

LEMON GROVE SCHOOL DISTRICT
PROPOSITION W AND MEASURE R BOND OVERSIGHT COMMITTEE
ANNUAL REPORT
May 8, 2018

On November 4, 2008 voters of the Lemon Grove School District (District) approved ballot Proposition W (Prop W), authorizing the issuance of general obligation bonds in the amount of \$28,000,000; additionally on November 4, 2014, voters approved ballot Measure R reauthorization of remaining balance of \$10,000,000.

Bond Oversight Committee:

In accordance with state law, the Lemon Grove School Board shall establish an Independent Citizens' Oversight Committee (ICOC) pursuant to Education Code section 15278. Prop W and Measure R further specifies that the function of the ICOC is to ensure that bond proceeds are expended only on the school facilities projects listed in the ballot measures. The District's ICOC Bylaws, Section 3, states that the Committee is to inform the public at least three times per year concerning the expenditure of bond proceeds: 3.1 (a) ensure that bond revenues are expended only for the purposes described in Article 13A, Section a(b)(3) of the California Constitution including the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for schools; and (b) ensure that, as prohibited by Article 13A, Section a(b)(3)(A) of the California Constitution, no funds are used for any teacher and administrative salaries or other school operating expenses.

Purpose of the Bonds:

The specific purpose of the bonds is set forth in Exhibit A of the ballot measures. Exhibit A lists the District schools and specifies the items to include the following list; they are presented to provide examples and are not intended to limit the generality of the broader description of authorized projects:

Proposition W – Ballot Measure:

- Repair and/or replace old and deteriorating plumbing and sewer systems
- Construct science/technology labs
- Modernize relocatable classrooms
- Install new heating and air conditioning systems in District facilities, including auditoriums and multi-purpose rooms
- Upgrade and expand health and fitness facilities at Lemon Grove and Palm Middle Schools, including new fitness centers and locker rooms
- Make maintenance and infrastructure improvements throughout the District
- Make handicap accessibility (ADA) upgrades and improvements throughout the District, including restrooms, classrooms, and playgrounds
- Convert Lemon Grove Middle School into a magnet school specializing in programs such as science, technology, engineering, and math
- Construct a joint-use library/media center for school and community use

Proposition W – Ballot Measure Continued:

- Reconfigure existing school sites to accommodate new programs
- Install shade structures at the elementary and middle school campuses
- Upgrade playground equipment at elementary schools
- Enhance safety and security at the elementary and middle school campuses
- Acquire the following property which has been leased by the District: (a) improvements made to modernize Vista La Mesa Elementary School from the proceeds of 1996 Certificates of Participation; and (b) solar energy projects which were previously acquired, constructed, and installed at Palm Middle School, Mount Vernon Elementary School, and San Miguel Elementary School

Measure R – Ballot Measure:

- Repair and/or replace leaky roofs
- Repair and/or replace old and deteriorating plumbing and sewer systems
- Modernize and/or add relocatable/permanent classrooms; overcrowding relief
- Install new heating and air conditioning systems in District facilities, including auditoriums and multi-purpose rooms
- Upgrade and expand health and fitness facilities
- Replace failing and cracked asphalt in areas such as, but not limited to parking lots and playground areas
- Make maintenance and infrastructure improvements throughout the District
- Make handicap accessibility (ADA) upgrades and improvements throughout the District, including restrooms, classrooms, and playgrounds
- Reconfigure existing school sites to accommodate new programs (i.e. expand Mount Vernon dual immersion program to middle grades; creation of fine arts academy)
- Install and repair shade structures at the elementary and middle school campuses
- Upgrade playground equipment and/or playground fields
- Enhance safety and security district wide
- Repair and maintain existing solar energy photovoltaic systems at three schools

Additional Technology Equipment and Projects:

Devices and Technology Systems

- Desktop computers, tablets, tablet PCs and peripheral hardware
- Interactive classroom technology tools
- Data backup and disaster recovery technologies
- Classroom and district wide security system hardware

Software

- Educational and academic technologies
- Student assessment tracking solutions
- Telecommunications software and equipment

Infrastructure

- Capital technology projects including but not limited to the wiring of data centers, classrooms, and school facilities

PROJECTS UPDATE THROUGH APRIL 2018

Districtwide: Fiber optic cabling upgrading from CAT-5 to CAT-6 completed and networking equipment upgraded/replaced. Solar energy photovoltaic systems complete with punch list work being finalized at three sites. Building condition assessment at all sites underway. Phone system replacement to transition fully to voice over internet protocol (VOIP) completed. Colbi Account-Ability annual software licensing for project cost accounting. Other bond expenditures including legal fees, financial advisor fees, and limited District staff costs for specifically Bond support (accounting, clerical, and maintenance staff work on projects).

Lemon Grove Academy (Middle): Modernization of audio/visual system and replacement of six storm damaged umbrellas. Lemon Grove Academy (Elementary): Renovated turf field for safe play. Vista La Mesa Academy and Monterey Heights Elementary: Partial sewer replacement and modernize domestic water. Vista La Mesa Academy: Safety and security cabinetry work in front office to ensure single point of entry. San Altos Elementary and San Miguel Elementary: Installation of promethean boards. Mount Vernon Dual Immersion: Parking lot reconfiguration with barriers preventing weekend and evening safety issues.

Conclusion:

Based on the ICOC's review of the annual fiscal and performance audit March 22, 2018, prepared by Wilkinson, Hadley, King & Co., LLP, the ICOC finds that the District is in compliance with the legal requirements under Education Code 15278 and Article 13A, Section 1(b)(3) of the California Constitution, namely, that the District has only expended Prop W and Measure R funds in accordance with Article 13A, Section 1(b)(3) and not for any other purpose, including teacher and administrator salaries (unrelated to Prop W and Measure R) and other school operating expenses. Furthermore, no exceptions were noted on Prop W and Measure R bond proceeds.

