



SAN MATEO UNION HIGH SCHOOL DISTRICT

**MEASURE M, O AND L
GENERAL OBLIGATION BOND
FUNDS**

**SAN MATEO COUNTY,
CALIFORNIA**

FINANCIAL AND PERFORMANCE AUDIT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2020**

**JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS**

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SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS

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James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT

Citizen's Oversight Committee
and Governing Board
San Mateo Union High School District
San Mateo, California

Report on the Financial Statements

We have audited the accompanying Balance Sheet of San Mateo Union High School District (the District), Measure M, O and L General Obligation Bond Funds (the Fund), and the related statement of revenues, expenditures, and changes in fund balance as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

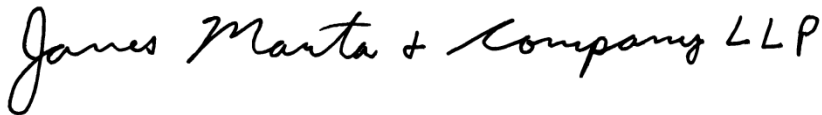
In our opinion, the fund financial statements referred to above present fairly, in all material respects, the financial position of the San Mateo Union High School District's Measure M, O and L General Obligation Bond Funds as of June 30, 2020 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

As discussed in Note 1, the financial statements referred to above present only the individual Measure M, O and L General Obligation Bond Funds and are not intended to present fairly the financial position and results of operations of the District in conformity with generally accepted accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 23, 2020 on our consideration of the fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entities internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 23, 2020

BASIC FINANCIAL STATEMENTS

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
BALANCE SHEET
JUNE 30, 2020

	<u>Measure "M"</u>	<u>Measure "O"</u>	<u>Measure "L"</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 29,610,757	\$ 95,001,528	\$ 124,612,285
Total assets	<u>\$ -</u>	<u>\$ 29,610,757</u>	<u>\$ 95,001,528</u>	<u>\$ 124,612,285</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 5,629,131	\$ 1,155,927	\$ 6,785,058
Total Liabilities	<u>-</u>	<u>5,629,131</u>	<u>1,155,927</u>	<u>6,785,058</u>
Fund balances				
Restricted	-	23,981,626	93,845,601	117,827,227
Total Fund Balance	<u>-</u>	<u>23,981,626</u>	<u>93,845,601</u>	<u>117,827,227</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 29,610,757</u>	<u>\$ 95,001,528</u>	<u>\$ 124,612,285</u>

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Measure "M"</u>	<u>Measure "O"</u>	<u>Measure "L"</u>	<u>Total</u>
REVENUES				
Other local revenues	\$ -	\$ 662,822	\$ 227,511	\$ 890,333
Total revenues	<u>-</u>	<u>662,822</u>	<u>227,511</u>	<u>890,333</u>
EXPENDITURES				
Supplies and equipment	40,498	-	-	40,498
Services & other operating	-	15,928	265,462	281,390
Capital outlay	<u>1,504,108</u>	<u>12,605,317</u>	<u>2,366,448</u>	<u>16,475,873</u>
Total expenditures	<u>1,544,606</u>	<u>12,621,245</u>	<u>2,631,910</u>	<u>16,797,761</u>
Excess (deficiency) of revenues over expenditures	<u>(1,544,606)</u>	<u>(11,958,423)</u>	<u>(2,404,399)</u>	<u>(15,907,428)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from debt issuance	<u>-</u>	<u>-</u>	<u>96,250,000</u>	<u>96,250,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>96,250,000</u>	<u>96,250,000</u>
Net change in fund balances	(1,544,606)	(11,958,423)	93,845,601	80,342,572
Fund balances, July 1, 2019	<u>1,544,606</u>	<u>35,940,049</u>	<u>-</u>	<u>37,484,655</u>
Fund balances, June 30, 2020	<u>\$ -</u>	<u>\$ 23,981,626</u>	<u>\$ 93,845,601</u>	<u>\$ 117,827,227</u>

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The accounting policies of the Measure M, O and L General Obligation Bond Funds (the Funds) of San Mateo Union High School District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

San Mateo Union High School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five member Governing Board elected by registered voters of the District, which comprises an area in San Mateo County. The District was established in 1902 and operates six high schools, one continuation high school, and an adult education school.

The fund financial statements presented are for the Measure M, O and L General Obligation Bond Funds. Since this is just one component of the District, these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of San Mateo Union High School District include the Measure M, O and L General Obligation Bond Funds activities, related debt and disclosures as well as management's discussion and analysis.

B. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The proceeds from the sale of general obligation bonds and the subsequent expenditure of the bond funds are accounted for in the Building Fund of the District. Any premium received from the sale of the bonds is deposited in the Bond Interest and Redemption Fund of the District. The Measure M, O and L Bond Funds form part and not all of the net financial position in the District's Building Fund which may contain other sources of funding.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

C. ACCOUNTING POLICIES

The District prepares its financial statements in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) and complies with the policies and procedures of the Department of Education's *California School Accounting Manual*.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

E. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

F. ENCUMBRANCES

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

G. DEPOSITS AND INVESTMENTS

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

G. DEPOSITS AND INVESTMENTS (CONTINUED)

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies; certificates of participation; obligations with first priority security; and collateralized mortgage obligations.

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

H. CAPITAL AND LONG-TERM DEBT

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the General Obligation Bond Funds is accounted for on a spending or “financial flow” measurement focus. This means that only current assets and liabilities are generally included on the balance sheet.

