

**Citizens' Oversight Committee
of the Cajon Valley Union School District**

**Wednesday, October 28, 2009
4:00 p.m.**

**Cajon Valley Union School District
Staff Development Room
750 East Main Street
El Cajon, CA 92020**

MEETING AGENDA

- | | |
|--------------------------|------------------------|
| 1. Call to Order | |
| 2. Welcome and Roll Call | |
| 3. Public Comments | |
| 4. Approval of Minutes | ACTION |
| 5. COC Member Vacancy | INFORMATION |
| 6. Annual Report | INFORMATION/
ACTION |
| 7. Budget Update | INFORMATION |
| 8. Progress Report | INFORMATION |
| 9. Questions/Answers | DISCUSSION |
| 10. Adjournment | |

Next Meeting:

Wednesday, January 27, 2010*
Cajon Valley Union School District
Staff Development Room
4:00 p.m.

**A special meeting may be added in December 2009 to finalize the annual report*

Cajon Valley Union School District
Proposition D
Citizens' Oversight Committee
Annual Report

Table of Contents

- Letter to the Community
- Current Project Status (Through 12/31/09)
- Budget Overview
- Performance & Financial Audit Results (2008/2009)
- Program Timeline



Wilkinson Hadley King & Co. LLP
CPAs and Advisors

218 W. Douglas Avenue • El Cajon, CA 92020
Tel. (619) 447-6700 • Fax (619) 447-6707

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA

Aubrey W. King, CPA
Richard K. Savage, CPA

October 19, 2009

Cajon Valley Union School District
Citizens' Bond Oversight Committee
750 Main Street
El Cajon, California 92020

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Cajon Valley Union School District Proposition D Bond Building Fund.

We will apply the agreed-upon procedures which are listed in the attached schedule, to determine whether the Cajon Valley Union School District has properly accounted for the expenditures of the funds held in the Bond Building Fund (21-39) for the year ended June 30, 2009. This engagement is solely to assist the Cajon Valley Union School District Citizens' Bond Oversight Committee in determining whether the funds expended out of the Bond Building Fund (21-39) were proper and in accordance with the criteria detailed in the bond agreement. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the financial statements of the Cajon Valley Union School District. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Cajon Valley Union School District and the Citizens' Bond Oversight Committee, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We plan to begin our procedures on approximately October 19, 2009 and, unless unforeseeable problems are encountered, the engagement should be completed by November 15, 2009. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the information included in the Bond Building Fund (21-39) in accordance with generally accepted accounting principles.

Management is responsible for management decisions and functions, and for designating a qualified management-level employee to oversee our work. Management is responsible for evaluating adequacy and results of those services and accepting responsibility for such services. Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

We estimate that our fees for these services will be in an amount not to exceed \$6,000 for the year ended June 30, 2009. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,



P. Robert Wilkinson, CPA for
Wilkinson Hadley King & Co LLP

RESPONSE:

This letter correctly sets forth the understanding of Cajon Valley Union School District.

By:  _____

Title: Director, Long-Range Planning

Date: 10/23/09

Cajon Valley Union School District
Proposition 39 General Obligation Bonds
Proposition D
Agreed Upon Procedures

- A. We will verify the expenditures of funds from the Bond Building Fund (21-39) are properly accounted for in the financial records of the Cajon Valley Union School District.
- B. We will verify that the funds from the sale of the 2008, Series A for Proposition D, General Obligation Bond was deposited in total into the Cajon Valley Union School District's Bond Building Fund (21-39).
- C. We will select, at a minimum, 80% of the total expenditures from the Bond Building Fund (21-39).
- D. We will verify that the funds expended complied with the purpose that was specified to the registered voters of the District through election materials, District resolutions, or the project priority list distributed to the voters.

