

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
OF THE SANTEE SCHOOL DISTRICT

(Proposition S - Approved by District Voters on November 6, 2018)

Wednesday, October 30, 2019 – 6:00 to 8:00 pm

Meeting Location:

**Santee School District
Charles E. Skidmore Administrative Center
Conference Room
9625 Cuyamaca Street, Santee, California**

AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVAL OF AGENDA

5. INTRODUCTIONS

- a. Committee Members and District Staff
- b. ICOC Contact List

6. PUBLIC COMMENTS

- a. Persons wishing to make comments to the Independent Citizens' Oversight Committee on non-agendized items may do so at this time. Each speaker is requested to limit their comments to no more than three (3) minutes. Please notify the Chair if you wish to address the Committee.

7. ORIENTATION FOR NEW MEMBERS

- a. Summary of Proposition 39
- b. ICOC Bylaws
- c. Ethics Policy
- d. The Brown Act
- e. SD Taxpayers Association Best Practices

8. ADOPT THE ICOC BYLAWS

9. MEETING PROCEDURES

- a. Meeting Dates and Times
- b. Members to Serve 1 Year
- c. Selection of Chair and Vice-Chair
- d. Minimum Number of Members in Attendance for Quorum
- e. Recruitment Efforts for Additional Members
- f. Public Comments Format and Process
- g. Agenda Format and Documents

10. REVIEW OF CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

- a. Project Details
- b. Financial Reports
 - i. Program Funding Summary
 - ii. Project Cost Summary
 - iii. Project Expenditures To Date

11. GENERAL OBLIGATION BOND SALE

- a. Net Debt Service
- b. Costs of Issuance

12. COMMITTEE MEMBER COMMENTS AND SUGGESTED TOPICS FOR NEXT MEETING

13. ADJOURN TO NEXT COMMITTEE MEETING: JANUARY 22, 2020



Clarifying
Complex
Education
Issues

To help voters understand Proposition 39, EdSource—a non-profit, nonpartisan education research organization—developed this impartial analysis that outlines the measure's provisions and summarizes the major arguments pro and con.

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Proposition 39:

Relying on a “super-majority” to approve local school bond measures

Proposition 39—the “Smaller Classes, Safer Schools and Financial Accountability Act”—would reduce from two-thirds to a 55% “super-majority” the vote school districts and community colleges need to authorize local general obligation bonds for school construction.

At first glance, this measure on the November 2000 ballot seems like a rerun of Proposition 26, which was narrowly defeated by California voters in March. However, Proposition 26 would have reduced the percentage vote to a simple majority (50% + 1). Proposition 39 has other differences and also has support from high-profile business and political leaders, with Democratic Governor Gray Davis acting as the campaign's chair and former Republican Governor Pete Wilson as its honorary chair.

The proposition's authors say the rationale is to (1) “make sure our children have access to the learning tools of the 21st Century” such as computers and the Internet; (2) further implement class size reduction; (3) “repair and rebuild our dilapidated schools”; (4) provide charter school students with “reasonable access to a safe and secure learning environment”; and (5) “ensure accountability so that funds are spent prudently and only as directed by citizens of the community.”

This ballot measure mimics Proposition 26 in many ways. It would (1) prohibit use of bond money for salaries or operating expenses; (2) require a school district to publicize a list of intended projects; (3) add annual performance and financial audits for use of local bond money; and (4) require school districts to provide “reasonably equivalent” facilities for charter schools attended by the district's students.

But unlike its predecessor, Proposition 39 calls for a higher threshold for bond measure passage. It also triggers accompanying legislation, Assembly Bill (AB) 1908, which limits the amount of the bond proposal and the subsequent increase in property taxes. AB 1908 also requires the appointment of a citizens committee to oversee how the money is spent if the bond passes.

Proposition 39 would allow 55% approval for local school bonds

California's Constitution has always required a two-thirds vote to approve local bonded indebtedness. Proposition 39 would amend Articles XIII A and XVI (Section 18) to give community college and K-12 school districts the option to seek a 55% “super-majority” for approval of local bonds for school construction.

Bonds can only be used for facilities

Public school districts, community colleges, or county offices of education could use approved local general obligation bonds for the construction, rehabilitation, or replacement of school facilities. The bond money could also be used to acquire school sites, and to furnish and equip schools. The bond proceeds could not be spent for any other purpose, such as teacher and administrator salaries and other school operating expenses. This is consistent with current law.

The proposition requires public disclosures and audits

Before holding an election, a school district or community college would have to publicize a list of the intended projects, along with certification that it evaluated “safety, class size reduction, and information technology needs” before preparing the list.

Proposition 39 also requires two independent audits each year until the bond money is spent. A performance audit would ensure that the funds were spent only on the specific projects listed. A financial audit would track the expenditures until all the proceeds were used.

The ballot measure offers guarantees for charter schools

Proposition 39 amends Section 47614 of the Education Code to guarantee that students who attend a charter school in their district of residence have facilities that are “sufficient” and “reasonably equivalent” to the other buildings or classrooms in the district. The buildings also need to be “furnished and equipped” and reasonably close to where the charter school

wishes to locate. To get this support, the charter school must serve a minimum of 80 students who live within the district's boundaries. The State Board of Education would have the task of establishing regulations and of defining crucial terms, such as "reasonably equivalent."

Under current law, school districts must offer charter schools any facilities that are not being used for instruction or administration. The charter school must provide maintenance for the facilities. In June 2000, about 105,000 students were in 309 charter schools. Up to 100 more charter schools are permitted each year until the Legislature reviews the charter school laws in 2003.

AB 1908 restricts the amount of the bond and adds oversight

Signed into law by Gov. Davis on June 27, 2000, AB 1908 will not go into effect unless Proposition 39 is approved by the majority of the voters in the Nov. 7, 2000, election.

Under AB 1908 and Proposition 39, school districts and community colleges would have the option of proposing general obligation bonds for two-thirds vote passage under the old rules, or 55% passage under new, more stringent rules. The district or college would have to make that decision when proposing the local election, not after the votes are tallied.

But AB 1908 restricts county boards of education from proposing bonds at the 55% threshold even though county boards are included in Proposition 39.

Unlike Proposition 39, which would become part of the state's Constitution, AB 1908 is a law that can be changed by a simple majority vote of the Legislature and approval of the governor.

Under the new rules, two-thirds of the members of the school district or community college board would have to vote to propose a bond to local voters. (Current law requires a majority vote.) Elections could only be held on regularly scheduled or special statewide election days. (Currently school boards can hold bond elections throughout the year.)

AB 1908 limits the increase in property taxes

When voters authorize a local general obligation bond, they are simultaneously authorizing an increase in local property taxes to pay the principal and interest due on the bonds. The "general obligation" assumed by voters is whatever property tax increase is necessary for the payments.

AB 1908 limits the increase in property taxes in a single election based on the type of school district. Unified school districts can propose bonds that increase taxes by \$60 per \$100,000 of assessed value, high school and elementary districts by \$30, and community colleges by \$25. (Assessed value is what appears on a property owner's tax bill, not the market value of the property.) Districts may propose another bond to voters in a later election.

The effect of Proposition 39 on property owners would depend on local school district and community college decisions and facility needs as well as whether 55% of the local voters agree to support those needs. The increase in local debt service statewide could be "hundreds of millions of dollars annually within a decade," the Office of the Legislative Analyst (LAO) reports, depending upon the acts of local voters.