The reported fund balance is considered a measure of “available spendable resources”. Thus, the capital assets and long-term liabilities associated with the Measure M, O and L General Obligation Bond Funds are accounted for in the basic financial statements of the District.

I. FUND BALANCE – GOVERNMENTAL FUNDS

As of June 30, 2020, fund balances of the Measure M, O and L General Obligation Bond Funds are classified as restricted. Restricted funds can only be spent for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

J. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2020 consist of cash in the county treasury in the amount of \$124,612,285 of which \$29,610,757 is in Measure O and \$95,001,528 is in Measure L. Measure M has exhausted its funding.

A. Cash in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statement at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash in County Treasury consists of District cash held by the San Mateo County Treasury that is invested in the county investment pool. The Treasury permits negative cash balances so long as the District's total cash in county treasury has a positive balance.

The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury that purchases a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

3. MEASURE M, O AND L GENERAL OBLIGATION BONDS

Measure M

An election was held for Measure M on November 7, 2006, at which time more than fifty-five percent of the voters in the District authorized the issuance and sale of \$298 million of general obligation bonds. The bonds are general obligations of the District, and the County is obligated to annually levy ad valorem taxes for the payment of, the interest on, and the principal of the bonds. Bond proceeds were used to finance the costs of renovating, acquiring, constructing, repairing and equipping of District buildings and other facilities and to pay costs of issuance associated with the bonds.

Measure M had the following bond issues:

<u>Series</u>	<u>Issue Date</u>	<u>Original Issue</u>
2008A	6/18/2008	\$ 62,700,000
2010A	2/17/2010	4,890,000
2010B	2/17/2010	65,110,000
2011A	7/6/2011	34,999,364
2011A-1	7/14/2011	25,000,000
2012A	2/13/2012	10,895,752
2013A	12/20/2013	94,400,576
Total		<u>\$ 297,995,692</u>

The Measure M Bond Funds were fully expended as of June 30, 2020.

Measure O

On November 2, 2010, an election was held for Measure O of the registered voters of the District, at which more than fifty-five percent of the voters voting on the proposition approved the issuance and sale of \$186 million principal amount of General Obligation Bonds. The bonds are being issued to 1) prepay the District's 2007 Certificates of Participation, 2) to finance the costs of renovating, acquiring, constructing, repairing and equipping of District buildings and other facilities and 3) to pay certain costs of issuance associated with the bonds.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

3. MEASURE M, O AND L GENERAL OBLIGATION BONDS (CONTINUED)

Measure O had the following bond issues:

<u>Series</u>	<u>Issue Date</u>	<u>Original Issue</u>
2011A	6/15/2011	\$ 89,999,989
2013A	12/20/2013	39,999,941
2015A	5/19/2015	56,000,000
Total		<u>\$ 185,999,930</u>

Measure L

On March 3, 2020, an election was held for Measure L of the registered voters of the District, at which more than fifty-five percent of the voters voting on the proposition approved the issuance and sale of \$385 million principal amount of General Obligation Bonds. The bonds are being issued to finance the costs of renovating, acquiring, constructing, repairing and equipping of District buildings and other facilities and to pay certain costs of issuance associated with the bonds.

Measure L issued 2020 series A bonds on June 10, 2020 in the amount of \$96,250,000.

4. COMMITMENTS AND CONTINGENCIES

As of June 30, 2020, the Building Fund had the following commitments with respect to unfinished capital projects:

- Measure O:
 - Peninsula Alternative High School Project remaining contract commitments total \$9,168,624
- Measure L:
 - Capuchino High School Turf and Sports Complex Project remaining contract commitments total \$2,701,734
 - Mills High School Turf and Athletic Complex Project remaining contract commitments total \$2,261,728
 - District Wide Video Surveillance Project remaining contract commitments total \$1,397,777

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BOND FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

5. SUBSEQUENT EVENTS

District management evaluated its June 30, 2020 financial statements for subsequent events through November 23, 2020, the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M

The Bond Project list attached shall be considered a part of this ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

The Bond Projects List describes the specific projects the San Mateo Union High School District proposes to finance with proceeds of the bonds. Listed construction projects, repairs, rehabilitation projects and upgrades will be completed as needed at a particular school site according to Board-established priorities. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Trustees cannot determine the amount of bond proceeds available to be spent on each project. Completion of some projects may be subject to further government approvals by State officials and boards, and to local environmental review. For these reasons, inclusion of a project on the Bond Projects List is not guarantee that the project will be funded or completed.

Each project is assumed to include its share of costs of the election and bond issuance (and may include interest and redemption charges and related costs of issuance for any necessary interim financing), construction management, architectural, engineering, legal, inspection and similar planning costs (whether performed by the District or by third parties), annual financial and performance audits, a customary contingency for unforeseen design and construction costs, and other costs incidental to and necessary for completion of the listed projects.

Specific Purposes - All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Other Terms of the Bonds - When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than 25 years from the date borne by that bond.

