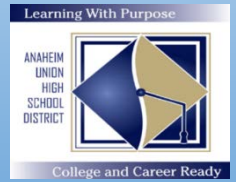


Measure H Construction Bond Program

Annual Report: March 2018 – February 2019



Anaheim Union High School District
Citizens' Bond Oversight Committee

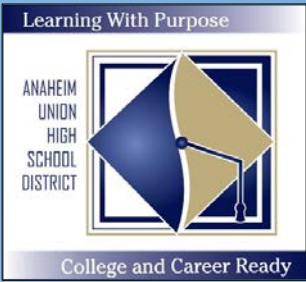


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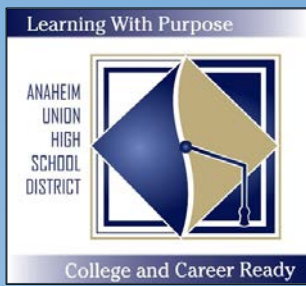
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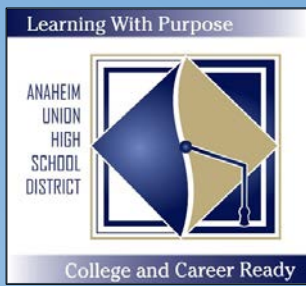


Executive Summary

The following is a summary of the Committee's activities from March 2018 through February 2019.

The Committee met three times during this period and made site visits to Cypress High School and Oxford Academy. The Committee met on the following dates:

- ❖ August 9, 2018
 - ❖ November 27, 2018
 - ❖ February 5, 2019
-
- On March 6, 2018, we presented the Committee's Annual Report (March 2017 – February 2018) to the Board of Trustees in public session
 - On August 9, 2018, we received a presentation on "Current Market Conditions" to help define the impact of cost escalation on project budgets during planning
 - On August 9, 2018, we revised Committee Bylaws to allow COC members to serve three consecutive terms of two years in accordance with a recent change in the Strict Accountability in the Local Bond Act of 2000
 - On August 16, 2018, the Board of Trustees appointed Mrs. Peggy Kruse-Stodghill and Mr. Grantt Rowan to serve on the Committee under the "parent/guardian" category

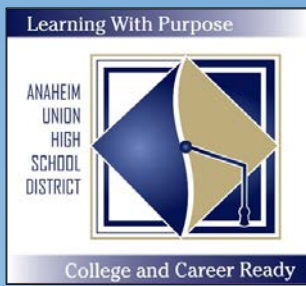


Executive Summary

- We received design and construction project updates for Wave I and Wave II Measure H projects
- We received final cost reports for completed Measure H projects
- We received and reviewed project budgets
- We received and reviewed the Wave II Measure H project list 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) and Series 2018 (\$83M)
- On February 5, 2019, we received and reviewed the Financial and Performance Audits for the year ending June 30, 2018, that was prepared by Vavrinek, Trine, Day & Co, LLP

❖ SITE VISITS

- On August 9, 2018, we visited Cypress High School to observe the progress of the site improvement project at that school.
- On November 27, 2018, we visited Oxford Academy to observe the construction of the new Music Building. The Committee met in the newly renovated Library.



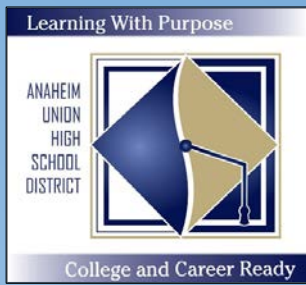
Annual Report

Based on our review of the Financial and Performance Audit Report dated June 30, 2018, 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

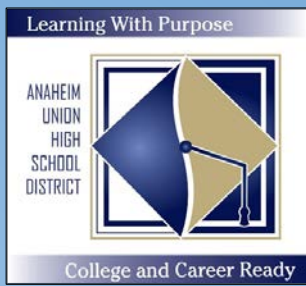
The purpose of the COC is to inform the public, at least annually in public session, concerning the expenditure of bond proceeds as approved by the voters on November 4, 2014. Bond proceeds may be expended only on capital improvement projects as defined by Exhibit B of Resolution No. 2014/15-B-02.



