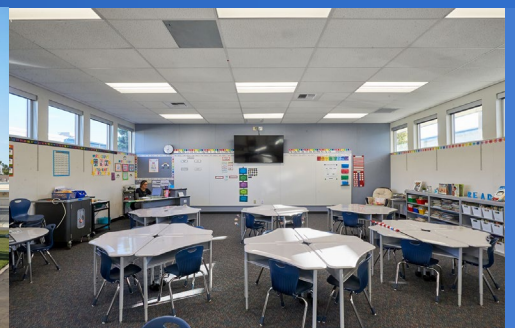


Chula Vista Elementary School District
Independent Citizens Oversight Committee (CVESD ICOC)

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2020-21 Annual Report to the Board of Education
June 16, 2021

Chula Vista Elementary School District
Independent Citizens Oversight Committee
(CVESD ICOC)

Jason C. Hurtado-Prater, Chair
Community At-Large Representative

- ***Floyd Strayer, Vice Chair***
  Community At-Large Representative
- ***Jolyn DePriest, Ph.D.***
  Business Community Representative
- ***Martha Juarez***
  Parent School Site Council Representative
- ***Nancy Kerwin***
  Senior Citizens Organization Representative
- ***Gloria McKearney***
  Taxpayers Association Representative
- ***Ben Lien***
  Parent PTA Representative
- ***James L. Smyth***
  Community At-Large Representative

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CVESD ICOC SCOPE

- $90 Million Proposition E approved by voters in November 2012.
  - Proposition E ICOC approved by Board in January 2013 to provided oversight of Proposition E General Obligation Bond funds.

- $150 Million Measure VV approved by voters in November 2018.
  - January 23, 2019, Board of Education adopted resolution adding ICOC oversight of Measure VV to the scope of existing Proposition E ICOC oversight responsibilities.
  - January 23, 2019, Board of Education amended Proposition E ICOC Bylaws and renamed the Proposition E ICOC as the CVESD ICOC.

- $300 Million Measure M approved by voters in March 2020.
  - April 22, 2020, Board of Education adopted resolution adding ICOC oversight of Measure M to the scope of existing CVESD ICOC oversight responsibilities.
  - Annual Report shall contain separate sections for Proposition E, Measure VV and Measure M.
  - No Measure M expenditures as of June 30, 2020.

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CVESD ICOC Reporting Responsibilities

- CVESD ICOC is required to report on compliance with Article XIIIA, Section I(b)(3) of the California Constitution including:
  - That bond funds are expended for the construction, reconstruction, rehabilitation, or replacement of school facilities, or the acquisition or lease of real property for school facilities.
  - That no bond funds are used for any teacher or administrative salaries or other operating expenditures.
  - To report on the review of the annual independent financial audit and review of the annual performance audit.
  - Annual Report to Board of Education.

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2020-21 CVESD ICOC Activities

- CVESD ICOC Meetings held on:
  - **September 16, 2020**
    - Conducted virtual post Summer 2020 modernization site walkthrough of Mae L. Feaster Charter School (Feaster Charter).
    - Discussed Measure VV and Measure M Bond Funding Status.
  - **December 9, 2020**
    - Reviewed Summer 2020 Feaster Charter Modernization Expenditure Report.
    - Discussed the CVESD Solar Project and the Heating Ventilation and Air Conditioning Projects.

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2020-21 CVESD ICOC Activities

- CVESD ICOC Meetings held on:
  - **March 10, 2021**
    - Reviewed report on the status of Measure VV and Measure M projects.
    - Discussed ICOC Annual Report to CVESD Board.
  - **May 12, 2021**
    - Reviewed and Approved 2019-20 Independent Certified Public Accountant (CPA) Proposition E and Measure VV Financial and Performance Audits.
      - Unmodified Opinion from independent CPA.
      - No finding or questioned costs
    - Reviewed 2020-21 CVESD ICOC Annual Report to CVESD Board.
    - Discussed status of Measure VV and Measure M projects.

