

**Santa Rosa Elementary School District 2014
General Obligation Bond
Authorization - Measure L
Citizens' Oversight Committee**

Annual Report

MAY 2017

January 1, 2016 – December 31, 2016



Santa Rosa City Schools

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“Thank you Santa Rosa community for your support in preparing our students for college and careers.

Measures I and L will serve to upgrade facilities, and infuse classroom technology and associated access, in order to better serve our students.” – Diann Kitamura , Superintendent, Santa Rosa City Schools

Bond Background

Measure L

On November 4, 2014, the voters of the Santa Rosa Elementary School District authorized measure L under the Proposition 39 statutes. Measure L authorized the issuance of \$54 million in General Obligation Bonds. Proceeds from the sales of the Bonds will be used to finance the acquisition, construction, furnishing, and equipping of District facilities in accordance with the bond proposition approved at the Election, and a project list including basic school repairs, upgrades and capital improvements to classrooms, labs and facilities, school safety, and technology improvements to provide a 21st Century Education.

Ballot Question: “To improve elementary school educational quality and student safety by upgrading classrooms and science labs, replacing deteriorating and outdated plumbing, heating, ventilation and air-conditioning systems, providing updated 21st century classroom technology, and acquiring, renovating or constructing classrooms, equipment, sites and facilities, shall Santa Rosa Elementary School District issue \$54 million in bonds at legal rates, including independent citizens’ oversight, annual audits, no money for administrators’ salaries* and all funds benefiting local schools (State cannot take the funds).”

**The prohibition does not include employees who oversee and administer the bond program.*

<http://srcs.link/bond-salary>

What will Measure L do?

Measure L will improve our local elementary schools by:

- Providing up-to-date, 21st-century technology to prepare students for college and careers
- Repairing leaky roofs and deteriorating plumbing, sewer and electrical systems
- Replacing outdated heating and air conditioning systems
- Improving access to classrooms and labs for students with disabilities
- Upgrading campus security, safety and fire systems at all schools
- Renovating aging classrooms, science, labs, restrooms and other educational facilities

Citizens' Oversight Committee (COC)

In accordance with bond spending rules, Santa Rosa City Schools has convened a Citizens' Bond Oversight Committee to keep the public informed. This committee will review Measure L bond expenditures, review the annual audit prepared by an independent auditing firm, and ensure that funds are spent according to the terms of the ballot language.

District will solicit applications from the community to form the oversight committee. By law, the oversight committee must include a member active in business organization, a member active in a senior citizens' organization, a member active in bona fide taxpayers' organization, a member active in the Parent Teachers Association (PTA) as well as a member who is a parent or guardian of a child enrolled in the District. No employee or official of the District can be appointed to the oversight committee.

Role of the Citizens' Oversight Committee:

- Ensure bond revenues are expended only for construction, reconstruction, rehabilitation, or replacement of school facilities.
- Inform the public concerning expenditure of bond proceeds
- Review annual performance audit
- Review annual financial audit
- Inspection of school facilities & grounds to ensure expenditures are for listed projects
- Review District efforts to maximize bond revenues through implementation of cost containment measures:
 - Professional fees
 - Site preparation
 - Joint use of facilities
 - Design deficiencies
 - Reusable facilities plans
- Provide an annual progress report to the Board and the public
- Provide final report to the Board and the public at the completion of all projects
- Review deferred maintenance reports and plans

Facility Master Plan (FMP)

The Santa Rosa City Schools Facility Master Plan (FMP) was developed to identify and prioritize projects for each of the elementary schools. The FMP was approved by the Santa Rosa City School Board of Education on April 27, 2016.

Role of the Board of Education

- For a Prop. 39 Bond:
 - Places bond measure on ballot
 - Appoints COC
 - Establishes guidelines for the COC
 - Approves bond program project list and an implementation plan
- Evaluate school facilities needs
- Approve additions or alterations to existing buildings
- Determine when new facilities are needed
- Select and acquires sites
- Determine the method of financing
- Approve selection of architects and engineers
- Authorize projects for bid
- Award contracts for design and construction
- Approve change orders to construction contracts

Activities

Citizens' Oversight Committee (COC)

August 11, 2015	Meeting, Review of COC Roles & Responsibilities, Selection of COC Chair and Vice Chair
April 12, 2016	Meeting, Review of COC Roles & Responsibilities (follow-up to the prior COC meeting). General Bond Program Status (Facilities/Technology)
December 8, 2016	Meeting, Review General Bond Program Status, Bond Expenditures, and Annual Report requirement
May 19, 2017	Meeting minutes, General bond program status, bond expenditures, audit report, annual report, and future meetings.