Budget vs. Actual

Project Name	Project Number	Original Budget	Expenditures to date	Remaining Budget	Project (Savings) or Overage	Revised Budget	Percent Expended	Complete
Meridian Water Line Replacement	D-7501	60,000	54,892	5,108	-5,108	54,892	100.00%	✓
Security Camera Upgrades	D-7502	350,000	19,733	330,267	0	350,000	5.64%	
Clock System Upgrades	D-7503	275,000	52,284	222,716	0	275,000	19.01%	
Playground Upgrades	D-7504	424,365	127,710	296,655	0	424,365	30.09%	
Greenfield Middle New Gymnasium	D-7505	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Electrical Upgrades	D-7506	1,849,000	51,330	1,797,670	0	1,849,000	2.78%	
Cajon Valley Middle Reconstruction	D-7507	20,000,000	69,785	19,930,215	0	20,000,000	0.35%	
HVAC	D-7508	6,895,000	133	6,894,867	0	6,895,000	0.00%	
Flying Hills MPR Remodel	D-7509	590,000	40,971	549,029	0	590,000	6.94%	
Vista Grande Modernization	D-7510	980,000	1,980	978,020	0	980,000	0.20%	
Rancho San Diego Modernization	D-7511	1,333,000	0	1,333,000	0	1,333,000	0.00%	
Technology	D-7512	14,864,504	5,189	14,859,315	0	14,864,504	0.03%	
Lexington Elementary Reconstruction	D-7513	35,000,000	0	35,000,000	0	35,000,000	0.00%	
Add Restrooms	D-7514	750,000	0	750,000	0	750,000	0.00%	
Emerald Middle New Gymnasium	D-7515	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Montgomery Middle New Gymnasium	D-7516	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Elementary Reconstruction	D-7517	35,000,000	0	35,000,000	0	35,000,000	0.00%	
Erosion Control, Crest	D-7518	65,000	0	65,000	0	65,000	0.00%	
Fencing	D-7519	1,610,000	7,366	1,602,634	0	1,610,000	0.46%	
Library Improvements	D-7520	900,000	0	900,000	0	900,000	0.00%	
Mechanical Screens	D-7521	460,000	0	460,000	0	460,000	0.00%	
Parking Lot Upgrades	D-7522	250,000	0	250,000	0	250,000	0.00%	
Phone System Upgrades	D-7523	73,800	0	73,800	0	73,800	0.00%	
Minor Renovations	D-7524	1,210,000	0	1,210,000	0	1,210,000	0.00%	
Security Lighting	D-7525	400,400	0	400,400	0	400,400	0.00%	
Sidewalk Upgrades	D-7526	500,000	0	500,000	0	500,000	0.00%	
Window Replacement, Blossom Valley	D-7527	200,000	0	200,000	0	200,000	0.00%	
Program Management	D-7599	4,000,000	292,698	3,707,302	0	4,000,000	7.32%	
Contingency		1,459,931	0	1,459,931	5,108	1,465,039	0.00%	
Grand Total		156,500,000	724,070	155,775,930	0	156,500,000	0.46%	

Budget vs. Actual

Project Name	Project Number	Original Budget	Expenditures to date	Remaining Budget	Project (Savings) or Overage	Revised Budget	Percent Expended	Complete
Meridian Water Line Replacement	D-7501	60,000	54,892	5,108	-5,108	54,892	100.00%	✓
Security Camera Upgrades	D-7502	350,000	19,733	330,267	0	350,000	5.64%	
Clock System Upgrades	D-7503	275,000	61,385	213,615	0	275,000	22.32%	
Playground Upgrades	D-7504	424,365	185,796	238,569	0	424,365	43.78%	
Greenfield Middle New Gymnasium	D-7505	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Electrical Upgrades	D-7506	1,849,000	51,441	1,797,559	0	1,849,000	2.78%	
Cajon Valley Middle Reconstruction	D-7507	20,000,000	94,602	19,905,398	0	20,000,000	0.47%	
HVAC	D-7508	6,895,000	133	6,894,867	0	6,895,000	0.00%	
Flying Hills MPR Remodel	D-7509	590,000	51,172	538,828	0	590,000	8.67%	
Vista Grande Modernization	D-7510	980,000	2,175	977,825	0	980,000	0.22%	
Rancho San Diego Modernization	D-7511	1,333,000	0	1,333,000	0	1,333,000	0.00%	
Technology	D-7512	14,864,504	13,786	14,850,718	0	14,864,504	0.09%	
Lexington Elementary Reconstruction	D-7513	35,000,000	0	35,000,000	0	35,000,000	0.00%	
Add Restrooms	D-7514	750,000	0	750,000	0	750,000	0.00%	
Emerald Middle New Gymnasium	D-7515	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Montgomery Middle New Gymnasium	D-7516	9,000,000	0	9,000,000	0	9,000,000	0.00%	
Elementary Reconstruction	D-7517	35,000,000	0	35,000,000	0	35,000,000	0.00%	
Erosion Control, Crest	D-7518	65,000	0	65,000	0	65,000	0.00%	
Fencing	D-7519	1,610,000	7,366	1,602,634	0	1,610,000	0.46%	
Library Improvements	D-7520	900,000	0	900,000	0	900,000	0.00%	
Mechanical Screens	D-7521	460,000	0	460,000	0	460,000	0.00%	
Parking Lot Upgrades	D-7522	250,000	0	250,000	0	250,000	0.00%	
Phone System Upgrades	D-7523	73,800	0	73,800	0	73,800	0.00%	
Minor Renovations	D-7524	1,210,000	0	1,210,000	0	1,210,000	0.00%	
Security Lighting	D-7525	400,400	0	400,400	0	400,400	0.00%	
Sidewalk Upgrades	D-7526	500,000	0	500,000	0	500,000	0.00%	
Window Replacement, Blossom Valley	D-7527	200,000	0	200,000	0	200,000	0.00%	
Program Management	D-7599	4,000,000	352,870	3,647,130	0	4,000,000	8.82%	
Contingency		1,459,931	0	1,459,931	5,108	1,465,039	0.00%	
Grand Total		156,500,000	895,350	155,604,650	0	156,500,000	0.58%	

