

A N N U A L R E P O R T

Citizens' Oversight Committee

Measure T and N Bonds
March 2013 - February 2014



Facilities Management Department





Dominguez ES

On the Cover
Dominguez ES



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BOND OVERVIEW

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On March 2, 2004, the voters of the San Bernardino City Unified School District approved Measure T by a yes vote of 61.4%. Measure T provides for capital facilities bonds in the amount of \$140,000,000.00. The bond language requires the establishment of a Citizens' Oversight Committee (COC). Measure T Bond projects include: building new neighborhood elementary, middle, and high schools and facilities; repairs, upgrades, expansions and modernizations of existing schools and facilities; and paying off existing capital facility lease obligations to reduce costs and save money. Bond funds will be used in conjunction with available State bond funding to maximize the number of projects that can be accomplished. Projects are prioritized as State and Bond funds become available.

On November 6, 2012, voters passed Bond Measure N - the San Bernardino City Unified School District Student Safety and School Repair Measure. Measure N will provide bonds in the amount of \$250 million and passed overwhelmingly with over 69% of the vote. Measure N will provide improved educational opportunities by repairing and replacing leaky roofs, deteriorating classrooms, fire alarms security/electrical systems and removing asbestos as well as updating classroom technology, science labs and vocational education programs.

Additionally, the funds may be used for the purchase of equipment, reduction or retirement of outstanding lease obligations, land acquisition, construction of new facilities, improved signage and updating administrative support sites.



Proposition 39 Requirements

Proposition 39 makes both constitutional and statutory changes to the current laws governing school facilities funding in California. Proposition 39 requirements include the following:

- Property tax maximum is \$60.00 per \$100,000 in assessed valuation
- A list of projects must be provided to the voters in the ballot measure
- A Citizens' Oversight Committee must be established and operational
- An annual report from the COC to the Board
- Annual financial audit
- Annual performance audit
- The membership of the COC must include at least five members of the following categories: parent, parent/member of PTA/PTO, business representative, member of a senior citizen organization, and member of a bona fide taxpayer organization
- A website of the COC must be maintained



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CITIZENS' OVERSIGHT COMMITTEE

The San Bernardino City Unified School District Measure T and N Proposition 39 Bonds Citizens' Oversight Committee is legally charged under Education Code Sections 15278, 15280, 15282, and the California Constitution, Article 13A, Section 1, with direct taxpayer review of the Bond measure endorsed by the voters and with informing the public about the expenditures of the Bond proceeds to ensure that the spending decisions made by elected officials conform with that measure. The committee is not granted any powers to determine how bond proceeds are spent.

The Citizens' Oversight Committee is charged with the following purposes under Proposition 39:

1. To verify that projects funded with bond proceeds were permitted under the projects list submitted to voters (or available to voters if not reprinted in the Voter Handbook) at the time of election.
2. To review the annual financial audit and performance audit maintained under Proposition 39.
3. To review the annual list of deferred maintenance projects.
4. To conduct on-site inspections of projects to verify performance of contractors on an as needed basis.
5. To request that the District provide information on cost saving methods of design or construction that relate to any of the proposed projects.
6. To publicize the results of the findings of the Committee in order to inform the public of the status of the bonds and the proposed projects.
7. To evaluate the applicability of "reusable" designs for schools financed with Bond proceeds.

After an application process, Citizens' Oversight Committee members are appointed by the Board. Since inception of the Citizens' Oversight Committee in September 2004, the following community members have served:

Current Members	Representing	Membership Term	Current Position
Denise Benton	At-large	Mar. 2011 - Mar. 2015	Committee Vice Chair
Marilyn Patterson	Taxpayer Organization	Jun. 2011 - Jun. 2015	Committee Chair
Jane Sneddon	Business Community	Jan. 2013 - Jun. 2016	Member
James Stark	At-large	Jan. 2013 - Jan. 2015	Member
Ronald Coats	Business Community	Jan. 2013 - Jun. 2016	Member
Eula Mills	Senior Citizen	Jan. 2013 - Jun. 2016	Member
Amanda Jacobs	Parent	Jan. 2013 - Jun. 2016	Member
Trinidad Nelson	At-large	Jan. 2013 - Jun. 2016	Member