Section 3. Abbreviation of Proposition - Pursuant to Section 13247 of the Elections Code and Education Code Section 15122, the Board of Trustees hereby directs the Registrar of Voters to use the following abbreviation of the bond proposition on the ballot:

To continue renovation and rehabilitation of 45 to 83 year-old buildings and facilities on seven campuses for safe, healthy teaching and learning environments; further upgrade fire safety, accessibility, electrical, security, and sewer systems; repair, remodel, expand, build new and replace old, inadequate classroom buildings and other facilities per the District's Bond Projects List, with citizens' oversight of all expenditures, shall San Mateo Union High School District issue \$298 million in bonds at interest rates within the legal limit

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

Section 4. Voter Pamphlet - The Registrar of Voters of the County is hereby requested to reprint the full text of the proposition, which is that entire portion of Section 2 hereof appearing in bold-face type, including Exhibit A hereto, in the voter information pamphlet to be distributed to voters pursuant to Section 13307 of the Elections Code. In the event the full text of the proposition is not reprinted in the voter information pamphlet, the Registrar of Voters is hereby requested to print, immediately below the impartial analysis of the bond proposition, in no less than 10-point boldface type, a legend substantially as follows:

Aragon High School - Opened in 1961
900 Alameda de las Pulgas in San Mateo
Serving the Cities of San Mateo and Hillsborough

- Improvements to fire safety systems, including alarms and sprinklers, in buildings where needed
- Install improvements to exterior lighting and lighting control systems for parking lots, walkways, and emergency exits, for safety/security
- Remove and dispose of hazardous materials in buildings to be remodeled
- Safety and accessibility improvements to walkways and bleachers
- Provide air conditioning for classrooms that become excessively hot due to skylights and metal wall construction that conduct heat
- Replace old campus plumbing systems for water, gas and heat; sewer system; storm drainage
- Replace main telecommunication phone and cable services to the campus
- Update campus electrical power system
- Provide energy efficient interior lighting and energy management controls and security system in music classrooms, gyms, locker rooms, remodeled student services building
- Replace old, deteriorating windows
- Paint exterior of renovated buildings
- Replace 45-year-old, 350-seat theater with new, school-community theater building to seat approximately 1,000; including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware)
- Relocate outdoor basketball courts as needed to facilitate new construction
- Expand and remodel 45-year-old, 650-seat gym to create spectator seating for approximately 1,500; including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware); new floor; and upgrade finishes, including paint, to walls and ceiling
- Install new floor and upgrade finishes, including paint, to walls and ceilings in old small gym
- Remodel old locker rooms, including new lockers where needed
- Expand and remodel severely undersized, 45-year-old student services building
- Construct new art classroom
- Provide indoor seating area (which presently does not exist) for old cafeteria; replace outdated food service equipment; refurbish walls, ceiling, floor, etc.
- Renovate old pool and upgrade filtration system for efficiency and safety
- Provide new restroom building/storage facility at football/soccer field for use at school-community sporting events
- Improvements to interior courtyard surfaces and landscaping

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, and internal fire access roads, as needed
 - Burlingame High School - Opened in 1923
1 Mangini Way in Burlingame
Serving the Cities of Burlingame and Hillsborough
- Improvements to fire safety systems, including alarms and sprinklers, in gym buildings
- Install improvements to exterior lighting and lighting control systems for parking lots, walkways, and emergency exits, for safety/security
- Remove and dispose of hazardous materials in buildings to be remodeled
- Safety and accessibility improvements to walkways, bleachers, and bus stop; accessible doors and door hardware for home economics buildings and gym/locker rooms
- Improvements to heating, ventilation, electrical, security systems in gym buildings; new security system for home economics building
- Improvements to campus fire-fighting water supply system
- Replace old campus plumbing systems for water, sewer, and storm drainage
- Replace old roofs on cafeteria and home economics/classroom buildings, gym building, and old, worn sections of the clay tile roofing on main building built in 1920s
- Replace aging exterior stucco on home economics and cafeteria buildings
- Install energy management controls for mechanical equipment throughout the campus, to comply with energy efficiency standards
- Extensively remodel 83-year-old theater, including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware), new heating and ventilation system
- Replace 78-year-old shop building with new, larger technology arts building to provide modern, safe classrooms
- Remove old portable classroom buildings currently located in the campus courtyard
- Extensively remodel old cafeteria building including improvements for fire, seismic safety and accessibility compliance; new security, heating, ventilation and electrical systems; food service equipment
- Install new floors in large and small gyms; upgrade finishes, including paint, to walls, ceilings, and floors in gyms, locker rooms, and physical education classrooms
- Repair/replace pool filtration pump/piping
- Provide new restroom building/storage facility at football/soccer field for use at school community sporting events
- Improvements to interior courtyard surfaces and landscaping
- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, and internal fire access roads, as needed

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

Capuchino High School - Opened in 1950
1501 Magnolia Drive in San Bruno
Serving the Cities of San Bruno and Millbrae