Santa Rosa City School Board

April 27, 2016	Facilities Master Plan (FMP) Approved
November 9, 2016	Architectural firm and construction management firm pools for Measures L bond projects approved.

Bond Financials

Measure L General Obligation Bond Sales

Total Bond Authorization	\$54,000,000
Series A & B sold February 2016	\$9,500,000
Series C sold December 2016	\$15,000,000

Santa Rosa City School
Measure L - Elementary Bond Program
Program Snapshot through 12/31/2016

Measure L Voter Authorization	\$	54,000,000
Measure L Series A, B, & C Issuance	\$	24,500,000
Interest	\$	60,970
Cost of Issuances, Debt Service, COI Refund	\$	(297,177)
Election Costs	\$	(29,998)
Net Proceeds from Series A, B, & C (Cash on Hand Before Expenditures)	\$	24,233,795
Expenditure Overview	Encumbered	Disbursement

Facilities Projects - Construction ^	\$	905,627.61	\$	431,600.13
Design/Engineering/Inspection Services ^^			\$	379,452.69
Technology Projects Cost	\$	5,958,339.57	\$	4,219,985.30
Bond Administration	\$	94,790.82	\$	71,372.91

					Budget Remaining As of 12/31/2016 (Budget - Encumbered=Total)
Program Budget Totals	Budget**	Encumbered	Disbursement		
Facilities Program Budget	\$ 40,733,795	\$ 1,359,346.59	\$ 834,603.01	\$	39,374,448.41
Technology Program Budget	\$ 13,000,000	\$ 5,958,339.57	\$ 4,219,985.30	\$	7,041,660.43
Bond Program Totals	\$ 53,733,795	\$ 7,317,686.16	\$ 5,054,588.31	\$	46,416,108.84

^ SR Charter for the Arts full financial impact is not included in these totals

During this time period a different facilities fund was used and is currently being reconciled and journal transferred to

*Design/Engineering/Inspection Services are encumbered in Facilities Projects - Construction

**Budget indicates amount based on total Measure L Authorization (\$54,000,000) less Election and Issuance Costs

PROGRAM OVERALL SUMMARY REPORT **SANTA ROSA CITY SCHOOLS**

UP TO 12/31/2016

FUND 21 - RES 0141 (2014 BOND - ELEMENTARY)