The law calls for an "oversight committee"

If the bond election succeeds at the 55% level, the school district or community college board must appoint a citizens "oversight committee" to monitor how the money is spent and "alert the public to any waste or improper expenditure."

The board must appoint the oversight committee within 60 days of the final election results. It must consist of at least seven members representing the business community, senior citizens, taxpayers organizations, parent-teacher organizations, and a parent. Community college districts must also include a student. Employees and officials of the district may not serve. Meetings must be open to the public and held in accordance with the Brown Act.

The committee must ensure that bond funds are properly spent as proposed on the ballot and that none are spent on school district salaries or operating expenses. It must issue annual reports available on the Internet. The committee can appeal to a judge to stop the expenditures and halt construction projects if the committee believes funds are being improperly spent.

The school district or community college board must also order annual performance and financial audits of the bond funds. The board must provide the audits to the oversight committee along with other information.

Schools have two primary sources for facility funds

School districts have two major sources of funds for constructing or reconstructing schools. The first is local general obligation bonds authorized by two-thirds of the voters in a school district. The second is state general obligation bonds authorized by a majority of all state voters.

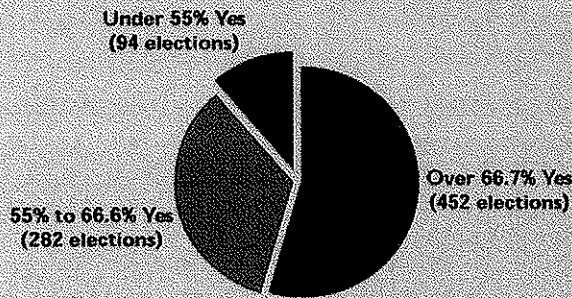
In 1998, state voters, by majority vote, approved \$6.1 billion in state bonds for K-12 school construction. Much of that bond money has already been allocated, but the fairness of that distribution is currently facing a legal challenge.

For school districts to be able to use the state funds, they must match them with a local contribution—50% for new facilities and 20% for renovation. No match is required in "hardship" cases. Districts must also allocate 3% of their General Fund to maintenance annually for 20 years.

Although school districts may be able to raise matching funds from sources such as fees on new development (so-

Figure 1

Just over half of bond elections receive two-thirds voter approval



From 1986 through June 2000, about half of California's school districts have proposed a total of 828 bond elections. Some of those 512 districts succeeded in passing more than one bond. More districts tried repeatedly when their initial proposal failed.

Just over half of the bond elections achieved the necessary two-thirds vote for approval. These totaled \$18 billion for local district construction and renovation projects.

Slightly over a third of the elections received more than the 55% yes vote proposed by Proposition 39, but fell short of the two-thirds needed for approval. Those 282 elections proposed \$12.7 billion in bonds. However, this number is misleading because of the districts that tried repeatedly to pass a similar proposal. If the 99 repeat elections are not counted, then the dollar total of bonds proposed would have been about \$9 billion.

The final slice of the pie shows the number of elections that would have failed—11%—even if Proposition 39 had been in effect.

EdSource 9/00

called “developer fees”) and the lease of unused buildings, the major source is usually local general obligation bonds.

Districts use local property tax revenues to repay, with interest, local general obligation bonds. Proposition 13 limited property taxes to 1% of assessed value unless voters had approved a bond before July 1, 1978. In 1986 California voters passed Proposition 46. This measure amended the Constitution to permit school districts and community colleges to increase property taxes above the 1% level in order to repay general obligation bonds—if two-thirds of the local voters agreed. (Article XVI, Section 18 of the Constitution permits a majority vote to repair, reconstruct, or replace buildings that are “structurally unsafe for school use.”)

Under the current two-thirds yes-vote requirement, about half of California’s school districts have called elections for local general obligation bonds in the past 15 years. (See Figure 1.) Some have put bonds on the ballot several times, usually because of initial failures.

Many school districts have been successful in this effort. Since 1986, voters in K–12 jurisdictions have approved \$18 billion in local school bonds. During the same period, nearly \$13 billion more in local bonds received at least 55%—but less than two-thirds—voter approval and therefore were

defeated. This includes bonds that were submitted to voters more than once.

In recent years, according to the LAO, community colleges have rarely used local general obligation bonds to fund their facilities, relying instead on state bonds.

School districts statewide need new or renovated facilities

While Californians have made a substantial investment in school facilities in recent years, a critical need remains. The state’s K–12 schools need to replace aging buildings, add new classrooms to support class size reduction, and make room for 80,000 new students each year. In addition, about a million California students attend schools with multi-track, year-round schedules because of space constraints.

In January 2000 the California Department of Education estimated the immediate statewide need for facilities over the next five years as \$8 billion in renovation, \$2.6 billion for deferred maintenance, and \$5.8 billion in new construction (\$8.7 billion in new construction over 10 years).

Proposition 39 has its friends and foes

The disagreement over Proposition 39 is not about the magnitude of the need for new and improved classrooms, but rather about how it should be addressed and by whom.

Proponents include political leaders, business groups, and education organizations

Besides support from the governor and former governor, the State PTA, the California Chamber of Commerce, and the Association for the Advancement of Retired People (AARP) signed the ballot argument, which also included a supportive quotation from the League of Women Voters. Co-chairs of the campaign are Silicon Valley businessmen: John Chambers, president and CEO of Cisco Systems; venture capitalist John Doerr; and entrepreneur and State Board of Education member Reed Hastings, who has a particular interest in charter schools.

Proponents say Proposition 39 will “fix the way our schools spend money and fix our schools.” They say it will “hold administrators accountable for spending school bond construction money” as well as “add more protection for taxpayers and homeowners.” Proponents argue that the ballot measure’s provisions prohibit using funds for administration or bureaucracy and prevent financial abuses found in some California schools. They say the proposition includes “rigid” audits, a “tough 55% super-majority vote,” and “watchdog committees” empowered to “stop any project if audits show wasteful or unauthorized spending, inform the public of abuse or waste, and vigorously investigate and prosecute violations.”

Proponents also focus on the need for facilities, saying:

- ✓ California has more students per classroom than any other state except one [Utah];

- ✓ If California is going to reduce class size, school districts need to build more classrooms, including 20,000 new classrooms "just to keep up with the school population growth expected over the next 10 years;"
- ✓ Students in some districts go to class in trailers, cafeterias, libraries, and gyms that have been converted to classrooms; and
- ✓ Many schools need repairs and updating so children can use computers and connect to the Internet "where they can learn to use the tools they will need to succeed in the future."

The opposition is headed by the Howard Jarvis Taxpayers Association

Early in the campaign, the only formal opposition to Proposition 39 was headed by Jon Coupal of the Howard Jarvis Taxpayers Association. According to Coupal, the measure is opposed by other taxpayer groups and "apartment associations." He and his colleagues oppose watering down the historical requirement for a two-thirds vote, and they consistently object to raising the property taxes beyond the Proposition 13 amount.