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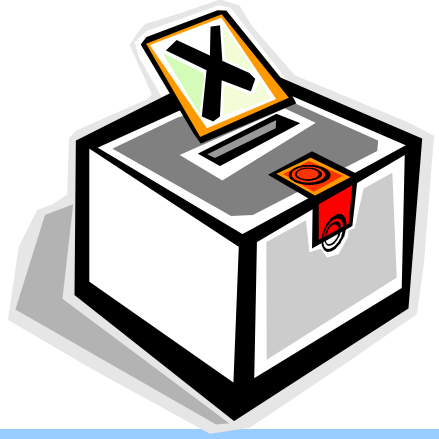
Proposition E Ballot Proposition

November 6, 2012

- ***Repair, renovate, construct, and upgrade classrooms and school facilities; increase student access to computers and modern technology; replace temporary classrooms; upgrade heating systems; and make energy cost-saving improvements.***
- ***Issue $90 million of bonds with legal interest rates, annual audits, independent citizens' oversight.***
- ***All funds spent locally and no money used for administrative salaries or taken by the State and spent elsewhere.***

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- ❑ **Required: 55.00% voter approval.**
  Received: 68.82% voter approval.
- ❑ **25-year amortization.**
- ❑ **No Capital Appreciation Bonds (CABs).**
- ❑ **Approximately $29 per $100,000 of assessed valuation per year.**



$90M Proposition E (2012) Summary of Series A, B and C Total Sources and Uses of Funds

Sources of Funds	Amount
Series A Issuance (2013) ($31,000,000 Less $225,000 Costs of Issuance)	$30,775,000
Series B Issuance (2015) ($14,000,000 less $168,000 Costs of Issuance)	13,832,000
Series C Issuance (2017) ($45,000,000 less $185,000 Cost of Issuance)	44,815,000
Interest Income	1,438,216
Total – Sources of Funds	**$90,860,216**

Uses of Funds	Amount
Wifi Installation Cost for SFID No. 1 Sites (2013-2014)	$466,066
Castle Park Modernization (2014)	6,526,630
Lilian J. Rice Modernization (2014)	6,834,780
Rosebank Modernization (2014)	6,674,525
Ella B. Allen Modernization (2015)	8,527,200
Hilltop Drive Modernization (2015)	8,444,167
Vista Square Modernization (2015)	7,339,449
Harborside Modernization (2017)	11,799,641
Kellogg Modernization (2017)[1]	9,852,625
Montgomery Modernization (2017)	12,392,743
Sunnyside Modernization (2019)[2]	11,129,014
Feaster Modernization (2019)[2] – preconstruction costs	873,376
Total – Uses of Funds	**$90,860,216**

[1] Amount does not include LDV expense ($1.3M) reimbursed by Prop 51 funds.
[2] Sunnyside and Feaster are partially funded by Measure VV

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Measure VV Ballot Proposition

November 6, 2018

- *To make school safety, security, technology and energy efficiency improvements; repair, construct, acquire and equip classrooms and educational facilities and reduce overcrowding; replace aging plumbing, sewer and electrical systems.*
- *Issue $150 million of bonds with legal interest rates, annual audits, independent citizens' oversight.*
- *All funds spent locally and no money used for administrative salaries or taken by the State and spent elsewhere.*

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- ❑ **Required: 55.00% voter approval.**
  Received: 67.75% voter approval.
- ❑ **25-year amortization.**
- ❑ **No Capital Appreciation Bonds (CABs).**
- ❑ **Extend, but not increase current tax rates of 1998 Proposition JJ of $20 per $100,000 assessed valuation.**

$150M Measure VV (2018)
First Issuance: $60M in August 2019

Sources of Funds	Amount
G.O. Bond Anticipation Notes (August 2019) ($59,998,285.10 Less $194,974 Costs of Issuance)	$59,803,311
E-Rate Discount	334,482
Interest Income (as of 4-30-21)	1,179,379
Total – Sources of Funds	**$61,317,172**

Uses of Funds	Amount
Completed	
Sunnyside Modernization (Summer 2019) [1]	$6,264,121
LED Energy Efficient Lighting Retrofit (2019-20)	4,092,378
CV Hills and Eastlake Fire Alarm Replacement (2019-20)	638,196
Network Equipment (2019-20)	296,536
Feaster Modernization (Summer 2020) [1]	22,092,695
Olympic View HVAC Controls (2019-20)	97,200
Projects in Progress/Planning Process	
HVAC, Roofing Replacement and Asbestos Abatement (2020-21 and 2021-22) [2]	12,379,055
Juarez Lincoln Fire Alarm Replacement (2020-21) [2]	341,863
Maxwell Transportation Center (2021-22) [2]	11,955,103
Security System (2021-22) [2]	2,683,525
Network Equipment (2021-22) [2]	476,500
Total – Estimated Uses of Funds	**$61,317,172**

[1] Sunnyside and Feaster were partially funded by Proposition E.
[2] Estimated cost for projects.

