated interest rates ranging between 3.125% and 5.0% and fully maturing on August 1, 2036, Current Interest Term Bonds of \$7,480,000 and \$11,770,000 with stated interest rates of 5.0% and 4.0%, respectively, due August 1, 2040 and 2044, respectively. At June 30, 2020, the outstanding principal balance of the bonds was \$34,045,000.

The outstanding Measure "L" general obligation bonds are as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance, July 1, 2019	Additions	Deductions	Balance, June 30, 2020
2014A	3/12/2015	8/1/2044	3.125%-5.0%	\$ 40,000,000	\$ 37,650,000	\$ -	\$ -	\$ 37,650,000
2014B	5/1/2017	8/1/2044	4.0%-5.0%	37,000,000	35,515,000	-	1,470,000	34,045,000
					<u>\$ 73,165,000</u>	<u>\$ -</u>	<u>\$ 1,470,000</u>	<u>\$ 71,695,000</u>

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Notes to Financial Statements

June 30, 2020

NOTE 4 – MEASURE "L" GENERAL OBLIGATION BONDS (continued)

The requirements to amortize outstanding general obligation bonds are as follows:

Fiscal Year	Principal	Interest	Total
2020-2021	\$ 335,000	\$ 2,950,263	\$ 3,285,263
2021-2022	535,000	2,930,188	3,465,188
2022-2023	705,000	2,899,188	3,604,188
2023-2024	890,000	2,859,313	3,749,313
2024-2025	1,085,000	2,809,938	3,894,938
2025-2030	8,775,000	12,918,188	21,693,188
2030-2035	13,600,000	10,428,188	24,028,188
2035-2040	19,215,000	7,201,719	26,416,719
2040-2045	26,555,000	2,634,396	29,189,396
Total	<u>\$ 71,695,000</u>	<u>\$ 47,631,381</u>	<u>\$ 119,326,381</u>

NOTE 5 – INTERFUND TRANSACTIONS

Balances Due To/From Other Funds

Balances due to/from other funds at June 30, 2020, consisted of the following:

Building Fund due to General Fund for expenditure reimbursements and retiree benefits	<u>\$ 273,667</u>
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NOTE 6 – COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

At June 30, 2020, the District had commitments with respect to unfinished capital projects of approximately \$2.0 million to be paid from local funds.

B. Impact of COVID-19

On March 13, 2020, a presidential emergency was declared due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. The declaration made federal disaster assistance available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to the State of California to supplement the local recovery efforts by the K-12 education community. On that same date, Governor Newsom issued Executive Order N-26-20, guaranteeing continued State funding, holding LEAs harmless from several regulations, and providing guidelines for LEAs to operate under a "distance learning" environment.

In response, the District announced the closing of all schools in mid-March and worked to implement distance learning for all students for the remainder of the 2019-20 school year. Construction projects continued throughout the closure period.

**MEASURE "L" GENERAL OBLIGATION BOND BUILDING FUND OF
BERRYESSA UNION SCHOOL DISTRICT**

Notes to Financial Statements

June 30, 2020

NOTE 7 – OVERSIGHT COMMITTEE

Education Code Section 15282(a) states that the Citizens' Oversight Committee must consist of at least seven members and must be comprised of the following members: one member shall be active in a business organization representing the business community located within the district, one member shall be active in a senior citizens' organization, one member shall be active in a bona fide taxpayers' organization, one member shall be the parent or guardian of a child enrolled in the District, and one member shall be both a parent or guardian of a child enrolled in the district and active in a parent-teacher organization, such as the Parent Teacher Association or school site council. The Citizens' Oversight Committee currently has only six members and no one from a bona fide taxpayers' organization or a member who is both a parent/guardian of a child enrolled in the District and active in a parent-teacher organization.

Other Independent Auditors' Reports



NIGRO & NIGRO^{PC}

A PROFESSIONAL ACCOUNTANCY CORPORATION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Board of Trustees and the
Citizens' Bond Oversight Committee
Berryessa Union School District
San Jose, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure "L" General Obligation Bond Building Fund of Berryessa Union School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated January 5, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Berryessa Union School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Berryessa Union School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Berryessa Union School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

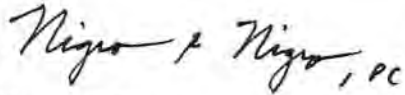
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Berryessa Union School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Nigro & Nigro, PC".

Murrieta, California
January 5, 2021



NIGRO & NIGRO^{PC}

A PROFESSIONAL ACCOUNTANCY CORPORATION

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

The Board of Trustees and the
Citizens' Bond Oversight Committee
Berryessa Union School District
San Jose, California

We have examined the Berryessa Union School District's (the "District") compliance with the performance requirements for the Proposition 39 Measure "L" General Obligation Bond for the fiscal year ended June 30, 2020, under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the Bonds and the net proceeds thereof. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Objectives

The objectives of the examination of compliance applicable to the District are to determine with reasonable assurance that:

- The expenditures charged to the Berryessa Union School District Building Fund (210) are documented.
- Expenditures charged to the Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure "L".
- Any discrepancies or weaknesses in internal controls are noted and recommendations for improvement are provided.
- The District Board and the Citizens' Bond Oversight Committee are provided with a performance audit report as required under the requirements of the California Constitution and Proposition 39.

Scope of the Audit

The scope of our performance audit covered the fiscal period from July 1, 2019 to June 30, 2020. The expenditures tested included all object and project codes associated with the bond projects. Expenditures incurred subsequent to June 30, 2020, were not reviewed or included within the scope of our audit or in this report.

Procedures Performed

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2020, for the Measure "L" General Obligation Building Fund. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for expenditures to ensure compliance with the requirements of Proposition 39 and Measure "L" with regards to the approved bond projects list. We performed the following procedures:

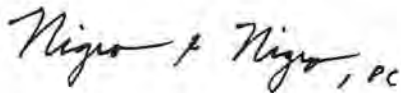
To meet our objectives, audit tests were performed and included, but were not limited to the following:

- We verified that bond funds were deposited in the District's name and invested in accordance with applicable legal requirements.
- We tested approximately \$3.7 million (69%) in bond fund invoices paid, which is a combination of 2019-20 expenditures and payments on liabilities accrued as of June 30, 2020 and paid in 2020-21. This includes testing payments for validity, allowability, and accuracy. Expenditures sampled in our test included payments made to subcontractors and other vendors.
- We reviewed the approved project listing as set out in the Measure "L" election documents.
- We selected a sample of expenditures for the fiscal year ended June 30, 2020 and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects.
- We visited construction sites at Ruskin Elementary and Morrill Middle Schools to ensure that expenditures made corresponded with the actual work performed at the site.
- We verified that funds from the Building Fund (210) were expended for the construction, reconstruction, acquisition, furnishing and equipping of District facilities constituting the authorized bond projects, and we verified that funds held in the Building Fund (210) were not used for salaries of school administrators or other operating expenses of the District.
- We reviewed a sample of projects to ensure that proper bidding procedures were followed pursuant to Public Contract Code Section 20111.
- We verified that the District did not exceed change order limitations in excess of 10% pursuant to Public Contract Code.

Our audit of compliance made for the purpose set forth in the preceding paragraph would not necessarily disclose all instances of noncompliance.

In our opinion, the District complied with the compliance requirements for the Measure "L" General Obligation Bond proceeds listed and tested above.

This report is intended for the information of the Board of Trustees, management and the Citizens' Bond Oversight Committee; however, this report is a matter of public record.



Murrieta, California
January 5, 2021

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 9, 2021

SUMMARY

Bond Measure L has continued to be very well managed and its projects are planned to be completed this year within the \$77M budget. Bond Measure U (\$98M) was passed by the voters in March at a time during which more than half of the Santa Clara County bond measures did not pass. This was due to our effective bond campaign which, through voter education mailings and face to face discussions with voters, stressed the need for additional safety and modernization improvements and their positive impact on our students, teachers, and staff.

THE PANDEMIC IMPACT

Prior to the closure of our schools and many of our local businesses in March due to the pandemic, the economy of Santa Clara County was booming, resulting in a shortage of skilled construction workers and some approval timing issues. This impacted both schedules and costs as the bidding process produced fewer and higher bids than expected for some of the Measure L projects. However, we adapted well, resulting in the overall program being reasonably on schedule and under budget to the extent that additional Measure L projects were defined in October 2020, and subsequently revised and approved by the board in December 2020. These projects will be completed this year.

An unintended consequence of our school closings was our ability to schedule some Measure L construction and modernization projects during the times our schools would normally have been in session; i.e., the Morrill and Summerdale floor replacements, the Piedmont paving project, and the Hydration station installations at eight schools.

MEASURE U

The Measure U projects were defined by our Bond Director after consultation with all interested stakeholders, submitted initially to the Board of Trustees in October 2020, and subsequently modified and approved by the Board in December 2020. The plan is detailed by

project name, by school, by completion date, and by cost. Overall completion is expected by end 2028.

THE OVERSIGHT COMMITTEE

The committee now has seven members. We thank the Superintendent, Assistant Superintendent for Business Services and the Board of Trustees for recruiting and filling our staffing needs. For the past year our quarterly meetings have been virtual, utilizing Zoom. We expect to return to conducting our meetings at various school sites when it's considered safe to do so.