Opponents argue:

- ✓ A 55% standard will provide little comfort to taxpayers because it means that better than 94% of local school bond measures would pass, each burdening homeowners statewide with additional taxes, totaling up to "hundreds of millions of dollars annually."
- ✓ The tax increase that would result if more bonds are approved is "discriminatory, falling solely on property owners."
- ✓ The local matching requirement for state school facility bond money should be met by alternative local sources, such as developer fees and "existing revenues."
- ✓ In previous elections in March 2000 and November 1993, voters preferred to keep the two-thirds vote requirement.
- ✓ Many districts have successfully gained two-thirds approval in a bond election, in part because of more sophisticated campaigns.
- ✓ The "critically important tax increase and accountability issues" in AB 1908 are not part of the state Constitution

and can be changed by a simple majority of the Legislature and the governor's signature—without voter approval.

Opponents believe that the current law strikes a reasonable balance in providing significant funding for school facilities while at the same time protecting taxpayers from substantial property tax increases. They say it makes no sense to sacrifice the protection of a two-thirds vote to get accountability in school construction. Further, they say that the amount of money now being generated by local sources, under the two-thirds requirement, already outstrips that being generated by the state.

As the campaigns head toward their November conclusion, an increasing number of individuals and organizations will doubtless take formal stands in support or opposition. Current information about these actions will be available through the news media, online, and from the organizations themselves.

Proposition 39 and AB 1908 would change the school facilities funding dynamic

Proposition 39, coupled with AB 1908, represents a significant change in the rules for funding public school construction. If passed, school districts and community colleges would find it easier to win voter approval for bonds. But they would also face tougher accountability measures and limits on the bond amount they could request.

The passage of Proposition 39 on Nov. 7 could help school districts and community colleges raise local funds to fix aging and crowded school buildings and to build new ones in fast-growing areas. But it would also reverse the state's long-held requirement of a two-thirds voter approval for local school bonds. Voters will have to decide whether they believe it is fair and necessary to lower that threshold to a "super-majority."

To Learn More

Opponents and proponents of Proposition 39 have their arguments and supporting information on their websites: www.saveourhomes.com and www.betterschoolsforca.org, respectively. The Office of the Legislative Analyst's review of the November ballot measure is at www.lao.ca.gov, and the text of the proposition and ballot arguments are provided by the Office of the Secretary of State at www.ss.ca.gov. For background on school facilities, order the April 1998 EdSource report, *California's School Facilities Predicament*, from the EdSource office.



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For data about every school and district in California, visit the Education Data Partnership at www.ed-data.k12.ca.us.



Santee School District

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE BY LAWS

Originally Adopted by the Committee on June 6, 2007 and approved by the Board of Education on June 19, 2007, and as amended on October 15, 2019

Section 1. Committee Established. The Santee School District (the "District") was successful at the elections conducted on November 7, 2006 and November 6, 2018 (collectively, the "Elections") in obtaining authorization from the District's voters to issue up to \$60,000,000 aggregate principal amount and \$15,370,000 aggregate principal amount, respectively, of the District's general obligation bonds both pursuant to a 55% vote. The Elections were conducted under California Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et. Seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish an independent citizens' oversight committee in order to satisfy the accountability requirements of Prop 39. The Board of Education of the Santee School District (the "Board") hereby establishes the Independent Citizens' Oversight Committee (the "Committee"), which shall have the duties and rights set forth in these bylaws (the "Bylaws"). The Committee does not have independent legal capacity from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the Ralph M. Brown Public Meetings Act of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Elections are hereinafter referred to as "bond revenues" or "bond proceeds." The Committee is responsible for reviewing the District's expenditures of bond proceeds under the ballot measures adopted at the Elections and all future ballot measures approved by voters of the District pursuant to Prop 39. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform the following duties:

3.1 Inform the Public. The Committee shall inform the public concerning the District's expenditures of bond proceeds.

3.2 Review Expenditures. The Committee shall provide oversight, including reviewing specific reports, produced by the District, to ensure that (a) bond proceeds are expended only for the purposes set forth in the applicable ballot measure; and (b) no bond proceeds are used for any teacher or administrative salaries or district operating expenses.

3.3 Annual Report. The Committee shall present to the Board, in public session, an annual written report, which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year

3.4 Duties of the Board. The Board shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of construction contracts,
- (ii) Approval of construction change orders,
- (iii) Appropriation of construction funds,
- (iv) Handling of all legal matters,
- (v) Approval of construction plans and schedules,
- (vi) Approval of Deferred Maintenance Plan, and
- (vii) Approval of the sale of bonds.

3.5 Voter-Approved Projects Only. In recognition of the fact that the Committee is charged with overseeing only the expenditure of bond proceeds, the District has not charged the Committee with responsibility for the following:

(a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.

(b) The establishment of priorities and order of construction for the bond projects shall be made by the Board in its sole discretion.

(c) The selection of architects, engineers, soil engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project shall be made by the Board, based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) shall be made by the Board in its sole discretion. Staff shall report to the Committee on any cost saving techniques considered or adopted by the Board.

(e) The selection of independent audit firm(s), performance audit consultants and any consultants necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The amendment or modification of the Bylaws for the Committee as provided herein, subject to the legal requirements of Proposition 39.

(h) The Appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion, as part of carrying out its function under Prop 39.

(i) The adoption of a plan for publicizing the activities of the Committee and the determination as to whether a mailer, a newspaper notice or website materials would best suit the distribution of the Committee's findings and recommendations.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive and review copies of the District's annual independent financial audit, required by Article XIII A of the California Constitution.

(b) Inspect school facilities and grounds to ensure that bond revenues have been or will be expended, in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, in accordance with any access procedure established by the District's Superintendent or Assistant Superintendent.

(c) Review copies of deferred maintenance proposal or plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

Section 5. Membership.

5.1 Number.

The Committee shall consist of a minimum of seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39,

One (1) member active in a business/organization representing the business community located in the District;

One (1) member active in a senior citizen's organization;

One (1) member active in a bona-fide taxpayers association;

One (1) member shall be the parent or guardian of a child enrolled in the District;

One (1) member shall be both a parent or guardian of a child enrolled in the District and in a parent-teacher organization, such as the PTA or school site council;

One (1) member shall have experience in school finance; and

One (1) member of the community at-large appointed by the Board.

5.2 Qualification Standards.

(a) To be qualified, a person must be at least 18 years of age in accordance with government Code Section 1020.

(b) The Committee may not include any employee or official of the District, or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, beginning July 1. No member may serve more than three (3) consecutive terms or as many as may be permitted by law. At the Committee's first meeting, members will draw lots to select a minimum of four members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) appropriate local groups will be solicited for applications; (b) the [Assistant Superintendent, Business Services] will review the applications; (c) the Board will review the applications; (c) the Superintendent or his or her designee will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. Committee members shall not have the authority to direct staff of the District. Individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee is required to conduct at least one annual meeting, the purpose of which is to receive the reports and documents required to be provided to the Committee by the Board, and to approve a report of the Committee.

6.2 Location. All meetings shall be held within the Santee School District attendance area.

6.3 Procedures. All meetings shall be open to the public in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et. Seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

- (a) Preparation of and posting of public notices as required by the Ralph M. Brown Act, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;
- (b) Provision of a meeting room including any necessary audio/visual equipment;
- (c) Preparation and copies of any documentary meeting materials, such as agendas and reports; and
- (d) Retention of all Committee records, and providing public access to such records.

7.2 District staff and/or District consultants shall attend all Committee proceedings as appropriate in order to report on the status of projects and the expenditures of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board quarterly or at least semi-annually in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Superintendent may appoint the initial Chair, or the Committee shall elect a chair and a vice-chair who shall act as chair only when the chair is absent, which positions shall continue for two (2) year terms. No person shall serve as chair for more than two consecutive terms.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a two-thirds vote of entire Board and the Committee.