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Measure M Ballot Proposition

March 3, 2020

- ***To make repair and upgrade educational facilities and classrooms throughout the Chula Vista Elementary School District. Also includes district-wide solar installation and staff housing projects.***
- ***Issue $300 million of bonds with legal interest rates, annual audits, independent citizens' oversight.***
- ***All funds spent locally and no money used for administrative salaries or taken by the State and spent elsewhere.***

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- ❑ **Required: 55.00% voter approval.**
  Received: 55.42% voter approval.
- ❑ **not exceeding 25-year amortization.**
- ❑ **No Capital Appreciation Bonds (CABs).**
- ❑ **Measure M property tax rate will not exceed $30 per $100,000 assessed valuation.**

$300M Measure M (2020)
First Issuance: Series A $50M in August 2020

Sources of Funds	Amount
Series A Issuance (August 2020) ($50,000,000 less $200,000 Cost of Issuance)	$49,800,000
Interest Income (as of 4-30-21)	313,206
Total – Sources of Funds	**$50,113,206**

Uses of Funds	Amount
Projects In Progress/Planning Process	
Districtwide Solar Project * (2020-21 and 21-22) (46 school sites, ESSC and District Transportation Center)	$34,081,445
Relocatable Replacements * (2021-22 and 2022-23)	3,363,750
HVAC Replacement * (2021-22 and 2022-23)	12,191,511
Network Equipment (2021-22) [2]	476,500
Total – Estimated Uses of Funds	**$50,113,206**

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2019-20 Independent Performance and Financial Audit – Proposition E and Measure VV

- Performed by Wilkinson Hadley King & Co. LLP, CPAs.
- Financial audit
  - Unmodified (clean) opinion with no audit findings.
- Performance audit
  - Complied with Proposition 39 requirements (CA Constitution XIIIA) and Proposition E Ballot Measure.
  - CVESD ICOC found compliant with Education Code Sections 15278 through 15282.
- 2019-20 Audit report reviewed and approved by CVESD ICOC on May 12, 2021.

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Compliance with Article XIIIA, Section I(b)(3) of the California Constitution

- Based on review of information provided by the District and independent auditor to the CVESD ICOC, and its inspections of projects to date, the CVESD ICOC concludes that expenditures of the CVESD Bond Building Fund (Proposition E and Measure VV) have been in compliance with the requirements of Section Article XIIIA, Section I(b)(3) of the California Constitution. Specifically :
  - that Bond funds have been expended for the construction, reconstruction, rehabilitation, or replacement of school facilities, or the acquisition or lease of real property for school facilities. That no Bond funds have been used for any teacher or administrative salaries or other operating expenditures; and
  - that the CVESD ICOC has reviewed the annual Independent Performance Audit and annual Financial Audit.

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Feaster Charter School
Summer 2020 Modernization



