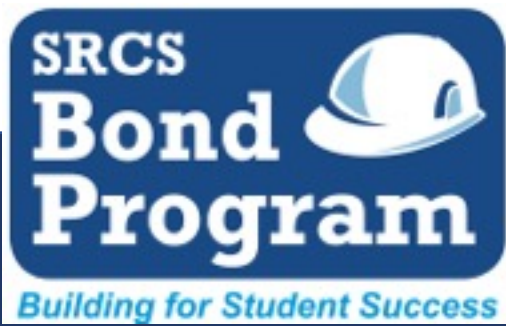


July 1, 2016 – June 30, 2017

## Citizens' Bond Oversight Committee



# REPORT TO THE COMMUNITY



## BACKGROUND

In 2015, the voters of the San Rafael City School District passed Measure A and Measure B. Measure A is a \$108,225,000 bond measure and Measure B is a \$160,500,000 bond measure that authorize funding for needed repairs, upgrades, and new construction projects to the District's elementary and high schools respectively. Proposition 39 requires a 55% supermajority for approval; Measure A passed by 66% and Measure B passed by 67%.

## 2016-17 OVERSIGHT COMMITTEE MEMBERS

Mark Schott, Chair, Community Member-At-Large  
Kyri McClellan, Vice Chair, Parent /Guardian Participant  
Niels von Doepf, Local Business Organization Representative  
John Erdmann, Senior Citizen Group Representative  
Carol Farrer, Community Member-At-Large  
Peter Gebbie, Parent/Guardian Participant  
George Tuttle III, Community Member-At-Large

### \*New Starting Members:

Carson Anderson, Taxpayer Organization Member (12/18/17)  
Claudia Vazquez, Parent/Guardian Participant (3/12/18)

## BOND OVERSIGHT COMMITTEE FORMED

Under the provisions of the California Constitution as amended by Prop 39 an independent Citizens' Bond Oversight Committee (CBOC) must be established to assure that Bond funds are spent as approved by the voters.

On January 11, 2016 the San Rafael City Schools' Board of Education approved Resolution 1668 establishing a Bond Oversight committee for the elementary and high school district bond funds.

The purpose of the CBOC is to inform the public concerning the expenditures and uses of bond revenues. The CBOC shall actively review and report on the expenditure of taxpayers' money for bond-funded construction. The CBOC duties are:

- Inform the Public. The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.
- Review Expenditures. The Committee shall review expenditure reports produced by the District to

Ensure that (a) bond proceeds were expended only for the purposes set forth in Measure A and Measure B, respectively; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

- Annual Report. The Committee shall present to the Board, in public session, following each fiscal year, an annual written report for each of the Measures which shall include the following:
  - ✓ A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
  - ✓ A summary of the Committee's proceedings and activities for the preceding year.



# Audit Review and Findings

## FISCAL AND PERFORMANCE AUDIT

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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 2016-17 financial and performance audits for the fiscal year ending June 30, 2017. 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 February 5, 2018. 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 March 5, 2018 CBOC Meeting.

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# Audit Review and Findings

## Measure "A"

### MEASURE "A" GENERAL OBLIGATION BOND BUILDING FUND OF SAN RAFAEL CITY ELEMENTARY SCHOOL DISTRICT

#### *Statement of Revenues, Expenditures, and Changes in Fund Balance For the Fiscal Year Ended June 30, 2017*

<b>REVENUES</b>	<b>Measure "A"</b>
STRS on-behalf contributions	\$ 5,684
Interest earnings	<u>115,017</u>
Total Revenues	<u><u>120,701</u></u>
<b>EXPENDITURES</b>	
Current:	
Plant Services:	
Classified Salaries	\$ 87,735
Benefits	27,211
Materials & Supplies	1,670
Services and other operating expenditures	79,736
Capital Outlay	1,631,433
Total Expenditures	<u><u>1,827,785</u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,707,084)</u>
Fund Balance, July 1, 2016	24,723,484
Fund Balance, June 30, 2017	<u><u>\$ 23,016,400</u></u>