PROJECT	BUDGET	ENCUMBERED	DISBURSEMENT	BUDGET REMAINING	ENCUMBERED BALANCE
100-0000-0000 - Elementary Schools	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
104-9540-5192 - Charter School For The Arts - Asbestos/Haz. Mat.	\$40,669.00	\$0.00	\$0.00	\$40,669.00	\$0.00
104-9631-5192 - Charter School For The Arts - Expansion Project ((54/70912-00-001))	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
104-9875-5192 - Charter School For The Arts - Modernization	\$17,167.42	\$17,167.42	(\$17,167.42)	\$0.00	\$0.00
104-9876-5192 - Charter School For The Arts - Modernization 2 ((54/70912-00-002))	\$1,161,743.11	\$507,783.84	(\$62,472.19)	\$653,959.27	\$445,311.65
106-9806-5192 - Biella - Portable Classrooms	\$15,505.91	\$0.00	\$0.00	\$15,505.91	\$0.00
106-9821-5192 - Biella - Roofing Replacement	\$188,010.81	\$125,000.00	\$0.00	\$63,010.81	\$125,000.00
106-9851-5192 - Biella - Site Improvements	\$4,050.72	\$0.00	\$0.00	\$4,050.72	\$0.00
112-9540-5192 - Hidden Valley Middle School - Asbestos/Hazardous	\$1,657.00	\$0.00	\$0.00	\$1,657.00	\$0.00
112-9821-5192 - Hidden Valley - Roofing Replacement	\$1,339,689.00	\$0.00	\$0.00	\$1,339,689.00	\$0.00
119-0000-5192 - Elementary District Wide - Undistributed	\$19,590.00	\$0.00	\$0.00	\$19,590.00	\$0.00
119-9400-5192 - Elementary District Wide - Bond Election Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
119-9402-5192 - Elementary District Wide - Bond Election 2014	\$28,997.83	\$28,997.83	(\$28,997.83)	\$0.00	\$0.00
119-9403-5192 - Elementary District Wide - Cost of Issuance	\$44,000.00	\$88,925.00	(\$88,925.00)	(\$44,925.00)	\$0.00
119-9531-5192 - Elementary District Wide - Site Safety	\$45,020.00	\$13,855.00	(\$6,855.00)	\$31,165.00	\$7,000.00
119-9650-5192 - Elementary District Wide - Other Fees	\$17,700.00	\$17,700.00	\$0.00	\$0.00	\$17,700.00
119-9816-5192 - Elementary District Wide - Hvac Systems	\$6,264.38	\$0.00	\$0.00	\$6,264.38	\$0.00
119-9817-5192 - Elementary District Wide - Hvac Replacement	\$3,408.60	\$0.00	\$0.00	\$3,408.60	\$0.00
119-9851-5192 - Elementary District Wide - Site Improvements	\$7,899.82	\$0.00	\$0.00	\$7,899.82	\$0.00
119-9852-5192 - Elementary District Wide - Site Improvement 2	\$232,997.60	\$232,997.60	(\$204,220.90)	\$0.00	\$28,776.70
119-9861-5192 - Elementary District Wide - Management	\$21,802.69	\$16,187.40	(\$5,387.40)	\$5,615.29	\$10,800.00
119-9900-5189 - Elementary District Wide - Tech Infrastructure	\$2,034,486.50	\$1,970,486.50	(\$1,582,836.45)	\$64,000.00	\$387,650.05
119-9902-5189 - Elementary District Wide - Phone Intercom System	\$945,664.99	\$945,664.99	(\$812,292.39)	\$0.00	\$133,372.60
119-9907-5189 - Elementary District Wide - Technology Other	\$3,458,602.64	\$3,008,670.70	(\$1,791,339.08)	\$449,931.94	\$1,217,331.62
119-9977-5192 - Elementary District Wide - Master Plan - Infrastru	\$227,843.33	\$209,450.33	(\$332,037.69)	\$18,393.00	(\$122,587.36)
124-9851-5192 - SR French American Charter - Site Improvements	\$4,302.00	\$0.00	\$0.00	\$4,302.00	\$0.00
127-9535-5192 - Cesar Chavez Language Academy - Site Improvements	\$2,135.00	\$2,135.00	(\$2,135.00)	\$0.00	\$0.00
128-9240-5192 - Hope Academy-Charter School	\$25,515.00	\$25,515.00	(\$25,515.00)	\$0.00	\$0.00
128-9806-5192 - Hope Academy - Portable Classrooms	\$40,560.00	\$40,560.00	(\$40,560.00)	\$0.00	\$0.00
191-9305-9795 - Elementary For Director Dp - Operations Services	\$57,204.14	\$50,662.74	(\$37,920.15)	\$6,541.40	\$12,742.59
192-9305-9795 - Elementary For Asst Sup Bus. - Operations Services	\$19,154.00	\$15,926.81	(\$15,926.81)	\$3,227.19	\$0.00
Grand Total	\$10,011,641.49	\$7,317,686.16	(\$5,054,588.31)	\$2,693,955.33	\$2,263,097.85

Fiscal and Performance Audit

The COC has reviewed

1. The Audit Report dated February 28, 2017 for year ended June 30, 2016 and prepared by Chavan & Associates, LLP, Certified Public Accountants. This report included the following:
 - Independent Auditor's Report
 - Program Statements
 - Schedule of Findings and Recommendations
 - Other Independent Auditor's Reports
 - The Audit Report can be found at <http://www.srcsbond.news/measure-l-annual-audits.html>.
2. District prepared financial reports dated December 8, 2016 and May 9, 2017. These reports can be found at <http://www.srcsbond.news/agendas.html>.

Photos

Lincoln Elementary new network / Old network equipment and District Data Center equipment:



Hidden Valley Elementary Wireless



Hidden Valley Elementary asphalt work:



2016 Construction at Santa Rosa Charter School for the Arts



Committee Members

Committee Members 2015*-2018		
Chair (Parent active PTO)	Kristen Hendricks	3 year term
Vice Chair (Parent or Guardian)	Jessica Rasmussen	2 year term
Member (Parent or Guardian)	Judith O'Donnell	3 year term
Member (Business)	Mike Behler	3 year term
Member (At Large)	Chris Nelle	2 year term
Member (Taxpayer's Organization)	Vacant	
Member (Senior Citizen's Organization)	Vacant	
Member (Parent or Guardian)	Vacant	

* Start of Term August 11, 2015

Contact Information

Measure L Bond

Rick Edson, Chief Bond Officer

<http://www.srcsbond.news/>



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