MAJOR ISSUES

There are two Measure U impacting issues that will need to be addressed. First, a decision regarding the district office needs to be made. Do we relocate, modernize, or do some combination of both? Measure U is impacted as the project is now slotted under Measure U and is scheduled for completion in 2023. Second, is that student enrollment has been both decreasing and changing its distribution within our schools. This could result in school closures and/or redistribution of our student and teacher population within our schools. Measure U will be impacted as well. Obviously, a lot of time, thought, and effort will need to go into defining the courses of action that need to be taken.

CONCLUSION

BUSD's bond management has been excellent and the CBOC feels confident that the district will continue to effectively manage its bond programs and make the appropriate decisions for the benefit of its students, teachers, and staff in the future.

Marty Michaels

Amy Chen

Frank Cancilla

Susan Fowle

Paul Guth

Adrienne O'Leary



Citizens Bond Oversight Committee

Measure L - 2014 and Measure U - 2020

March 10, 2021

Measure L & U – Overview

- Measure L
 - Project Updates
 - Program Schedule
- Measure U
 - Project Updates
 - Program Schedule

Measure L – Project Updates

Projects Complete

- Perimeter Fencing – Ornamental – Piedmont
- Paving Project at Piedmont Middle School
- Shade Structures/Covered Walkways @ Toyon

Projects in Progress

- Marquee @ Piedmont
- Ornamental Fencing – Sierramont
- Shade Structures
 - Noble
 - Ruskin
 - Vinci Park
 - Piedmont
 - Sierramont

Measure L – Project Updates

Bidding/Procurement

- Vinci Park - FIS Canopy
- Security Camera at Middle Schools
- Security Camera at Elementary Schools
- Library Shelving
 - Morrill
 - Sierramont
- Library Reception Desk
 - Brooktree
 - Noble
 - Majestic Way
 - Summerdale
 - Vinci Park
 - Piedmont

Measure L – Project Updates

Bidding/Procurement (continued)

- Outdoor Eating Areas
 - Site Work at Majestic Way
 - Shade Structure at Summerdale
- Vinci Park - FIS Canopy

Projects in Design

- Outdoor Eating Areas
 - Site Work - Brooktree
- Security Fencing
 - Laneview
 - Noble

Measure L – Project Updates

Bidding/Procurement (continued)

- Outdoor Eating Areas
 - Site Work at Majestic Way
 - Shade Structure at Summerdale
- Vinci Park - FIS Canopy

Projects in Design

- Outdoor Eating Areas
 - Site Work - Brooktree
- Security Fencing
 - Laneview
 - Noble