# Audit Review and Findings

## Measure "B"

### MEASURE "B" GENERAL OBLIGATION BOND BUILDING FUND OF SAN RAFAEL CITY ELEMENTARY SCHOOL DISTRICT

#### *Statement of Revenues, Expenditures, and Changes in Fund Balance For the Fiscal Year Ended June 30, 2017*

<b>REVENUES</b>	<b>Measure "B"</b>
State revenue	\$ 5,667
Interest revenue	<u>193,498</u>
Total Revenues	<u><u>199,165</u></u>
 <b>EXPENDITURES</b>	
Current:	
Plant Services:	
Classified Salaries	\$ 85,779
Benefits	25,670
Materials & Supplies	1,370
Services and other operating expenditures	126,693
Capital Outlay	2,686,051
Total Expenditures	<u><u>2,925,563</u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,726,398)</u>
Fund Balance, July 1, 2016	34,917,311
Fund Balance, June 30, 2017	<u><u>\$ 32,190,913</u></u>

# Bond Expenditures

## 2016-17 CBOC Annual Report

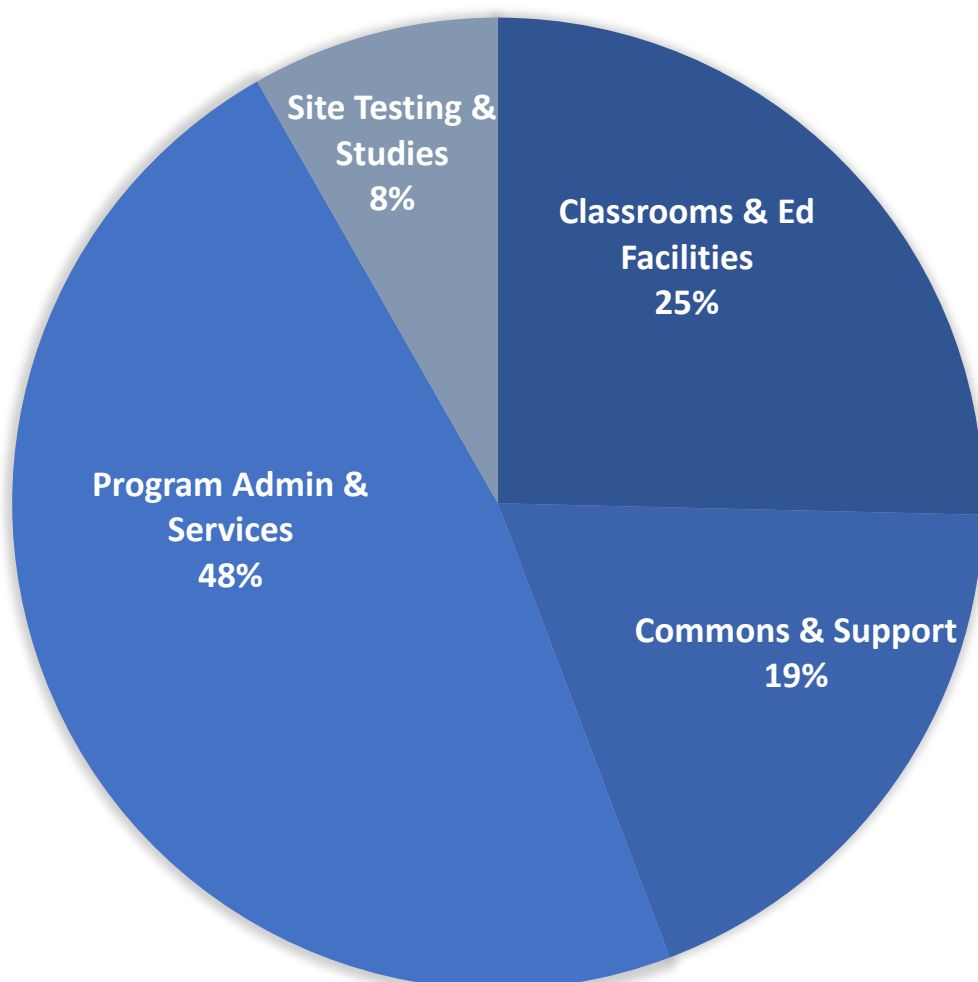
### San Rafael City Elementary School District Expenditures