- Install improvements to exterior lighting and lighting control systems for parking lots, walkways, and emergency exits, for safety/security
- Remove and dispose of hazardous materials in buildings to be remodeled
- Safety and accessibility improvements to walkways and bleachers
- Replace antiquated boiler system with new stand-alone heating and ventilation systems in theater and gym buildings
- Improvements to electrical, security, clock, bell and emergency lighting systems in theater and gym buildings
- Replace campus fire-fighting water supply system
- Replace old plumbing systems for water, gas, sewer, storm drainage in theater and gyms
- Replace old roofs and deteriorating windows of science building, theater and gyms
- Provide energy efficient interior lighting, and energy management controls for lighting and mechanical equipment to comply with energy efficiency standards
- Replace 56-year-old classroom building -with large, state-of-the-art Humanities building to provide approximately 25 classrooms; demolish old building
- Demolish old, now-defunct cafeteria building (that was replaced with a new structurally safe facility in 2004) and remove old portable classrooms
- Extensively remodel and expand 47-year-old theater building, add music classrooms (music classes are currently being conducted in portable buildings, which will be removed); including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware); exterior finishes and paint
- Construct new center and play yard for Child Growth and Development program
- Extensive renovation and expansion of 56-year-old pool facility to State and District standards for safety, accessibility and efficiency
- Remodel old locker rooms, gyms and physical education classrooms, including improvements for fire, seismic safety and accessibility (such as ramps, doors and door hardware); refinish interiors, including new floors, ceiling and wall finishes, paint; replace lockers
- Provide new restroom building/storage facility at football/soccer field for use at school community sporting events
- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, and internal fire access roads, as needed
- Extend, repair and paint covered walkways, as needed

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

Hillsdale High School - Opened in 1956
3115 Del Monte Street in San Mateo
Serving the Cities of Foster City and San Mateo

- Improvements to fire safety systems, including alarms and sprinklers, in industrial technology building
- Install improvements to exterior lighting and lighting control systems for parking lots, walkways, and emergency exits, for safety/security
- Remove and dispose of hazardous materials in buildings to be remodeled
- Safety and accessibility improvements to walkways and bleachers; accessible doors and door hardware for industrial technology building
- Provide air conditioning for classrooms that become excessively hot due to skylights and metal wall construction that conduct heat
- Improvements to campus fire-fighting water supply system
- Replace old campus plumbing systems for water, gas and heat; sewer system; storm drainage
- Improvements to plumbing in industrial technology building
- Improvements to electrical, security, clock, bell and emergency lighting systems in industrial technology building
- Replace old, deteriorating roofs and skylights in industrial technology building
- Replace old, deteriorating windows
- Paint exterior of renovated buildings
- Provide energy efficient interior lighting, and energy management controls in art and music classrooms, cafeteria, two theaters, industrial technology building and gyms
- Extensively remodel large and small 50-year-old theaters including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware), and heating and ventilation system
- Renovate old cafeteria, including replacement of outdated kitchen equipment; new finishes to walls, ceiling and floor
- Renovate old pool
- Replace old, worn student lockers
- Remodel old gyms and physical education classroom interiors, including new floors, upgrade finishes, paint; replace 50-year-old bleachers; provide new sound system for large gym
- Provide new restroom building/storage facility at football/soccer field for use at school community sporting events
- Improvements to interior courtyard surfaces and landscaping
- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, and internal fire access roads, as needed

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

Measure M (Continued)

Mills High School - Opened in 1958
400 Murchison Drive in Millbrae
Serving the Cities of San Bruno and Millbrae

- Seismic upgrades and improvements to fire safety systems, including alarms and sprinklers, in buildings housing gyms/locker rooms, art and industrial technology
- Install improvements to exterior lighting and lighting control systems for parking lots, walkways, and emergency exits, for safety/security
- Remove and dispose of hazardous materials in buildings to be remodeled
- Safety and accessibility improvements to walkways and bleachers, and accessible doors and door hardware in buildings housing gyms/locker rooms, art and industrial technology
- Provide air conditioning for classrooms that become excessively hot due to skylights and metal wall construction that conduct heat
- Install new heating and ventilation system with energy management controls to comply with energy efficiency standards in buildings housing gyms/locker rooms, theater, art and industrial technology
- Complete upgrade of old boiler system
- Improvements to campus fire-fighting water supply system
- Replace old campus plumbing systems for water, gas and heat; sewer system; storm drainage
- Improvements to electrical, security, clock, bell and emergency lighting systems in buildings housing gyms/locker rooms, theater, art and industrial technology
- Update campus electrical power system to increase capacity
- Install central cable for school-wide media production capability
- Provide energy efficient interior lighting, and energy management controls in buildings housing theater, art and industrial technology, gyms/locker rooms
- Replace old, deteriorating roofs and skylights in theater, art and industrial technology buildings, gyms/locker rooms
- Replace old, deteriorating windows
- Paint exterior of renovated buildings
- Extensive renovation of 48-year-old pool and pool filtration system for efficiency and safety
- Renovate old cafeteria including improvements for fire, seismic safety and accessibility compliance (such as ramps, accessible serving and seating areas); update lighting and energy efficient lighting controls; interior finishes for ceiling, walls, floor; replace outdated kitchen equipment
- Remodel 48-year-old buildings housing industrial technology, computer-assisted drafting, and art, including improvements for fire, seismic safety and accessibility compliance (such as ramps, accessible seating, doors and door hardware)
- Extensively remodel old theater, including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware)
- Build new academic classroom building to provide approximately nine additional classrooms and labs; remove old portable classrooms
- Replace old, worn student lockers
- Upgrade wall and ceiling finishes, including paint, and replace floors in large and small gyms, physical education classrooms and old locker rooms
- Improvements to interior courtyard surfaces and landscaping
- Provide new restroom building/storage facility at football/soccer field for use at school- community sporting events

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, internal fire access roads and east access road, as needed

San Mateo High School
506 North Delaware Street in San Mateo
Serving the Cities of Foster City, San Mateo, and Hillsborough

The original San Mateo High School was built in 1927. The new San Mateo High School opened in 2005. Improvements are to be made to the site itself and to replace the remaining 78-year-old building currently housing music instruction, a small theater, and the biotechnology program

