

# **PROPOSITION P**

## **2012-2013 ANNUAL REPORT**



**RESPECTFULLY SUBMITTED BY**

**ENCINITAS PROP P BOND  
CITIZEN'S OVERSIGHT COMMITTEE**

## 2012-2013 ANNUAL REPORT

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### About the District

The Encinitas Union School District serves the City of Encinitas and the La Costa area of Carlsbad in North San Diego County. Approximately 5,500 students in Kindergarten through 6th grade are enrolled in the District's nine schools encompassing ten different sites.

### About Proposition P

All schools and students in the Encinitas Union School District will benefit from Proposition P. Proposition P is a \$44.2 million bond that was approved by the voters within the boundaries of the Encinitas Union School District.

### Proposition P will:

- ✚ Improve student access to computers and modern technology
- ✚ Provide for energy/water efficiency for the environment and to keep more money in the classroom
- ✚ Repair and replace leaky roofs
- ✚ Replace deteriorating plumbing systems
- ✚ Upgrade outdated and inadequate electrical systems
- ✚ Modernize classrooms, restrooms, and facilities
- ✚ Replace old heating and ventilation systems

Proposition P is subject to strict accountability requirements, including independent citizen oversight and annual audits, to guarantee that improvements specified in the Proposition P bond language are completed efficiently and as promised. Proposition P funds can only be spent on our neighborhood schools to benefit local students. Monies may not be spent on administrator or teacher salaries.

Quality school facilities help retain and attract qualified teachers. Good schools maintain local quality of life and strong values.

## **Committee Members**

Steve Gerken, Chairperson  
Taypayer Representative

Allan Juliussen Vice-Chairperson  
At-Large Member

Bill Berrier  
Community At-Large Member

Lloyd O'Connell  
Senior Citizen Representative

Brenda Annibali-Smith  
Business Representative

Rimiga Viskanta  
Parent / Active

Kirsten Recce  
Parent / Active

## **Board of Trustees**

Emily R. Andrade  
Maureen "Mo" Muir  
Carol Skiljan  
Gregg Sonken  
Marla Strich  
Timothy Baird, Superintendent

## **Committee Meetings**

The Citizens' Oversight Committee meets quarterly throughout the year. All meetings are open to the public.

Agendas and meeting minutes from all committee meetings are available on the bond website at <http://www.eusd.net/aboutus/pages/PropositionP.aspx>. All meetings are held at the district office unless noted on the bond website. Meetings held to date during the fiscal year 2012 through 2013 include:

- October 4, 2012
- December 6, 2012
- April 4, 2013
- June 6, 2013

For the latest Citizens' Oversight Committee meeting schedule please visit:  
<http://www.eusd.net/aboutus/pages/PropositionP.aspx>.

**To: The Board of Trustees and Citizens of the Encinitas Union School District**

The Citizens' Oversight Committee is pleased to forward its second annual report on the \$44.2 million general obligation Proposition P bond initiative for the 2012-13 fiscal years covering the period of January 2012 through June 30, 2013. The committee held its first meeting on September 27, 2011 and has recently completed its second year cycle.

Principal duties of the Committee are to ensure that proceeds have been expended for the purposes set forth in the Proposition P ballot language, report the progress annually to the public and provide a compliance statement. The District's Board of Trustees is responsible for monitoring potential cost overruns, priority of projects commenced and spending levels of individual projects.

This report highlights many of the active projects that will prolong the life of the District's facilities and improve the learning experience of its students. The Committee this past year was able to focus on funds charged to all categories of the accompanying Expenditures by Category chart. These expenditures are near evenly spread, which is appropriate during the current phase of the program. The construction project at Park Dale Lane is in progress and is expected to be completed by August, 2013. The Committee relied on the annual financial audit of expenditures performed by Christy White Accountancy, CPA's and auditors for the bond funds, which disclosed no instances of non-compliance with the terms of Proposition 39 or Proposition P. The committee reviewed expenses by category and project. All expenses as reported were in compliance with bond projects approved by voters.