School Project Name / Expenditure	2016-17 Expenditures
Bahia Vista Elementary School - Bahia Vista Lunch/Shade Structure (3)	\$ 50
Davidson Middle School - DMS A Site-Wide Project Costs	\$ 42,661
Davidson Middle School - DMS Gym Locker PE Expansion	
Davidson Middle School - DMS New MPR	
Davidson Middle School - DMS New STEAM CR Building	\$ 99,360
Davidson Middle School - DMS Ten Wing Roofing/Waterproofing	\$ 13,554
Glenwood Elementary School - GL MultiPurpose; Modular	\$ 191,561
Laurel Dell Elementary School - LD A Site-Wide Project Costs	\$ 19,638
Laurel Dell Elementary School - LD New Construction and Modernization	\$ 129,717
Laurel Dell Elementary School - LD Transitional Housing (3)	
San Pedro Elementary School - SP New Classroom; Admin Bldg; Modular	\$ 94,895
San Pedro Elementary School - SP Site-Wide Project Costs	\$ 38,537
Short Elementary School - SH 4 CRs, MPR, Library, Mod, Improvements	\$ 6,991
Venetia Valley Middle School - V V A Site-Wide Project Costs	\$ 39,760
Venetia Valley Middle School - V V Modernize Kinder and Gym	
Venetia Valley Middle School - V V New MultiPurpose Building	
Venetia Valley Middle School - V V Park, Drop, Frontage Improvements	
Venetia Valley Middle School - V V Replacement CR Wings	\$ 217,503
Venetia Valley Middle School - V V Shade Structure	
Venetia Valley Middle School - V V Transitional Housing	
Z ESD Program Common Costs - W Program Administration - District	\$ 114,946
Z ESD Program Common Costs - X Program Management	\$ 424,235
Z ESD Program Common Costs - Y Program Services and Operations	\$ 394,377
<b>Totals</b>	<b>\$ 1,827,785</b>

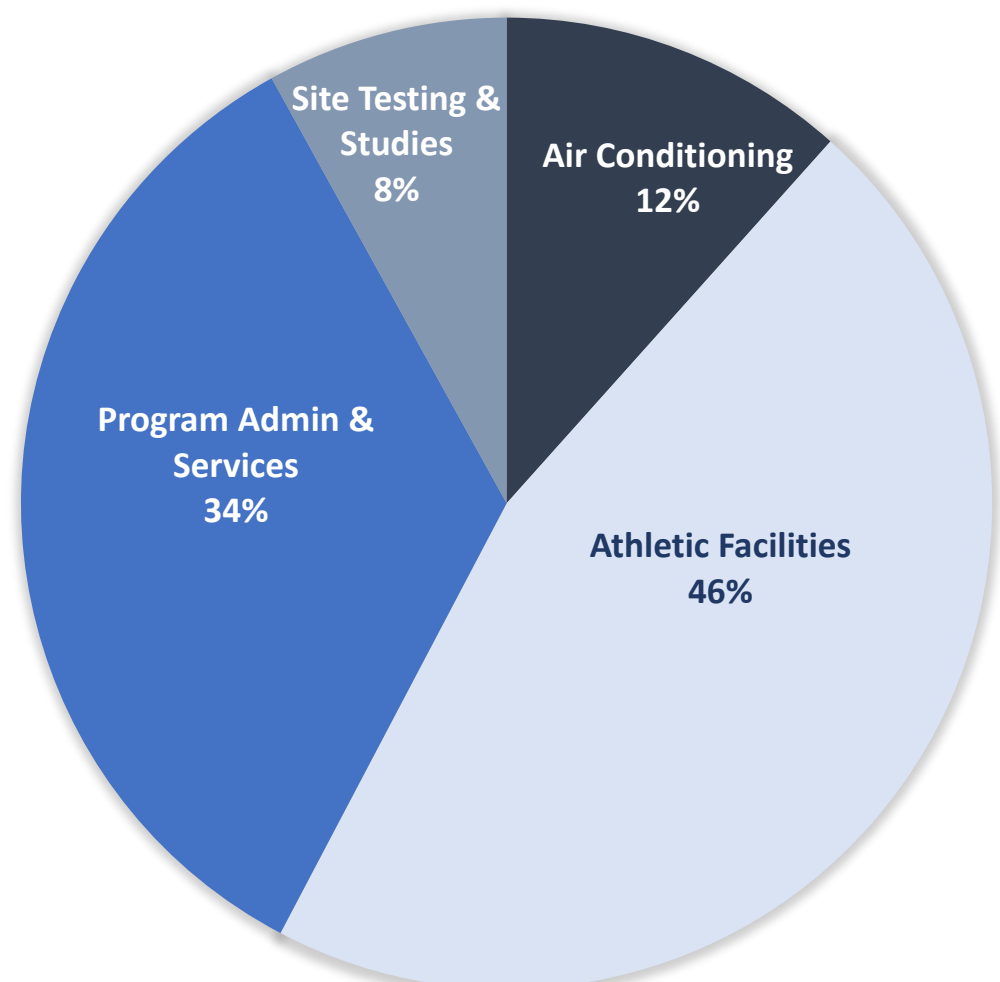
### San Rafael City High School District Expenditures