Feaster Charter School
Summer 2020 Modernization



Feaster Charter School
Summer 2020 Modernization



Feaster Charter School
Summer 2020 Modernization



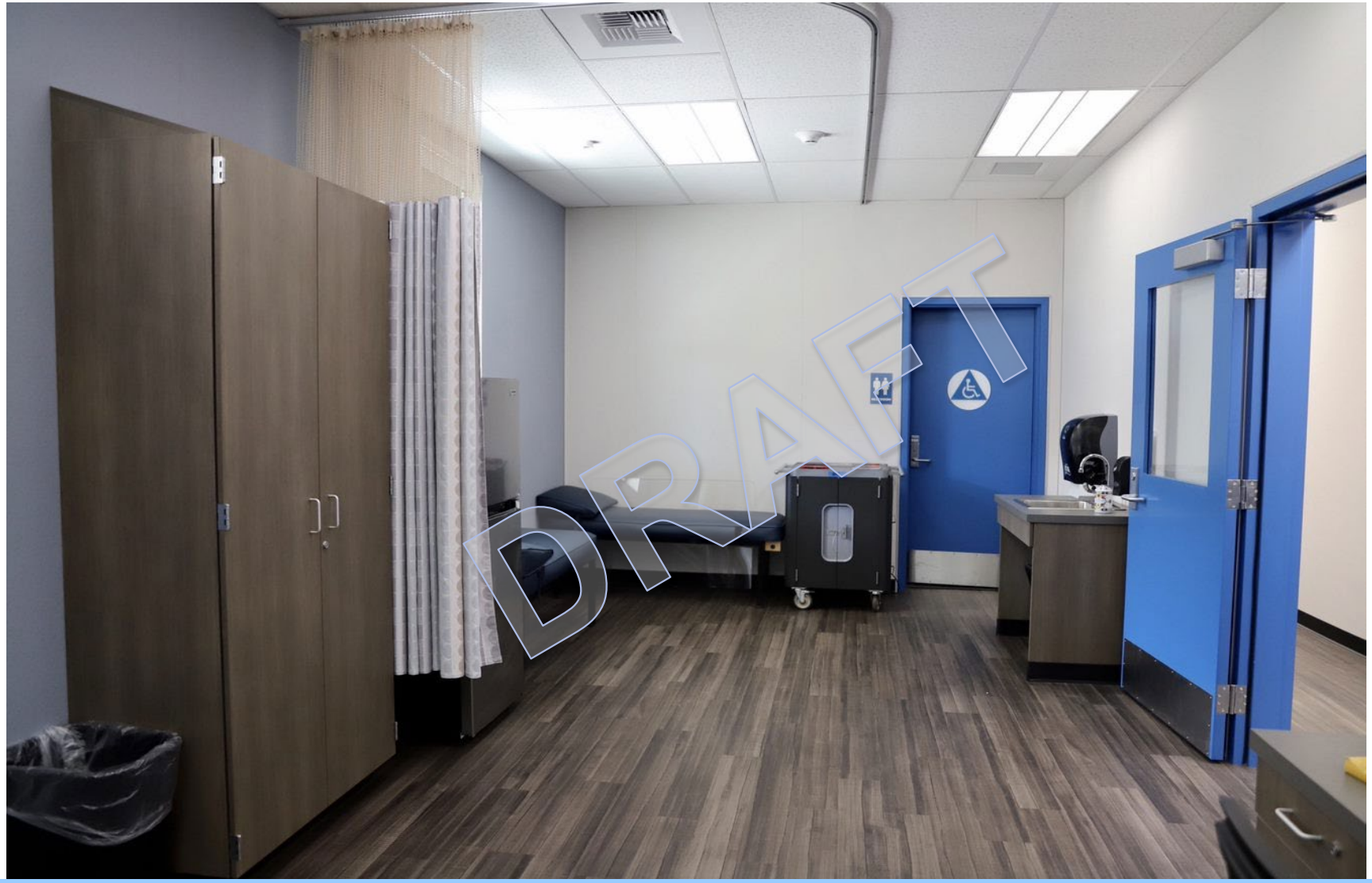
Feaster Charter School
Summer 2020 Modernization



Feaster Charter School
Summer 2020 Modernization



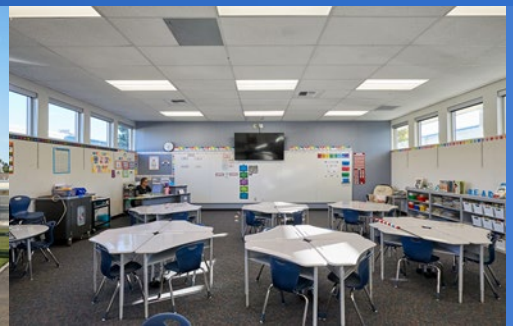
Feaster Charter School
Summer 2020 Modernization



Feaster Charter School
Summer 2020 Modernization





Thank you!

Questions? Comments?

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