

**July 1, 2018 – June 30, 2019**  
**Citizens' Bond Oversight Committee**

## **ANNUAL REPORT**



The San Rafael City Schools' (SRCS) Bond Measures A and B Programs were generously approved by the SRCS Community voters to provide much needed capital improvements to our facilities, and include significant funding directed at creating safe, innovative learning environments and instructional technology to support 21st Century learning. Additional classrooms, labs and equipment are being built and procured to reduce overcrowding in our schools and to meet the growing demand for hands-on science, technology, engineering, arts and math (STEAM) classes.

The Citizens' Bond Oversight Committee is pleased to present its annual report on the progress of the San Rafael City Schools' (District) Bond Measures A and B initiatives for the 2018-19 fiscal year.

In 2018-19, the District completed numerous major construction projects. The San Rafael High School Stadium was completed on time and on budget. In fact, the Class of 2018 celebrated their graduation inside the Stadium, followed by a festive ceremonial grand opening.

In preparation for the 2018-19 school year, interim housing for four schools was constructed over the summer, with move-in completed by the start of the school semester. This included the entire relocation of the Laurel Dell Elementary School campus to the newly renovated Davidson Annex, designed to temporarily house students and staff during construction at Laurel Dell. Venetia Valley K-8 School and San Rafael High School both had temporary housing installed on their campuses to make way for demolition of old buildings. Additionally, the Demolition Projects at these schools, as well as the Utility Relocation Project at Terra Linda High School, were completed by Winter 2018. San Rafael City Schools celebrated the Glenwood Elementary School's new Multi-purpose Room, which began and completed construction in this fiscal year, at an opening ceremony in June 2019.

In conjunction with finalizing these projects, many more construction efforts began and continued to make significant progress through the 2018-19 fiscal year. These projects included Laurel Dell Campus Replacement/Modernization; Davidson Middle School STEM Classroom Building; Venetia Valley K-8 Replacement Classroom Building; San Pedro New Classroom/Administration Buildings; San Rafael High School Madrone, Administration, Commons, Kitchen ("MACK"); Terra Linda High School Innovations Hub and; Terra Linda High School Commons, Kitchen, Library, Drama. In addition, design efforts began on the San Rafael High School STEAM Building Project.

It is important to note that in 2018-19, as in 2017-18, dramatic increases in cost escalation construction pricing continued. The Capital Improvements Division continued to work diligently and proactively to make sure that the projects are realized, ensuring the highest standard of quality within all of the Measure A and B Bond programs, while keeping with the outlined use of bond revenues. This included continuing to partner with each school's Site Design Committee and Design/Contractor team to prioritize and value engineer projects.

In terms of looking ahead to the 2019-20 school year, San Rafael City Schools has had unprecedented levels of construction activity. Significant progress continues throughout the District. This includes the completion of four major projects. The Terra Linda High School Innovations Hub was opened in September 2019. The completion of the Laurel Dell Campus Replacement/Modernization project resulted in students and staff moving into their new campus in January 2020. Also, in January 2020, the Davidson Middle School STEM Classroom Building opened its doors to the school's Science, Technology, Engineering and Math classrooms, and the San Pedro New Classroom/Administration Buildings welcomed students and staff to their new and modernized classrooms and instructional support facilities.



# San Rafael City Schools 2019 General Obligation Bonds Bond Sale Recap & Results

## Bond Sale Recap

- On October 31, 2019, San Rafael City Schools (the "District") brought to market three series of bonds
  - The San Rafael City High School District (the "HSD") issued its Series C Bonds for the 2015 Measure B authorization in the amount of \$65.5 million.
    - Following the issuance of the Series C Bonds, there is no remaining unissued authorization from the Measure B authorization.
  - The HSD also issued the 2019 General Obligation Refunding Bonds (Federally Taxable) in the amount of \$11.1 million to refinance (or "refund") the outstanding callable maturities of the HSD's 2011 General Obligation Refunding Bonds.
  - The San Rafael City Elementary School District (the "ESD") issued the 2019 General Obligation Refunding Bonds (Federally Taxable) in the amount of \$15.6 million to refund the outstanding callable maturities of the ESD's 2011 General Obligation Refunding Bonds.

## Bond Sale Results

- In comparison with the good faith estimates included in the Bond Resolutions approved by the Board at its meeting on September 23<sup>rd</sup>, interest rates were lower on the day of sale, as illustrated by the tables below.
- The lower interest rates resulted in reduced borrowing costs for each series of bonds, and higher debt service savings for the refunding bonds.
  - The lower debt service payments benefit the District's taxpayers by decreasing the annual tax levy required to pay the debt.
- Lower bond payments due to low interest rates coupled with the HSD's strong growth in assessed valuation for FY 2019-20 allowed for the final maturity of the HSD's Series C Bonds to be shortened by two years, to August 1, 2047, resulting in additional debt service savings for the benefit of the HSD's taxpayers.