Interactive Report - Program Cashflow by Fund

Last Updated 6/30/09

A development tool for financial planning of capital programs.

21-39 - Bond Fund	ACTUAL FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	Totals	Original Budget	Variance
Beginning Balance	-	34,964,874	28,842,758	22,183,237	17,493,744	2,602,751	18,998,758	16,292,765	1,621,772	16,503,341	-		
Funding													
Annual Funding	35,000,000		32,500,000			36,900,000			52,100,000		156,500,000		
Interest	688,944										688,944		
Loans											-		
Other											-		
Total Funding	35,688,944	34,964,874	61,342,758	22,183,237	17,493,744	39,502,751	18,998,758	16,292,765	53,721,772	16,503,341	157,188,944		
Projects													
D-7501 Water Line	54,892	-									54,892	60,000	(5,108)
D-7502 Security Cameras	19,733	180,267	-	-	-	-	-	-	150,000		350,000	350,000	-
D-7503 Clock Systems	52,284	222,716									275,000	275,000	-
D-7504 Playground Upgrades	127,710	296,655									424,365	424,365	-
D-7505 New Gym Greenfield	-	600,000	7,800,000	600,000							9,000,000	9,000,000	-
D-7506 Electrical Upgrades	51,330	653,670	-	-	-	-	-	-	1,144,000		1,849,000	1,849,000	-
D-7507 Rebuild Cajon Valley M.S.	69,785	1,399,778	17,130,437	1,400,000							20,000,000	20,000,000	-
D-7508 HVAC	133	689,488	6,205,379								6,895,000	6,895,000	-
D-7509 MPR Remodel-Flying Hills	40,971	549,029									590,000	590,000	-
D-7510 Modernization Vista Grande	1,980	49,520	300,000	628,500							980,000	980,000	-
D-7511 Modernization Rancho S.D.				50,000	350,000	933,000					1,333,000	1,333,000	-
D-7512 Technology	5,189	1,000,000	6,722,711	-	-	-	-	-	7,136,604		14,864,504	14,864,504	-
D-7513 Rebuild Lexington			500,000	1,500,000	14,000,000	19,000,000					35,000,000	35,000,000	-
D-7514 Restrooms							750,000	-			750,000	750,000	-
D-7515 New Gym Emerald							450,000	6,300,000	2,250,000		9,000,000	9,000,000	-
D-7516 New Gym Montgomery							450,000	6,300,000	2,250,000		9,000,000	9,000,000	-
D-7517 Rebuild Elementary 2							500,000	1,500,000	18,000,000	15,000,000	35,000,000	35,000,000	-
D-7518 Erosion Control, Crest									65,000	-	65,000	65,000	-
D-7519 Fencing	7,366								1,602,634	-	1,610,000	1,610,000	-
D-7520 Library Improvents									900,000	-	900,000	900,000	-
D-7521 Mechanical Screens									460,000	-	460,000	460,000	-
D-7522 Parking Improvements									250,000	-	250,000	250,000	-
D-7523 Phone Systems									73,800	-	73,800	73,800	-
D-7524 Minor Renovations									1,210,000	-	1,210,000	1,210,000	-
D-7525 Security Lighting									400,400	-	400,400	400,400	-
D-7526 Sidewalk Upgrades									500,000	-	500,000	500,000	-
D-7527 Windows-Blossom Valley									200,000	-	200,000	200,000	-
D-7599 Program Management	292,698	335,000	355,000	365,000	395,000	425,000	410,000	425,000	480,000	517,302	4,000,000	4,000,000	-
Contingency	-	145,993	145,993	145,993	145,993	145,993	145,993	145,993	145,993	297,095	1,465,039	1,459,931	5,108
Total Project Needs	724,070	6,122,116	39,159,520	4,689,493	14,890,993	20,503,993	2,705,993	14,670,993	37,218,431	15,814,397	156,500,000	156,500,000	-
Ending Balance	34,964,874	28,842,758	22,183,237	17,493,744	2,602,751	18,998,758	16,292,765	1,621,772	16,503,341	688,944	688,944		