- Improvements to exterior lighting, where needed, and lighting control systems for parking lots, walkways, and emergency exits
- Improvements to provide disabled access to athletic fields, courts and bleachers
- Replace old plumbing systems for water and gas/sewer system; storm drainage connections for new building
- Replace 78-year-old building with larger, state-of-the-art facility to accommodate instructional classrooms including for music, ceramics, labs for biotechnology, and Flex theater; demolish old building
- Connect new building to campus fire-fighting water supply system
- Provide new restroom building/storage facility at football/soccer field for use at school community sporting events
- Resurface, rebuild and re-stripe parking areas and internal fire access road, as needed

Crestmoor Site - Opened in 1962
300 Piedmont Avenue in San Bruno
Serving all District Communities

The Crestmoor site houses Peninsula High School, Oayon College day care program, a San Mateo County Superior Court room, the District's Maintenance and Operations Department, and a branch of the Transportation Department.

- Improvements to fire safety systems, including alarms and sprinklers, in buildings where needed
- Improvements to exterior circulation lighting for safety/security
- Safety and accessibility improvements to restrooms, walkways; accessible doors and door hardware
- Update to old main campus electrical power switchgear equipment
- Upgrade exteriors of buildings, including paint
- Resurface, rebuild and re-stripe parking areas, pedestrian walkways, as needed

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure M (Continued)

San Mateo Performing Arts Center - Opened in 1954
600 North Delaware Street in San Mateo
Serving all District communities and San Mateo County

This 52-year-old theater building is home to the Bay Area Speakers Series, Peninsula Civic Light Opera, Peninsula Symphony Orchestra, Broadway by the Bay, Performing Arts for Youth Society and is in constant use by San Mateo High School and the district-wide community for various other events, including graduation ceremonies for schools.

- Extensive remodeling, including improvements for fire, seismic safety and accessibility compliance (such as aisles, ramps, accessible seating, doors and door hardware), new roof, security systems; new heating/air conditioning
- Replace old plumbing systems for water and gas; sewer system; storm drainage
- Rebuild and repave driveway approach for safer public, bus access

Other Necessary and Incidental Work - All Sites (at which construction/remodeling work to be completed as authorized by this Bond Projects List)

- Address unforeseen conditions revealed by construction/remodeling (such as utility line breaks, dry rot, seismic, structural, etc.); remove and dispose of hazardous materials, as needed
- Necessary site preparation/restoration or demolition, in connection with new construction, renovation, remodeling, or installation or removal of temporary relocatables for classrooms and other purposes, including ingress and egress, removing, replacing, or installing irrigation, drainage, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property
- Rent or construct temporary storage facilities, other space, as needed to house construction materials, equipment, and personnel and interim classrooms (including relocatables), for students or other storage for classroom materials displaced during construction
- Acquire any of the facilities on the Bond Projects List through temporary lease or lease-purchase arrangements, or execute purchase option under a lease for any of these authorized facilities, or prepay and redeem any lease obligations issued/entered into for purposes of financing any of these authorized facilities
- Furnish and equip newly constructed/remodeled classrooms and facilities
- Replace worn, broken, and out-of-date furniture and equipment

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure O

The following is the full proposition presented to the voters by the San Mateo Union High School District.

"To better prepare local students for college/21st century jobs, shall San Mateo Union High School District provide classrooms/ labs for science, math, and job-training, update educational facilities to meet current safety codes, provide modern classroom technology/computers, support academic programs/teachers by eliminating debt, and repair, construct and acquire equipment, sites, schools/facilities, by issuing \$186,000,000 in bonds at legal rates, with citizen oversight, no money for administrators' salaries and all funds supporting only local schools?"

The Board of Trustees of the San Mateo Union High School District evaluated the District's urgent and critical facility needs, including safety issues, enrollment trends, class size, and computer and information technology and equipment, in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input and review in developing this Project List. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing. Therefore, in approving this Project List, the Board of Trustees determines that the District should:

- Support teachers and protect academic programs by reducing operating and administrative costs and refinancing loans by retiring construction debt;
- Provide safe, well-maintained classrooms and labs for science, math and other core and alternative academic programs;
- Provide classrooms and labs for job-training programs such as technology and engineering;
- Provide classroom technology and computers to all schools so that students are prepared to go to college and high-paying 21st century jobs;
- Reduce operating costs through energy and resource efficiency and invest the savings to improve academic class offerings;
- Establish a classroom technology and capital improvement and maintenance fund;
- Support English, math, science and other academic programs through improved classroom technology and facilities;
- Retain all bond money to be used in our local community;

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure O (Continued)

The Project List is on file at the District Office of the Superintendent and includes the following projects:

Classroom and Science Lab Construction and Renovation Projects to Provide Safe and Comparable Facilities for All Students

Goal and Purpose: To provide needed core academic classrooms, labs and facilities which are earthquake safe and handicapped accessible.

