

Mariposa County Unified School District Citizens' Bond Oversight Committee Annual Report - 2019 July 1, 2018 - June 30, 2019

Pursuant to Bylaws for Measure L Adopted by the Board of Trustees of the District on January 12, 2017 this document shall serve as the Annual Report from this Committee. This report covers 2018-2019 fiscal year.

History:

The Mariposa County Unified School District (the "District") was successful at the election conducted on November 8, 2016 (the "Bond Election") in obtaining authorization from the District's voters to issue up to \$24 million aggregate principal amount of the District's general obligation bonds ("Measure L"). The election was conducted under Proposition 39, chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 et seq. of the Education Code of the State ("Proposition 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish this Citizens' Bond Oversight Committee (the "Committee") in order to satisfy the accountability requirements of Proposition 39. The Board of Trustees of the Mariposa County Unified School District (the "Board") hereby established the Committee, to be known as the "Citizens' Bond Oversight Committee for Measure L," which shall have the duties and rights set forth in these Bylaws.

The Committee shall consist of at least seven (7) members appointed by the Board upon the recommendation of the Superintendent from a list of candidates submitting written applications, and based on criteria established by Proposition 39, to wit: One (1) member shall be the parent or guardian of a child enrolled in the District. One (1) member shall be the parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council. One (1) member active in a business organization representing the business community located in the District. One (1) member active in a senior citizens' organization. One (1) member active in a bona-fide taxpayers association. Two (2) members of the community at-large.

The purposes of the Committee are set forth in Proposition 39, and these Bylaws are specifically made subject to the applicable provisions of Proposition 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the Ralph M. Brown Public Meetings Act of the State of California, Government Code Section 54950 et seq. (the "Brown Act"), and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Proposition 39, but without expending bond funds on such support (i.e. District personnel support).

The Committee shall confine its review of District expenditures specifically to expenditures of bond proceeds generated under Measure L. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications of the Committee 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 consensus view of the Committee.

The Committee reviewed expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure L; and (b) no bond proceeds have

been used for teacher or administrative salaries or other operating expenses.

The Oversight Committees' report:

1. Is the District in compliance with the requirements of Article XIII A, Section I(b)(3) of the California Constitution?

In Law: A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section I(b) (3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

The Committee has affirmed that the District is in compliance.

2. A summary of the Committee's proceedings and activities.

September 7, 2018:

Staff provided actual expenditure reports for the period of June 1, 2017 through July 30, 2018. The Committee finalized its' written report to the community for the 2017-18 fiscal year. The Committee re-assigned member terms according to section 5.4 of the Bylaws.

Presentation of Measure L Annual Report to the MCUSD Trustees on October 11, 2018.

The July 1, 2017 - June 30, 2018 annual report was presented and accepted. The board had no questions. This report was posted on the District website and published in the local newspaper.

January 17, 2019:

Review of Bond Expenditure Reports: An updated report of projects to date was presented. The District has been approved for a series B bond sales (\$9.5 million), which also does not exceed the assessed value of \$49 per \$100,000 of assessed value. The District pursued this second series of bond dollars due to facility projects need. Updates were given on various line items of the report, total spent/encumbered \$3.4 million to date.

Audit Report: - Cindy Carnes, Kemper CPA Group, LLC presents the 2017-18 Bond Audit. The audit is done annually and paid for out of the general fund. There are two sides of the audit, first the financial side to be sure the internal controls are done correctly; The second section is a performance audit, making sure the Board is spending the money correctly, on projects that were approved in bond language. There were no findings, the money has been spent correctly and using the correct processes.

While no monies have been used to date for MCUSD staff salaries, a clarifying question was raised as to the legality of doing so. The answer was that it could be done using a time accounting practice so that only the work done on the bond projects would be paid for with bond dollars. The Superintendent stated that there is no intention to do so. It was requested that if there come a time when the Board of Trustees were going to vote on using bond dollars to pay for staff salaries that the Citizens' Bond Oversight Committee (CBOC) be informed.

It was clarified that should there be findings in the future, it would be reported in the audit and to the District, who would then need to provide information as to how the finding was remedied. This information would all be given to the CBOC.

The Superintendent informed the CBOC that at the MCUSD Board meeting the board will be presented with information from Capital Program Management (CPM). This is a group who can work with the district to continue to move forward on bond projects (especially as we are in the process of hiring a new Facilities director).

3. Meeting to approve, review 2018 Bond Expenditures

September 26, 2019:

Presentation of Capital Program Management (CPM) progress: The district has hired CPM, a firm who meets with District Bond subcommittee frequently and has been essential in moving forward with efficiency through the many projects. It has also been a valuable learning experience internally as staff has become more familiar with State Architect rules, regulations, and processes. At this time, there are projects going on at each and every site, so all communities can see progress. There are also signs that are being moved from site to site informing the community of the Bond work being done. An example of a current project being worked on by CPM is the Woodland Septic Project. They began with placing the bid, assessed the applicants, and are continuing to work with multiple contractors, Division of State Architects, mandatory inspectors etc... in fully facilitating this project, with the District staff providing the on site monitoring.

