

Eureka City Schools
Citizens' Oversight Committee
 For Bond Measures S and T

Second Annual Report to the Community

ADDENDUM – April 25, 2005

As a follow-up to our Second Annual Report to the Community dated December 31, 2004, the Citizens' Oversight Committee (COC) is pleased to provide the following information.

We recently received the independent financial and performance audit reports from the CPA firm of Hartley, May & Abrahamsen for Measures S & T for fiscal year July 1, 2003 - June 30, 2004. Measure S bond proceeds are intended for facilities improvements at Eureka High School and Zane and Winship middle schools, while Measure T bonds are to cover improvements at the district's elementary schools. Of the \$43,160,000 bonds authorized by the March 2002 election, \$28,099,592 were sold in August 2002. The financial activity of the two bond measures during the 2003-04 fiscal year is summarized as follows:

	<u>Measure S</u>	<u>Measure T</u>	<u>Total</u>
Revenues:			
Bond Sales	\$ -	\$ -	\$ -
Interest Earned	509,344	140,099	649,443
Total Revenues	<u>509,344</u>	<u>140,099</u>	<u>649,443</u>
Less Total Expenditures	<u>2,621,343</u>	<u>1,539,911</u>	<u>4,161,254</u>
Revenues (under) Spending	(2,111,999)	(1,399,812)	(3,511,811)
Fund Balances, 7-01-03	<u>21,879,784</u>	<u>6,488,903</u>	<u>28,368,687</u>
Fund Balances, 6-30-04	\$ 19,767,785	\$ 5,089,091	\$ 24,856,876

The independent audit report states that bond funds “were used for specified school facilities projects only, as described in Measures S & T, and not for teacher or administrator salaries and other operating expenses.” We agree with the findings of the audits.

On the following page is a table that shows the \$4,161,254 spent last fiscal year by school facility. For additional details please visit our website at www.eurekacityschools.org on the webpage titled “Measures S and T” or contact any committee member.

Citizens' Oversight Committee Members:

Melinda Ciarabellini	Bob Marino, Vice-Chair
Marge Custis	Susan Seaman
Larona Farnum	Liana Simpson
Kurt Kramer	Ken Skaggs, Chairman
Fred Nelson	

BOND EXPENDITURES: July 1, 2003 - June 30, 2004

		(\$ in thousands)	
Measure S			
Winship Middle School	\$	467	
Zane Middle School		441	
Eureka High School		579	
Marshall Annex		53	
Jacobs Education Center		95	
District Wide		796	
Central Kitchen		185	
Corporation Yard		5	
Total Measure S			\$ 2,621
Measure T			
Alice Birney Elementary	\$	65	
Grant Elementary		98	
Jefferson Elementary		64	
Lafayette Elementary		510	
Lincoln Elementary		152	
Washington Elementary		294	
Worthington Elementary		5	
Winzler Children's Center		2	
District Wide		346	
Central Kitchen		2	
Corporation Yard		1	
Total Measure T			1,540
Total Spending 2003-2004			\$ 4,161
Total Spending prior year			581
Cumulative Spending thru 6-30-2004			<u>\$ 4,742</u>