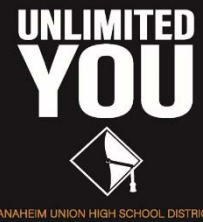


Measure H Construction Bond Program

Annual Report: March 2019 – February 2020



Anaheim Union High School District

Citizens' Bond Oversight Committee



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Executive Summary

The following is a summary of the Committee's activities from March 2019 through February 2020.

On March 5, 2019, we presented the Committee's Annual Report (March 2018 – February 2019) to the Board of Trustees in public session.

The Committee met four times during this period and made site visits to Cypress High School, Savanna High School, and Dale Junior High School. The Committee met on the following dates:

- ❖ May 30, 2019
- ❖ August 6, 2019
- ❖ November 14, 2019
- ❖ February 12, 2020

General Meeting Topics

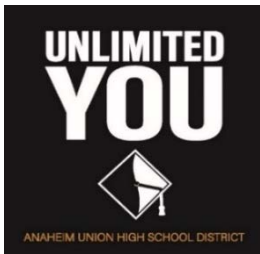
- We received design and construction project updates for various Measure H projects
- We received final cost reports for completed Measure H projects
- We received and reviewed project budgets
- We received and reviewed the list of upcoming Measure H projects and preliminary budgets
- We received and reviewed the expenditure reports related to the Anaheim Union High School District (Orange County, California) General Obligation Bond, Election of 2014 - Series 2015 (\$63.5M), Series 2018 (\$83M) and Series 2019 (\$102M)



Executive Summary

Specific Meeting Topics

- On May 30, 2019:
 - We visited Cypress High School to observe the “completed” site improvement project at that school.
- On August 6, 2019:
 - We received information on the impending sale of the final Measure H bond series (2019) in an estimated amount of \$102M.
 - We were informed that the District was exploring the possibility of placing another bond measure on the 2020 ballot. The COC was invited to participate in a Community Colloquium on August 17, 2019.
 - We visited Savanna High School to observe the progress of the site improvement project at that school.
- On November 14, 2019:
 - We received the resignation of two committee members due to personal reasons.
 - We visited Savanna High School to observe the substantial progress of the site improvement component of the work and the renovation of the shower/locker rooms.
- On February 12, 2020
 - We received a presentation and reviewed the Financial and Performance Audits for the year ending June 30, 2019, that was prepared by EideBaily, the District’s auditing firm.
 - We visited Dale Junior High School to observe the progress of the modernization work. We toured the renovated classrooms and labs.



Annual Report

Based on our review of the Financial and Performance Audit Report dated June 30, 2019, project updates and site visits, we are confident the AUHSD is expending the bond proceeds only for the purposes as set forth in the Measure H Bond Program and not for other purposes. We are satisfied with efforts being made to complete all projects as planned and in a cost-effective manner, and will continue to diligently monitor those efforts.

The Anaheim Union High School District Board of Education established the Citizens' Oversight Committee (COC) by Resolution No. 2014/15-B-02. The Committee is established under the guidelines of Measure H Bond election. Measure H was approved by the voters on November 4, 2014, and authorized the issuance of \$249,000,000 in general obligation bonds for capital improvement projects throughout the District.

Purpose

The purpose of the COC is to inform the public, at least annually in public session, concerning the expenditure of bond proceeds as approved by the voters on November 4, 2014. Bond proceeds may be expended only on capital improvement projects as defined by Exhibit B of Resolution No. 2014/15-B-02.