Review of Bond Expenditure Reports: A presentation of the final report for the fiscal 2018-19 year and the ongoing list of expenditures for the life of the Bond as well as let the CBOC know that the originals of all Bond documents are available for inspection at any time. The District has requested Bond money twice, the first was for \$8.5 million (series A), and the second \$9.5 million (series B). The cost of issuance is above and beyond the Bond dollars, and include fees for the legal advisers, rating agencies, and other providers that rendered services to the district in order to sell the bond. The full cost of the bond is repaid by the taxpayers via their property taxes which is managed by the Mariposa County Treasurer's Office. It was also mentioned that when the District goes out for another Bond issuance the percentage charged will depend on our fiscal stability, and that the County does not charge for their facilitation of the Bond process.

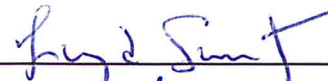
CBOC was informed that are many steps and considerations taken so that the District may apply for Voter Approved California Proposition 51 dollars, which would help maximize the Bond dollars. Tentatively approved Proposition 51 dollars have not been funded yet but the district is in line and in a good position to receive funds and more dollars will be available in 2020. The District has also set up a Fund 40 account which is part of the District's General Fund set aside for future facility projects/upkeep needs, which is added to quarterly based on financial stability.

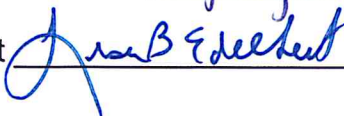
A subcommittee was selected to Prepare/Update Annual Written Report to the Community draft document for discussion and approval at a future meeting. Discussion: this document would encompass the fiscal year of July 1, 2018 - June 30, 2019.

**MEASURE L CITIZENS' BOND OVERSIGHT COMMITTEE MEETINGS
ARE OPEN TO THE PUBLIC**

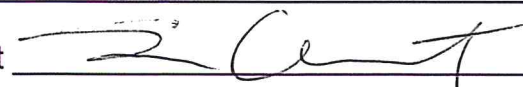
Kris Casto, Chair 

Nicole W. Little, Vice Chair 

Lloyd Sheetz, Secretary 

Lisa Edelheit 

Christy Wall _____

Sue Overstreet 

All this information is available on the District Website, quick links
Citizens' Bond Oversight Committee
Bond Updates are presented to the MCUSD School Board monthly and can be
viewed on the Monthly Agendas posted on BoardDocs

MCUSD FD21 - Bond Expenditures for FY 2018-2019

Expenditures to
date as of:
6/30/2019

Status	Site	Vendor	Description	Amount
In Progress	District Wide	Capital Program Management	Contract for Bond Oversight	\$ 65,373.30
Complete	District Office	Teter Architects	Pre-design flat rate fees for district office	\$ 1,565.00
			Total Site -	\$ 66,938.30
Complete	CV	Leon Environmental Svcs	CV Roofs bathroom & classrooms materials for visual inspection	\$ 500.00
Complete	CV	Graham Prewett Inc.	CV Roofs bathroom & classrooms	\$ 102,369.80
Complete	CV	Teter Architects	CV Roofs architect fees	\$ 1,279.52
			Total Site -	\$ 104,149.32
Complete	Lake Don Pedro	Leon Environmental Svcs	LDP Roofs old office & kinder rooms hazardous material abatement	\$ 2,125.00
Complete	Lake Don Pedro	Michael Martin	LDP Roofs old office & kinder rooms DSA inspection	\$ 9,900.00
Complete	Lake Don Pedro	Graham Prewett Inc.	LDP Roofs old office & kinder rooms	\$ 328,222.21
Complete	Lake Don Pedro	Teter Architects	LDP Roofs old office & kinder rooms architect & engineer fees	\$ 18,036.20
Complete	Lake Don Pedro	Department of General Services	LDP Roofs old office & kinder rooms DSA final plan fee	\$ 606.95
			Total Site -	\$ 358,890.36
In Progress	MES	Teter Architects	MES Roofs D,E,Rm 24 & MPR architect services	\$ 1,845.00
In Progress	MES	Leon Environmental Svcs	MES Roofs D,E,Rm 24 & MPR pre-liminary testing for asbestos	\$ 640.00
			Total Site -	\$ 2,485.00
Complete	Woodland	Leon Environmental Svcs	WDL Roofs B/C/D/Kinder asbestos abatement	\$ 2,550.00
Complete	Woodland	Graham Prewett	WDL Roofs B/C/D/Kinder	\$ 34,743.56
Complete	Woodland	Teter Architects	WDL Roofs B/C/D/Kinder Architect Fees	\$ 1,169.44
Complete	Woodland	Teter Architects	WDL Multi Purpose Room architect fees	\$ 3,664.78
Complete	Woodland	BSK Associates	WDL Multi Purpose Room DSA inspection	\$ 782.96
Complete	Woodland	Michael Martin	WDL Multi Purpose Room DSA inspection	\$ 5,550.00
Complete	Woodland	Nations Roof West LLC	WDL Multi Purpose Room Roofing	\$ 260,106.67
Complete	Woodland	Department of General Services	WDL Multi Purpose Room final field review fee	\$ 107.50
In Progress	Woodland	Mariposa County	WDL Septic repair plan check fee	\$ 342.00
In Progress	Woodland	Freeman & Seaman	WDL Septic surveying services	\$ 2,998.80
In Progress	Woodland	Teter Architects	WDL Septic architect fees	\$ 23,526.70
In Progress	Woodland	Roger Stephens Engineering	WDL Septic tanks and lines design fees	\$ 4,280.00
In Progress	Woodland	Capital Program Management	WDL Spetic DSA reimbursement fee	\$ 400.00
In Progress	Woodland	Mariposa Gazette	WDL Septic bid notice	\$ 2,886.00
			Total Site -	\$ 343,108.41