*STIFEL / Isom Advisors, A Division of Urban Futures Incorporation, 2019*

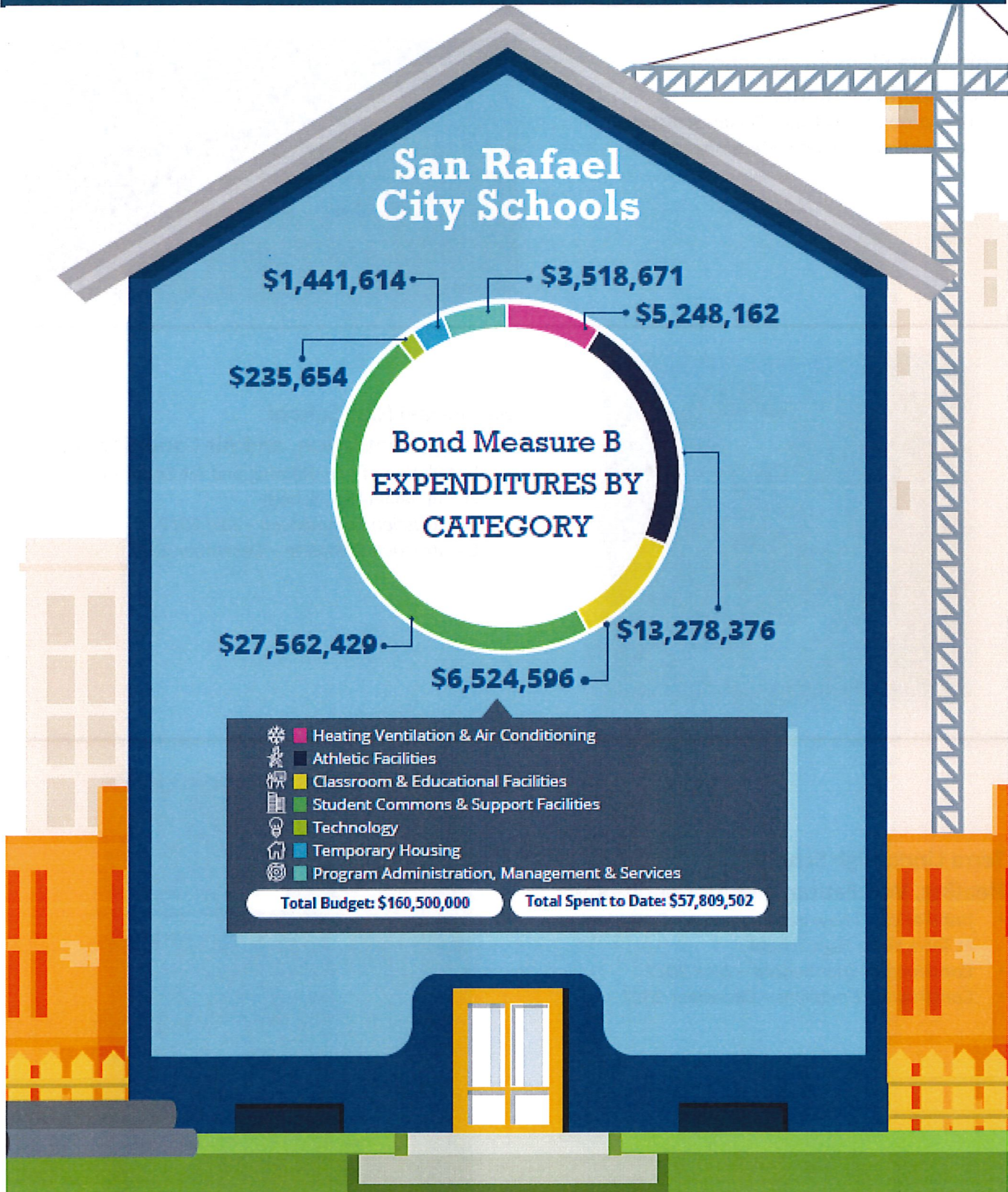
## Bond Interest Accrued to Date

- Bond Measure A (ESD): \$1,728,546
- Bond Measure B (HSD): \$2,485,812

These funds assist the District in completing existing Bond Projects.



# Bond Expenditures – To Date





# Completed Project Highlights



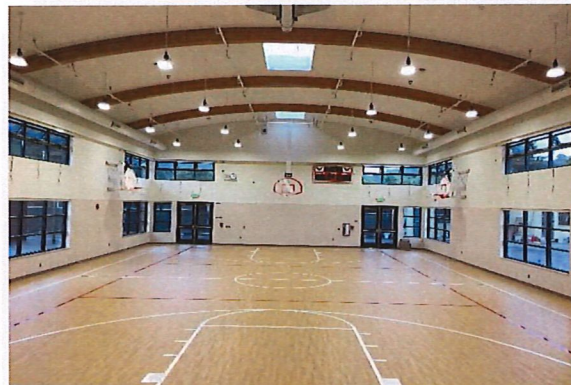
## San Rafael High School Stadium Renovation