Measure L – Project Updates



Noble Lunch Structure

Measure L – Project Updates



Piedmont Ornamental Fencing

Measure L – Project Updates



Piedmont Quad

Measure L – Project Updates



Toyon Lunch Structure

Measure L – Project Updates



Toyon Lunch Structure

Measure L – Project Updates



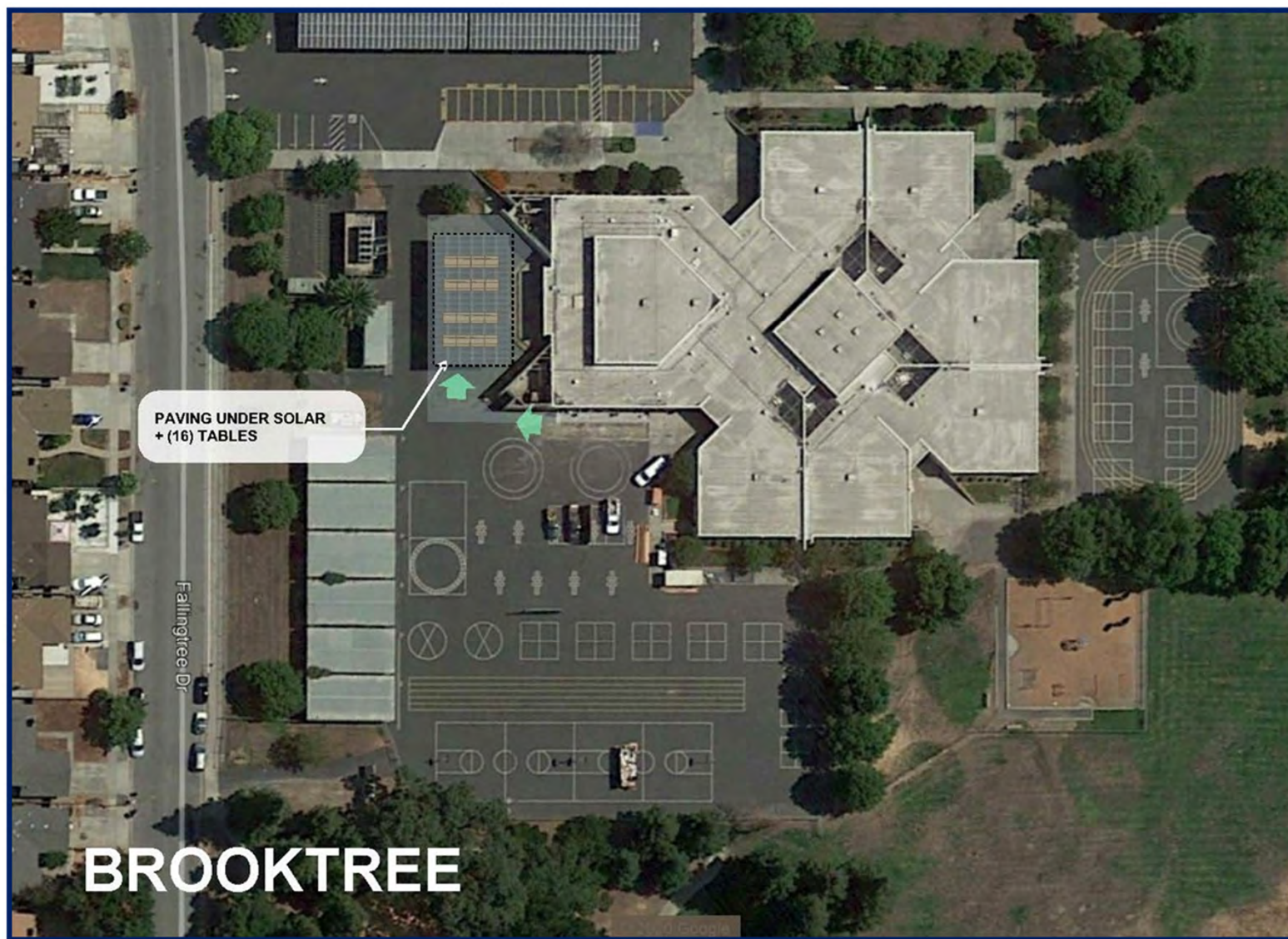
Toyon Lunch Structure

Measure L – Project Updates

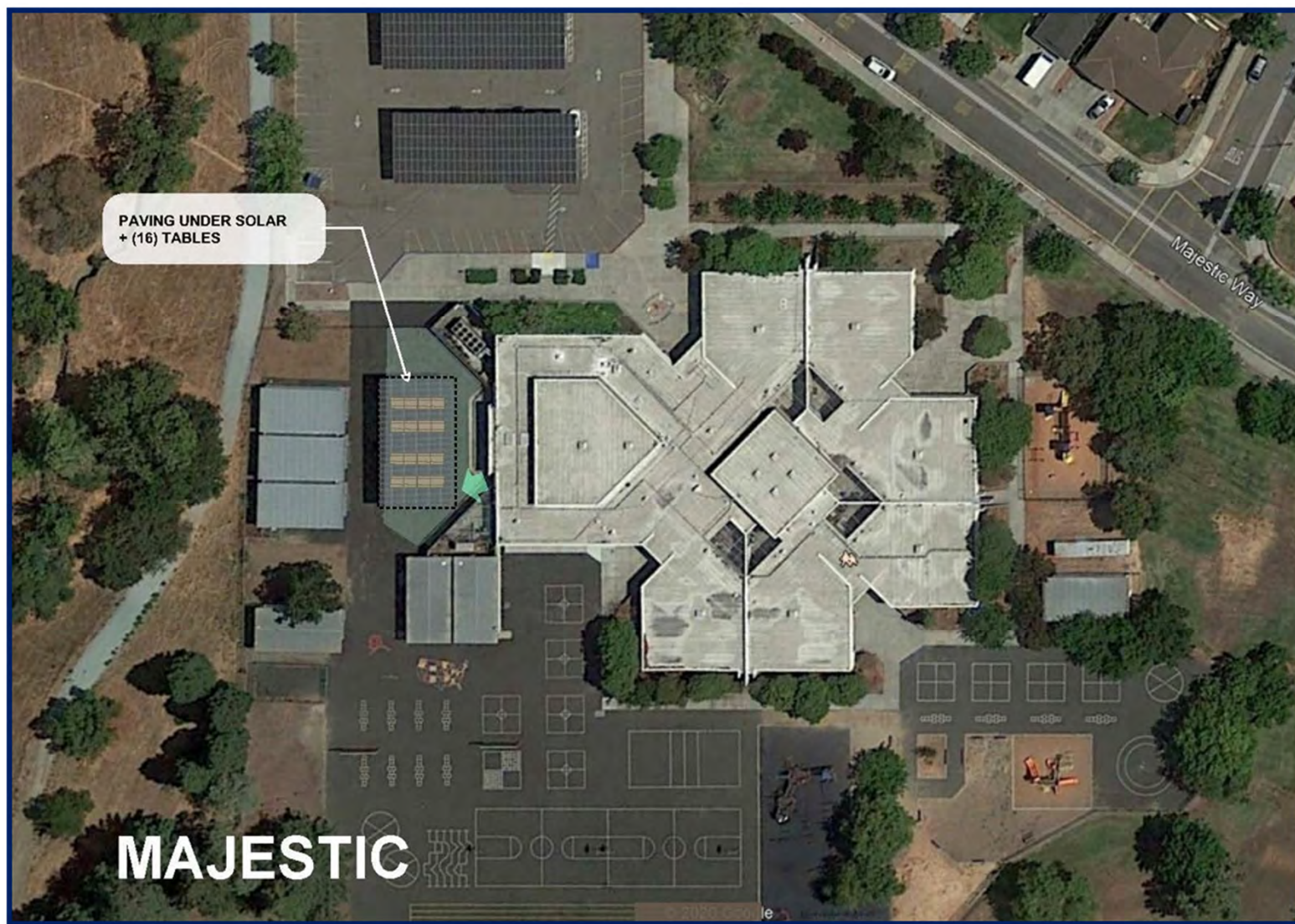


Toyon Lunch Structure

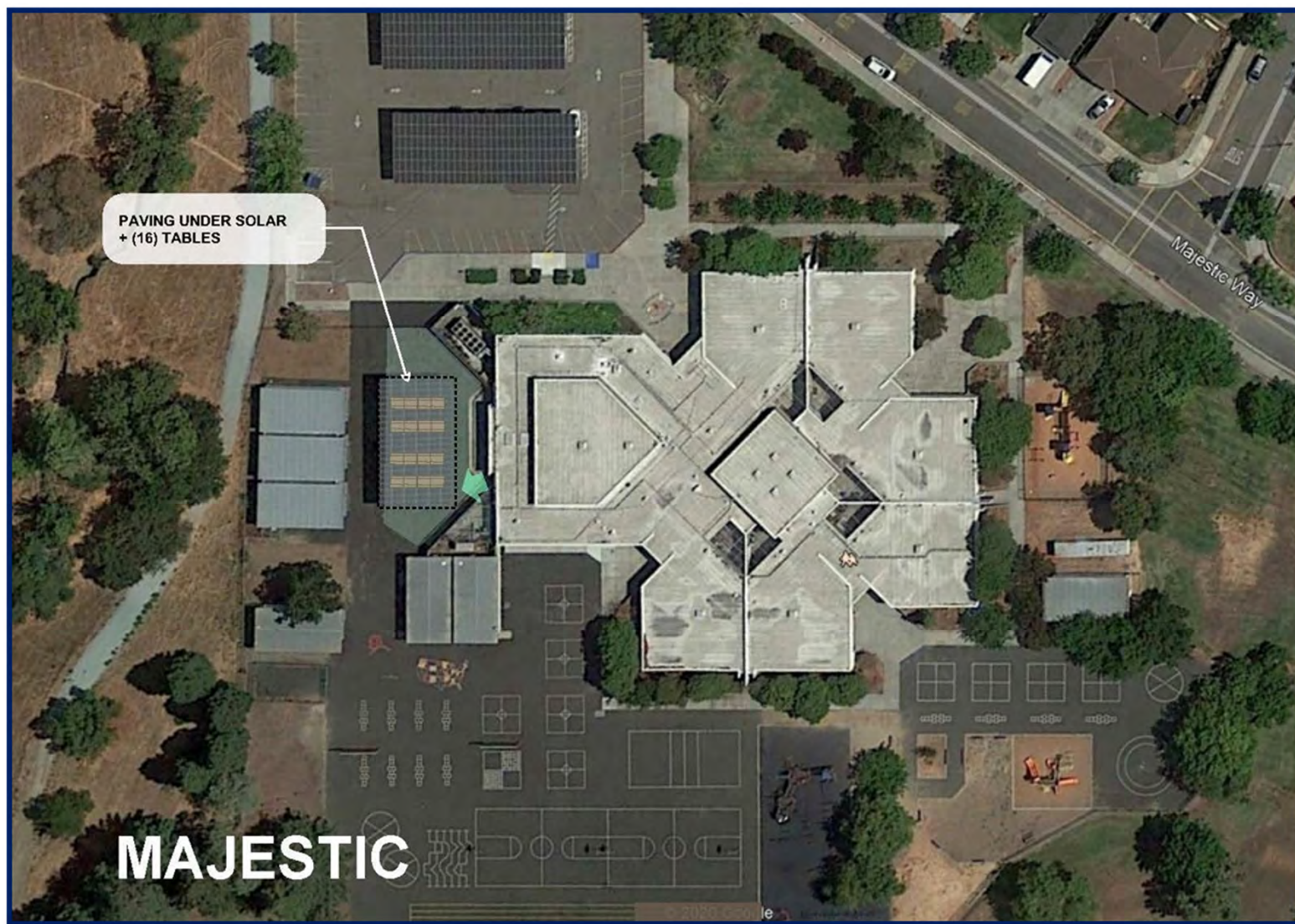
Measure L – Program Schedule



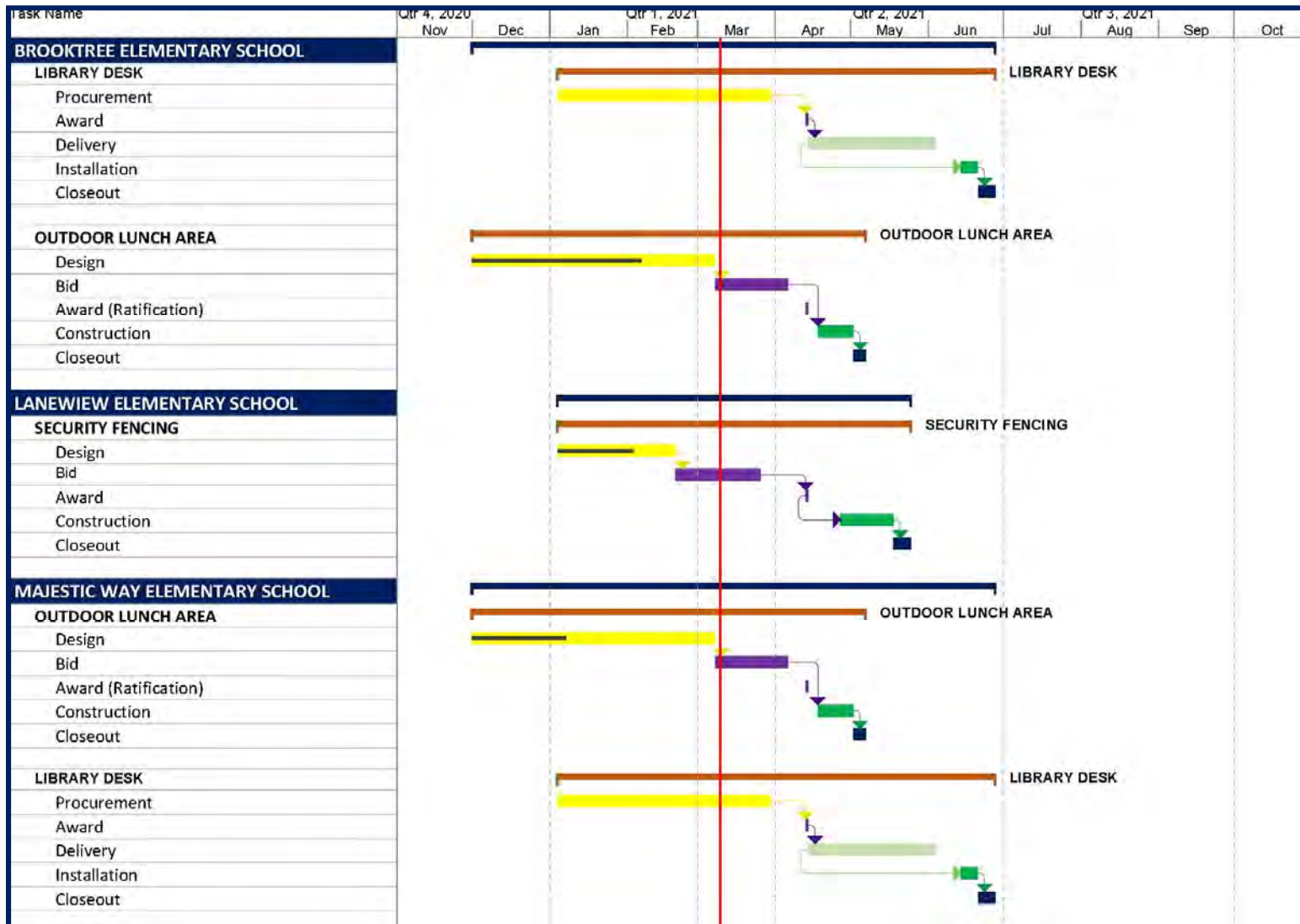