Section 11. Termination. The Committee shall automatically terminate and disband at the earlier of the date when (a) all bond proceeds are spent, and (b) all projects funded by bond proceeds are completed.

ATTACHMENT "A"

**INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
ETHICS POLICY STATEMENT**

This Ethics Policy Statement provides general guidelines for Committee members to follow in carrying out their roles. Not all ethical issues that Committee members face are covered in this Statement; however, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds or (2) any construction project which will benefit the Committee member's outside employment, business or a personal financial interest, or benefit an immediate family member, such as a spouse, child or parent.
- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her position as a Committee member to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any District construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Additionally, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from: (1) bidding on projects funded by the bond proceeds; and (2) contracting with the District with respect to any construction project funded by the bond proceeds.
- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the Federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Santee School District.
- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.

ICOC Member Name (Print)

ICOC Member Signature / Date

SUMMARY OF THE BROWN ACT*

FIRM OVERVIEW

Practice Areas

Charter Schools
Community Colleges
Facilities & Business
Labor & Employment
Litigation
Local Government/
Special Districts
Public Finance
Special Education
Students
Technology & Innovation

Statewide

Bakersfield
Fresno
Los Angeles
Mission Viejo
Monterey
Sacramento
San Diego
Walnut Creek

The Brown Act is the most important open-meetings law for local governments in California. Compliance with the Brown Act is a critical role for the governing body. *Note: This is only a summary of key provisions of the Act, rather than a detailed overview of all its requirements.

APPLICATION

The Brown Act applies to all “legislative bodies.”

“Legislative body” means:

- > Governing Bodies: The governing body of a local agency or any other local body created by state or federal statute.
- > Subcommittees and Commissions: All subcommittees and commissions created by formal action of the legislative body, whether temporary, decision making, or advisory. There is one exception for ad hoc advisory committees consisting solely of less than a quorum of the legislative body.

MEETINGS

Definition

A meeting is any congregation of a majority of the legislative body that meets at the same time and place to hear, discuss, or deliberate upon any item within the body’s subject matter jurisdiction. A “meeting” includes any use of direct communication, intermediaries, or technological devices such as e-mail.

Types of Meetings

A regular meeting is the fixed formal meeting of the legislative body. Agendas must be posted at least 72 hours in advance of the meeting.

A special meeting may be called at any time either by the presiding officer or a majority of the legislative body by delivering a written notice to each member and to each local newspaper of general circulation and radio or television station requesting such notice. The notice must be delivered and the agenda posted at least 24 hours before the meeting.

AGENDAS

Agendas must contain a brief general description of each item of business to be transacted or discussed at the meeting. All agendas must be posted in a location at the agency offices that is freely accessible to the public, and also on the agency’s website.

School districts must allow members of the public to place matters directly related to school district business on the agenda. The school district can reasonably control when and how the item is placed on the agenda.

Action

A legislative body may not take action on an item not appearing on the agenda, except:

- > To respond to statements made or questions posed by the public during the public comment section;
- > To ask questions of staff or the public for clarification;

- > To ask staff to report back on an item not appearing on the agenda at a subsequent meeting; or
- > To make a brief announcement.

Public Comment

Each *regular meeting* agenda must provide an opportunity for public comment on any agenda item and on any item of interest to the public within the subject matter jurisdiction of the legislative body. For *special meetings*, the agenda must provide an opportunity for members of the public directly to address the legislative body concerning any item on the agenda; comments on items not on the agenda need not be allowed.

Inspection

Writings distributed to all or to a majority of the legislative body by any person for consideration at a public meeting are public records. Documents distributed to all or a majority of the legislative body less than 72 hours before a regular meeting must be made publicly available without delay. Writings given to the Board at the meeting by staff must be available at the meeting, and writings distributed at the meeting by others must be available after the meeting. The terms "writing" and "document" include electronic records such as e-mail.

In addition, every agenda must state the location of an office at the agency where members of the public may inspect these documents.

CLOSED SESSIONS

Closed sessions are meetings conducted in private without the attendance of the public. They are permitted for specific purposes; courts construe the statutory basis for closed sessions narrowly. Generally, to preserve the confidentiality of closed sessions, only essential staff should attend a closed session.

Primary Types of Closed Sessions

- > To instruct negotiators on real property transactions
- > To instruct labor negotiators
- > To discuss "pending litigation" with agency attorneys
- > To consider the appointment, employment, evaluation, discipline, or dismissal of a public employee
- > Employee Complaints or Charges
Before holding a closed session to hear complaints or charges brought against an employee, the employee must be delivered written notice of his or her right to have

the complaints or charges heard in open session at least 24 hours before the meeting.

- > Meetings regarding threats to security of public buildings or essential public services
- > Meetings among Joint Powers Agencies formed for insurance pooling and local agency Self-insurance Authorities to consider liability issues
- > Student matters such as discipline or records challenges

Announcements from Closed Session

- > After each closed session, the legislative body must report in open session certain actions taken in closed session, and the vote of each member, including:
 - > Approval of an agreement concluding real estate negotiations
 - > Approval for legal counsel to defend, initiate, or settle litigation
 - > Disposition of claims
 - > Action to appoint, employ, dismiss, release, accept resignation of, or affect the status of any employee
 - > Approval of labor negotiation agreements

Reporting out may be deferred under certain circumstances, usually because it is contingent upon approval by another party.

Closed Session Confidentiality

No person may disclose confidential information that has been acquired by being present in an authorized closed session to unauthorized persons, unless the legislative body formally authorizes disclosure of confidential information. "Confidential information" means a communication made in a closed session that is specifically related to the basis for the closed session.

Penalties and Enforcement

A member who attends a meeting where action is taken in violation of the Brown Act, and where the member intends to deprive the public of information which the member knows or has reason to know the public is entitled, is *guilty of a misdemeanor*.

For legal advice on a particular Brown Act issue, or for any questions, please contact us at clientservices@lozanosmith.com or 559.431.5600.



Oversight Committee Best Practices

Approved by the SDCTA Board of Directors on October 21, 2011

Last Amended May 23rd, 2019

The following list of observed best practices reflect the experience of the San Diego County Taxpayers Association's (SDCTA) participation in dozens of oversight committees over the past decades. One of these committees preceded the passage of Proposition 39, which mandates oversight for bond-funded projects in K-12 schools and community colleges. That change led to rapid expansion of oversight and affected similar types of ballot measures such as the four-year extension of the TransNet sales tax, public safety facilities, and hospital projects. From years of observation, extensive research and direct participation in oversight committees in San Diego County, SDCTA has derived a list of practices that enhance the effectiveness of the oversight that voters rely upon when making decisions at the ballot box. SDCTA's best practices hold oversight committees and the agencies that they oversee to a higher standard than those outlined in Prop 39 (Appendix A for language of the legislation).

Notification

Recruitment, selection and appointment

For at least 45 days the district or agency shall inform the public and the entities listed below of vacancies on the oversight committee by all available means in order to recruit qualified, motivated committee members.

