

**MEASURE T**  
**SECOND ANNUAL REPORT TO THE COMMUNITY**  
**July 1, 2022 – June 30, 2023**

This is the second annual report to the community by the Citizens' Oversight Committee (COC) concerning the status of the School Improvement Bond Measure T, approved by Eureka voters in March 2020. Bond Measure T authorized \$18 million for projects specific to Eureka High School.

Pursuant to state law, the Eureka City Schools' Governing Board appointed a Citizens' Oversight Committee, an independent committee representing various segments of the community. Responsibilities of the committee include informing the public regarding bond construction projects and their costs, ensuring the projects are within the scope of the bond measures and that no bond proceeds are used for any teacher or administrative salaries or other operating costs, and presenting to the Board of Trustees a written report which summarizes the Committee's proceedings and activities for the preceding year, including a statement indicating whether the District is in compliance with requirements of Article XIII A, Section I(b)(3) of the California Constitution.

**Committee Activities**

The committee met four times during the year at its regularly scheduled quarterly meetings. Standing meeting topics include reviewing quarterly and annual financial reports and receiving updates on progress of bond projects.

**Project Report**

In the year ended June 30, 2023, Eureka City Schools realized no expenses for projects related to Bond Measure T. Portions of the initial planning, engineering, and permitting costs incurred for the Albee Stadium and Cloney Field storm drain replacement project have been charged to Measure S. Costs for these items, which will ultimately be charged to Measure T, are estimated at \$1,556,923. The audited Measure T fund balance as of June 30, 2023, is \$17,864,989, which includes interest received.

The district received Division of the State Architect (DSA) approval for increment 1 of the Albee Stadium/Cloney Field project in September 2022. The projected cost of completing Increment 1 exceeded the amount the District anticipated, and as a result the decision was made to delay construction on the project until total project costs, including those for Increment 2, can be established.

The District subsequently received DSA approval for Increment 2 on January 18, 2024, and is now awaiting the funding determination for the project from the state's Office of Public School Construction (OPSC). Once the funding determination is received, and the District awards the project to the responsive low bidder, construction will commence. The District expects construction work will begin in Spring 2024.

### **Bond Sale**

The authorized issuance amount of the Measure T General Obligation Bonds is \$18,000,000. Bonds in the amount of \$18,000,000 were issued in March 2022. Combined Building Fund balances for Measure S and Measure T, including interest and other state revenues as of June 30, 2023, is \$19,876,612.

### **Additional Revenues**

As cited previously, the District applied for state matching funds through OPSC. To assist in their funding determination, OPSC staff have visited the site in order to gain a better understanding of the project scope. The District hopes to secure a state funding commitment by Spring 2024.

### **Findings and Conclusion**

The firm of James Marta & Company LLP of Sacramento, California, conducted independent performance and financial audits. The objective of the performance audit was to determine with reasonable assurance that “the District expended the Measure T General Obligation Bond funds for the year ended June 30, 2023, only for purposes approved by voters and only for specific projects adopted by the District’s Board of Trustees”, and not for any other purpose. In the opinion of the auditing firm, “Eureka City Schools has properly accounted for the expenditures of Measure T General Obligation Bond Fund”. The audit also notes that “the funds were not used for salaries of school administrators or other operating expenditures”.

James Marta & Company further opined that the fund financial statements “present fairly, in all material respects, the financial position of the Eureka City Schools District Measure T General Obligation Bond Fund as of June 30, 2023, and the results of its operations the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.”

The Citizens’ Oversight Committee believes, based on the opinion expressed by the auditing firm of James Marta & Company LLP, that Measure T proceeds have been properly accounted for and expended only for the purposes set forth in the Bond measure.

Respectfully submitted by the Citizens’ Oversight Committee Members:

Denise Jones, Chair (Taxpayer Organization)

Bert Campton (At-large)

Shalise Miles (At-large)

Thavisak "Lucky" Syphanthong (School District Parent/Parent-Teacher Organization)

Becky Reece, Vice Chair (Business Community)

Wendy Harper (School District Parent/Guardian)

Syn-dee Noel (Senior Citizens Organization)