School Project Name / Expenditure	2016-17 Expenditures
Madrone High School - Madrone	
San Rafael High School - SR A Site-Wide Project	\$ 116,598
San Rafael High School - SR Admin, Commons, Kitchen, Entry	
San Rafael High School - SR Air Conditioning (3)	\$ 164,149
San Rafael High School - SR Convert Administration to Classrooms	
San Rafael High School - SR CTE, Science, Eng, Tech	
San Rafael High School - SR Parking, Quad, Site-Work	
San Rafael High School - SR PE Ath Mod & Locker Add	
San Rafael High School - SR Transitional Housing Ph 1: Science Labs	
San Rafael High School - SRHS Stadium (1) (4)	\$ 1,331,082
Terra Linda High School - TL A Site Wide Project	\$ 115,563
Terra Linda High School - TL Air Conditioning (3)	\$ 171,462
Terra Linda High School - TL ICT (STEAM) Renovation (2)	
Terra Linda High School - TL Music Building	
Terra Linda High School - TL New Commons, Kitchen, Up Library, Drama (2)	
Terra Linda High School - TL New Fine Arts, Ceramic Bldg	
Terra Linda High School - TL New Main Gym (2)	
Terra Linda High School - TL Parking Main Entry Renovation	
Terra Linda High School - TL Renovate CRs; Main Building (2)	
Terra Linda High School - TL Temp Housing Music Drama	
Z HSD Program Common Costs - W Program Administration	\$ 111,449
Z HSD Program Common Costs - X Program Management	\$ 498,015
Z HSD Program Common Costs - Y Program Services	\$ 417,245
<b>Total</b>	<b>\$ 2,925,563</b>

### ELEMENTARY SCHOOL EXPENDITURES



### HIGH SCHOOL EXPENDITURES





# Project Status



## Bahia Vista Elementary School Lunch/Shade Structure

- Construction Contract BOE Approved – June 2017
- Construction to begin – August 2017

## Glenwood Elementary School Multipurpose Room

- Schematic Design BOE Approved – June 2017
- Design Development to BOE – August 2017



## Laurel Dell Elementary School Campus Replacement

- Schematic Design BOE Approved – June 2017

## Davidson Middle School STEAM Classroom Building

- Schematic Design BOE Approved – June 2017
- Modular Company Negotiations On-going



## San Rafael High School Stadium Renovation

- Construction Contract BOE Approved – June 2017
- Construction to begin – July 2017

## Venetia Valley Elementary School Replacement Classroom Building

- Site Design Committee/Architects validate/  
Confirm final Schematic Designs
- Schematic Designs to BOE – July 24

## San Rafael High School & Terra Linda High School

### Heating, Ventilation, and Air Conditioning

- Construction Contract BOE Approved – May 2017
- Start of Construction – June 2017

# CBOC Activities

The Citizens' Bond Oversight Committee ("Committee") is responsible for meeting at least once per year, but must not meet more frequently than quarterly. All meetings shall be held within the boundaries of the San Rafael City Schools, located in Marin County, California. All meetings must be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq* and the number of Committee members must constitute a quorum for the transaction of any business of the Committee.