The committee also visited Park Dale Lane elementary school (PDL) to see the facilities work in progress. The PDL remodel project was chosen because it accounted for the single, largest expenditure of Proposition P funds for facilities in the 2012-2013 year. This audit covers the fiscal year through June 30, 2013. The Committee wishes to report that, to the best of its knowledge, the Encinitas Union School District is in full compliance with the responsibilities as described in Article XIII A, Section 1(b) (3) of the California State Constitution. A full disclosure of expenditures and the Committee's deliberations can be viewed at: <http://www.eusd.net/aboutus/pages/PropositionP.aspx>.

In closing, please allow me to express my appreciation to my colleagues on the Committee and staff who have worked so hard this year. It has been my distinct pleasure to serve as chair of the Committee.

Very truly yours,

Dr. Steve Gerken  
Chairperson  
Citizens' Oversight Committee

## **Committee Activity Summary**

The Citizens' Oversight Committee was appointed by the District's Board of Trustees in March 15, 2011. Proceedings of the meetings included:

- Appointment and Election of Chair/Vice-Chair;
- Review of Financial and Performance Audit;
- Review of Committee Bylaws;
- Review of Roles and Responsibilities;
- Review of Solicitation and Appointment Process;
- Review of Community Outreach Efforts;
- Review of Overhead;
- Review of Design Progress;
- Review of Project Status Reports;
- Review of Program Schedule;
- Review of Financial Reports.

## **Bond Expenditures as of June 30, 2013**

The Encinitas Union School District is in the initial stages of the implementation of the \$44 million Proposition P Bond Program. Phase I proceeds were \$12,998,719. Part I of Phase II proceeds were \$9,743,411 and were issued February 2013. The financial information on the following pages are 1) Balance Sheet/Statement of Revenues, Expenditures and Changes in Fund Balance; 2) Graph of Bond Expenditures for 2012-13; 3) Graph of Bond Expenditures for All Years.

For additional information on current and future Proposition P projects, please visit

<http://www.eusd.net/aboutus/pages/PropositionP.aspx>.

**PROPOSTION P BOND BUILDING FUND OF  
ENCINITAS UNION SCHOOL DISTRICT  
Balance Sheet  
June 30, 2013**

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**ASSETS**

**CURRENT ASSETS**

Cash and Investments	\$ 14,011,001
Accounts Receivable	

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<b>TOTAL ASSETS</b>	<b>14,011,001</b>
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**LIABILITIES AND FUND BALANCE**

Accounts payable	
Due to Other Funds	-

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<b>TOTAL LIABILITIES</b>	<b>-</b>
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**Fund Balance**

Designated for Tech, Green or Capital Projects	14,011,001
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 14,011,001</b>
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**PROPOSTION P BOND BUILDING FUND OF  
ENCINITAS UNION SCHOOL DISTRICT  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Fiscal Year ended June 30 , 2013**

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**REVENUES**

Interest Income	\$ 30,019
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<b>TOTAL REVENUES</b>	<b>30,019</b>
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**EXPENDITURES**

Technology Projects	1,736,460
Facility Projects	349,499
Green Projects	83,951
Bond Audit	8,600

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<b>TOTAL EXPENDITURES</b>	<b>2,178,510</b>
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<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	<b>(2,148,491)</b>
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**OTHER FINANCING SOURCES (USES)\***

Proceeds From Sale of Bonds	9,998,411
Bond Premium - Source	89,982
Cost of Issuance	(205,000)
Bond Discount - Use	(89,982)