Past Members	Representing	Membership Term	Current Position
Tierney Harris	At-large	Aug. 2007 - Oct. 2010	Past Member
Teresa Alba	Parent	Sept. 2004 - Aug. 2008	Past Member
Robbi Brunk	At-large	Sept. 2004 - Aug. 2008	Past Chair, Vice Chair
Soledad Castillo	Parent/PTA Member	Sept. 2004 - Aug. 2008	Past Member
Carl Clemons	At-large	Sept. 2004 - Aug. 2008	Past Vice Chair
Ronald Coats	Business Community	Sept. 2004 - Aug. 2008	Past Member
J. Pat Ferraris	Business Community	Sept. 2005 - Mar. 2008	Past Vice Chair
Margaret Hill	Senior Citizen	Sept. 2004 - Aug. 2008	Past Chair
Gloria Mazzola	At-large	Sept. 2004 - Aug. 2006	Past Chair
Ben Parra	Business Community	Sept. 2004 - Aug. 2005	Past Member
Lou Pellini	Taxpayer Organization	Sept. 2004 - Aug. 2005	Past Member
Marion Vassilakos	Taxpayer Organization	Mar. 2007 - Mar. 2011	Past Member
Martin Romeo	Business Community	Sept. 2008 - Sept. 2012	Past Member
Sheri Hundley	Parent/PTA Member	Sept. 2008 - Sept. 2012	Past Chair
David Justice	Business Community	May. 2008 - May. 2012	Past Vice Chair
Ralph Knox	Senior Citizen	Sept. 2008 - Sept. 2012	Past Member
Troy Allen Nelson	At-large	Sept. 2008 - Sept. 2012	Past Member
María Dolores Ochoa	At-large	Aug. 2008 - Sept. 2012	Past Member
Cynthia Barrow	Parent	Sept. 2008 - Sept. 2012	Past Member
Glenda Rice	PTA Member	Jan. 2013 - Jun. 2013	Past Committee Chair



Summary of COC Agendas and Activities

March 2013

- Proposition 39 Audit Reports
- Measure N Update
- Group Photo

June 2013

- Measure N Update
- COC Annual Report (2012/2013)

September 2013

- Bus Tour
- Measure N Budget Summary & Payback Information
- Resignation of Chair

January 2014

- Police/Safety Vehicle "Tour"
- Vacancy Recruitment Update
- 2nd Term Intentions
- Bond Report
- Measure N Update

Citizens' Oversight Committee:

(Left to Right)

Denise Benton
Amanda Jacobs
Ronald Coats
James Stark
Jane Sneddon
Marilyn Patterson
Eula Mills

Not Pictured:

Trinidad Nelson



Summary of Bond Expenditures and Findings as Detailed in Audit Reports

Measure T:

2004 General Obligation Bond, Series A

On September 16, 2004, the San Bernardino City Unified School District issued the 2004 General Obligation Bonds, Series A, in the amount of \$44,999,497. The bonds will mature August 1, 2029, and yield interest rates of 2.0 to 5.0 percent. The bonds were issued to fund the construction, renovation, and repair of certain District facilities and the prepayment of the District's School Facility Bridge Funding Program.

2004 General Obligation Bonds, Series B

On May 3, 2006, the District issued \$67,999,967 of 2004 General Obligation Bonds, Series B. This was the second series of the authorized bonds to be issued under the measure as approved by voters. The bonds mature on August 1, 2030, with interest yields of 4.5 to 5.0 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation and repair of certain school facilities.

2004 General Obligation Bonds, Series C

On March 1, 2007, the District issued \$9,997,217 of 2004 General Obligation Bonds as Series C. This was the third series of the authorized bonds to be issued under the measure as approved by voters. The bonds mature on August 1, 2031, with interest yields of 3.4 to 4.7 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation and repair of school facilities.

2004 General Obligation Bonds, Series D

On March 17, 2011, the District issued \$11,525,419.10 of 2004 General Obligation Bonds as Series D. This was the fourth series of the authorized bonds to be issued under the measure as approved by voters. The bonds mature on August 1, 2042, with interest yields of 7.41 to 7.50 percent. Proceeds from the sale of the bonds are used to finance the construction, renovation and repair of certain school facilities.