- All-weather turf field
- Nine lane track
- ADA accessible bleachers
- Concession stand and ticket booth
- Updated lighting
- *Construction Commenced – July 2017*
- *Construction Complete – August 2018*

---

## Glenwood Elementary School Multipurpose Room

- Construction on a new multi-purpose room and outdoor amphitheater.
- *Construction Commenced - June 2018*
- *Construction Complete - June 2019*



## Laurel Dell Elementary School Interim Housing (Davidson Annex)

- Laurel Dell students and staff relocate to the Davidson Middle School (Annex) while their school is being replaced and modernized.
- *Construction / Modernization Commenced - May 2018*
- *Construction Complete – August 2018*



# Projects in Progress

## San Pedro New Classroom; Admin; Modular

- New Instructional and support facilities: Five (5) new kindergarten classrooms, one pre-school classroom, an office, and student support spaces
- *Construction Commenced – July 2018*

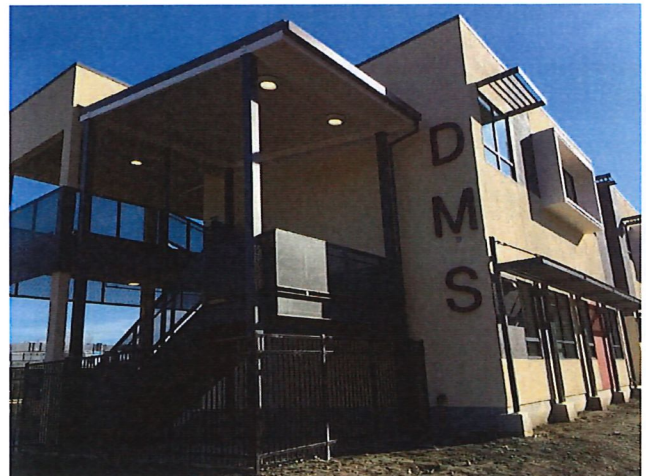


## Laurel Dell Elementary School Campus Replacement / Modernization

- Eight (8) new 21<sup>st</sup> century classrooms, adjacent collaborative spaces, a multipurpose room, office and student support spaces, and extended learning spaces
- Renovation of current multi-purpose and classroom spaces
- Outdoor learning courtyard
- *Construction Commenced – October 2018*

## Davidson Middle School STEM Classroom Building

- New STEM Facility: A new classroom building designed to support science, technology, engineering and math, including ten (10) classrooms/labs and teacher preparation spaces
- *Construction Commenced – September 2018*



# Projects in Progress

## San Rafael High School

### Madrone, Admin, Commons, Kitchen

- Construction of one new two-story building consisting of Administrative office, Student Services, Student Commons, Kitchen, and Madrone High School Classrooms
- *Construction Commenced – March 2019*



## San Rafael High School

### STEAM

- Two-story STEAM (Science, Technology, Engineering, Arts and Math) building includes two new science labs, classrooms, a ceramics studio, a physics academy, and a fabrication lab for practical application of the concepts students are learning
- *Final Design BOE Approved – April 2019*



# Audit Review and Findings

## **FISCAL AND PERFORMANCE AUDIT**

As required by Measure A and B Bond language, each year a fiscal and performance audit of Measure A and B expenditures is conducted.

The certified public accountant firm of Nigro & Nigro performed the required 2018-19 financial and performance audits for the fiscal year ending June 30, 2019. The auditor issued an unqualified opinion that no deficiencies or unallowable expenses were discovered.

The audit reports were presented and approved by the District's Board of Education at their meeting held on January 27, 2020. With this, it was concluded that San Rafael City Schools complied in all material respects with Measures A and B requirements to expend bond proceeds only on the school facilities projects specified in each. The audit was received by the Citizens' Bond Oversight Committee at the February 3, 2020 CBOC Meeting.

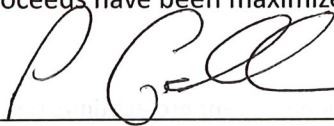
# Statement of Compliance

## **STATEMENT OF COMPLIANCE**

This 2018-19 CBOC Annual Report is submitted to the Board of Trustees on September 29, 2020 by San Rafael City School District Measures A & B Citizens' Bond Oversight Committee.

The Committee advises that, to the best of its knowledge, the San Rafael City School District is in compliance with the requirements of Article XIII A, Section 1(b) (3) of the California Constitution. Furthermore, the Committee has reviewed expenditure reports produced by the District that will be used to confirm that (a) bond proceeds have been expended only for the purposes set forth in the ballot measures; (b) and not for any other purposes, including teacher and administrative salaries and other school operating expenses; (c) and that bond proceeds have been maximized.

Respectfully Submitted: \_\_\_\_\_



Date: \_\_\_\_\_

9/29/20

Peter Gebbie, Chairperson

San Rafael City School District, Measures A & B Citizens' Bond Oversight Committee