- San Diego County Taxpayers Association
- American Institute of Architects
- American Society of Civil Engineers
- Associated Builders and Contractors of San Diego
- Associated General Contractors of San Diego
- Community organizations (e.g. Rotary, Kiwanis, etc.)
- Construction Managers Association of America
- Financial Executives International
- Labor organizations
- Local and community papers
- Local Chambers of Commerce
- Parent teacher organizations

These announcements shall include a description of the oversight committee duties and scope of authority. Eligibility requirements and selection criteria shall be made available. Appointments shall be made at a regularly scheduled publicly noticed meeting of the district or agency.

Membership Composition

A majority of the members of the Committee shall possess expertise in one or more of the following areas:



- Large scale construction operations
- Municipal/public finance matters
- Performance and financial auditing
- Construction related project management
- Real estate acquisition or sales
- Environmental laws or regulations
- Information technology

At least one member of the Committee shall be a representative of SDCTA. SDCTA will identify and nominate a member to fulfill the duties of the member of a bona fide taxpayers association. In the case that a member of SDCTA cannot be identified to serve on the oversight committee, solicitation for such representation shall be opened to the broader community. Committee members shall be appointed by the elected board as part of a regularly scheduled and publicly noticed meeting. The process shall include statement of qualifications to the public as well as the opportunity for public comment on the nominees. It is impermissible for any bond moneys that are the responsibility of the oversight committee to be spent before the formation and first official meeting of the oversight committee; this includes carryover funds from previous bonds. At its first meeting, the committee shall appoint a chairperson and vice-chairperson to serve in the absence of the chairperson.

Terms

The elected board shall determine the term duration and staggering of oversight committee members' terms.

Bylaws

Although not required by law, it is customary practice for governing boards to adopt administrative regulations outlining fundamental aspects of committee operations and activities. While this may take the form of bylaws, it is a best practice for the committee to be granted the opportunity of prior review and the opportunity to propose changes since these bylaws will describe the manner or governing board policy in which the committee carries out its responsibilities. At a minimum, the bylaws should describe the term limits of the oversight committee's members. Bylaws must be adopted before the oversight committee is formed (see Appendix D for an example of bylaws).

Orientation

Before a new oversight committee begins work, a comprehensive orientation is mandatory. It is important that each oversight committee member receive a thorough briefing by the district's staff and oversight committee member(s), including copies of relevant codes, bond resolutions, project descriptions, budgets and schedules, financial reports and minutes of recent meetings. It is strongly recommended that new appointees tour facilities included in or affected by the bond funded program, however, tours at every committee meeting are excessive. Oversight committee members that are new to the committee mid-bond (due to term limits or for other reasons) shall receive the same in-depth, thorough orientation as those who were oriented upon the formation of the committee. Oversight committee members are strongly recommended to attend an orientation to



the process by SDCTA. SDCTA is available to provide an in-person presentation. For Proposition 39 committees, a copy and overview of Proposition 39 shall be provided.

Access to information

Access to critical benchmarking data in a timely and easily comprehensible manner is essential. This frequently takes the form of a so-called "dashboard" which summarizes critical metrics in graphic form. Whenever bond revenues are combined or used in conjunction with other sources of funding, the oversight committee shall be kept informed of the status of all funds. Reports shall summarize the original funds budgeted and allocated, amounts expended and obligated to date and the percent of completion as of the close of the most recent accounting quarter. A regularly updated Program Evaluation Review Technique (PERT) chart or its equivalent with milestones for each project in the program is necessary to allow oversight committee members to track progress. (See Appendix E for an example of a "dashboard" and Appendix F for an example of a PERT chart).

Public Disclosure

Transparency is achieved by promptly displaying detailed information about the progress of each project included in the ballot measure and resolution, as well as the committee's minutes and materials, including subcommittees, it has received on the oversight committee website. Preferred oversight committee website will be located as a subpage of the Board's website. Oversight committee websites shall disclose, at a minimum, the following:

- Minutes of all meetings, including subcommittees, within a reasonable amount of time. Preference is by next regularly scheduled committee meeting
- Materials provided to the Committee at each meeting
- Sufficient notice of the dates and times and agendas of planned meetings of the oversight committee and its subcommittees, when applicable
- List of the committee's members and a main contact information (email and phone)
- List of projects accompanied by measurements of their status in terms of budgets and timelines
- Any alterations to project budgets or timelines with adequate explanations for these changes
- Comparison of current status of projects in terms of budgets and timelines to the original budget and timeline estimates of the project
- Oversight committee website(s) shall be kept current and up-to-date
- Whenever available, the committee shall support open data by publishing on its website the raw (non-summarized) data on spending, progress, timelines, and budgets, in an open or widely supported format such as Excel or .CSV

Meetings

The oversight committee must meet with sufficient frequency to ensure that members remain fully informed about all relevant current conditions. The Committee shall schedule at least quarterly (or more frequently as needed) meetings as either a full body, or in the form of subcommittees that shall then report back to the full Committee at its next regularly scheduled meeting, for the initial two years after passage of the bond measure or until 20 percent of bond projects are completed,



and at least quarterly thereafter. Subcommittees may be formed to monitor specific components of program implementation such as the audit process or construction progress and prepare the annual report to the elected board and public. Both committees and subcommittees shall be subject to the Brown Act. As appropriate, there should be updates provided to the elected board on the oversight committee's activities.

Project Delivery Methods

The District shall present to the Oversight Committee the available project delivery options for the district and which one will be utilized for projects undertaken during the bond program. The District shall outline the reason each particular method will be utilized. The District shall make every effort to present to the Oversight Committee prior to final approval by the Governing Board.

Budget

Pursuant to Education Code section 15280 (See Appendix B for language), "The governing board of the district shall, without expending bond funds, provide the citizens' oversight committee with any necessary technical assistance and shall provide administrative assistance in furtherance of its purpose and sufficient resources to publicize the conclusions of the citizens' oversight committee."

Financial Audit

It is desirable for the oversight committee to participate in the process of screening independent auditors of the bond-funded program, recognizing that the governing board has the sole authority to make such appointments. Financial audits should at a minimum comply with Government Auditing Standards and all Proposition 39 requirements.

The oversight committee shall review and comment upon the annual financial report prior to its presentation to the elected board. Independent auditors shall meet annually with the oversight committee audit subcommittee and/or the full committee (prior to presentation to the elected board) at a regularly scheduled meeting. The oversight committee should make recommendations and provide input on the audit.

Performance Audit:

There is no current legal requirement for the Performance Audit to review, analyze and make recommendations on the efficiency and effectiveness of a school bond program. A Performance Audit should include documentation of the positive aspects of management, as well as areas for improvement i.e. it is a process improvement document.

It is in the interest of School Districts to identify how well it is managing the bond funds via an annual performance audit of appropriate scope. The Board and the CBOC should determine the appropriate scope on an annual basis by taking into consideration the stage of the bond program as well as the scope of prior audits conducted. An annual performance audit is also a tool for the bond oversight committee to "review and report on the proper expenditure of taxpayers' money for school construction" (Education Section 15278(b)) as required by law. Input from the CBOC can foster positive relationships between the CBOC and District and help to insure transparency.



The selection of the Performance Auditor should also include participation of one or more members of the CBOC.

Included in the SDCTA Best Practices is the requirement for the District to develop a scope of work for the Performance Audit which considers the input of the CBOC. The CBOC should also review and comment upon the draft Performance Audit prior to its presentation to the Board.

