Minutes of the Citizens' Bond Oversight Committee
February 5, 2024, 6:00pm
AUSD District Office
2060 Challenger Drive, Alameda CA 94501
Ballena Conference Room

PRESENT:

Committee members:
John Baum (Parent Representative)
Sarah Olaes (At-Large)
Mike McMahon (At-Large)
Neil Dandavati (Parent and Active in PTA)
Jennifer Bullock (At-Large)
Liana Hans (Business Representative)
Caroline Brossard (At-Large)

Staff members:
Shariq Khan, Chief Business Officer
Steve Chonel, Fiscal Director
Bernadette Gard, Dept. Office Specialist
Robbie Lyng, Sr. Director of Construction

Absent: Rohit Reddy (Taxpayer Org)

A. CALL TO ORDER

The meeting was called to order at 6:03 p.m. by Mike McMahon, Committee Chairperson.

B. INTRODUCTION OF MEMBERS

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

C. MODIFICATIONS OF AGENDA (Action)

There were no proposed modifications to the Agenda. There was no motion made to approve the Agenda and the group moved on to approve the minutes.

Mr. Lyng checked the door to confirm if there were any members of the public for public comments and there were none.

D. APPROVAL OF MINUTES

1. October 30, 2023, meeting (Action)

- Minutes from the October 30, 2023, meeting was considered and there was a motion to adopt the minutes.

  Motion: Member Baum Motion second: Member Bullock

The motion to adopt the minutes was approved 7 to 0.

E. <u>BUSINESS ITEMS</u>

1. 2022-2023 Measure I and Measure B Audit Reports by Arthur Ngo, Moss Adams (15 Mins/ Information)

- Mr. Ngo presented and reviewed the 2022-2023 results for both Measure B and I bond audits. Mr. Ngo stated that the audit was previously presented to the district's board and now we are presenting it to the bond oversight committee. Mr. Ngo also provided some information about the firm Moss Adams.
- It was stated that the report, titled Auditor Report on the Financial Statements – Bond Financial Statements – Measure B and I was issued an Unmodified Opinion, which states that the basic financial statements were presented fairly and in accordance with U.S. Generally Accepted Accounting Principles (GAAP). The Auditor performed an audit on the balances that were presented in the statements for both B and I which included assets, fund balances, revenue and expenditures.
- Other Auditor reports were done including a Performance Audit Report for both Measures B and I and the results of that test indicated that in all significant respects that the expenditures were properly expended on specific projects listed in the text of the ballot language for Measures B and I General Bond Funds. In addition, it was reported that the funds that were used to pay salaries of district employees were allowable. This was reported as a clean audit.
- The last report was a GAGAS Report on internal controls over financial reporting and on compliance. This report had no financial findings to report and there were no compliance findings to report.
- Mr. Ngo noted that because Prop 39 bonds are used, the district is required to undergo audits annually.
- The audit was performed in accordance with the timeline that was outlined in the initial engagement letter. There were no misstatements identified and no disagreements with management to report to the committee.
- The committee asked a question regarding how long the audit takes to complete and how long Moss Adams had been doing the audits for the district. Mr. Ngo responded that the audit process includes an interim audit, which takes about a week and a half to complete and then the year end phase takes about 2 weeks to complete. The entire process takes a little over 4 weeks to complete, including preparing the report. Moss Adams had been conducting the audits for the district for the last 4 years.

2. Draft of 2022-2023 Annual Report (15 Mins/Information)

- Mr. Khan presented the draft of the annual report to the committee for review and noted that we are presenting the report in draft form. Staff and committee reviewed each page of the annual report draft and discussed any changes and updates. A

markup of the draft letter to the board was given to Bernadette for updates to be made to the letter.

- The committee also discussed the presentation slides for the annual report school board presentation, including updates to the expenditures pages to include legends and format changes.
- The committee agreed that the changes to the annual report would be made and then emailed out to the committee for final approval. After receiving any committee feedback Bernadette will also send out a preview of the presentation slides. The committee confirmed that the date of April 16th would be the preferred date for the board presentation and discussed which committee members would be available to present. Bernadette will send out a confirming email with the final presentation slides for preparation.
- The next meeting date was discussed, and it was decided that there was no need to meet before the summer since most of the upcoming work will be done during the summer. Tentatively, the next meeting will be scheduled for September.
- There was a question and discussion about the possibility of site visits to the construction projects after the summer.

F. <u>NEW BUSINESS</u>

- There was no new business to discuss.

G. <u>ADJOURNMENT</u>

- There was a motion to adjourn the meeting.

  Motion: Member Hans Motion second: Member Bullock

  The motion to adjourn the meeting was approved.
- The meeting was adjourned at 7:09 p.m.