

# “Thank You for Supporting Measure C!”

## Covina-Valley Unified School District

The Citizens' Bond Oversight Committee for Measure C is proud to present its Annual Independent Financial and Performance Report to the Community.



Members of the Citizens' Bond Oversight Committee for Measure C:  
 (from left to right) Roger Stevens, Marilyn Carter, Lisa Brenner, Kathleen Cole, Lisa Brady,  
 James Patton, David Cruz, Richard Hurd, Linda Shafer, and R. James Teal.  
 Missing from photo: Trish Hanes, Richard Harder, Sue Maulucci, Jim Mortensen,  
 Win Patterson, and Patrick Slaughter.



The members of the Citizens' Bond Oversight Committee for the Covina-Valley Unified School District are pleased to publish their annual report. We are proud that we are able to continue to provide evidence to the taxpayers of the positive impact the revenue from the bond monies has had on the District and our community. We encourage members of the community to visit school campuses and see evidence of your tax dollars at work for the children of Covina-Valley.



Inside the new middle school Library Media Centers.

New middle school Library Media Centers feature a “conversation area” for students to read, work, and/or network.



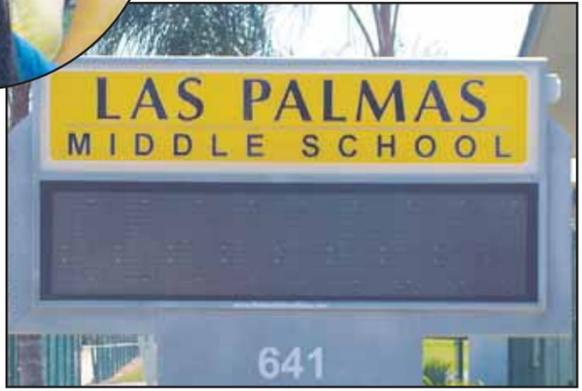
The computer lab located in Sierra Vista's new library expansion.



Northview High School's beautiful new state-of-the-art gymnasium and weight room.



Electronic reader boards at each middle school.



### Independent Financial Audit

In accordance with the provisions of Proposition 39, AB 1908, and Education Code Section 15278, an independent financial and performance audit of Measure C expenditures is conducted each year by a qualified Certified Public Accounting (CPA) firm. The auditor's report is presented to the Citizens' Bond Oversight Committee, as well as the Board of Education. For the fiscal year 2008-09, the audit has been conducted by Nigro, Nigro, and White, PC.

The following is a financial summary for 2008-09:

Beginning Fund Balance		\$30,530,468
<i>Revenues</i>	Interest income	726,911
	Proceeds from sale of QZAB bonds	4,958,250
	Other revenues	<u>30,184</u>
	Total revenues	<u>5,715,345</u>
<i>Expenditures</i>	Bond projects	12,798,838
	Interfund transfers	<u>712,583</u>
	Total expenditures	<u>13,511,421</u>
<i>Net expenditures in excess of revenues</i>		<u>(7,796,076)</u>
Ending Fund Balance		\$ 22,734,392

*Net expenditures in excess of revenues represents a spending down of the beginning fund balance of the fund. The beginning fund balance is made up of the net financial activities of all prior years of the fund, including the receipt of bond proceeds, interest, and other income, less bond project expenditures. Unlike most governmental funds, which usually show income equal to expenditures each year (a break-even position), a bond building fund will show net expenditures in excess of revenues in most years, as the District spends down the proceeds of bonds sold in prior years.*

The District ended the year with \$22,734,392 in the Building Fund. Of this amount, there were outstanding contractual commitments of \$5,434,701 for construction projects.

The complete audit report is available January 20, 2010 at the District Office and on the District website at [www.cvusd.k12.ca.us](http://www.cvusd.k12.ca.us)

### Performance Report to the Public

Since the publication of the Annual Performance Report in December of 2008, the Citizens' Bond Oversight Committee (CBOC) has met the following requirements:

- December 5, 2008.....** Published Annual Report to Community with Independent Financial Audit and Performance Report
- June 25, 2009.....** Citizens' Bond Oversight Committee meeting  
Toured campus facilities with progress of projects report
- October 5, 2009.....** Board appointed five new members to the CBOC
- November 18, 2009.....** Citizens' Bond Oversight Committee meeting with facility and progress of projects presentation
- December 2009.....** Received third Independent Financial Audit from Nigro, Nigro, and White, PC
- December 2009 .....** Published Report to Community with Independent Financial Audit and Performance Report

**In accordance with Education Code**, the Committee has monitored all expenditures of Measure C bond monies to ensure that all bond revenue is spent on the projects and debt refinancing as listed in the Measure C bond language. The Committee has also monitored the progress of construction projects and use of bond proceeds and believes that all bond proceeds to date have been spent in accordance with the Measure C bond specifications. The Committee is issuing this update to inform the public that all bond proceeds to date have been spent in accordance with the bond specifications.