

**Santa Rosa High School District
2014 General Obligation Bond
Authorization – Measure I
Citizens' Oversight Committee**

Annual Report

MAY 2017

January 1, 2016 – December 31, 2016



Santa Rosa City Schools

Tel (707) 528-5411

211 Ridgway Avenue
Santa Rosa, CA 95401

<http://www.srcsbond.news>

Table of Contents

Contents

| | |
|------------------------------------|----|
| Bond Background _____ | 1 |
| Activities _____ | 4 |
| Bond Financials _____ | 5 |
| Fiscal and Performance Audit _____ | 8 |
| Photos _____ | 9 |
| Committee Members _____ | 11 |
| Contact Information _____ | 12 |

“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 I

On November 4, 2014, the voters of the Santa Rosa High School District authorized measure I under the Proposition 39 statutes. Measure I authorized the issuance of \$175 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 high school educational quality and student safety by upgrading classrooms and science labs, replacing deteriorating and outdated plumbing, heating, ventilation and air-conditioning systems, providing updated 21st century classroom technology, and acquiring, renovating or constructing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 High School District issue \$175 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 I do?

Measure I will improve our local middle and high 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 I 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 High 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 I bond projects approved. |

Bond Financials

Measure I General Obligation Bond Sales

| | |
|-----------------------------|----------------|
| Total Bond Authorization | \$ 175,000,000 |
| Series A sold February 2016 | \$ 12,165,000 |
| Series B sold December 2016 | \$ 50,000,000 |

Santa Rosa City School
Measure I - Secondary Bond Program
Program Snapshot through 12/31/2016

| | | |
|---|----|-------------|
| Measure I Voter Authorization | \$ | 175,000,000 |
| Measure I Series A & B Issuance | \$ | 62,165,000 |
| Interest | \$ | 5,764 |
| Cost of Issuances, Debt Service, COI Refund | \$ | (378,737) |
| Election Costs | \$ | (45,037) |
| Net Proceeds from Series A & B (Cash on Hand Before Expenditures) | \$ | 61,746,990 |

| Expenditure Overview | Encumbered | Disbursement |
|---|------------------|------------------|
| Facilities Projects - Construction | \$ 3,374,872.43 | \$ 496,577.23 |
| Design/Engineering/Inspection Services* | | \$ 2,190,774.44 |
| Technology Projects Cost | \$ 14,403,406.75 | \$ 11,333,156.23 |
| Bond Administration | \$ 209,578.85 | \$ 146,463.22 |

| | Budget** | Encumbered | Disbursement | Budget Remaining As of 12/31/2016 (Budget - Encumbered=Total) |
|---------------------------|----------------|------------------|------------------|--|
| Program Budget Totals | | | | |
| Facilities Program Budget | \$ 145,581,990 | \$ 3,584,451.28 | \$ 2,833,814.89 | \$ 141,997,538.72 |
| Technology Program Budget | \$ 29,000,000 | \$ 14,403,406.75 | \$ 11,333,156.23 | \$ 14,596,593.25 |
| Bond Program Totals | \$ 174,581,990 | \$ 17,987,858.03 | \$ 14,166,971.12 | \$ 156,594,131.97 |

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

**Budget indicates amount based on total Measure I Authorization (\$175,000,000) less Election and Issuance Costs

Program Overall Summary Report Santa Rosa City Schools

Up To 12/31/2016, Fund 21 - RES 0142 (2014 Bond - Secondary)