Complete	Yosemite Elementary	Teter Architects	Pre-design and site roofing fee	\$ 1,637.50
				\$ 1,637.50
Complete	Greeley Hill Elementary	Leon Environmental Svcs	GH Roofs A-E Bldgs pre-liminary inspection & asbestos testing	\$ 1,070.00
Complete	Greeley Hill Elementary	Teter Architects	GH Pre-design and site roofing fee	\$ 1,797.50
				\$ 2,867.50
Complete	MCHS	Graham Prewett Inc.	MCHS Roofs Gym, Science bldg, and Girls Locker Room	\$ 333,994.39
Complete	MCHS	Blair Church & Flynn	MCHS Topographic survey upper & lower fields	\$ 5,700.00
Complete	MCHS	Fresno Roofing Co Inc	MCHS Admin bldg Reroof & HVAC Replacement	\$ 576,968.77
Complete	MCHS	Leon Environmental Svcs	MCHS Roofs Gym, Science bldg, G lkrm approval submittal	\$ 550.00
Complete	MCHS	SKW Associates	MCHS Admin bldg HVAC Replacement/Reroof Architect	\$ 11,500.00
Complete	MCHS	Teter LLP	MCHS Site Facility Master Plan stadium renderings	\$ 11,930.00
Complete	MCHS	Teter LLP	MCHS Roofs Gym, Science bldg, G Lkrm architect fees	\$ 7,922.55
In Progress	MCHS	SKW Associates	MCHS Phase I Design - exterior improv. And portable replacements	\$ 67,565.54
Complete	MCHS	Chaney Painting	Gym Interior Repairs - walls, painting, and light fixtures	\$ 38,500.00
Complete	MCHS	Natural Environments	Gym backboards	\$ 4,211.32
Complete	MCHS	Leon Environmental Svcs	MCHS Roofs Library, Weight Room, & Band Room	\$ 655.00
			Total Site -	\$ 1,059,497.57
Complete	Alt ED	Teter Architects	Pre-design and site roofing fee	\$ 2,610.00
			Total Site -	\$ 2,610.00
			Subtotal:	\$ 1,942,183.96

Total Revenue: \$ 18,000,000.00
Total Expenditures 2017-18 and 2018-19: \$ 2,950,032.85
Balance: \$ 15,049,967.15

2018-2019 Bond Expenditures

- **District Wide**
 - Contract with CPM for Bond Expenditure Oversight - \$65,373.30
- **Catheys Valley**
 - Roofs - \$104,149.32
- **Lake Don Pedro**
 - Roofs - \$358,890.36
- **Woodland Elementary**
 - Septic & Irrigation - \$34,433.50
 - Roofs - \$308,674.91
- **Mariposa County High School**
 - Gym Interior Repairs - \$42,711.32
 - Field Topographic Survey - \$5,700
 - Phase I Design Exterior Improvements - \$67,565.54
 - Roofs & HVAC Units - \$931,590.71
 - Master Plan - \$11,930
- **YVS/GHE/MES/Ait Ed**
 - Pre-Design Roof Fees - \$11,165

Total - \$1,942,183.96

Bond Expenditures Through 6/30/2019

- **District Wide**
 - Battery Backup - \$26,808.20
 - PA System Evaluation - \$4,920
 - Contract with CPM for Bond Expenditure Oversight - \$65,373.30
- **Cathey's Valley**
 - Roofs - \$115,643.62
- **Lake Don Pedro**
 - VOIP Phone System - \$11,129.22
 - Roofs - \$383,619.60
- **Alternative Education (Silva Rd)**
 - HVAC Units - \$34,179
 - VOIP Phone System - \$10,329.71
 - Pre-Design Roof Fees - \$2,610
- **Woodland Elementary**
 - HVAC Units - \$14,823
 - VOIP Phone System - \$19,357.39
 - Septic & Irrigation - \$42,754.75
 - Roofs - \$641,386.25
- **Mariposa County High School**
 - Basketball backboard - \$5,465
 - Field Topograph Survey - \$14,200
 - Roofs & HVAC Units - \$1,386,608.17
 - Master Plan - \$38,061
 - Gym Interior Repairs - \$42,711.32
 - Phase I Design Exterior Improvements - \$67,565.54
- **El Portal/YVS/YPHS/GHE/MES**
 - VOIP Phone System - \$13,932.78
 - Pre-Design Roof Fees - \$8,555

Total - \$2,950,032.85