- Construct new classroom buildings and support facilities, which will provide needed classrooms and laboratories for classes in science, math, English, social studies, foreign languages and other core academic classes
- Acquire land and construct a replacement alternative high school to better serve students
- Provide Americans for Disability Act handicap accessibility features as mandated by the Division of the State Architect, including ramps, handicapped parking and bleachers
- Comply with up-to-date fire, earthquake and safety standards
- Install updated wiring to accommodate current educational technology
- Remove hazardous materials
- Refinish damaged and deteriorating exterior walls comprising un-insulated asbestos-cement panels to prevent exposure of potentially hazardous asbestos fibers
- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, and integrate new classrooms in each school's fire safety system
- Replace/upgrade existing security systems
- Upgrade emergency communication systems, including warning systems and public address systems.
- Retrofit electrical systems for classroom technology
- Upgrade outdated heating and ventilation systems
- Improve drainage and water systems

District-Wide Instructional Technology for Effective Learning Environment Projects

Goal and Purpose: To improve current instructional methods, to integrate modern technology into daily student learning, and to provide modern classroom technology to all students.

- Provide and maintain upgraded technology, data and communication equipment
- Upgrade and expand wireless systems, telecommunications, network systems and internet connectivity
- Upgrade and replace computers, hardware and software systems

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure O (Continued)

Projects to Reduce Operating Costs

Goal and Purpose: To reduce operating costs and redirect resources to classroom instruction and retaining qualified teachers.

- Augment energy management systems by adding automation and monitoring components to maximize efficiency of existing system facilities
- Upgrade or replace outdated main electrical service to improve efficiency and lower operating costs
- Incorporate solar thermal heating systems and other energy efficiency upgrades to reduce related energy expenditures
- Replace or improve inefficient single-pane windows
- Replace or upgrade mechanical systems
- Refinance loans by retiring construction debt to redirect instructional funds back to the classroom.
- improve insulation, weather proofing and roofs to reduce costs
- implement water conservation projects

The listed projects will be completed as needed. The proceeds of the bonds are expected to be spent on the projects listed above in the following approximate amounts: 60% are expected to be spent on the construction of new classrooms supporting science, technology, general education or the alternative high school programs, health and safety projects and technology upgrades. Included in the 60% are energy, administrative facilities or other efficiency upgrades that will result in savings that will increase general education dollars. The remaining 40% are expected to reduce or retire construction debt which will also generate additional funds to support educational programs and reduce maintenance expenses.

Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, the reduction or retirement of outstanding lease obligations/certificates of participation, the refinancing of any interim funding in the form of lease obligations incurred to advance fund projects from the Project List, or the reimbursement of the District for such reduction, the construction of new schools, if necessary to serve students, the acquisition of land, the construction or remodeling of administrative support spaces, installation of signage and fencing, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, and temporary housing of dislocated District activities caused by bond projects.

Projectors portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure O (Continued)

In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating, air conditioning and ventilation systems; upgrade of facilities for energy efficiencies and to reduce fire risks; repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; build/renovate new gymnasiums, pools and high school stadiums; maintenance facility; technology hub; upgrade or replace inadequate libraries, multi-purpose rooms and kitchens; upgrade locker rooms; install lunch shelters, artificial turf, and bleachers; expand parking; install interior and exterior painting and floor covering; replacement of portable classrooms; installation of covered walkways or shelters; addition of administrative support spaces; upgrade school site kitchens; demolition; and construction of various forms of storage and support spaces; upgrade classrooms; repair, upgrade and install interior and exterior lighting systems; replace water and sewer lines and other plumbing systems; and replace outdated security fences and security systems.

The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use or community use projects in cooperation with other local public or non-profit agencies. Possible joint-use projects could include any of the following at various school sites: libraries, gymnasiums, fields and athletic facilities. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing or installing irrigation, storm drain, and utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. In the event that the District sold the Crestmoor site the District may use the proceeds of the sale, among other purposes, to either retire bond debt or to fund a capital improvement and maintenance fund.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure L

The following is the full proposition presented to the voters by the San Mateo Union High School District.

"SAN MATEO UNION HIGH SCHOOL DISTRICT CLASSROOM REPAIR/TECHNOLOGY MEASURE. To upgrade local high schools that prepare students for college and today's competitive global job market; improve school safety; provide modern classroom technology; acquire, construct, repair classrooms, facilities, sites/equipment; update classrooms/labs for science, math/engineering instruction; shall San Mateo Union High School District's measure authorizing \$385,000,000 in bonds at legal rates, levying \$15.55/\$100,000 assessed value (\$27,200,000 annually) while bonds are outstanding, be adopted, requiring oversight/audits, and no money for administrators' salaries?"

PROJECT LIST

The Board of Trustees of the San Mateo Union High School District is committed to improving the quality of education in local public schools by providing safe, secure, upgraded classrooms, labs and technology needed to support high quality instruction in math, science, engineering and technology. To that end, the Board evaluated the District's urgent and critical facility needs, including safety issues, class size reduction, basic repairs, computer and information technology in developing the types of projects to be funded by this measure as described below. The District conducted a facilities evaluation and received public input in developing this Project List. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed.

In approving this Project List, the Board of Trustees determines that the District must:

- (i) Remove hazardous asbestos from older classrooms and facilities; and
- (ii) Provide classrooms, facilities and technology needed to support high quality instruction in math, science, engineering and technology for both college and competitive global economy jobs; and
- (iii) Attract and retain quality teachers and staff by promoting affordable housing dedicated to school employees; and
- (iv) Keep computer systems and instructional technology up-to-date to ensure our students have access to latest learning methods; and
- (v) Upgrade aging infrastructure, including deteriorating restrooms, leaky roofs, outdated electrical, lighting, heating and fire safety systems; and
- (vi) Adhere to specific fiscal accountability safeguards:
 - (a) All expenditures subject to annual independent financial audits.
 - (b) No money taken by the State. All funds stay local.
 - (c) All expenditures reviewed by an independent citizen oversight committee to ensure that funds are spent only as authorized.