Committee Membership

Name	Representative Group	Reappointment Date	Term Completion
Carolyn Cavecche (Chairperson)	Member Active in a Bonafide Taxpayer Organization	March 5, 2019 (3 rd Term)	March 2021 Resignation -March 2020
Peggy Kruse-Stodghill	Parent and PTA Member	August 16, 2018 (1 st Term)	August 2020
Larry Larsen	Member Active in a Senior Citizens' Organization	January 17, 2019 (3 rd Term)	January 2021 Resignation -March 2020
Robert Nelson	Member At-Large	March 5, 2019 (3 rd Term)	March 2021
Patricia Rich	Member At-Large	Jan. 17, 2019 (3 rd Term)	January 2021
Grantt Rowan	Parent	August 16, 2018 (1 st Term)	August 2020
Alan Walker Interim Chairperson	Member Active in a Business Organization	January 17, 2019 (3 rd Term)	January 2021

New appointments will be brought to the Board of Trustees no later than May 2020.



Committee Duties

The COC actively reviews Measure H expenditures, annual financial and performance audits, financial statements, and staff reports regarding Bond sales, use of the proceeds, and progress of various capital projects that are funded by Measure H proceeds.

The specific activities of the COC includes the following:

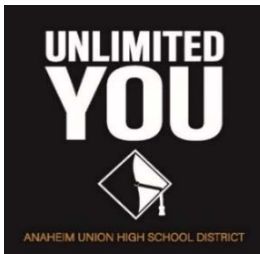
1. Review, revisions, and approval of the Committee Bylaws
2. Review of current projects in the Facilities Master Plan, including updates
3. Visits to construction sites
4. Attend regular meetings as a committee
5. Review of various reports and information including:
 - Annual performance and financial audits
 - Quarterly expenditure reports
 - Construction project updates
 - Planning status of future construction projects utilizing Measure H Bond funds
 - Various staff reports



Committee Duties

Committee Activities (continued)

6. Review of bond series issuance details
7. Review of efforts of the District to maximize bond revenues by accessing state matching funds, and implementing cost-savings measures
8. Adherence to the Brown Act requirements of publicized and open meetings



2015 Bond Series

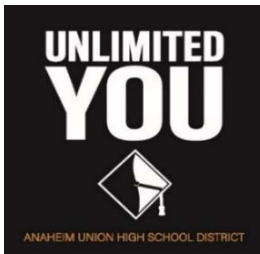
June 2015 – January 2020 Measure H Expenditure Summary

Bond Series 2015 Proceeds	\$63,455,000.00
Other Local Revenue	\$ 5,038.74
Interest	\$ 1,002,675.47
Leases and Rentals	\$ <u>11.00</u>
Total Proceeds	\$ 64,462,725.21
Expenditures as of January 31, 2020	<u>(\$64,462,691.35)</u>
Balance Bond Series 2015	\$ 33.86

The following is the detail summary of the Measure H Expenditures as of January 31, 2020

A. PPM, Design, Inspection, and Testing	\$9,452,443.05
A1. Construction	\$26,510,529.33
A2. District Project Management	\$576,488.32
B. 21 st Century Furniture	\$7,489,320.12
C. 2012 Certificate of Participation Payoff	\$19,883,505.98
D. Bond Administration Costs and Interest Expense	\$550,404.55

TOTAL EXPENSES: \$64,462,691.35



2018 Bond Series

April 2018 – January 2020 Measure H Expenditure Summary

Bond Series 2018 Proceeds	\$83,000,000.00
Other Local Revenue	\$ 225,321.96
Interest	<u>\$ 2,661,075.11</u>
Total Proceeds	\$ 85,886,397.07
Expenditures as of January 31, 2020	<u>(\$42,687,003.90)</u>
Balance Bond Series 2018	\$ 43,199,393.17

The following is the detail summary of the Measure H Expenditures as of January 31, 2020

A. PPM, Design, Inspection, and Testing	\$ 3,903,889.93
A1. Construction	\$ 36,900,738.78
A2. District Project Management	\$ 122,376.49
B. 21 st Century Furniture	\$ 34,393.86
B1. Equipment – FFE	\$ 809,127.10
B2. Graphic Arts	\$ 1,275.00
C. 2012 Certificate of Participation Payoff	\$ 0.00
D. Bond Administration Costs and Interest Expense	\$ 915,202.74

