

Covina-Valley Unified School District

Exciting news about how your tax dollars are working for kids!

Plans for Three New Academies and A Vocational Trade Center

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.

New two-story, six classroom building at South Hills High School



New IT Academy opened in January at South Hills High School

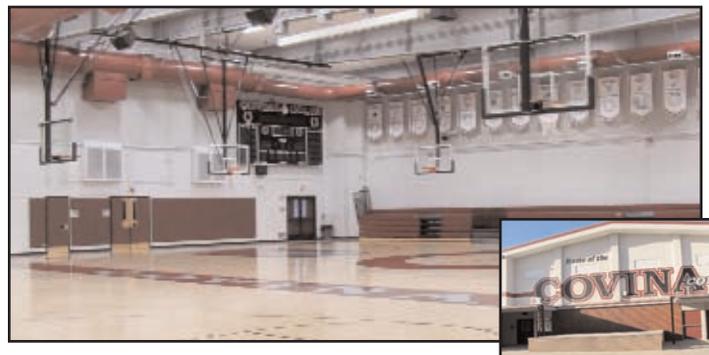


Watch for these exciting new projects to begin construction soon:

- New Business Academy at Covina High School
- New Arts and Media Academy at Northview High School
- New Vocational Trade Center at Fairvalley High School

(Although no bond funds will be used for the Vocational Trade Center project, the Committee agreed it was important to inform the community about this exciting new joint project agreement between the District and the City of Covina.)

Covina High's beautiful, new, state-of-the-art gymnasium



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 2009-10, the audit has been conducted by Nigro & Nigro, PC.

The following is a financial summary for 2009-10:

Beginning Fund Balance		\$22,734,392
Revenues		
Interest Income	288,237	
Other Revenues	<u>444,476</u>	
Total Revenues	<u>732,713</u>	
Expenditures		
Bond Projects	7,766,035	
Payment on Debt Service	305,520	
Interfund Transfers	<u>680,937</u>	
Total Expenditures	<u>8,752,492</u>	
Net Change in Fund Balance		<u>(8,019,779)</u>
Ending Fund Balance		\$14,714,613

Net change in fund balance 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 revenues 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 \$14,714,613 in the Building Fund. Of this amount, there were outstanding contractual commitments of \$2,806,820 for construction projects.

The complete financial audit report is available at the District Office and on the District website at www.cvusd.k12.ca.us.

Independent Performance Report to the Public

Since the publication of the Annual Performance Report in December of 2009, the Citizens' Bond Oversight Committee (CBOC) has met the following requirements:

- December 22, 2009.....** Published Annual Report to Community with Independent Financial Audit and Performance Report
- January 27, 2010.....** Citizens' Bond Oversight Committee meeting (Independent Audit Reports presented to Committee)
- May 6, 2010.....** Citizens' Bond Oversight Committee meeting (Toured campus facilities with progress of projects report)
- October 18, 2010.....** Board reappointed three former ex-officio members to CBOC
- February 2, 2011.....** Citizens' Bond Oversight Committee meeting (Independent Audit Reports presented to Committee)
- February 2011** 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.



Current and ex-officio 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.

More Exciting News!

On November 1, 2010, the Covina-Valley USD Board of Education adopted a resolution allowing the District to refund a portion of the District's 2001 Election General Obligation Bonds, 2001 Series A. This refund would bring no additional revenues into the District but simply would provide an opportunity for the taxpayers to save on the repayment of the bonds. The Committee applauds Covina-Valley for its dedication to providing an excellent education to our students while continuing to prove to be a good steward of the taxpayers' dollars.

A complete list of all Measure C projects is available by calling 626-974-7000, ext. 2041.