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<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>9,793,411</b>
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<b>NET CHANGE IN FUND BALANCE</b>	<b>7,644,920</b>
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<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>6,378,199</b>
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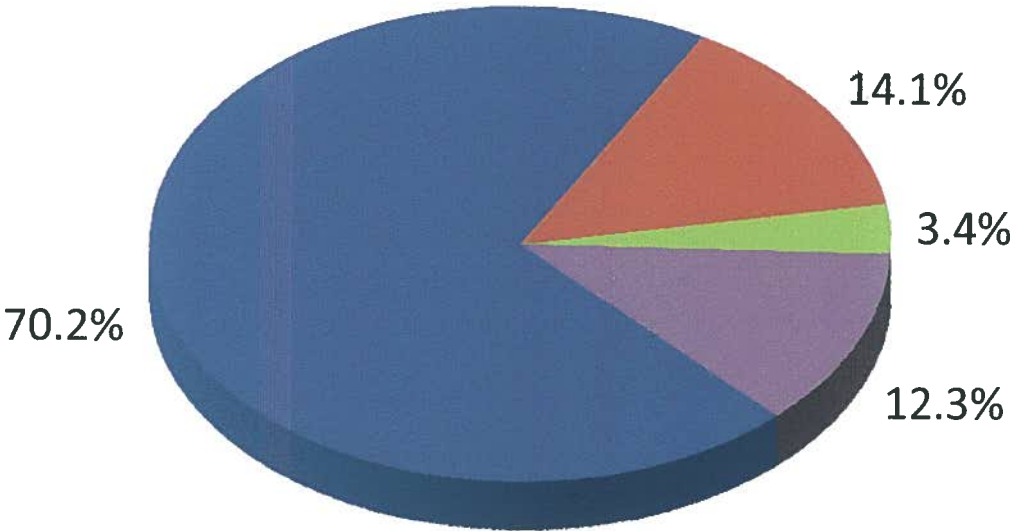
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<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 14,023,119</b>
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# Bond Expenditures For Fiscal Year 2012-13

### Expenditure By Category



■ Technology

■ Facility

■ Green

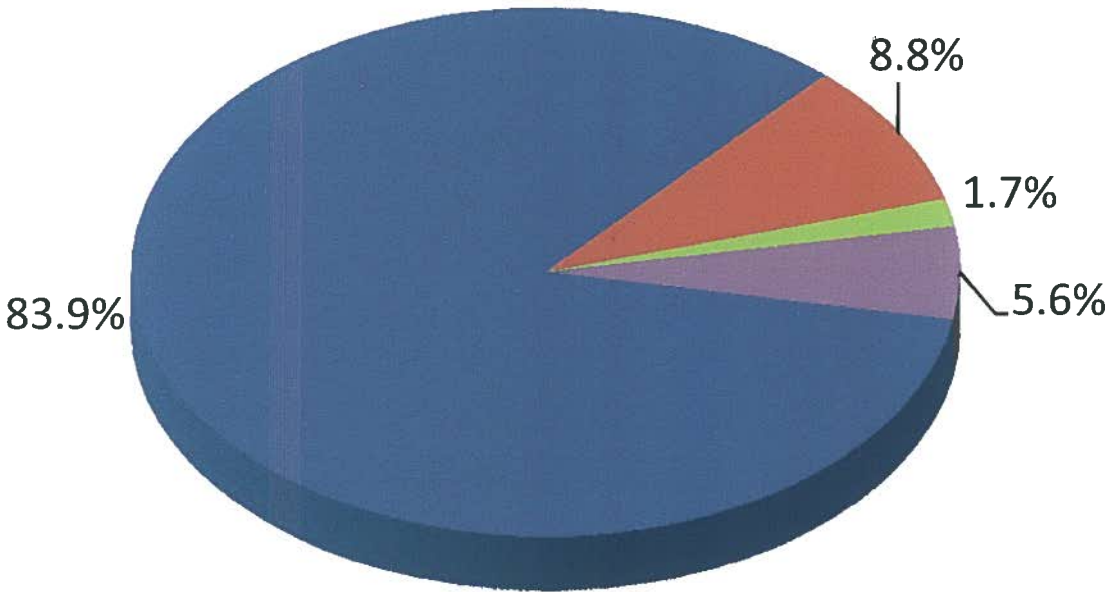
■ Bond Audit/Issuance

<b>Technology</b>	<b>1,736,460</b>
<b>Facility</b>	<b>349,499</b>
<b>Green</b>	<b>83,951</b>
<b>Bond Audit/Issuance</b>	<b>303,582</b>



# Bond Expenditures For All Years

### Expenditure By Category



■ Technology ■ Facility ■ Green ■ Bond Issue/Audit

<b>Technology</b>	<b>7,848,175</b>
<b>Facility</b>	<b>824,271</b>
<b>Green</b>	<b>159,579</b>
<b>Bond Audit/Issuance</b>	<b>523,941</b>