

**LA CAÑADA UNIFIED SCHOOL DISTRICT
MEETING OF THE BOND OVERSIGHT COMMITTEE**

**October 13, 2005
5039 Palm Drive
District Office Conference Room
La Cañada Flintridge, CA 91011**

The meeting was called to order at 8:30 a.m. by Committee Chair, Craig Steele.

ROLL CALL

Those in attendance were:

Craig Steele	William Choi	Julie Markowitz
Mike Leininger	Barry Franzen	Andy Beattie
Robert Louk	Susan Boyd	Jim Stratton
Celina Lew	Terry Walker	

Bill Loose, Deputy Superintendent of La Canada Unified was also present along with Jeanie Garcia, auditor with Boceta, Macon, Workman & Associates.

Melissa Schiller was not present.

APPROVAL OF AGENDA

It was moved and seconded (Franzen/Boyd) to approve the agenda. The motion to approve the agenda was adopted unanimously.

APPROVAL OF MINUTES

Mr. Steele reported the minutes of the April 21, 2005 meeting of the Bond Oversight Committee were distributed to the committee members in advance for review. The minutes of the April 21, 2005 meeting of the Bond Oversight Committee were approved as modified.

AGENDA

Committee Membership/Term

Celina Lew and Terry Walker, the new members of the Bond Oversight Committee, were introduced. Terms of the committee members were reviewed.

Performance Audit

Dr. Loose introduced Jeanie Garcia, the auditor from Boceta, Macon, Workman & Associates who performed the bond funds audit. Dr. Loose distributed the audit report. Ms. Garcia reported she attended the last Bond Oversight Committee meeting when the

performance audit preferences were discussed. Ms. Garcia reported her auditor came out to the district and reviewed the bond measure language and reviewed fund expenditures. Ms. Garcia stated the auditors found nothing to report stating the district complied, in all material respects, with the requirements of the general obligation bond for the year ended June 30, 2005. There will be no management letter issued. Ms. Garcia stated this is not unusual because this is such an isolated piece of the districts accounting. The districts full audit will be complete early December.

Mr. Franzen asked for clarification on the matching funds and fund 21.2. Ms. Garcia provided clarification and suggested changing the format of the audit for next year making it easier to read. Dr. Loose provided clarification on the individual funds. Dr. Loose reported funds 21.0 and 35.1 are the old bond and 21.2 and 35.2 are the new bond. The funds are kept separate which is why there are four separate reports.

Mr. Franzen asked about the interest payment dates and would like to know when those payments are due. It was reported the interest payments come from the bond interest fund, which is fund 51. These funds are being held by the County. The interest payments will never impact the districts report.

It was moved and seconded (Franzen/Boyd) to accept the audit report. The motion to accept the audit report was adopted unanimously.

Dr. Loose reported the audit cost is \$1,400.

The committee thanked Ms. Garcia.

Update on Construction Projects

Dr. Leininger discussed the Project Master Schedule. Dr. Leininger briefly discussed the eight projects consisting of; the FIS new district offices, LCE Modernization, LCHS Renovate Restrooms, LCHS EMS Upgrade, LCHS Choral & Elevator, LCHS Band & Bldg B, PCY Modernization and PCR Modernization.

Ms. Markowitz asked if any employee changes with the architect have impacted the district's projects. Dr. Leininger responded Craig Windsor is no longer with Osborn Architects. However, Tim Ballard is the new principal and attends weekly meetings with PCM3. Richard Westwood also left Osborn and we have a new architect, Dave Pate. Mr. Westwood has continued to meet with the district and his projects are at a stage where they are already at DSA so Mr. Pate has picked up that piece.

Ms. Boyd asked for information on what was budgeted for projects and where we are in actual expenses. Mr. Steele reported this information is made available in the 21.2 Fund summary. Soft costs were discussed. Mr. Louk asked for clarification on soft costs. It was expressed the committee would like to see actual expenditures versus what was budgeted. The committee would also like to see engineer's costs versus bid and contract, along with change orders/expenses. The committee also requested a change

order report, including why the change orders happened. This information will assist the committee when discussing projects and expenditures to the community. Expenditures were discussed. Mr. Beattie discussed project estimated, bid costs and actual expenditures.

Mr. Franzen asked for an update on the lot split at the district office. Dr. Loose reported the district is in the process of obtaining the lot split. Mr. Franzen also asked for an update on the Surplus Property Advisory Committee report. Mr. Beattie provided a brief report on the Surplus Property Advisory Committee recommendation.

Fund Updates

Dr. Loose reported on the individual bond funds. The boxed area is the summary containing balances to date. There is \$852,000 in the 1999 Fund 21. Fund 35.1 is for the Science Labs and ties to the old bond money. This account is in the final process of being closed out. Fund 21.2 this is the new bond fund. Fund 35.2 is all the modernization at the high school and has \$1.3 million left.

2004-05 Annual Report

Mr. Steele presented an annual report draft based on the annual report prepared by the last Bond Oversight Committee. Mr. Steele reported the requirement of the Bond Oversight Committee is that the committee must present to the board an annual report in open session. Mr. Steele asked the committee for discussion on the draft so the annual report can be presented to the board. The committee reviewed the draft. There was brief discussion on the draft. It was moved and seconded (Choi/Franzen) to approve the annual report for presentation to the governing board. The motion was adopted with a 5:0 vote. Mr. Louk and Mrs. Boyd left the meeting prior to the motion. The committee thanked Mr. Steele for his work on this report.

Schedule of Future Committee Meetings

The next meeting of the Bond Oversight Committee was scheduled for January 26 at 8:30 a.m. The location is to be determined.

OPPORTUNITY FOR PUBLIC COMMENT

None

COMMUNICATIONS

None

ADJOURNMENT

The meeting was adjourned at 9:52 a.m.