There were four (4) CBOC Meetings held during fiscal year 2016-17.

The following is a summary of these Committee Meetings.

## November 3, 2016:

- Committee member terms were established.
- SRCS Construction Counsel Mark Kelley provided a presentation regarding committee roles and responsibilities. The focus of this presentation was on *Brown Act* guidelines.
- Committee decided it would meet three (3) times per year including this meeting and it was decided that one meeting should be a planning workshop to complete the Annual Report.
- It was confirmed that the Committee is to receive both the Performance Audit and Financial Audit.

## March 6, 2017:

- The 2015-16 performance and financial reports were distributed at this meeting.
- Committee members discussed the logistics of preparing the Citizens' Bond Oversight Committee Annual Report. Included in the discussion was the preparation, the timing, and the content of the report. A sample report was shared with the group. Mark Schott explained that the final report should be complete 30 to 60 days after June.
- Committee briefly discussed the budget reports that will be available through *Accountability*, the bond accounting program. The Committee discussed the information that would need to be made available through *Accountability* in order to meet the (fiscal) requirements of the committee.
- Committee discussed the importance of making site visits at the various school sites involved in the SRCS Bond Program.
- Committee was presented with a current project update, including an initial review of the three phases of design (Schematic Design, Design Development, and Construction Documents) that are involved in the early phases of the bond program. Following, the Capital Facilities Team shared a set of preliminary schematic drawings with the caveat that the drawings were a "snapshot" in time, and will be evolving.

## June 1, 2017

- Committee members attended a San Rafael High School Site Design Committee Meeting.
- Committee was scheduled to review a draft of the *Citizens' Bond Oversight Committee Annual Report*.

## June 8, 2017

- Committee reviewed a draft of the *Citizens' Bond Oversight Committee Annual Report*.
- The Capital Facilities Team shared budget reports that are available through the bond accounting program.
- Future Financial Study Session – The Committee decided to schedule a financial study sessions for the week of August 14<sup>th</sup>, when additional reports would be available.



# Statement of Compliance

## STATEMENT OF COMPLIANCE

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This Annual Report is submitted to the Board of Trustees 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: \_\_\_\_\_

Kyri McClellan, Chair

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



## **Additional CBOC Activities**

### **2017-18 Meetings**

#### **August 28, 2017**

- Copies of the final Draft 2015-16 Annual Citizens' Bond Oversight Committee Report were distributed to Committee members for final review and discussion.
- Committee members reviewed Bond Measures A & B Program accounting processes and controls.
- Committee members reviewed Bond Measures A & B Program Budget and Expenditure Reports.
- Committee members reviewed CBOC Member term renewals.
- Committee members were invited to join the Capital Facilities Team for their regular presentation at the Board of Education Meeting that was being held simultaneously to this CBOC meeting.

#### **November 27, 2017**

- Introduction of new Committee applicant – Carston Anderson, Taxpayer Organization Member
- Committee members reviewed samples of fliers, notifications, and letters as samples of communication efforts to the community and neighborhoods regarding Bond Measures A & B activities.
- Committee members reviewed Bond Measures A & B Warrant Reports.
- Committee members approved the appointment of a new Chairperson - Kyrle McClellan.
- Committee members discussed officer terms and welcomed a new committee member.
- Committee discussed new committee member outreach.

#### **March 5, 2018**

- Introduction of new Committee applicant – Claudia Garcia, Parent/Guardian Participant.
- Committee members viewed a presentation regarding Bond Measures A & B updates including current project photos, communication efforts, and bond budget and expenditure information.
- Committee members were presented with the 2016-17 Financial Audit.
- Committee members reviewed budget documents, including current expenditure reports and various project contingency samples.
- Committee members discussed the 2016-17 CBOC Annual Report including the timeline for draft review and completion.
- Committee members approved the appointment of a new Vice Chairperson – Peter Gebbie.

#### **May 7, 2018**

- Committee members reviewed CBOC Guidelines.
- Committee members reviewed Draft 2016-17 Annual Citizens' Bond Oversight Committee Report.
- Committee members reviewed Bond Measures A & B Program Budget and Expenditure Reports.