2004 General Obligation Bonds, Series E

On March 17, 2011 the District issued \$5,477,434.00 of 2004 General Obligation Bonds as Series E. This was the fifth series of the authorized bonds to be issued under the measure as approved by voters. The bonds mature on August 1, 2035, with interest yields of 8.875 percent. Proceeds from the sale of the bonds are being held as capitalized interest for the Qualified School Construction Bonds (QSCB).

Measure N:

2012 General Obligation Bonds, Series A

On June 12, 2013 the San Bernardino City Unified School District issued the 2012 General Obligation Bonds, Series A, in the amount of \$30,150,000. The bonds will mature August 1, 2037, and yield interest rates of 2.0 to 5.0 percent. The bonds were issued to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities.

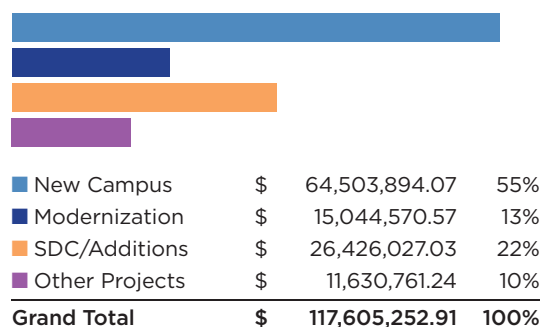
2012 General Obligation Bonds, Series B

On June 12, 2013 the District issued the 2012 General Obligation Bonds, Series B, in the amount of \$12,515,000. The bonds will mature August 1, 2027, and yield interest rates of .99 to 4.66%. The bonds were issued to fund the District's regularly scheduled lease payments through and including August 1, 2018 with respect to the District's outstanding Taxable Certificates of Participation, 2011 Series A (Direct Subsidy Qualified School Construction Bonds.)

2011 - 2012 Audit Reports

In accordance with Proposition 39, a performance audit and financial audit was performed by the independent auditor firm of Vicenti, Lloyd and Stutzman, LLP. The performance audit confirmed that the San Bernardino City Unified School District has properly accounted for the expenditures of the funds held in the Bond Building Fund and that such expenditures were made on authorized bond projects. Further it was noted that the funds held in the Bond Building Fund and expended by the district were not expended for salaries of school administrators or other operating expenditures. The financial audit confirmed that the financial statements for fiscal year ending June 30, 2012, presented fairly in all material respects, the financial position and results of operations for the San Bernardino City Unified School District as of June 30, 2012, in conformity with accounting principles generally accepted in the United States of America. There were no findings nor questioned costs related to the financial audit of the Measure T Building Funds for the year ended June 30, 2012.

Bond Spending by Project and Issue



Summary of Bond Expenditures As of 2/28/14

ID	PROJECT NAME	TOTAL
New Construction Projects		
C03	ANTON ES #45	\$5,969,753.22
C79	CAPTAIN LELAND F. NORTON ES #52	\$269,473.62
C66	CHAVEZ MS	\$2,854,190.06
C67	CURTIS MS & SDC	\$14,967,971.22
C76	DR. MILDRED D. HENRY ES #49	\$448,774.50
C80	GEORGE BROWN JR. ES #53	\$186,947.52
C78	GRACIANO GOMEZ ES #51	\$1,223,179.03
C81	H. FRANK DOMINGUEZ #54	\$1,772,029.74
C05	HIGHLAND/CYPRESS ES #50	\$11,250.00
C82	INDIAN SPRINGS HS #8	\$138,063.73
C02	JONES ES #46	\$8,195,677.46
C65	LINCOLN II No. ES #44	\$27,900.00
C83	LITTLE MOUNTAIN ES #55	\$10,008.06
C09	MIDDLE COLLEGE HS	\$395,212.85
C84	PAAKUMA' K-8 - #56	\$48,853.19
C10	RODRIGUEZ PREP ACADEMY ES #47	\$11,012,109.74
C01	WONG ES #48	\$16,972,500.13
New Construction Projects Subtotals		\$64,503,894.07