| PROJECT | BUDGET | ENCUMBERED | DISBURSEMENT | BUDGET REMAINING | ENCUMBERED BAL. |
|--|----------------|----------------|------------------|------------------|-----------------|
| 000-0000-0000 - District Wide | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 200-0000-0000 - Secondary Schools | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 200-9650-5192 - Secondary Schools - Other Fees | \$67,991.75 | \$67,991.75 | (\$64,761.00) | \$0.00 | \$3,230.75 |
| 230-9806-5192 - Cook Middle - Portable Classrooms | \$699,635.00 | \$83,325.00 | (\$62,207.79) | \$616,310.00 | \$21,117.21 |
| 230-9817-5192 - Cook Middle - HVAC Replacement | \$10,490.00 | \$10,490.00 | (\$10,490.00) | \$0.00 | \$0.00 |
| 230-9851-5192 - Cook Middle - Site Improvements | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 230-9875-5192 - Cook Middle - Modernization | \$2,631.88 | \$2,631.88 | (\$2,631.88) | \$0.00 | \$0.00 |
| 231-9540-5192 - Slater Middle - Asbestos/Hazardous Materials | \$44,098.00 | \$42,885.00 | \$0.00 | \$1,213.00 | \$42,885.00 |
| 231-9821-5192 - Slater Middle - Roofing Replacement | \$174,414.00 | \$174,414.00 | \$0.00 | \$0.00 | \$174,414.00 |
| 232-9532-5192 - Comstock Middle - Security | \$13,891.00 | \$13,891.00 | (\$13,891.00) | \$0.00 | \$0.00 |
| 232-9806-5192 - Comstock Middle - Portable Classrooms | \$86,900.00 | \$86,900.00 | (\$8,083.00) | \$0.00 | \$80,817.00 |
| 233-9806-5192 - Rincon Valley Middle - Portable Classrooms | \$2,249.35 | \$2,249.35 | (\$2,249.35) | \$0.00 | \$0.00 |
| 233-9875-5192 - Rincon Valley Middle - Modernization | \$669.00 | \$669.00 | (\$669.00) | \$0.00 | \$0.00 |
| 249-9400-5192 - Secondary District Wide - Bond Election Costs | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 249-9402-5192 - Secondary District Wide - Bond Election 2014 | (\$50,407.42) | (\$50,407.42) | \$50,407.42 | \$0.00 | \$0.00 |
| 249-9403-5192 - Secondary District Wide - Security | \$70,779.73 | \$39,779.73 | (\$39,779.73) | \$31,000.00 | \$0.00 |
| 249-9531-5192 - Secondary District Wide - Site Safety | \$59,645.84 | \$24,260.84 | (\$15,995.00) | \$35,385.00 | \$8,265.84 |
| 249-9650-5192 - Secondary District Wide - Other Fees | \$41,300.00 | \$41,300.00 | \$0.00 | \$0.00 | \$41,300.00 |
| 249-9806-5192 - Secondary District Wide - Portable Classrooms | \$414,699.31 | \$414,699.31 | (\$385,632.59) | \$0.00 | \$29,066.72 |
| 249-9852-5192 - Secondary District Wide - Site Improvement 2 | \$285,382.76 | \$285,382.76 | (\$263,555.31) | \$0.00 | \$21,827.45 |
| 249-9861-5192 - Secondary District Wide - Management | \$37,770.60 | \$37,770.60 | (\$12,570.60) | \$0.00 | \$25,200.00 |
| 249-9900-5189 - Secondary District Wide - Tech, Infrastructure | \$6,630,763.69 | \$6,613,748.69 | (\$5,661,982.13) | \$17,017.00 | \$951,764.56 |
| 249-9902-5189 - Secondary District Wide - Phone Intercom System | \$2,550,036.79 | \$2,550,036.79 | (\$2,501,129.11) | \$0.00 | \$48,907.68 |
| 249-9907-5189 - Secondary District Wide - Technology Other | \$8,072,861.16 | \$5,214,206.56 | (\$3,144,628.28) | \$2,858,654.60 | \$2,069,578.28 |
| 249-9977-5192 - Secondary District Wide - Master Plan - Infrastruc | \$1,691,891.73 | \$1,667,629.73 | (\$1,651,024.51) | \$24,262.00 | \$16,605.22 |
| 250-9654-5192 - Montgomery High - Restroom Reconditioning | \$35,240.91 | \$35,240.91 | (\$16,709.62) | \$0.00 | \$18,531.29 |
| 251-9506-5192 - Piner High - Athletic Field Lighting | \$74,720.00 | \$74,720.00 | (\$13,890.30) | \$0.00 | \$60,829.70 |
| 251-9654-5192 - Piner High - Restroom Reconditioning | \$35,240.91 | \$35,240.91 | (\$16,709.62) | \$0.00 | \$18,531.29 |
| 251-9821-5192 - Piner High - Roofing Replacement | \$73,757.00 | \$73,757.00 | \$0.00 | \$0.00 | \$73,757.00 |
| 251-9851-5192 - Piner High - Site Improvements | \$43,460.00 | \$0.00 | \$0.00 | \$43,460.00 | \$0.00 |
| 251-9900-5192 - Piner High - Technology Infrastructure | \$24,200.00 | \$24,200.00 | (\$24,200.00) | \$0.00 | \$0.00 |
| 252-9654-5192 - Santa Rosa High - Restroom Reconditioning | \$55,378.58 | \$55,378.58 | (\$26,257.97) | \$0.00 | \$29,120.61 |
| 253-9654-5192 - Elsie Allen High - Restroom Reconditioning | \$20,137.66 | \$20,137.66 | (\$9,548.35) | \$0.00 | \$10,589.31 |
| 253-9817-5192 - Elsie Allen High - HVAC Replacement | \$8,955.00 | \$8,955.00 | (\$8,955.00) | \$0.00 | \$0.00 |
| 254-9502-5192 - Maria Carrillo High - Track Repairs | \$237,500.00 | \$0.00 | \$0.00 | \$237,500.00 | \$0.00 |
| 254-9654-5192 - Maria Carrillo High - Restroom Reconditioning | \$15,103.26 | \$15,103.26 | (\$7,161.27) | \$0.00 | \$7,941.99 |
| 254-9851-5192 - Maria Carrillo High - Site Improvements | \$3,483.75 | \$0.00 | \$0.00 | \$3,483.75 | \$0.00 |
| 260-9654-5192 - Ridgway Continuation High - Restroom Reconditionin | \$10,068.83 | \$10,068.83 | (\$4,774.18) | \$0.00 | \$5,294.65 |
| 260-9806-5192 - Ridgway Continuation High - Portable Classrooms | \$10,195.62 | \$10,195.62 | (\$10,195.62) | \$0.00 | \$0.00 |
| 260-9808-5192 - Ridgway Continuation High - Portable Classroom | \$90,921.52 | \$90,921.52 | (\$90,921.52) | \$0.00 | \$0.00 |
| 260-9854-5192 - Ridgway Continuation High - Site Improvements 4 | \$26,858.92 | \$26,858.92 | \$0.00 | \$0.01 | \$26,858.91 |