TOTAL EXPENSES: \$ 42,687,003.90



2019 Bond Series

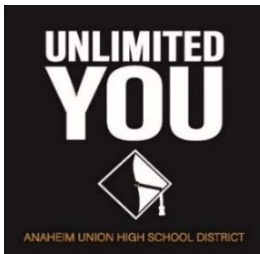
November 2019 – January 2020 Measure H Expenditure Summary

Bond Series 2019 Proceeds	\$102,545,000.00
Other Local Revenue	\$ 0.00
Interest	<u>\$ 281,048.98</u>
Total Proceeds	\$ 102,826,048.98
Expenditures as of January 31, 2020	<u>(\$ 533,946.93)</u>
Balance Bond Series 2019	\$ 102,292,102.05

The following is the detail summary of the Measure H Expenditures as of January 31, 2020

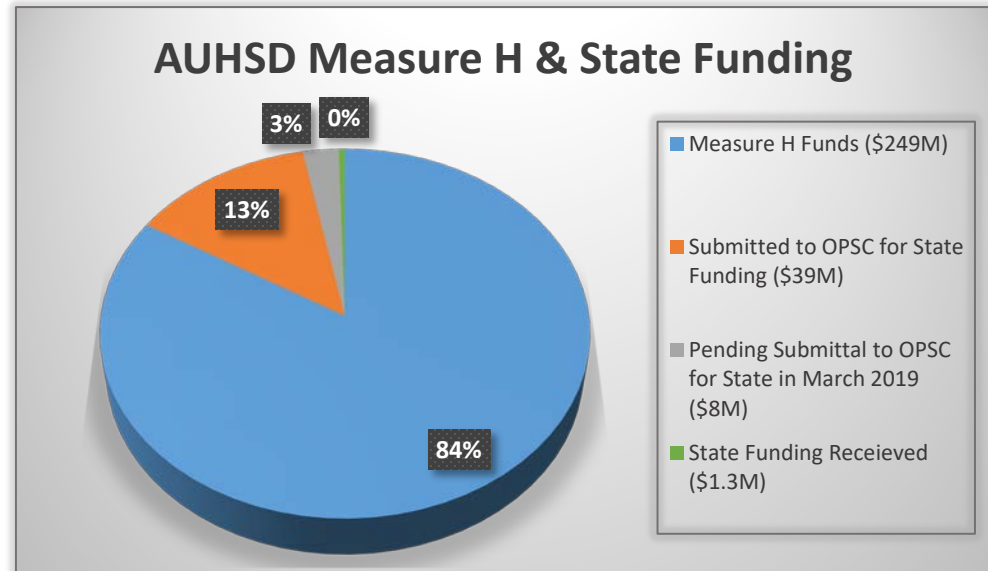
A. PPM, Design, Inspection, and Testing	\$ 0.00
A1. Construction	\$ 0.00
A2. District Project Management	\$ 0.00
B. 21 st Century Furniture	\$ 0.00
C. 2012 Certificate of Participation Payoff	\$ 0.00
D. Bond Administration Costs and Interest Expense	\$ 533,946.93

TOTAL EXPENSES: \$533,946.93



Anticipated State Funding

No.	Project Name	Estimated Funding	Funding Received
Modernization/New Construction			
1	AHS Aquatic Center - Modernization	\$6,422,590	
2	Ball JHS Modernization (*)	\$1,682,083	
3	CHS Site Improvements	\$3,942,420	
4	Dale JHS New construction	\$2,491,096	
5	Dale JHS Modernization	\$2,561,413	
6	Katella HS Site Improvements	\$7,690,501	
7	Kennedy HS Site Improvements	\$3,346,035	
8	Oxford Academy New Construction	\$1,673,514	
9	Oxford Academy Modernization	\$2,216,530	
10	Polaris Modernization	\$3,621,798	
11	Savanna HS Site Improvements (Inc. 1 & 2)	\$3,673,572	
12	Sycamore JHS Modernization (*)	\$3,546,221	
13	Western HS Parking Lot (*)	\$2,300,000	
CTE Grants			
14	Magnolia HS CTE	\$1,137,053	
15	Oxford Academy CTE		\$1,302,330
Facility Hardship Grant			
16	AHS Aquatic Center (Hardship)		\$2,531,711
DROPS Grant			
17	Katella HS DROPS Site Improvement		\$2,000,000
Total Estimated & Received State Funding		\$46,304,826	\$5,834,041
Total Anticipated State Funding		\$52,138,867	