SDC/Addition Projects

C45	ARROWVIEW MS	\$971,302.18
C68	ARROYO VALLEY HS	\$1,500.00
C37	BARTON ES	\$1,276,638.97
C51	BRADLEY ES	\$16,248.40
C49	CAJON HS	\$1,151,763.58
C52	CYPRESS ES	\$80,126.42
C46	DEL VALLEJO MS	\$1,401,495.94
C08	GOLDEN VALLEY MS	\$1,300,500.00
C60	GOLDEN VALLEY MS	\$1,124,912.26
C53	HILLSIDE ES	\$7,318.62
C40	HUNT ES	\$2,359.36
C47	KING MS	\$1,336,566.58
C98	LANKERSHIM ES	\$142,435.32
C100	LANKERSHIM ES	\$36,850.65
C94	LINCOLN ES	\$2,961,083.25
C101	LINCOLN ES	\$1,132,304.72
C99	LYTLE CREEK ES	\$235,131.17
C102	LYTLE CREEK ES	\$63,094.77
C95	MUSCOY MS	\$3,020,041.29
C103	MUSCOY MS	\$1,418,709.00
C63	PACIFIC HS	\$1,111,782.51
C56	PALM AVENUE ES	\$1,144,690.27
C44	ROOSEVELT ES	\$211.25
C50	SAN BERNARDINO HS	\$1,228,644.10
C64	SAN GORGONIO HS	\$1,369,256.08
C48	SERRANO MS	\$1,489,518.10
C62	SHANDIN HILLS MS	\$1,508,586.15
C96	VERMONT ES	\$145,450.69
C104	VERMONT ES	\$453,327.67
C97	WILSON ES	\$215,989.55
C105	WILSON ES	\$78,188.18
SDC/Additions Projects Subtotals		\$26,426,027.03

ID	PROJECT NAME	TOTAL
Modernization Projects		
M05	ARROWVIEW MS	\$907,344.60
M06	BARTON ES	\$115,769.56
M07	BELVEDERE ES	\$557,412.15
M49	BRADLEY ES	\$342,655.36
M08	BURBANK ES	\$53,847.48
M09	CAJON HS	\$1,606,090.07
M58	CAJON HS	\$1,155,250.48
M13	CURTIS MS	\$1,047,189.24
M14	CYPRESS ES	\$15.46
M02	DEL VALLEJO MS	\$2,412,660.96
M15	EMMERTON ES	\$348,159.47
M16	FAIRFAX ES	\$1,345.93
M17	GOLDEN VALLEY MS	\$341,142.59
M18	HIGHLAND PACIFIC ES	\$100,617.11
M20	HUNT ES	\$735.12
M23	KIMBARK ES	\$434,469.44
M01	KING MS	\$2,061,815.75
M24	LANKERSHIM ES	\$29,418.09
M25	LINCOLN ES	\$46,770.19
M26	LYTLE CREEK ES	\$5,507.00
M29	MT. VERNON ES	\$40,497.55
M28	MUSCOY ES	\$242,413.36
M30	NEWMARK ES	\$49,236.90
M31	NORTH PARK ES	\$70,761.83
M32	OEHL ES	\$140,641.24
M47	PACIFIC HS	\$9,281.50
M34	RICHARDSON PREP. HS	\$10,500.00
M35	RILEY ES	\$180,185.33
M36	RIO VISTA ES	\$16,440.00
M37	ROOSEVELT ES	\$33,687.01
M10	SALINAS ES	\$231,747.72
M51	SAN ANDREAS HS	\$18,638.99
M38	SAN BERNARDINO HS	\$12,785.00
M39	SAN GORGONIO HS	\$31,691.34
M40	SERRANO MS	\$1,760,619.96
M41	SHANDIN HILLS MS	\$218,413.51
M52	SIERRA HS	\$16,383.85
M42	THOMPSON ES	\$385,700.79
M46	WARM SPRINGS ES	\$5,049.01
M45	WILSON ES	\$1,679.63
Modernization Projects Subtotals		\$15,044,570.57