Program Overall Summary Report Santa Rosa City Schools

Up To 12/31/2016, Fund 21 - RES 0142 (2014 Bond - Secondary)

| PROJECT | BUDGET | ENCUMBERED | DISBURSEMENT | BUDGET REMAINING | ENCUMBERED BAL. |
|--|------------------------|------------------------|--------------------------|-----------------------|-----------------------|
| 260-9875-5192 - Ridgway Continuation High - Modernization | \$1,094.88 | \$1,094.88 | (\$1,094.88) | \$0.00 | \$0.00 |
| 291-9305-9795 - Secondary For Director Dp - Operations Services | \$136,977.56 | \$136,977.56 | (\$102,525.11) | \$0.00 | \$34,452.45 |
| 292-9305-9795 - Secondary For Asst Sup Busines - Operations Servic | \$50,586.95 | \$43,060.99 | (\$43,060.99) | \$7,525.96 | \$0.00 |
| 389-9907-5189 - Technology District Wide - Technology Other | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 389-9907-5192 - Technology District Wide - Technology Other | \$1,216.71 | \$1,216.71 | (\$1,216.71) | \$0.00 | \$0.00 |
| 392-9535-5192 - Business - Site Improvements | \$877.12 | \$877.12 | (\$877.12) | \$0.00 | \$0.00 |
| Grand Total | \$21,863,669.35 | \$17,987,858.03 | (\$14,166,971.12) | \$3,875,811.32 | \$3,820,886.91 |

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-i-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

Cook Middle School network and District Data Center equipment:



Cook Middle School asphalt work:



Committee Members

| Committee Members 2015*-2018 | | |
|--|-------------------|-------------|
| Chair (Business Organization) | Mike Behler | 2 year term |
| Vice Chair (Senior Citizen's Organization) | Carolina Spence | 2 year term |
| Member (At Large) | Mindy Breslin | 3 year term |
| Member (At Large) | Kristin Hendricks | 2 year term |
| Member (At Large) | Chris Nelle | 3 year term |
| Member (Taxpayer's Organization) | Kirk Veale | 3 year term |
| Member (Parent or Guardian) | Vacant | |
| Member (Parent or Guardian, active PTO) | Vacant | |

* Start of Term August 11, 2015

Contact Information

Measure I Bond

Rick Edson, Chief Bond Officer

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



Santa Rosa City Schools

211 Ridgway Avenue

Santa Rosa, CA 95401

Tel (707) 528-5411

<http://www.srcs.k12.ca.us/>