Measure L – Program Schedule



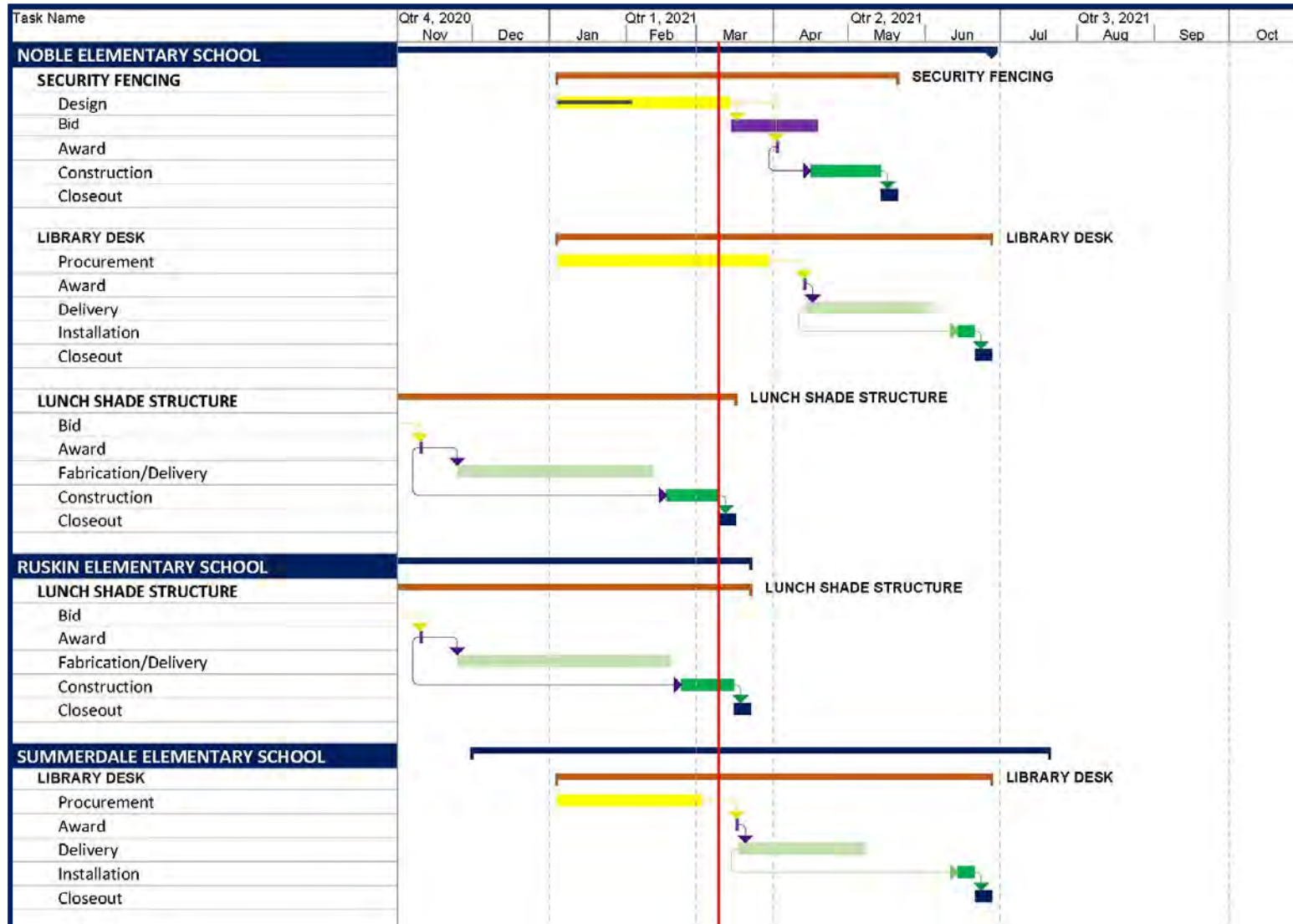
Measure L – Program Schedule



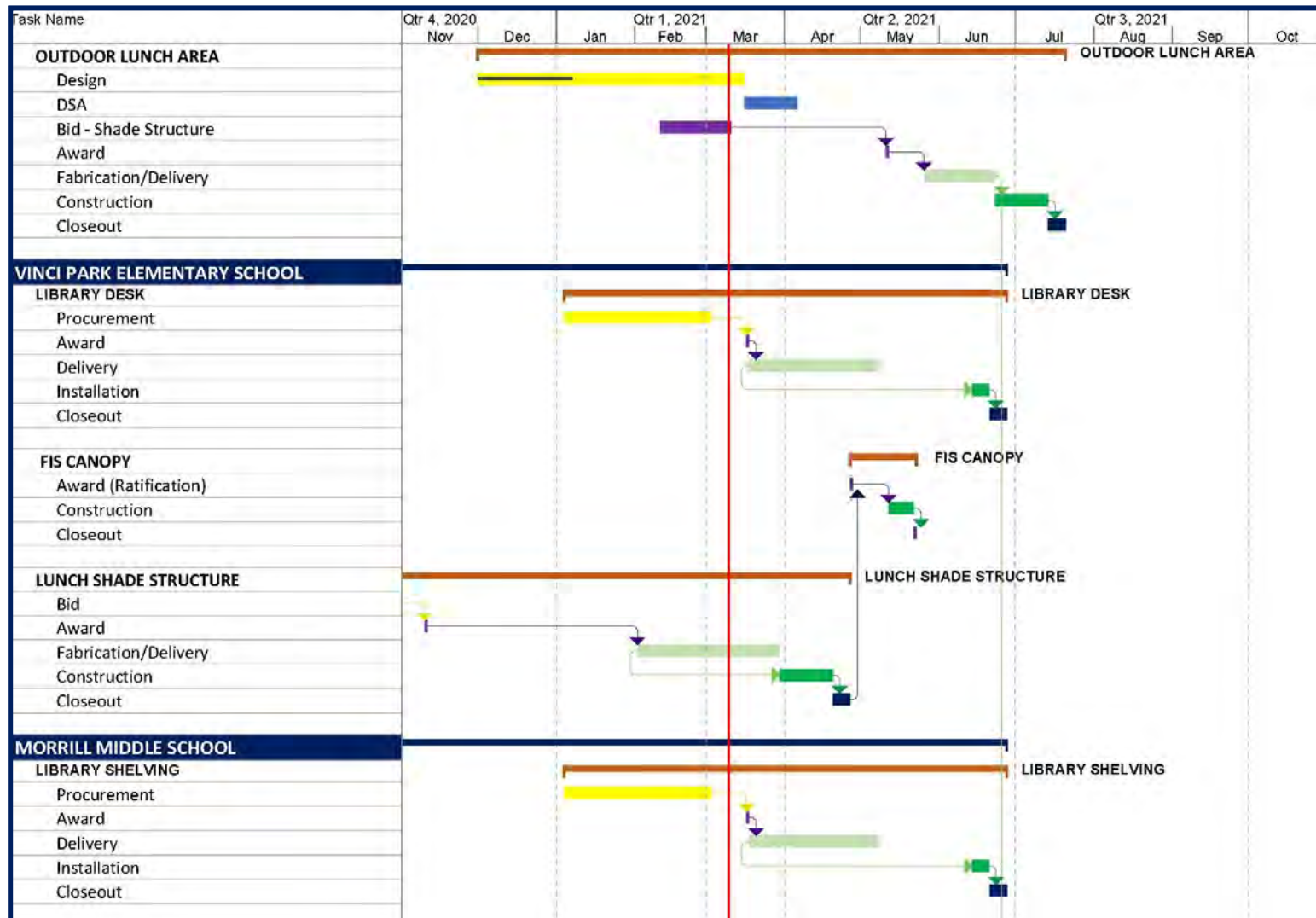
Measure L – Program Schedule



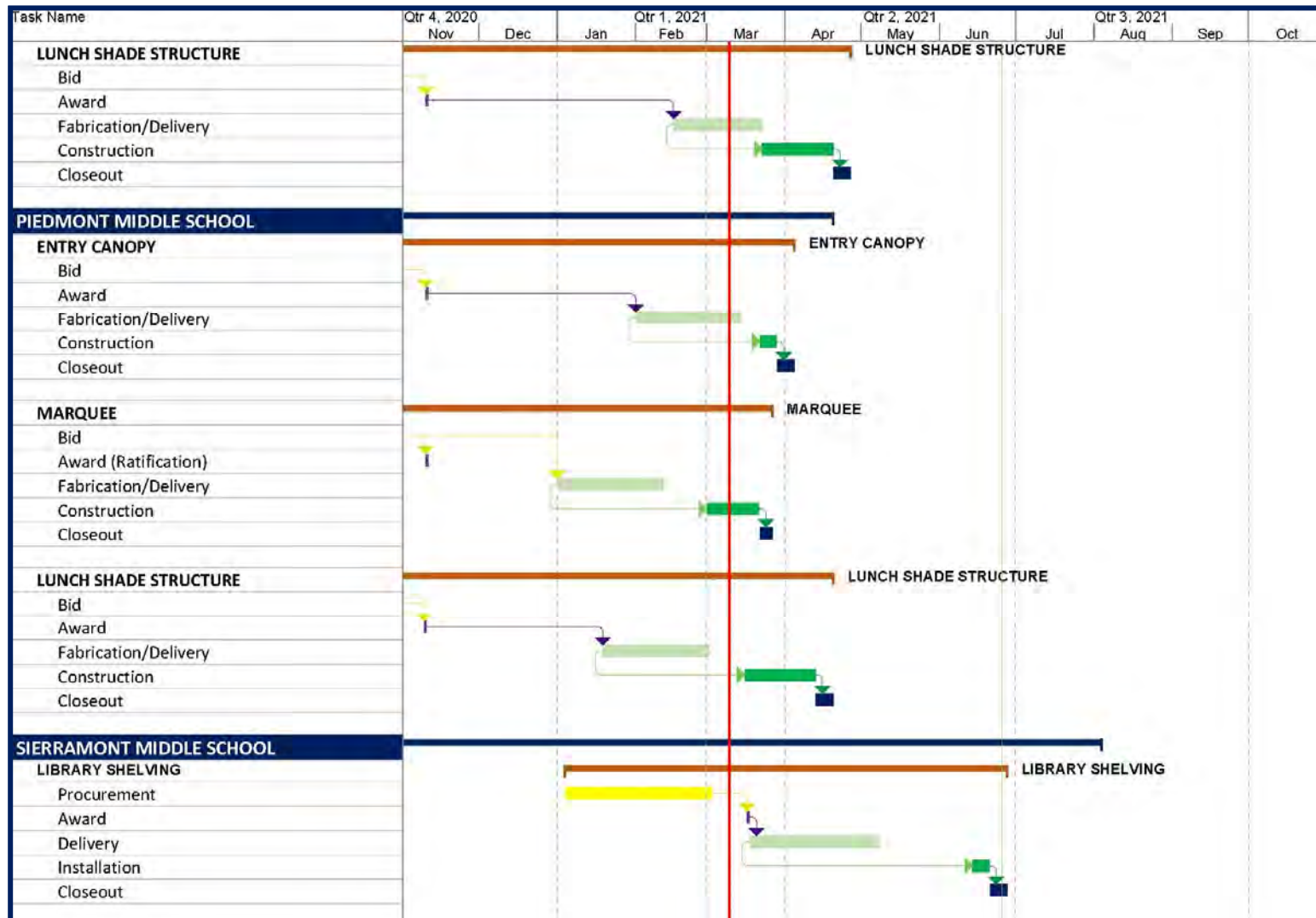
Measure L – Program Schedule



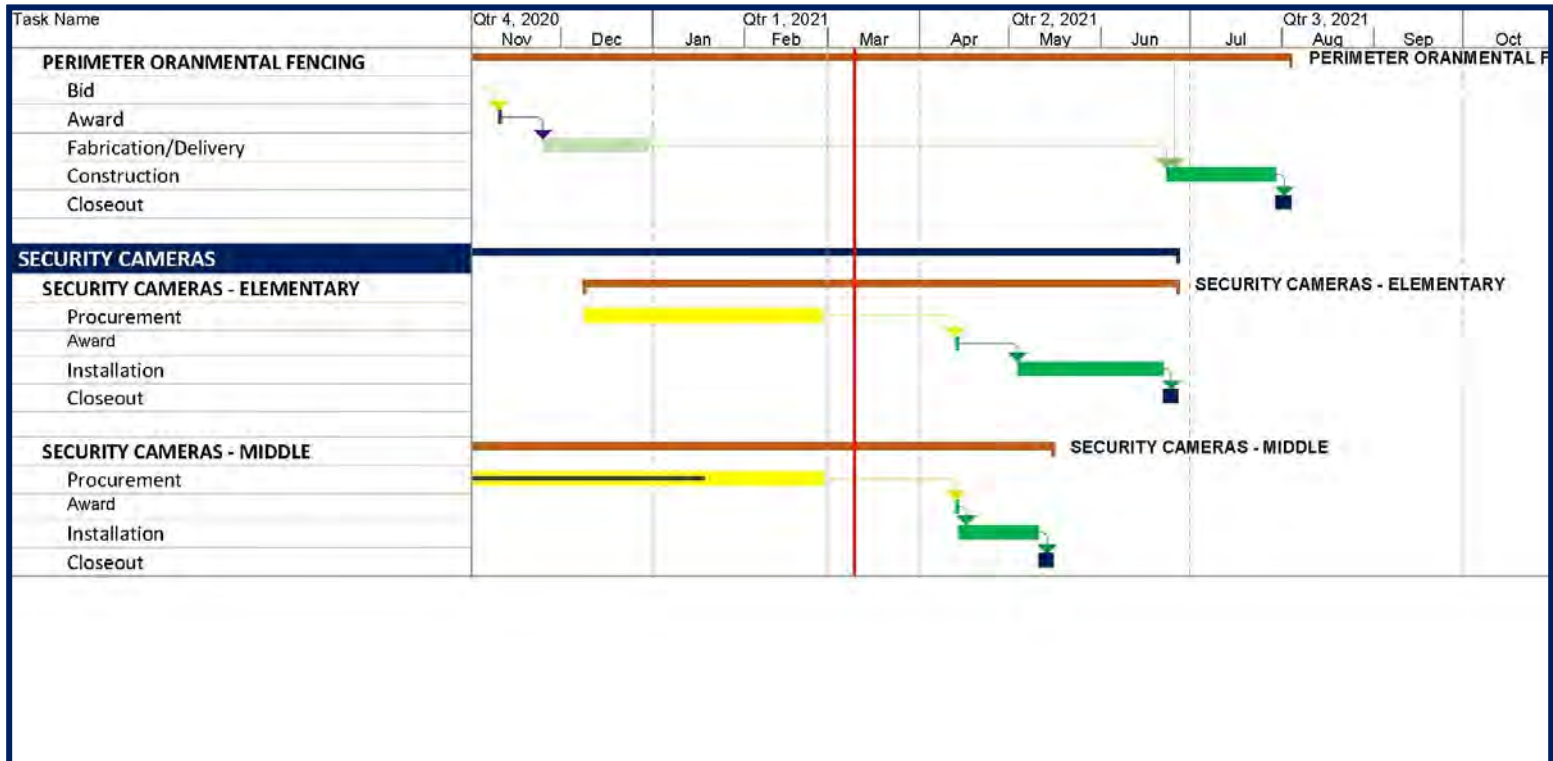
Measure L – Program Schedule



Measure L – Program Schedule



Measure L – Program Schedule



Measure U – Project Updates

Projects in Progress

- Summer of 2021 Paving Projects
 - Brooktree (started on February 26, 2021)
 - Northwood & Toyon (start on June 7, 2021)

Bids Received

- Summer of 2021 Paving Projects
 - Received bids on January 26, 2021, 9 bids received
 - The project bid within budget
 - The project was awarded to Tri-Valley Excavating for \$1,093,944

Bidding/Procurement

- Shade Structure at Cherrywood and Laneview

Measure U – Project Updates

Projects in Design

- Piedmont Gym
- Outdoor Eating Areas
 - Cherrywood
 - Laneview
- Library Upgrades at Morrill and Sierramont
- Portable Ramp Replacement @ Brooktree
- Exterior Door Numbers and Signage at Elementary Schools
- LED Lighting Replacement at Laneview, Ruskin, Summerdale, and Portables