Other Projects

P16	ARROWVIEW MS - 21st Century	\$34,719.35
P18	ARROWVIEW MS - Kitchen Remodel	\$50.00
P24	ARROWVIEW MS HVAC	\$3,475.51
C35	BARTON ES - Growth Portables	\$193,023.18
C21	BARTON ES - MultiUse Room	\$501,576.40
C13	BELVEDERE ES - MultiUse Room	\$495,627.72
P52	BRADLEY ES - Phase II - Canopy	\$9,534.31



San Bernardino HS

Summary of Bond Expenditures - Cont. As of 2/28/14

ID	PROJECT NAME	TOTAL
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Other Projects - Cont.

C34	CAJON HS - Growth Portables	\$96,529.48
P21	CAJON HS - Kitchen Remodel	\$6.00
P25	CAJON HS HVAC	\$15,795.41
C75	CHAVEZ JOINT USE GYM	\$1,629,173.32
P19	CURTIS MS - Kitchen Remodel	\$6.00
C20	DAVIDSON ES - MultiUse Room	\$473,920.31
	DEFERRED MAINTENANCE PROJECTS	\$17,755.82
C14	DEL ROSA ES - MultiUse Room	\$489,347.90
C33	DEL VALLEJO MS - Growth Portables	\$265,330.92
P26	DEL VALLEJO MS HVAC	\$6,040.37
P27	GOLDEN VALLEY MS HVAC	\$3,475.50
Growth	GROWTH PROJECTS	\$68,270.45
C22	HIGHLAND PACIFIC ES - MultiUse Room	\$471,702.19
P23	HUNT ES - Phase II	\$404,179.89
P56	INDIAN SPRINGS SPORTS COMPLEX	\$13,949.90
C17	INGHRAM ES - MultiUse Room	\$494,634.30
C25	KENDALL ES - MultiUse Room	\$503,102.51
C12	LANKERSHIM ES - MultiUse Room	\$479,817.88
C18	LYTLE CREEK ES - MultiUse Room	\$496,893.53
P55	LYTLE CREEK ES INTERIM HOUSING	\$7,011.04
P53	MARSHALL ES - Phase II	\$14,299.41
P28	MARTIN LUTHER KING MS HVAC	\$7,814.81
MN1	MEASURE N PROJECTS	\$579,217.59
C16	MUSCOY ES - MultiUse Room	\$496,329.65
C24	NEWMARK ES - MultiUse Room	\$487,168.75
P11	PACIFIC HS - Kitchen Remodel	\$9,193.83
P29	PACIFIC HS HVAC	\$8,156.10
P09	PALM AVENUE ES - Lunch Shelter	\$63,982.07
C23	PARKSIDE ES - MultiUse Room	\$475,751.69
	PROGRAM CONTRACTS	\$397,883.06
P30	RICHARDSON PREP HVAC	\$3,493.37
C11	RIO VISTA ES - MultiUse Room	\$473,609.48
P14	RODRIGUEZ PREP MS Portables	\$3,485.64
P10	SAN ANDREAS HS - Kitchen Remodel	\$14,747.96
P31	SAN ANDREAS HS HVAC	\$4,546.50
P16	SAN BERNARDINO HS - 21st Century	\$31,712.35
P22	SAN BERNARDINO HS - Kitchen Remodel	\$28.74
P17	SAN BERNARDINO HS - Library	\$14,300.00
P32	SAN BERNARDINO HS HVAC	\$10,357.85
P49	SERRANO MS - Phase II	\$53,248.75
P20	SERRANO MS - Kitchen Remodel	\$50.00
P33	SERRANO MS HVAC	\$3,457.64
P12	SHANDIN HILLS MS - Kitchen Remodel	\$60,502.09
P34	SHANDIN HILLS MS HVAC	\$9,424.58
P35	SIERRA HS HVAC	\$1,250.00
C36	URBITA ES - Growth Portables	\$260,102.11
C19	URBITA ES - MultiUse Room	\$478,201.40
C15	VERMONT ES - MultiUse Room	\$493,496.63

Other Projects Subtotals

\$11,630,761.24

Grand Totals

\$117,605,252.91

California Constitution Statutory Requirements

On May 4, 2004, (Item 10.42) the Board of Education approved “Resolution of the Board of Education of the San Bernardino City Unified School District Establishing a Citizens’ Bond Oversight Committee and Approving Form of Bylaws Thereof.”