The performance audit scope should align with the construction progress to measure the effectiveness of the bond program. In order to assist the CBOC, SDCTA proposes the scope of work for the Performance Audit must include a review of at least the following:

- **Current Bond Program Management Program/Plan**
 - Program and Construction Management Structure, including staff and fees
 - Compliance with "Best Practices" for Procurement of Contractors and Professional Services and compliance with public contracting code
 - Master planning procedures and controls
 - Material specification standards
- **Construction Project Delivery Methods and Performance Analysis**
 - Design and Construction Timelines which include benchmarking to industry standards
 - Change Order Procedures and Results which include benchmarking to industry standards
 - Program/Project reporting including budgets, forecasts, change orders, commitments, expenditures, timeline, cash flow projections, narratives, etc.
- **Review of Project Budgets and Program Performance and Forecasting**
- **Evaluation of Overall Transparency of Bond Program**
 - Review performance of CBOC
 - Evaluation of the Public Outreach and Communication Program

SDCTA acknowledges that some of these provisions will not change over time and will consider limited reviews and/or exemptions to these as part of the Annual School Bond Transparency Scorecard requirements for the subsequent year only on a case-by-case basis.

Additionally, a district may implement the following recommended measures:

- **Use of Best Practices and Technology Regarding the Planning and Construction of School Facilities**
- **Payment Procedures and Payment Processing Time**
- **Compliance with legal requirements for prevailing wage and labor compliance**
- **Staffing planning procedures and controls**
- **Warranty compliance procedures and controls**
- **Value Engineer/Cost Benefit analysis procedures and control**

Access to the Governing Board and Chief Administrative Officer

The oversight committee shall periodically meet with the chief administrative officer of the district or agency and at least annually with the governing board. It is recommended that oversight committee members monitor the district's governing board meetings. The oversight committee



shall meet with the governing board prior to the oversight committee's presentation of its performance assessment report. Any matters related to the bond shall go to the oversight committee prior to the elected board.

Significant Program Changes

The governing board shall provide the oversight committee with the opportunity to review and comment upon major changes in each bond-funded program, allocation and project prior to final action being taken. A major change is one that affects the lesser of 10% of a specific project budget allocation or \$1 million or a delay of a major project by 6 months or more.

Any board action that would significantly change the cost or schedule or bidding of bond financed projects should be reviewed by the oversight committee prior to any non-emergency governing board decision. In the event of significant program changes, the committee shall produce a special report in addition to its annual report specifically covering the program changes to scope, budget and timelines. This report shall be readily available to the public and submitted to appropriate media outlets.

Annual Report

The oversight committee shall be the principal author, with staff assistance as may be requested, of its required annual report to the public. The district or agency shall provide technical, production and distribution support. The report shall appear on the oversight committee web site and be available at principal offices of the district or agency. The project priority shall be those specific projects that were approved by the public upon approval of the bond measure. The report shall contain, at a minimum:

- List of all original projects, and their status regarding budget, scope and /or implementation
- Certification of all expenditures
- Any changes, such as specific project cancellations or scope reductions, shall be highlighted and thoroughly explained
- A list of joint-use projects
- Status and scoring of deferred maintenance projects
- Prevailing wage requirements compliance report

See Appendix G for examples of adequate annual reports.

Bond Issuance

The district or agency shall inform the oversight committee concerning the full details of the selection of bond counsel, underwriters, the issuance of bonds, the refinancing of bonds, project list with relevant bond ballot language and bond financing structure. The oversight committee shall be fully informed before each new series of bonds is issued.



Joint Use

The oversight committee shall assure that the agency or district has demonstrated that best efforts have been applied to maximize opportunities for bond-funded projects to be used in conjunction with other local agencies in a manner that benefits the public and reduces costs. Joint-use efforts should be described and scored in the annual report.

Deferred Maintenance

Part of the oversight committee's responsibility is to review the status of the district or agency's deferred maintenance elimination plan and major repair and replacement plan. The District shall submit a governing board approved funding plan to eliminate deferred maintenance using general fund revenues, and if necessary with a limited reliance on bond revenues; and an approved major repair and replacement funding plan to ensure that both new and renovated facilities do not become maintenance deferred once the backlog has been eliminated. Within the submitted plan, the District shall include the deferred maintenance funding, including the amount of state matching funds received, for the previous 10 fiscal years. The District shall also include a current list of those projects and their respective costs within the District's deferred maintenance backlog. Status of deferred maintenance should be described and scored in the annual report.

Certification of Expenditures

The oversight committee must review whether expenses are within the constraints of the bond, and any non-certified expenditures shall be publicly reported. The district or agency shall present to the oversight committee written certification that all bond revenues currently expended have been in conformity with the bond resolution and applicable statutes on an annual basis. Certification of expenditures must be in the annual report.

Prevailing Wage Requirements

Most, if not all, publicly funded projects fall under prevailing wage requirements. The oversight committee shall request and receive an annual compliance report from the agency or district detailing related compliance issues of importance.

Liability

Committee members may be concerned about personal liability arising from serving. While this does not appear to be a problem, if requested, the governing board must provide written hold harmless agreements. This may appear in the oversight committee's bylaws.

Final Report

Upon final completion of the entire bond fund program the oversight committee shall prepare and distribute a complete detailed analysis of all expenditures, noting significant variances from the original stated expenditure plan, why they occurred and how they were mitigated.

*Please see Appendices A through F for all supporting materials
Please contact SDCTA if complications or concerns arise.*

Capital Improvement Program Project Details

Site	Project Description	Estimated Project Cost	Funding Sources	Estimated Construction Start Date	Estimated Construction Completion Date	Estimated Occupancy Date
Chet F Harritt	Remove 4 portable classrooms and construct new 7 classroom building with Learning Resource Center	\$15,483,000	1) General Obligation Bond: 99% 2) Developer Fees: 1%	1/27/2020	1/22/2021	2/10/2021
	Replace existing Project SAFE portables with new Modular Classrooms	\$873,600	1) Contingent on available GO Bonds for Site Work 2) Project SAFE Funds for Buildings	TBD	TBD	TBD
	Renovate old locker rooms into 2 classrooms and construct stand-alone PE building	\$3,302,270	TBD	TBD	TBD	TBD
PRIDE Academy	Construct new Learning Resource Center	\$5,525,000	1) Land Sale Proceeds: 75% 2) Developer Fees: 25%	3/9/2020	1/7/2021	1/21/2021
Sycamore Canyon	Construct new Learning Resource Center	\$6,110,000	1) Land Sale Proceeds: 75% 2) Developer Fees: 25%	3/30/2020	2/22/2021	3/8/2021
	Replace existing portables used by YALE Preschool and Project SAFE with new Modular Classrooms	\$1,996,800	TBD	TBD	TBD	TBD
	Improve lower parking lot and ramp to upper parking lot	\$877,500	TBD	TBD	TBD	TBD