Measure U – Project Updates



Brooktree Paving

Measure U – Project Updates



Brooktree Paving

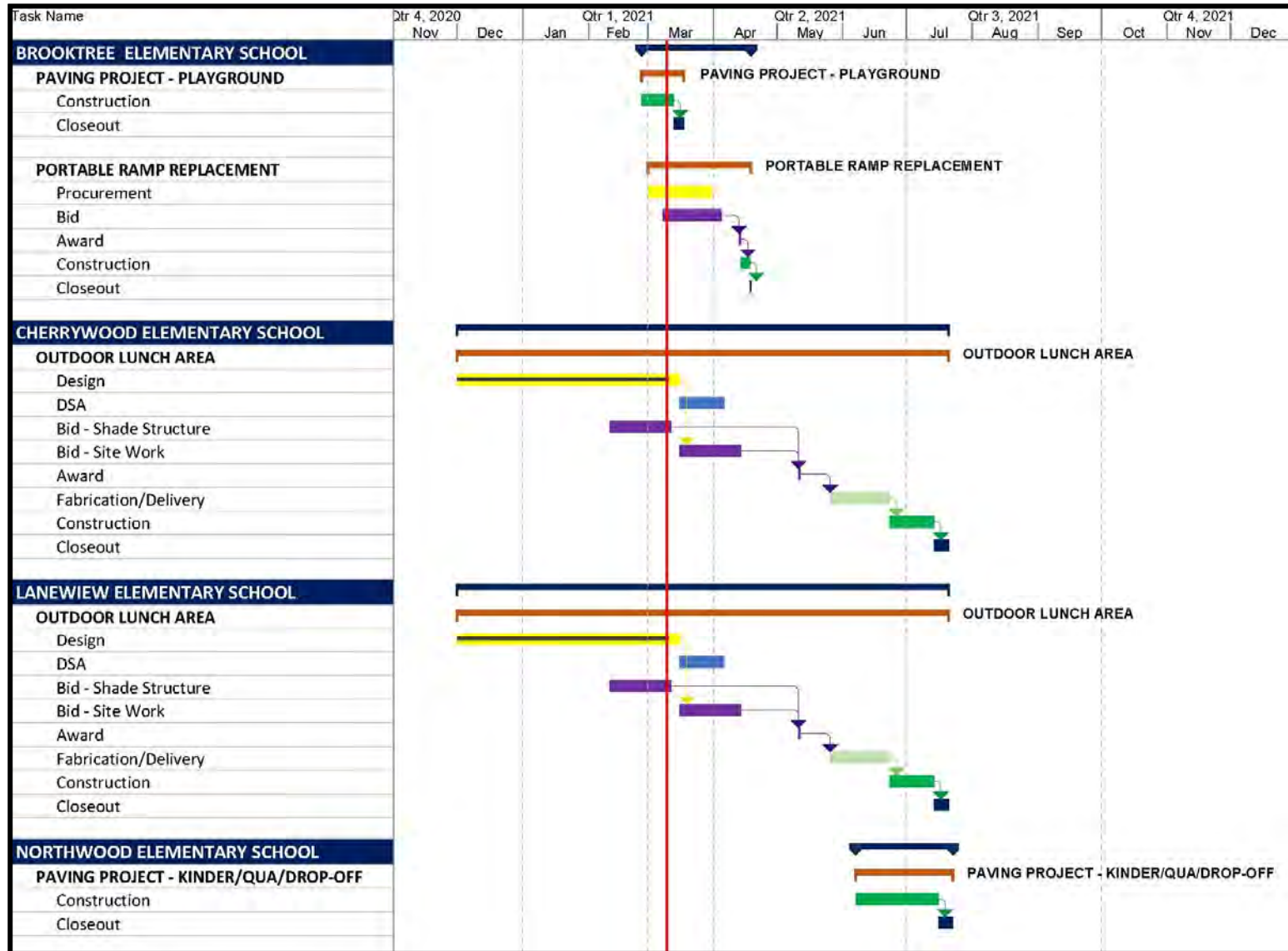
Measure U – Project Updates



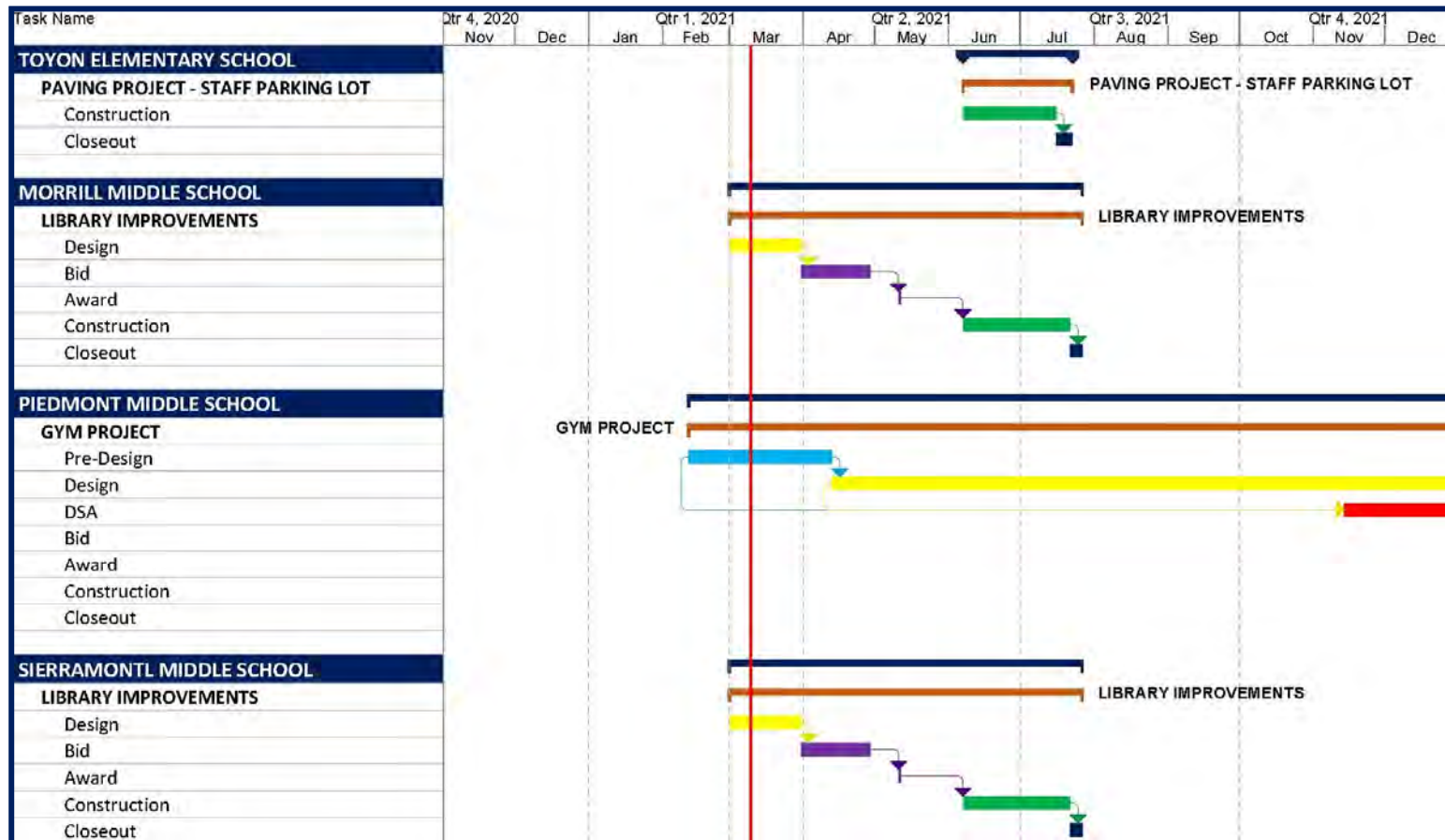
Measure U – Project Updates




Measure U – Program Schedule



Measure U – Program Schedule



A photograph of a school building with a blue and white color scheme. The building has a low-pitched roof with blue trim. A large tree is on the left, and a playground area with a bench and a blue structure is in the foreground. The word "Questions" is written in white text at the bottom center.

Questions

Project Budget
BERRYESSA UNION SCHOOL DISTRICT

MEASURE L BOND

2020 2nd Quarter Report

07/01/2020-12/31/2020

Cost Control Summary

SUMMARY

Description	Adopted Budget 1/21/2015 (1)	2020-2021 Operating Budget 7/1/2020	Total Expended to Date 12/31/2020	Balance
HARD CONSTRUCTION COSTS				
Construction	50,671,230	5,549,796	1,035,929	4,513,867
Construction Contingency	4,839,623	126,251	-	126,251
Sub-Total Hard Costs	55,510,853	5,676,047	1,035,929	4,640,118
Furniture, Fixtures & Equipment		77,224	89,578	(12,354)
Total Hard Costs	55,510,853	5,753,271	1,125,508	4,627,763
SOFT CONSTRUCTION COSTS				
Architectural & Engineering				
Architectural & Engineering	4,886,579	413,335	80,810	332,525
Architectural & Engineering Reimbursable	222,090	12,754	89	12,665
Specialty Consultants				
Engineering Studies / Surveys	65,000	-	-	-
Kitchen Consultant (Included in Aes)	50,000			-
Geotechnical Study/Inspection/Report	52,000	21,083	2,700	18,383
Hazardous Material Consulting	-	7,455	-	7,455
CEQA (Included in Testing)	31,000			-
Energy Consultant	-	-	-	-
Technology Consultant	80,000			-
Construction Management				
Construction Management	2,873,822	172,691	-	172,691
Reimbursable	131,237	7,570	-	7,570
Plan Check & Permit Fees				
Assessment Fees (DSA Included)	393,496	62,395	-	62,395
CDE Fee	-			-
Other Permit & Plan Check Fees	50,000	3,782	-	3,782
Utilities Fee	150,000	-	-	-
Document Reproduction				
Plan Document Reproduction & Printing	80,000	2,843	-	2,843
Advertisement	12,000	2,467	-	2,467
Testing & Inspection				
DSA Project Inspector (IOR)	830,195	107,629	-	107,629
Material Testing & Inspection (CEQA Included)	166,469	11,134	1,399	9,736
Geotechnical Inspection	70,750	-	-	-
Hazardous Material Inspection/Abatement	-	-	-	-
Other Expenses				
State Funding Consultant	-			-
Community Relations Consultant	-			-
Planning	-	15,764	-	15,764
Miscellaneous	50,000	-	-	-
Soft Cost Contingency	319,046	12,839	-	12,839
Solar Contingency		-	-	-
Kitchen Contingency		-	-	-
Sub-Total Softs Costs	10,513,684	853,742	84,998	768,743
OTHER PROJECT COSTS				
District Staff Costs	-	-	-	-
Interim Housing	-			-
Moving (Pack/Unpacking/Movers, Storage)	1,060,000			-
Furniture, Fixtures & Equipment	5,684,000			-
Equipment and Non-Capital Equipment(Technology)	-	472,396	369,357	103,039
Other Costs Planning	27,500			-
Other Operating/Misc. Expense	-	580,754	1,656	579,098
Sub-Total Other Project Costs	6,771,500	1,053,150	371,013	682,137

Project Budget
BERRYESSA UNION SCHOOL DISTRICT

MEASURE L BOND

2020 2nd Quarter Report

07/01/2020-12/31/2020

Cost Control Summary

SUMMARY

Description	Adopted Budget	2020-2021 Operating Budget	Total Expended to Date	Balance
PROGRAM COSTS				
Administration				
District Staff Cost/Program Management Costs	1,375,000	91,556	128,538	(36,982)
Legal Fees	125,000	32,076	-	32,076
Special Consultants				
Mater Plan Costs	150,000		39,080	(39,080)
Hazardous Material Consulting	40,000			-
Geotechnical Report	50,000			-
Roofing Consultant				-
Design Guidelines, Standard Specifications	30,000		10,010	(10,010)
Program Support Costs				
Printing, Supplies & Reimbursable	65,000	21,891	-	21,891
Office Equipment/Equip Maintenance	25,000	3,727	191	3,536
Interim Housing	125,000		-	-
Seminars/Training	10,000	2,985	-	2,985
Audit Expense	5,000	1,750	6,075	(4,325)
Public Relations and Contractor Outreach				
Public Relations/Communications	75,000			-
Public Bid Advertising	15,000		-	-
Bond Costs				
Bond Counsel Advisor	170,000	-	-	-
Bond Underwriter	470,000			-
Other Issuance Costs	30,000			-
Disclosure Counsel	40,000			-
Financial Advisor	90,000			-
Election Costs	60,000	-		-
Other Operating Expenses	-			-
Program Contingency				
Program Cost Contingency	88,500	10,125	-	10,125
Total Program Costs	3,038,500	164,110	183,894	(19,784)
Overall Bond Reserve	1,165,463	521,137		521,137
	77,000,000	8,345,410	1,765,413	6,579,997