The Project List includes the following types of upgrades and improvements at District schools, facilities and sites:

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure L (Continued)

IMPROVE AGING CLASSROOM INFRASTRUCTURE AND SUSTAINABILITY

School Repair and Upgrade Projects Which Promote Student Achievement

Goals and Purposes: Many of the District classrooms and school facilities were built decades ago, and as a result many are aging and need basic health and safety upgrades. This measure will fund the repair of deteriorating restrooms and leaky roofs, replace outdated electrical, lighting, heating, and air conditioning systems, as well as update fire alarm and sprinkler systems.

The rising cost of housing in San Mateo County makes it hard to retain and attract quality teachers and staff. Some commute from as far as Tracy because they cannot afford to live nearby, and many others leave to work in more affordable areas. This measure will assist in the construction of affordable housing dedicated to school employees, so the District can attract and retain high-quality teachers and staff.

This measure is a smart investment as it will improve energy efficiency and sustainability by renovating buildings; improving heating, ventilation, and air conditioning; and installing turf fields that do not need water. These improvements will reduce energy and water use, makes our schools more sustainable, and save money that can be redirected back into the classroom.

- Repair or upgrade aging and leaky plumbing and drinking water systems
- Repair deteriorating walls and facilities containing asbestos
- Provide or convert classrooms, labs and educational facilities to accommodate student population increases
- Repair deteriorating electrical, wiring, heating, cooling and ventilation systems to increase energy efficiency and reduce utility bills
- Remove hazardous materials like asbestos
- Update science, technology and computer labs, including spaces for students to conduct hands-on science, technology and engineering education
- Repair older facilities' walls to prevent rats and mice from entering classrooms

STUDENT SAFETY AND ACHIEVEMENT: LOCAL SCHOOL FUNDING TO SUPPORT HIGH QUALITY INSTRUCTION IN MATH, SCIENCE, ENGINEERING AND TECHNOLOGY

Projects That Improve Student Safety and Success

Goals and Purposes: Many of our high schools are lacking the up-to-date technology students need to succeed. Some classroom technology hasn't been updated in over 25 years, which is before Google and Facebook even existed and before most people had cell phones. This measure will upgrade classrooms, and science labs and computer labs, as well as improve electrical systems and wiring for computers and internet access, to ensure our students will have equal access to exemplary learning.

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure L (Continued)

This measure will upgrade classrooms, computer systems, and science labs to improve student learning and achievement. These investments will provide students with the technology and skills they need to compete in an increasingly advanced and competitive economy.

Many of our local high schools have outdated and insufficient security features that do not meet current standards or reflect modern safety challenges and risks. This measure will make campus access improvements and other security system upgrades for emergencies to provide safe learning environments for students.

Schools will benefit from a variety of safety and achievement projects, such as:

- Update fire and carbon monoxide alarm systems that meet current safety standards.
- Provide educational facilities which better prepare students for a competitive global economy.
- Provide the classrooms and facilities needed to support high quality instruction in math, science, engineering, and technology.
- Replace out-of-date classroom and instructional technology.
- Provide the classrooms and facilities needed to support high quality instruction.
- Enable campuses to securely lockdown in emergencies.

In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: add or renovate student and staff restrooms; repair and replace electrical, plumbing, heating, ventilation and air conditioning systems; upgrade of facilities for energy efficiencies; repair and/or replace worn-out and deteriorated roofs, boilers, chillers, windows, walls, floors, doors, water lines and drinking fountains; construct or renovate offices and facilities for professional development of teachers, more efficient administration and multi-purpose learning spaces; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices; upgrade or construct classrooms and support facilities including administrative, maker spaces, student union/activity centers, physical education facilities, gyms, tennis courts, music rooms, classrooms or facilities, science and computer labs/classrooms, libraries and buildings, covered eating areas, maintenance facilities and yards; repair and replace fire alarms, emergency communications, public address and security systems; improve facilities to satisfy ADA requirements; resurface or replace asphalt, broken concrete and improve hard courts, turf, install artificial turf on fields, irrigation, and downspout drainage systems and campus landscaping; install signage and pathway lighting, solar systems and fencing; expand parking and drop-off areas; improve all site utilities; acquire land; construct new school buildings; provide interim funding for the construction of teacher and staff housing; upgrade or replace interior and exterior painting, floor covering (including carpets), and school facades; demolition; upgrade or construct kitchens, food service areas, wellness center, and school cafeterias; construct various forms of storage and support spaces and classrooms; improve outdoor learning environments and quads; repair, upgrade and install interior and exterior lighting systems and backup power generators; improve courtyards, sand volley ball and athletic structures, athletic fields and facilities which support student health, fitness and safety, lockers, stadium and hard court bleachers and exterior lighting; acquire vehicles, trucks and buses; construct; replace outdated security fences and security systems (including access control systems and security cameras), provide lunch shelters, indoor space for assemblies or for rainy day lunch; upgrade music labs, multi-purpose rooms, learning centers and media centers; add or upgrade

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure L (Continued)

parking lots. In addition to the listed projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the Project List; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring, design and construction documentation, and temporary housing of dislocated District activities caused by construction projects.