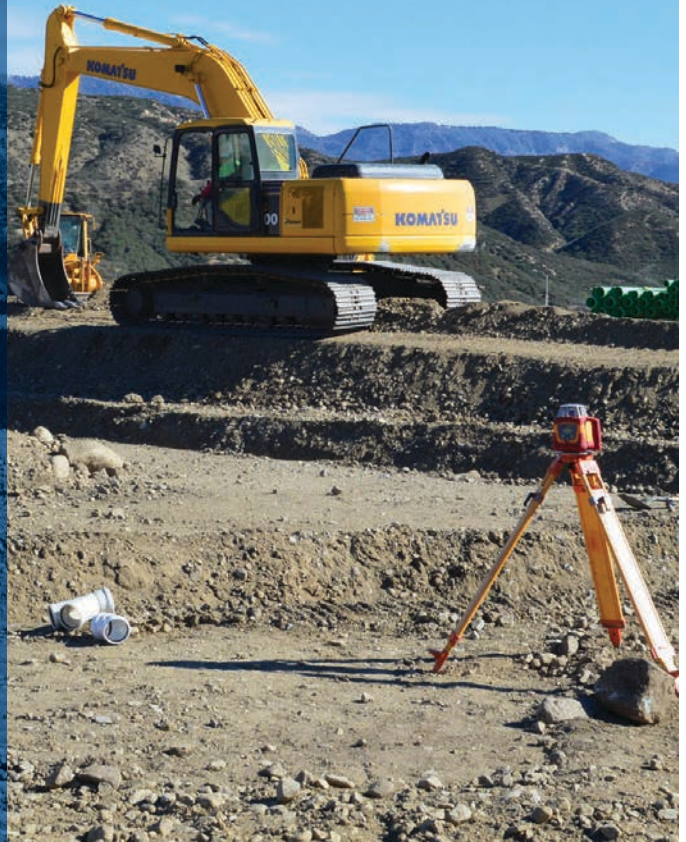
Section 3, Item 3.3 of the Citizens’ Oversight Committee Bylaws:

3.3 Annual Report. The Committee shall present to the Board, in public session, an annual written report which shall include the following:

- a. A statement indicating whether the District is in compliance with the requirements of Article XXIIA, Section 1(b)(3) of the California Constitution.
- b. A summary of the Committee’s proceedings and activities for the preceding year.

The text in the Article XIII A of the California Constitution states:

- a. A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1 (b) (3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
- b. A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.
- c. A requirement that the school district board, community college board, or county office of education conduct an annual, independent performance audit to ensure that the funds been expended only on the specific projects listed.



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COC Statement of District Compliance

The Citizens’ Oversight Committee, based on the review of the annual financial and performance audit report and information received at the COC meetings, finds:

- The San Bernardino City Unified School District is in compliance with the requirements of Article XIII A, Section 1(b) (3) of the California Constitution

The Citizens’ Oversight Committee members and officers wish to thank the San Bernardino City Unified School District Board, Superintendent and staff for their support and appreciate the opportunity to serve the taxpayers of the District and inform the public concerning the San Bernardino City Unified School District Measures N and T Bonds.

Marilyn Patterson
Citizens’ Oversight Committee Chair

Denise Benton
Citizens’ Oversight Committee Vice Chair

Locations of Major Construction Projects



The Board of Education

Mr. Michael J. Gallo, President
 Mrs. Bobbie Perong, Vice President
 Dr. Barbara Flores
 Mrs. Margaret Hill
 Mrs. Abigail Medina
 Mrs. Lynda K. Savage
 Mr. Danny Tillman

Superintendent

Dr. Dale Marsden

District Facilities, M&O Administrators

John Peukert, Assistant Superintendent
 Samer Alzubaidi, Facilities Director
 Ed Norton, Maintenance & Operations Director

Facilities Program Management Team

URS Corporation
 Steve Massetti, Program Manager

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