Berryessa Union School District Bond Measure L – 2014 through December 31, 2020

Percentage of Total by Location

Description	Proposed Budget	Current Budget	Budget Variances	Expenses as of 12/31/2020	Balance	Percentage of Total Cost
Brooktree Elementary School	\$ 2,775,715	\$ 2,856,688	\$ 80,973	\$ 2,229,915	\$ 626,773	3.64%
Cherrywood Elementary School	\$ 2,641,308	\$ 4,005,329	\$ 1,364,021	\$ 3,913,802	\$ 91,527	5.10%
Laneview Elementary School	\$ 2,625,057	\$ 2,602,239	\$ (22,818)	\$ 2,507,435	\$ 94,804	3.31%
Majestic Way Elementary	\$ 2,576,170	\$ 2,254,613	\$ (321,557)	\$ 2,181,817	\$ 72,796	2.87%
Noble Elementary School	\$ 2,739,415	\$ 2,525,559	\$ (213,856)	\$ 2,434,803	\$ 90,756	3.21%
Northwood Elementary School	\$ 3,016,300	\$ 2,556,608	\$ (459,692)	\$ 2,518,836	\$ 37,772	3.25%
Ruskin Elementary School	\$ 2,697,784	\$ 2,806,771	\$ 108,987	\$ 2,852,793	\$ (46,022)	3.57%
Summerdale Elementary School	\$ 2,976,998	\$ 2,937,401	\$ (39,597)	\$ 2,956,341	\$ (18,940)	3.74%
Toyon Elementary School	\$ 2,731,914	\$ 2,846,009	\$ 114,095	\$ 2,590,358	\$ 255,651	3.62%
Vinci Park Elementary School	\$ 2,801,993	\$ 2,875,896	\$ 73,903	\$ 2,860,938	\$ 14,958	3.66%
Morrill Middle School	\$ 4,849,363	\$ 4,866,700	\$ 17,337	\$ 4,835,815	\$ 30,885	6.19%
Piedmont Middle School	\$ 4,214,915	\$ 4,785,657	\$ 570,742	\$ 3,772,648	\$ 1,013,009	6.09%
Sierramont Middle School	\$ 5,949,291	\$ 5,614,850	\$ (334,441)	\$ 5,470,724	\$ 144,126	7.15%
Energy Conservation Project	\$ 10,836,279	\$ 9,652,758	\$ (1,183,521)	\$ 9,663,716	\$ (10,958)	12.29%
Central Kitchen	\$ 5,971,020	\$ 5,954,028	\$ (16,992)	\$ 5,958,100	\$ (4,072)	7.58%
District Office- Main	\$ 2,154,423	\$ 3,337,944	\$ 1,183,521	\$ 338,035	\$ 2,999,909	4.25%
Technology - Wireless/Infrastructure	\$ 2,349,611	\$ 3,028,938	\$ 679,327	\$ 3,035,483	\$ (6,545)	3.86%
Technology - Classroom	\$ 3,191,980	\$ 2,967,634	\$ (224,346)	\$ 3,134,366	\$ (166,732)	3.78%
District - Wide	\$ 5,696,500	\$ 6,310,706	\$ 614,206	\$ 6,364,157	\$ (53,451)	8.03%
Program	\$ 3,038,500	\$ 3,038,500	\$ -	\$ 2,390,069	\$ 648,431	3.87%
Bond Contingency	\$ 1,165,464	\$ 741,757	\$ (423,707)	\$ -	\$ 741,757	0.94%
Total Program Cost	\$ 77,000,000	\$ 78,566,585	\$ 1,566,585	\$ 72,010,148	\$ 6,556,438	100%

*** INTEREST IS INCLUDED IN BOND CONTINGENCY

INTEREST ACCUMULATED FROM 2014-2018 as of June 30, 2019 \$ 1,566,585

Berryessa Union School District Bond Measure L – 2014 through December 31, 2020

Percentage of Total by Location and Project

Description	Proposed Budget	Current Budget	Budget Variances	Expenses as of 12/31/20	Balance	Percentage of Total Cost
Brooktree Elementary School						
Modernization	\$ 2,376,493	\$ 2,588,861	\$ 212,368	\$ 1,961,585	\$ 627,276	3.30%
Paving Project	\$ 77,404	\$ 92,405	\$ 15,001	\$ 114,894	\$ (22,489)	0.12%
Play Area Surface	\$ 40,130	\$ 28,935	\$ (11,195)	\$ 28,935	\$ 0	0.04%
Fencing	\$ 130,797	\$ 36,188	\$ (94,609)	\$ 36,188	\$ (0)	0.05%
Exterior Painting	\$ 150,891	\$ 110,299	\$ (40,592)	\$ 110,299	\$ (0)	0.14%
Total	\$ 2,775,715	\$ 2,856,688	\$ 80,973	\$ 2,251,902	\$ 604,786	3.64%
Cherrywood Elementary School						
Modernization	\$ 2,291,762	\$ 3,743,112	\$ 1,451,350	\$ 3,651,585	\$ 91,527	4.76%
Paving Project	\$ 55,339	\$ 60,697	\$ 5,358	\$ 60,697	\$ 0	0.08%
Play Area Surface	\$ 143,316	\$ 67,280	\$ (76,036)	\$ 67,280	\$ (0)	0.09%
Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Exterior Painting	\$ 150,891	\$ 134,240	\$ (16,651)	\$ 134,240	\$ 0	0.17%
Total	\$ 2,641,308	\$ 4,005,329	\$ 1,364,021	\$ 3,913,802	\$ 91,527	5.10%
Laneview Elementary School						
Modernization	\$ 2,453,276	\$ 2,184,277	\$ (268,999)	\$ 2,132,065	\$ 52,212	2.78%
Paving Project	\$ 28,611	\$ 304,887	\$ 276,276	\$ 238,389	\$ 66,498	0.39%
Play Area Surface	\$ 143,170	\$ 113,075	\$ (30,095)	\$ 113,075	\$ (0)	0.14%
Fencing	\$ -	\$ -	\$ -	\$ 23,906	\$ (23,906)	0.00%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 2,625,057	\$ 2,602,239	\$ (22,818)	\$ 2,507,435	\$ 94,804	3.31%
Majestic Way Elementary						
Modernization	\$ 2,059,300	\$ 1,795,800	\$ (263,500)	\$ 1,787,102	\$ 8,698	2.29%
Paving Project	\$ 116,151	\$ 203,535	\$ 87,384	\$ 163,535	\$ 40,000	0.26%
Play Area Surface	\$ 119,031	\$ 91,444	\$ (27,587)	\$ 91,444	\$ (0)	0.12%
Fencing	\$ 130,797	\$ 55,132	\$ (75,665)	\$ 55,132	\$ (0)	0.07%
Exterior Painting	\$ 150,891	\$ 108,702	\$ (42,189)	\$ 108,702	\$ (0)	0.14%
Total	\$ 2,576,170	\$ 2,254,613	\$ (321,557)	\$ 2,205,916	\$ 48,697	2.87%
Noble Elementary School						
Modernization	\$ 2,560,082	\$ 2,296,960	\$ (263,122)	\$ 2,082,984	\$ 213,976	2.92%
Paving Project	\$ 56,176	\$ 151,046	\$ 94,870	\$ 214,296	\$ (63,250)	0.19%
Play Area Surface	\$ 123,157	\$ 77,553	\$ (45,604)	\$ 77,553	\$ 0	0.10%
Fencing	\$ -	\$ -	\$ -	\$ 59,970	\$ (59,970)	0.00%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 2,739,415	\$ 2,525,559	\$ (213,856)	\$ 2,434,803	\$ 90,756	3.21%