Annual Report

Membership

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



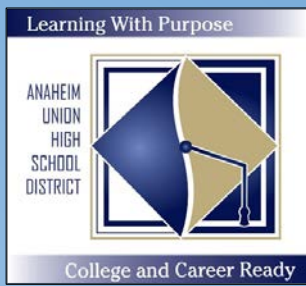
Annual Report

Committee Activities

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:

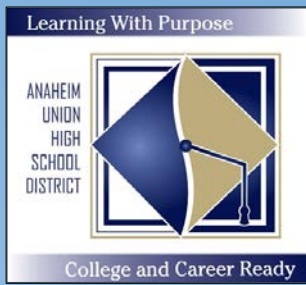
1. Review, revisions and approval of the Committee Bylaws
2. Review of current projects in the Facilities Master Plan, including updates
3. Visits to construction sites
4. Attend regular meetings as a committee
5. Review of various reports and information including:
 - Annual performance and financial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



Annual Report

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



Annual Report

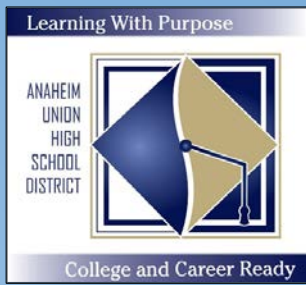
June 2015 – February 2019 Measure H Expenditure Summary

Bond Series 2015 Proceeds	\$63,455,000.00
Other Local Revenue	\$ 5,018.74
Interest	\$ 992,797.42
Leases and Rentals	\$ <u>9.00</u>
Total Proceeds	\$ 64,452,825.16
Expenditures as of February 28, 2019	<u>(\$63,557,312.16)</u>
Balance Bond Series 2015	\$ 895,513.00

The following is the detail summary of the Measure H Expenditures as of February 28, 2019

A. PPM, Design, Inspection, and Testing	\$9,208,176.68
A1. Construction	\$26,117,139.81
A2. District Project Management	\$432,860.29
B. 21 st Century Furniture	\$7,365,223.67
C. 2012 Certificate of Participation Payoff	\$19,883,505.98
D. Bond Administration Costs and Interest Expense	\$550,405.73

TOTAL EXPENSES: \$63,557,312.16



Annual Report

April 2018 – February 2019 Measure H Expenditure Summary

Bond Series 2018 Proceeds	\$83,000,000.00
Other Local Revenue	\$ 225,321.96
Interest	<u>\$ 1,185,367.25</u>
Total Proceeds	\$ 84,410,689.21
Expenditures as of February 28, 2019	<u>(\$ 890,505.82)</u>
Balance Bond Series 2018	\$ 83,520,183.39

The following is the detail summary of the Measure H Expenditures as of February 28, 2019

A. PPM, Design, Inspection, and Testing	\$ 1,995.00
A1. Construction	\$ 0.00
A2. District Project Management	\$ 0.00
B. 21 st Century Furniture	\$ 5,624.55
C. 2012 Certificate of Participation Payoff	\$ 0.00
D. Bond Administration Costs and Interest Expense	\$ 882,886.27

TOTAL EXPENSES: \$890,505.82



Cypress High School Site Improvement Project

PROJECT BUDGET : \$13 M
(HARD & SOFT COSTS)

This project is currently on schedule, and within budget.

GMP: \$10.6 M

This project is subject to the CBA.

EXPENDED TO DATE: \$7.4 M

COMPLETED





Cypress High School Site Improvement Project





Kennedy High School Site Improvement Project

PROJECT BUDGET : \$7.7M
(HARD & SOFT COSTS)

GMP: \$6.1 M

EXPENDED TO DATE: \$3.5 M

This project is within budget.
The schedule has been impacted by one month due to the rain.
Completion is anticipated end of March

This project is subject to the CBA.





Kennedy High School Site Improvement Project





Oxford Academy New Music Building and Engineering Labs Project

PROJECT BUDGET : \$11.1 M
(HARD & SOFT COSTS)

This project is currently on schedule, and within budget.

GMP: \$8.8 M

This project is subject to the CBA.

EXPENDED TO DATE: \$3.9 M





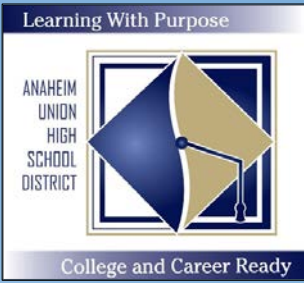
Oxford Academy New Music Building and Engineering Labs Project





Oxford Academy New Music Building and Engineering Labs Project





Savanna High School Modernization and Site Improvements Project

PROJECT BUDGET : \$19.4 M
(HARD & SOFT COSTS)

GMP (PHASE I) : \$5.2 M

EXPENDED TO DATE: \$5.8 M

Phase 1 is currently on schedule, and within budget.

This project is subject to the CBA.



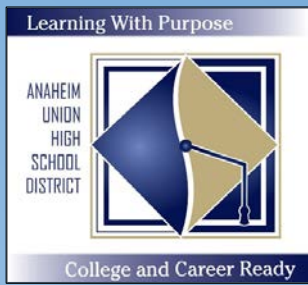
Phase II (Quad and Shower/Locker Rooms)





Savanna High School Modernization and Site Improvements Project





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).