(*) Soon to be submitted through School Facilities Program

Cypress High School Site Improvement Project



**Within budget ✓
On schedule ✓
Final GMP: \$9.2M
Expended to date: \$7.8M**

Kennedy High School Site Improvement Project



Within budget ✓
On schedule ✓
Final GMP: \$6.2M
Expended to date: \$4.6M

COMPLETED

Oxford Academy New Music Building and Engineering Labs Project



COMPLETED

Within budget ✓
On schedule ✓
Final GMP: \$9.3M
Expended to date: \$4.9M

Savanna High School Modernization and Site Improvements Project



Within budget ✓
On schedule ✓
GMP: \$21.2M
Expended to date: \$18.9

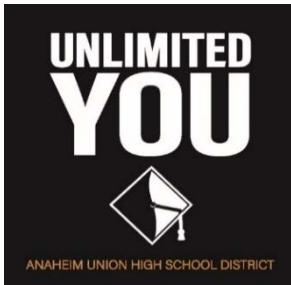


Dale JHS Modernization and New Construction Project



**Within budget ✓
On schedule ✓
GMP: \$46M
Expended to date: \$16.8**





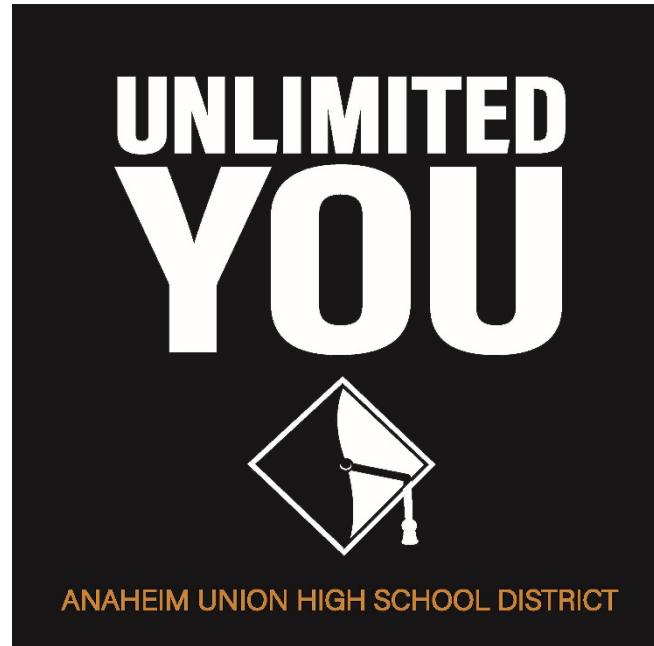
Annual Report

Conclusion

Based on the listed activities, the COC advises the public that the Anaheim Union High School District is in compliance with Education Code Sections 15100 *et seq.*, 15264 *et seq.*, Government Code Section 53506, and Article XIII A, Section 1(b)(3) of the California Constitution. Bond proceeds have been expended on projects set forth in the ballot measure. No bond proceeds have been used for teachers or administrative salaries or other school operating expenditures. Audits have been performed as prescribed by law.

Attachments

Meeting minutes, program reports, bylaws, audits, and additional Information can be found on the District's website: www.auhsdblueprint.us (Citizens' Oversight Committee tab).



Thank You!

Comments and Questions