Berryessa Union School District Bond Measure L – 2014 through December 31, 2020

Percentage of Total by Location and Project

Description	Proposed Budget	Current Budget	Budget Variances	Expenses as of 12/31/20	Balance	Percentage of Total Cost
Northwood Elementary School						
Modernization	\$ 2,483,167	\$ 2,295,464	\$ (187,703)	\$ 2,234,199	\$ 61,265	2.92%
Paving Project	\$ 358,804	\$ 142,030	\$ (216,774)	\$ 165,522	\$ (23,492)	0.18%
Play Area Surface	\$ 60,971	\$ 103,193	\$ 42,222	\$ 103,193	\$ (0)	0.13%
Fencing	\$ 113,358	\$ 15,921	\$ (97,437)	\$ 15,921	\$ (0)	0.02%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 3,016,300	\$ 2,556,608	\$ (459,692)	\$ 2,518,836	\$ 37,772	3.25%
Ruskin Elementary School						
Modernization	\$ 2,398,880	\$ 2,545,753	\$ 146,873	\$ 2,322,412	\$ 223,341	3.24%
Paving Project	\$ 51,567	\$ 51,568	\$ 1	\$ 261,380	\$ (209,812)	0.07%
Play Area Surface	\$ 136,096	\$ 106,021	\$ (30,075)	\$ 106,021	\$ (0.26)	0.13%
Fencing	\$ -	\$ -	\$ -	\$ 59,550	\$ (59,550)	0.00%
Exterior Painting	\$ 111,241	\$ 103,429	\$ (7,812)	\$ 103,429	\$ (0.09)	0.13%
Total	\$ 2,697,784.00	\$ 2,806,771	\$ 108,987	\$ 2,852,793	\$ (46,022)	3.57%
Summerdale Elementary School						
Modernization	\$ 2,341,378	\$ 2,434,577	\$ 93,199	\$ 2,474,842	\$ (40,264.86)	3.10%
Paving Project	\$ 405,310	\$ 392,368	\$ (12,942)	\$ 392,368	\$ 0.09	0.50%
Play Area Surface	\$ 230,310	\$ 110,456	\$ (119,854)	\$ 110,456	\$ 0.04	0.14%
Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 2,976,998.00	\$ 2,937,401	\$ (39,597)	\$ 2,977,666	\$ (40,264.73)	3.74%
Toyon Elementary School						
Modernization	\$ 2,241,527	\$ 2,488,391	\$ 246,864	\$ 2,097,354	\$ 391,037	3.17%
Paving Project	\$ 83,970	\$ 266,934	\$ 182,964	\$ 336,320	\$ (69,386)	0.34%
Play Area Surface	\$ 246,016	\$ 90,684	\$ (155,332)	\$ 90,684	\$ 0	0.12%
Fencing	\$ -	\$ -	\$ -	\$ 66,000	\$ (66,000)	0.00%
Exterior Painting	\$ 160,401	\$ -	\$ (160,401)	\$ -	\$ -	0.00%
Total	\$ 2,731,914	\$ 2,846,009	\$ 114,095	\$ 2,590,358	\$ 255,651	3.62%
Vinci Park Elementary School						
Modernization	\$ 2,605,980	\$ 2,602,473	\$ (3,507)	\$ 2,609,683	\$ (7,210)	3.31%
Paving Project	\$ 79,045	\$ 190,053	\$ 111,008	\$ 190,053	\$ -	0.24%
Play Area Surface	\$ 38,490	\$ 56,158	\$ 17,668	\$ 56,158	\$ (0)	0.07%
Fencing	\$ 78,478	\$ 27,212	\$ (51,266)	\$ 27,212	\$ (0)	0.03%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 2,801,993	\$ 2,875,896	\$ 73,903	\$ 2,883,106	\$ (7,210)	3.66%

Berryessa Union School District Bond Measure L – 2014 through December 31, 2020

Percentage of Total by Location and Project

Description	Proposed Budget	Current Budget	Budget Variances	Expenses as of 12/31/20	Balance	Percentage of Total Cost
Morrill Middle School						
Modernization	\$ 3,805,000	\$ 4,305,334	\$ 500,334	\$ 3,908,886	\$ 396,448	5.48%
Paving Project	\$ 816,200	\$ 443,792	\$ (372,408)	\$ 809,355	\$ (365,563)	0.56%
Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Exterior Painting	\$ 228,163	\$ 117,574	\$ (110,589)	\$ 117,574	\$ (0)	0.15%
Total	\$ 4,849,363	\$ 4,866,700	\$ 17,337	\$ 4,835,815	\$ 30,885	6.19%
Piedmont Middle School						
Modernization	\$ 4,141,510	\$ 3,772,364	\$ (369,146)	\$ 2,849,771	\$ 922,593	4.80%
Paving Project	\$ 73,405	\$ 1,013,293	\$ 939,888	\$ 922,877	\$ 90,416	1.29%
Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 4,214,915	\$ 4,785,657	\$ 570,742	\$ 3,772,648	\$ 1,013,009	6.09%
Sierramont Middle School						
Modernization	\$ 3,987,414	\$ 4,426,333	\$ 438,919	\$ 4,262,236	\$ 164,097	5.63%
Paving Project	\$ 1,961,877	\$ 1,188,517	\$ (773,360)	\$ 1,188,517	\$ (0)	1.51%
Fencing	\$ -	\$ -	\$ -	\$ 19,971	\$ (19,971)	0.00%
Exterior Painting	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 5,949,291	\$ 5,614,850	\$ (334,441)	\$ 5,470,724	\$ 144,126	7.15%
Energy Conservation Project	\$ 10,836,279	\$ 9,652,758	\$ (1,183,521)	\$ 9,687,275	\$ (34,517)	12.29%
Central Kitchen	\$ 5,971,020	\$ 5,954,028	\$ (16,992)	\$ 5,958,100	\$ (4,072)	7.58%
District Office- Main	\$ 2,154,423	\$ 3,337,944	\$ 1,183,521	\$ 261,919	\$ 3,076,025	4.25%
Technology - Wireless/Infrastructure	\$ 2,349,611	\$ 3,028,938	\$ 679,327	\$ 3,035,483	\$ (6,545)	3.86%
Technology - Classroom	\$ 3,191,980	\$ 2,967,634	\$ (224,346)	\$ 2,930,827	\$ 36,807	3.78%
District - Wide	\$ 5,696,500	\$ 6,310,706	\$ 614,206	\$ 6,530,674	\$ (219,968)	8.03%
Program	\$ 3,038,500	\$ 3,038,500	\$ -	\$ 2,390,069	\$ 648,431	3.87%
Bond Contingency	\$ 1,165,464	\$ 741,757	\$ (423,707)	\$ -	\$ 741,757	0.94%
Total Program Cost	\$ 77,000,000	\$ 78,566,585	\$ 1,566,585	\$ 72,010,148	\$ 6,556,438	100%

INTEREST ACCUMULATED FROM 2014-2018 as of December 31, 2020 \$ 1,566,585

**BERRYESSA UNION SCHOOL DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
AMENDED AND RESTATED BYLAWS**

Section 1. Committee Established. The Berryessa Union School District (the “District”) was successful at the election conducted on November 4, 2014 (the “2014 Election”) in obtaining authorization from the District’s voters to issue up to \$77,000,000 aggregate principal amount of the District’s school facilities bond (“Measure L”). The District was also successful at the election conducted on March 3, 2020 (the “2020 Election” and together with the 2014 Election, the “Elections”) in obtaining authorization from the District’s voters to issue up to \$98,000,000 aggregate principal amount of the District’s general obligation bonds (“Measure U” and together with Measure L, the “Measures”). The Elections were conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State (“Prop 39”). Pursuant to Section 15278 of the Education Code, the District is obligated to establish an Independent Citizens’ Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. The Board of Trustees of the Berryessa Union School District (the “Board”) has established an Independent Citizens’ Bond Oversight Committee (the “Committee”) which shall have the duties and rights set forth in these Amended and Restated Bylaws. The Committee does not have legal capacity independent from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee’s purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Elections are hereinafter referred to as “bond proceeds.” The Committee shall confine itself specifically to bond proceeds generated under the Measures. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee’s review. However, to the extent that facilities are financed with a combination of Measure L and Measure U monies, and other non-bond funds, such projects shall be subject to Committee oversight and review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, and shall refrain from those activities set forth in Sections 3.4 and 3.5.

3.1 **Inform the Public.** The Committee shall inform the public concerning the District’s expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in the Measures; and (b) no bond proceeds were used for teacher or administrative salaries or other

operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 Annual Report. The Committee shall present to the Board, in public session, no later than March 31 following each fiscal year, an annual written report which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

(i) Approval of contracts,

(ii) Approval of change orders,

(iii) Expenditures of bond funds,

(iv) Handling of all legal matters,

(v) Approval of project plans and schedules,

(vi) Approval of all deferred maintenance plans, and

(vii) Approval of the sale of bonds.

3.5 Measures Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

(a) Projects financed through the State of California, developer fees, redevelopment tax increments, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.

(b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.

(c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The adoption of a plan for publicizing the activities of the Committee, and a determination as to whether a mailer, a newspaper notice, or website materials would best suit the distribution of the Committee's findings and recommendations.

(h) The amendment or modification of the Bylaws for the Committee, as provided herein, subject to the legal requirements of Proposition 39.

(i) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive copies of the District's annual, independent performance audit and annual, independent financial audit required by Prop 39 (Article XIII A of the California Constitution) (together, the "Audits") at the same time said Audits are submitted to the District, and review the Audits.

(b) Inspect District facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Chancellor.

(c) Review copies of deferred maintenance plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

(e) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be the parent or guardian of a child enrolled in the District.

- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age.

(b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest.

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700; but each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

(b) Pursuant to Section 35233 of the Education Code, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:

(i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

(ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the District's Board of Trustees, except as permitted under Article 4.7.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise

select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed. Members who have previously served on the Measure L Committee shall be permitted to serve on the Committee and, if appointed by the Board, are entitled to serve three (3) new consecutive two (2) year terms from the date of their appointment.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise in the local newspapers, on its website, and in other customary forums, as well as solicit appropriate local groups for applications; (b) the Superintendent will review the applications; and (c) the Superintendent will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee. The Board shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; (c) the Committee shall not establish subcommittees for any purpose; and (d) the Committee shall have the right to request and receive copies of any public records relating to projects funded by the Measures.

Section 6. Meetings of the Committee.

6.1 Meetings. The Committee shall meet at least once a year, including an annual organizational meeting, but shall not meet more frequently than quarterly.

6.2 Location. All meetings shall be held within the boundaries of the Berryessa Union School District, located in Santa Clara County, California.

6.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business of the Committee except adjournment.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) Preparation of and posting of public notices as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

(b) Provision of a meeting room, including any necessary audio/visual equipment;

(c) Preparation, translation and copies of any documentary meeting materials, such as agendas and reports; and

(d) Retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. The Annual Report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Superintendent shall appoint the initial Chair. Thereafter, the Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected by vote of a majority of the members of the Committee.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board.

Section 11. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all monies authorized by the Measures.

ATTACHMENT A

CITIZENS' BOND OVERSIGHT COMMITTEE ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds, or (2) any construction project which will benefit the Committee member's outside employment, business, or personal finances or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Berryessa Union School District.

- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.