Project Status Matrix

Project Number	Project Description	Anza	Avocado	Blossom Valley	Bostonia	Cajon Valley Middle	Chase	Crest	Emerald Middle	Flying Hills	Fuerte	Greenfield Middle	Hall, W.D.	Hillsdale Middle	Jamacha	Johnson	Lexington	Los Coches Creek	Madison	Magnolia	Meridian	Montgomery	Naranca	Rancho S.D.	Rios	Vista Grande
7501	Water Line Replacement																			★						
7502	Security Camera Upgrades		★		★	★		★			★		★		★					★	★			★		
7503	Clock System Upgrades	★				★		★		★	★	★			★			★	★	★		★				
7504	Playground Upgrades	★		★								★										★				
7505	New Gym GMS										★															
7506	Electrical Upgrades	★					★	★		★		★						★	★			★		★		
7507	Reconstruction CVMS				★																					
7508	HVAC	★				★	★	★	★	★				★	★			★	★	★		★	★	★		
7509	MPR Remodel FH								★																	
7510	Modernization VG																								★	
7511	Modernization RS																							★		
7512	Technology	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	★	
7513	Reconstruction LX															★										
7514	Add Restrooms														★						★	★				
7515	New Gym EMS							★																		
7516	New Gym MMS																				★					
7517	Reconstruct School, TBD																									
7518	Erosion Control							★																		
7519	Fencing	★	★			★	★	★		★	★	★	★		★			★		★	★	★	★	★	★	
7520	Library Improvements		★				★	★		★	★	★						★								
7521	Mechanical Screens								★	★																
7522	Parking Lot Upgrades											★						★								
7523	Phone System Upgrades					★				★				★												
7524	Minor Renovations		★							★					★						★					
7525	Security Lighting			★				★		★		★		★						★	★			★		
7526	Sidewalk Upgrades									★																
7527	Window Replacement		★																							

★ Planning/Design/Bid Phase
 ★ Construction Phase

★ Complete
 ★ Future

*Additional enhancements may be added to completed projects if budget allows
 * Future projects subject to change

Current Projects (updated 10/27/09)

PROJECT	DESCRIPTION
Electrical Upgrades	Plans and specifications are complete.
HVAC	DEC Engineers has been hired to provide all mechanical, structural and electrical engineering, Division of the State Architect review and approvals, bidding support and construction administration support. A pre-qualification process will be established for potential contractors. Work will begin in the Summer of 2010.
New Gymnasium – Greenfield	The District is working with Sprotte-Watson Architecture and Hamann Construction to complete the plans and specifications. Due to the current construction market and the cost savings associated with tilt-slab construction, it appears that additional scope may be added to greatly enhance the project within the current budget. Construction is expected to begin in the Summer of 2010. Completion is expected in the Summer of 2011.
Expanded Multipurpose Bldg – Flying Hills	The Bid was awarded to the Augustine Company on 9/22/09. The Construction is beginning in Oct 2009. Completion is expected in Feb 2010.
Rebuild – Cajon Valley M.S.	The District is working with Sprotte-Watson Architecture and West Coast Air to complete the plans and specifications. Construction is expected to begin in the Summer of 2010. Completion is expected in the Summer of 2011.
Security Cameras	Security Cameras were installed at Avocado Elementary. Specifications for the balance of schools are underway. The engineer is preparing a design proposal. Completion is expected in Summer 2010.
Technology	The recommendations of the technology committee are being reviewed and updated, and the implementation plan is being refined. Infrastructure work is expected to begin in Summer 2010.
Modernization – Vista Grande	Shade structures will be installed over winter break (this portion of the modernization project is being completed ahead of schedule for health and safety reasons).

Completed Projects

PROJECT	DESCRIPTION
Playground Upgrades	Playground equipment was installed at Anza, Meridian, Naranca & W.D. Hall (summer 2009) and Blossom Valley (Fall 2009). Projects were completed under budget. A small portion of the savings will be used for ADA/ path-of-travel enhancements at Blossom Valley. The remainder will be moved to contingency.
Waterline Project	New waterline at Meridian Elementary. Completed Spring 2008 under budget. Savings will be moved to contingency.
Fencing Project	Approx. 180 linear ft. of 6' chain link fencing with 3 roll gates and 3 walk gates were installed at Anza Elementary, in May 2009. The remainder of the fencing project will be completed at a later date.
Clock Systems	Systems were installed by in-house staff October 2009, resulting in significant savings. Savings will be moved to contingency.