Minutes of the Measure I Citizens' Bond Oversight Committee
January 9, 2025, 6:00pm
Ballena Conference Room
Niel Tam Educational Center
2060 Challenger Drive
Alameda, CA 94501

PRESENT:

Committee members:
Sarah Olaes (At-Large)
Mike McMahon (At-Large)
John Baum (Parent Representative)
Jennifer Bullock (At-Large)
Rohit Reddy (Taxpayer Org)

Staff members:
Shariq Khan, Asst. Superintendent, CBO
Monty Patterson, Sr. Director of Const.
Bernadette Gard, Dept. Office Specialist
Ruth Boyd, Project Manager
Steve Chonel, Director of Fiscal Services

Absent: Liana Hamilton (Business Representative)
Caroline Brossard (At-Large)
Neil Dandavati (Parent and Active in PTA)

A. CALL TO ORDER

The meeting was called to order at 6:12 p.m. by Mike McMahon, Committee Chairperson.

B. INTRODUCTION OF MEMBERS

Introductions were made around the room of the committee members in attendance and district staff members.

C. MODIFICATIONS OF AGENDA (Action)

There were no modifications to the Agenda and there was no motion made to adopt the January 9, 2025, agenda.

D. COMMUNICATIONS

1. There were no individuals present with public comments.

E. BUSINESS ITEMS

1. Presentation of 2023-2024 Measure I and Measure B Audit Reports (15 Mins/Information)

- Audit Presentation by Colleen Gazer (Moss Adams)

  Colleen Gazer, Audit Manager from Moss Adams, introduced herself and presented the audit results for Measure I and Measure B bonds. She covered four reports:

  - Financial statements for June 30, 2024 (for both bonds)
  - Performance audit reports (for both bonds)

Audit Opinion**:**

Moss Adams issued an *unmodified opinion* on both bond financial statements—this is the highest rating, indicating the statements are fairly presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

Compliance and Internal Controls**:**

- No findings related to financial or compliance issues
- No material weaknesses or significant deficiencies
- No instances of fraud or non-compliance with laws or regulations
- No difficulties in working with management
- No disagreements during the audit process

Performance Audits**:**

Reviewed construction and payroll expenditures to ensure they aligned with bond language and project specifications. All tested expenditures were deemed appropriate and compliant.

Required Communications to Governance:

Colleen reviewed the auditors' required communications with those charged with governance. This included outlining the responsibilities of the auditors, what they are required to examine and report on, and a summary of key findings. The audit included a review of internal controls, accounting processes, and policies. No unusual or inappropriate accounting practices were noted, and all significant policies were applied correctly. Additionally, there were no significant transactions, no fraud or legal noncompliance, and no management issues identified.

Time and Cost Breakdown:

A question was raised regarding the number of hours spent on the audit. While an exact figure couldn't be provided—since the team also worked on the District-wide audit—Colleen offered an estimated breakdown: approximately 80–100 hours were spent per audit. Of that time, 40% was dedicated to staff testing of expenditures, 30% to reviewing financial statements, and 30% to high-level reviews. The cost for each audit was estimated at $15,000 to $20,000.

Conclusion:

Colleen emphasized that the lack of issues or findings is a positive outcome, indicating strong financial management and compliance with bond requirements.

2. Approval of the 2023-2024 Annual Report (20 Mins/Action)

- The draft of the 2023–2024 Annual Report was reviewed by the committee for any final changes or comments, with the intention of approving it during the meeting. The group went through the report page by page, making minor suggestions—such as updating some photos and rounding project expenditure figures to the nearest thousand dollars. The committee also requested the addition of a summary slide for all Measure B projects and a closing slide to thank the community.
- After discussing potential presentation dates, the committee agreed to present the report at the February 11 School Board meeting. The committee discussed that staff

would prepare a PowerPoint presentation of the Annual Report and the slides would be sent out prior to the meeting for review by the Committee Chair. A motion was made and approved to adopt the Annual Report with the proposed amendments.

There was a motion to approve the report:

Motion: Member Reddy Motion second: Member Baum

The motion to approve the report was approved 5 to 0.

3. Discussion of Future Agenda Items (5 Mins/Information)

- The committee discussed scheduling their next meeting between January and June. While no new financials would be available by June, staff offered to present an update on project status if the committee wished to meet. The group suggested holding the meeting at a project site and decided on the Wood School Temporary Campus, tentatively for May or June. Staff will send out a doodle poll to determine the final date.
- The committee also discussed representation for the Annual Report presentation to the School Board. It was confirmed that Mike McMahon will present the report, with John Baum attending to assist.

F. <u>ADJOURNMENT</u>

- There was a motion to adjourn the meeting.

  Motion: Member Baum Motion second: Member Reddy

  The motion to adjourn the meeting was approved.
- The meeting was adjourned at 7:58 p.m.