Project Cost Summary

Project Costs	Budget	Commitments	Withholdings	Expenditures	Remaining Commitments	Remaining Budget
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1:Classroom Addition-Chet F Harritt	\$15,483,000.00	\$1,256,757.00	\$0.00	\$250,758.26	\$1,005,998.74	\$14,226,243.00
B1:Planning Costs-A&Efees	\$924,000.00	\$924,000.00	\$0.00	\$73,877.20	\$850,122.80	\$0.00
B10:Planning Costs-BidAd	\$1,000.00	\$373.24	\$0.00	\$87.24	\$286.00	\$626.76
B11:Planning Costs-PreconServ	\$120,000.00					\$120,000.00
B12:Planning Costs-Other	\$1,083,895.00	\$24,911.22	\$0.00	\$11,299.00	\$13,612.22	\$1,058,983.78
B2:Planning Costs-Consultants	\$0.00					\$0.00
B3:Planning Costs-CEQA	\$50.00	\$50.00	\$0.00	\$50.00	\$0.00	\$0.00
B4:Planning Costs-DSA	\$120,055.00	\$120,054.80	\$0.00	\$120,054.80	\$0.00	\$0.20
B6:Planning Costs-LocalCheck	\$0.00					\$0.00
B7:Planning Costs-Energy	\$0.00					\$0.00
B8:Planning Costs-Legal	\$20,000.00	\$15,709.49	\$0.00	\$5,735.22	\$9,974.27	\$4,290.51
B9:Planning Costs-PrelimTest	\$100,000.00	\$39,654.80	\$0.00	\$39,654.80	\$0.00	\$60,345.20
C1:Construction Costs-MainConstr	\$11,910,000.00					\$11,910,000.00
C10:Construction Costs-Other	\$35,000.00					\$35,000.00
C2:Construction Costs-ConstrMngmnt	\$0.00					\$0.00
C3:Construction Costs-Security	\$0.00					\$0.00
C4:Construction Costs-Demo	\$0.00					\$0.00
C5:Construction Costs-InterimHsng	\$0.00					\$0.00
C6:Construction Costs-LCP	\$0.00					\$0.00
C7:Construction Costs-Testing	\$30,000.00					\$30,000.00
C8:Construction Costs-Inspection	\$139,000.00	\$132,003.45	\$0.00		\$132,003.45	\$6,996.55
C9:Construction Costs-FF&E	\$1,000,000.00					\$1,000,000.00
2:LRC-PRIDE Academy	\$5,525,000.00	\$346,298.93	\$0.00	\$133,251.83	\$213,047.10	\$5,178,701.07
B1:Planning Costs-A&Efees	\$281,600.00	\$222,600.00	\$0.00	\$61,952.00	\$160,648.00	\$59,000.00
B10:Planning Costs-BidAd	\$1,000.00	\$25.43	\$0.00	\$25.43	\$0.00	\$974.57
B11:Planning Costs-PreconServ	\$35,000.00					\$35,000.00
B12:Planning Costs-Other	\$505,600.00	\$825.00	\$0.00	\$825.00	\$0.00	\$504,775.00
B2:Planning Costs-Consultants	\$0.00					\$0.00
B3:Planning Costs-CEQA	\$50.00	\$50.00	\$0.00	\$50.00	\$0.00	\$0.00
B4:Planning Costs-DSA	\$52,750.00	\$52,750.00	\$0.00	\$52,750.00	\$0.00	\$0.00
B6:Planning Costs-LocalCheck	\$0.00					\$0.00
B7:Planning Costs-Energy	\$0.00					\$0.00
B8:Planning Costs-Legal	\$3,000.00	\$2,037.39	\$0.00	\$342.80	\$1,694.59	\$962.61
B9:Planning Costs-PrelimTest	\$75,000.00	\$20,906.60	\$0.00	\$17,306.60	\$3,600.00	\$54,093.40
C1:Construction Costs-MainConstr	\$4,250,000.00					\$4,250,000.00
C10:Construction Costs-Other	\$0.00					\$0.00
C2:Construction Costs-ConstrMngmnt	\$0.00					\$0.00
C3:Construction Costs-Security	\$0.00					\$0.00
C4:Construction Costs-Demo	\$0.00					\$0.00
C5:Construction Costs-InterimHsng	\$0.00					\$0.00
C6:Construction Costs-LCP	\$0.00					\$0.00
C7:Construction Costs-Testing	\$30,000.00					\$30,000.00
C8:Construction Costs-Inspection	\$41,000.00	\$47,104.51	\$0.00		\$47,104.51	(\$6,104.51)
C9:Construction Costs-FF&E	\$250,000.00					\$250,000.00
3:LRC-Sycamore Canyon	\$6,110,000.00	\$521,601.69	\$0.00	\$157,799.26	\$363,802.43	\$5,588,398.31
B1:Planning Costs-A&Efees	\$356,750.00	\$356,750.00	\$0.00	\$61,952.00	\$294,798.00	\$0.00
B10:Planning Costs-BidAd	\$1,000.00	\$32.93	\$0.00	\$32.93	\$0.00	\$967.07
B11:Planning Costs-PreconServ	\$47,000.00					\$47,000.00
B12:Planning Costs-Other	\$287,450.00	\$14,525.00	\$0.00	\$3,025.00	\$11,500.00	\$272,925.00
B2:Planning Costs-Consultants	\$0.00					\$0.00
B3:Planning Costs-CEQA	\$50.00	\$50.00	\$0.00	\$50.00	\$0.00	\$0.00
B4:Planning Costs-DSA	\$56,750.00	\$56,750.00	\$0.00	\$56,750.00	\$0.00	\$0.00
B6:Planning Costs-LocalCheck	\$0.00					\$0.00
B7:Planning Costs-Energy	\$0.00					\$0.00
B8:Planning Costs-Legal	\$3,000.00	\$2,253.12	\$0.00	\$440.73	\$1,812.39	\$746.88
B9:Planning Costs-PrelimTest	\$75,000.00	\$39,148.60	\$0.00	\$35,548.60	\$3,600.00	\$35,851.40
C1:Construction Costs-MainConstr	\$4,700,000.00					\$4,700,000.00
C10:Construction Costs-Other	\$0.00					\$0.00
C2:Construction Costs-ConstrMngmnt	\$0.00					\$0.00
C3:Construction Costs-Security	\$0.00					\$0.00
C4:Construction Costs-Demo	\$0.00					\$0.00
C5:Construction Costs-InterimHsng	\$0.00					\$0.00
C6:Construction Costs-LCP	\$0.00					\$0.00
C7:Construction Costs-Testing	\$30,000.00					\$30,000.00
C8:Construction Costs-Inspection	\$53,000.00	\$52,092.04	\$0.00		\$52,092.04	\$907.96
C9:Construction Costs-FF&E	\$500,000.00					\$500,000.00
Grand Total	\$27,118,000.00	\$2,124,657.62	\$0.00	\$541,809.35	\$1,582,848.27	\$24,993,342.38