The upgrading of technology infrastructure includes, but is not limited to, network rewiring, cabling, computers, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, clock/telephone/ intercom systems, call manager and network security/firewall, wireless technology systems, refresh classroom technology, miscellaneous IT and instructional equipment, data storage, phones, identity cards and the construction and installation of a data center in the cloud for the District's enterprise systems, such as resource planning, websites, domain name systems, cloud applications and information security. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of portable classrooms and existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation or drainage systems, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the types of projects and purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

FISCAL ACCOUNTABILITY: THIS MEASURE REQUIRES A CLEAR SYSTEM OF ACCOUNTABILITY, INCLUDING A PROJECT LIST DETAILING HOW THE MONEY WILL BE USED, A CITIZEN'S OVERSIGHT COMMITTEE, AND INDEPENDENT AUDITS TO ENSURE MONEY IS SPENT PROPERLY.

IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF EDUCATION WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY

SAN MATEO UNION HIGH SCHOOL DISTRICT
MEASURE M, O AND L GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

Measure L (Continued)

LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

OTHER INDEPENDENT AUDITOR'S REPORTS



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

Citizen's Oversight Committee
and Governing Board
San Mateo Union High School District
San Mateo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the Measure M, O and L General Obligation Bond Funds of San Mateo Union High School District (the "District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Measure M, O and L General Obligation Bond Funds financial statements, and have issued our report thereon dated November 23, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure M, O and L General Obligation Bond Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of Measure M, O and L General Obligation Bond Funds internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

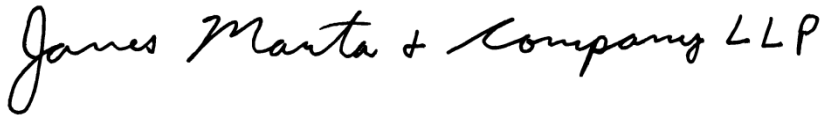
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure M, O and L General Obligation Bond Funds financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 23, 2020



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT ON MEASURE M, O AND L BOND PERFORMANCE

Citizen's Oversight Committee
and Governing Board
Measure M, O and L
General Obligation Bond Funds
San Mateo Union High School District
San Mateo, California

Report on Performance

We have completed a performance audit of Measure M, O and L General Obligation Bonds of San Mateo Union High School District (the "District"), for the year ended June 30, 2020 and have issued our report thereon dated November 23, 2020.

Management's Responsibility

The design, implementation, and maintenance of internal controls relevant to the financial process and compliance with the requirements of state laws and regulations is the responsibility of District's management.

Auditor's Responsibility

Our responsibility is to determine that the District complied with the Measure M, O and L General Obligation Bonds in accordance with Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectiveness. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The results of the procedures performed indicate that the District complied with the requirements identified in Appendix A of the K-12 Local Education Agencies and State Compliance Reporting for the Measure M, O and L General Obligation Bond funds for the year ended June 30, 2020.

Objectives

The objectives of our performance audit was to determine that the San Mateo Union High School District expended Measure M, O and L General Obligation Bond funds for the year ended June 30, 2020 only for purposes approved by voters and only for specific projects adopted by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C.

Scope of the Audit

The scope of our performance audit covered the fiscal year ended June 30, 2020. The expenditures included all account and project codes associated with the bond projects. Expenditures before July 1, 2019 and after June 30, 2020 were not reviewed as they were not within the scope of our audit.

Methodology

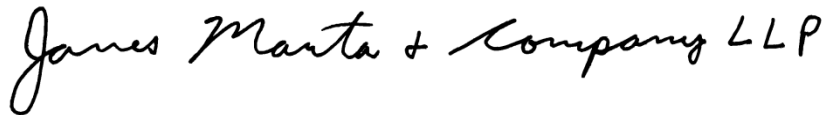
1. We obtained the general ledger for the fiscal year ended June 30, 2020.
2. We selected expenditures to ensure compliance with Proposition 39 and Measure M, O and L General Obligation Bond Funding.
3. We verified the mathematical accuracy of the expenditures included in the Measure M, O and L Building Fund detailed general ledger for the fiscal year ended June 30, 2020.
4. We verified that the funds were generally expended for the construction, renovation, furnishing and equipping of school facilities constituting authorized bond projects.
5. Solely to assist us in planning and completing our performance audit, we obtained an understanding of the internal controls of the District.
6. We selected a sample of bond expenditures and performed the following:
 - a. Reviewed the invoices, contracts, warrant copies and other supporting documents to verify the funds were spent in accordance with the list of projects defined in the full Measure M, O and L bond text.
 - b. For any expenditures that were subject to the bid process, we reviewed supporting documentation to verify that all applicable bid process requirements were satisfied.
 - c. We verified that any change orders for the selected projects were approved by the Board of Trustees.
7. We verified that any funds used to pay the salaries of District employees were allowable per opinion 04-110 issued November 9, 2004 by the State of California Attorney General.

Conclusion

Based on the procedures performed, we found that the San Mateo Union High School District has properly accounted for the expenditures of Measure M, O and L General Obligation Bonds. Further, it was noted that the funds were not used for salaries of school administrators or other operating expenditures. Our audit does not provide a legal determination on the District's compliance with specific requirements.

Purpose of this Report

The purpose of this report is solely to describe the scope of our performance audit and the results of that testing. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's compliance. This report is intended solely for the information and use of management and Governing Board of San Mateo Union High School District, others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 23, 2020