Capital Improvement Program Project Expenditures

Purchase Order ID	Account String	Payee	Description	Invoice ID	Invoice Date	Gross Invoice Amount	Withholding (-Addtl. Pay)	Amount Due	Pay Instrument ID	Pay Date	Fiscal Year	Amount Paid
7895	2518-9010711-0000-8500-6200026-007	Daily Journal	Ad for RFP for Lease-Leaseback Construction	A3237889	4/10/2019	\$87.24	\$0.00	\$87.24	14-535176	4/23/2019	2018-19	\$87.24
8063	2518-9010711-0000-8500-6200270-007	Division of State Architect	Plan Check Fees for Chet F. Harritt Locker Room	05142019	5/14/2019	\$11,304.80	\$0.00	\$11,304.80	14-549782	5/23/2019	2018-19	\$11,304.80
0	2518-9010711-0000-8500-6200273-007	Christina Becker	CEQA Filing Documents	5222019	5/22/2019	\$50.00	\$0.00	\$50.00	14-551853	5/30/2019	2018-19	\$50.00
7767	2518-9010711-0000-8500-6200241-007	Western Environmental & Safety Technologies	Asbestos Sampling & Inspection Services	19-077	5/13/2019	\$6,725.00	\$0.00	\$6,725.00	14-559370	6/14/2019	2018-19	\$6,725.00
0	2518-9010711-0000-8500-6200250-007	Portable Storage Corp	Cargo storage containers	28322	6/1/2019	\$6,378.80	\$0.00	\$6,378.80	14-560521	6/18/2019	2018-19	\$6,378.80
0	2518-9010711-0000-8500-6200017-007	StudioWC Architecture and Engineering	Architectural, engineering and design fees	1	6/17/2019	\$73,877.20	\$0.00	\$73,877.20	14-566867	6/26/2019	2018-19	\$73,877.20
0	2518-9010711-0000-8500-6200250-007	Western Environmental & Safety Technologies	Hazardous material removal	09-085	6/17/2019	\$1,740.00	\$0.00	\$1,740.00	14-566869	6/26/2019	2018-19	\$1,740.00
7656	2518-9010711-0000-8500-6200243-007	Ninyo & Moore	Geotechnical Evaluation Reporting	228612	6/25/2019	\$21,300.00	\$0.00	\$21,300.00	14-566856	6/26/2019	2018-19	\$21,300.00
0	2518-9010711-0000-8500-6200242-007	ATC Design Group	Topographic survey	30943	6/19/2019	\$9,504.80	\$0.00	\$9,504.80	14-566828	6/26/2019	2018-19	\$9,504.80
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	CFH and City Park land swap	564882	7/28/2019	\$2,847.50	\$0.00	\$2,847.50	14-536997	4/24/2019	2018-19	\$2,847.50
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	564882	2/28/2019	\$505.47	\$0.00	\$505.47	14-536997	4/24/2019	2018-19	\$505.47
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	CFH and City Park land swap	568770	3/31/2019	\$558.75	\$0.00	\$558.75	14-540508	5/7/2019	2018-19	\$558.75
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	566770	3/31/2019	\$116.65	\$0.00	\$116.65	14-540508	5/2/2019	2018-19	\$116.65
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	568245	4/30/2019	\$38.88	\$0.00	\$38.88	14-553153	6/3/2019	2018-19	\$38.88
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	570714	5/31/2019	\$466.59	\$0.00	\$466.59	14-570043	7/15/2019	2019-20	\$466.59
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	CFH and City Park land swap	570783	5/31/2019	\$715.00	\$0.00	\$715.00	14-570043	7/15/2019	2019-20	\$715.00
0	2518-9010711-0000-8500-6200250-007	Waste Management	Trash disposal	4552032-1584-9	6/1/2019	\$255.20	\$0.00	\$255.20	14-564814	6/24/2019	2018-19	\$255.20
7764	2518-9010711-0000-8500-6200250-007	Cable Pipe and Leak Detection	Utilities mark out	3040-27981	4/15/2019	\$1,925.00	\$0.00	\$1,925.00	14-546060	5/15/2019	2018-19	\$1,925.00
7764	2518-9010711-0000-8500-6200250-007	Cable Pipe and Leak Detection	Finish locating storm drain with crawler	3040-27983	4/16/2019	\$1,000.00	\$0.00	\$1,000.00	14-546060	5/15/2019	2018-19	\$1,000.00
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	572129	6/30/2019	\$447.50	\$0.00	\$447.50	14-577919	8/7/2019	2018-19	\$447.50
0	2518-9010711-0000-8500-6200254-007	Atkinson, Andelson, Loya, Ruud & Romo Attorneys	LLB document prep and assistance	572117	6/30/2019	\$38.88	\$0.00	\$38.88	14-577919	8/7/2019	2018-19	\$38.88
0	2518-9010711-0000-8500-6200220-007	Division of State Architect	Plan Check Fees for Chet F. Harritt LRC & Class	083019-CFH	8/30/2019	\$108,750.00	\$0.00	\$108,750.00	14-587605	9/5/2019	2019-20	\$108,750.00
0	2518-9010711-0000-8500-6200240-007	Cable Pipe and Leak Detection	Locate & trace sewer line	3040-35184	8/20/2019	\$250.00	\$0.00	\$250.00	14-593986	9/20/2019	2019-20	\$250.00
0	2518-9010711-0000-8500-6200240-007	Cable Pipe and Leak Detection	Locating smaller lines	3040-35682	8/20/2019	\$875.00	\$0.00	\$875.00	14-593987	9/20/2019	2019-20	\$875.00
0	2518-9010711-0000-8500-6200240-007	Cable Pipe and Leak Detection	Located main sewer line	3040-35019	8/8/2019	\$1,000.00	\$0.00	\$1,000.00	14-593986	9/20/2019	2019-20	\$1,000.00

NET DEBT SERVICE

Santee School District
General Obligation Bonds, Election of 2018 Series 2019
Non-Callable
FINAL NUMBERS

Period Ending	Principal	Coupon	Interest	Total Debt Service	Tax-Exempt Debt Service Fund	Taxable Debt Service Fund	Net Debt Service
08/01/2020	1,000,000	1.910%	422,793.33	1,422,793.33	-421,520.00	-1,001,273.33	
08/01/2021	2,135,000	4.000%	574,800.00	2,709,800.00	-574,800.00		2,135,000.00
08/01/2022	1,780,000	4.000%	489,400.00	2,269,400.00	-16,275.52		2,253,124.48
08/01/2023	1,935,000	4.000%	418,200.00	2,353,200.00			2,353,200.00
08/01/2024	2,095,000	4.000%	340,800.00	2,435,800.00			2,435,800.00
08/01/2025	2,260,000	4.000%	257,000.00	2,517,000.00			2,517,000.00
08/01/2026	925,000	4.000%	166,600.00	1,091,600.00			1,091,600.00
08/01/2027	1,000,000	4.000%	129,600.00	1,129,600.00			1,129,600.00
08/01/2028	1,080,000	4.000%	89,600.00	1,169,600.00			1,169,600.00
08/01/2029	1,160,000	4.000%	46,400.00	1,206,400.00			1,206,400.00
	15,370,000		2,935,193.33	18,305,193.33	-1,012,595.52	-1,001,273.33	16,291,324.48

ISSUANCE COSTS = 190,000
NET PROCEEDS = 15,180,000

NET INTEREST = 921,324.48
TRUE INTEREST COST = 1.15%

Santee School District
2018A General Obligation Bonds
Estimated Costs of Issuance as of:

10/9/19

Par Amount **\$15,370,000.00**

Estimated Costs of Issuance

Dale Scott & Company Inc.

Financial Advisor Fee **\$85,000.00**

Reimbursable Expenses

Other Expenses 4,470.50
Calmini Research 3,100.00
Courier & Delivery 150.00
Official Statement Printing and misc expenses 550.00
\$8,270.50

Orrick Herrington & Sutcliffe

Bond Counsel Fee \$49,500.00
Disclosure Counsel Fee \$22,500.00
\$72,000.00

Standard & Poor's

Rating Fee \$19,500.00
\$19,500.00

Zions Bank

Acceptance \$250.00
Costs of Issuance Administration 250.00
\$500.00

San Diego County

Paying Agent Fee **\$1,500.00**

Total Costs of Issuance w/o UW or Insurance \$186,770.50

Contingency \$3,229.50

Total in Cost of Issuance Account **\$190,000.00**