

7th ANNUAL REPORT

December 31, 2015



CITIZENS' OVERSIGHT COMMITTEE

CAJON VALLEY UNION SCHOOL DISTRICT BOND PROGRAM

Dear Community Members:

The Citizen's Oversight Committee (COC) is pleased to present its 7th Annual Report to the Community. The COC is an independent committee appointed to inform the public concerning the Cajon Valley Union School District's \$156,500,000 construction bond program.

This report provides an overview of the bond program, project status information, and audit summary.

Current projects include:

- **Emerald Middle School:** New gymnasium/ multipurpose,

school office, and kitchen buildings;

- **Lexington Elementary School:** Rebuilding project; and
- **Montgomery Middle School:** New gymnasium/ multipurpose building and renovations.

The annual financial and performance audit was completed by the independent Certified Public Accounting firm of Wilkinson Hadley King & Co., LLP. As in all past years, the audit results were favorable with no instances of non-compliance.

Please read further for additional information; and to stay updated throughout the year, please visit the Bond Program website at www.cajonvalley.net (click on the "bond program" link).



INFORMATION:

MEMBERS:

Victor Garcia
Les Henderson
Deanne Markle
Dick Nasif
Linda Webb
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1 Vacancy

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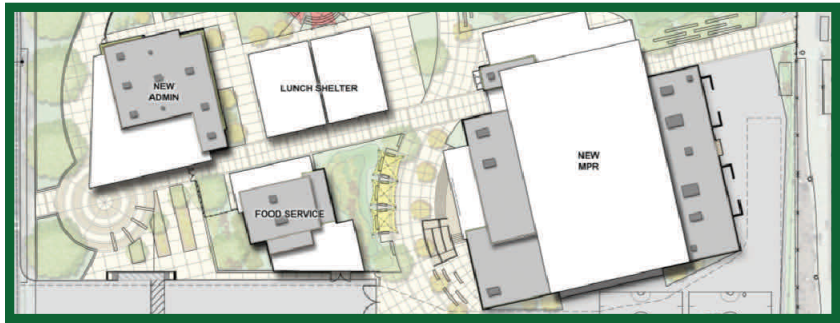
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COC meetings are open to the public.
Check the website for meeting times,
agendas, and minutes.

2015/2016 Project Highlights

EMERALD MIDDLE SCHOOL

- New Gymnasium & Partial Rebuild
 - ◆ Demolition of Auditorium/Multipurpose & Locker Buildings
 - ◆ New Gymnasium/Multipurpose Building
 - ◆ New Food Services Building
 - ◆ New School Office Building
 - ◆ Estimated Completion: Summer 2016



MONTGOMERY MIDDLE SCHOOL

- New Gymnasium/Multipurpose Building & Renovations
 - ◆ New Gymnasium/MP Bldg
 - ◆ Locker Room Renovations
 - ◆ Pool Renovation
 - ◆ Tennis Court Renovation
 - ◆ Landscape & Hardscape Improvements
 - ◆ New Solar Tube Sky Lights in Classrooms
 - ◆ Occupied: August 2015

LEXINGTON ELEMENTARY SCHOOL

- Rebuild School
 - ◆ Demolition & Rebuild of Entire Campus
 - ◆ Natural Daylighting & Ventilation
 - ◆ Efficient LED Lighting
 - ◆ High-efficiency HVAC
 - ◆ Energy Management System
 - ◆ School Garden
 - ◆ Occupied: August 2015



Current Projects

- ♦ **Emerald Middle School — New Gymnasium/Multipurpose, School Office, and Food Services Buildings**

This project is being constructed using the design-build procurement method and includes three new buildings: (1) a gymnasium/multipurpose building with a CIF basketball court, locker rooms, weight room, stage, and band room; (2) a school administration building; and (3) a food services building. The project also includes a new lunch shelter, landscaping, and minor renovations to the existing campus. Construction began in early summer 2015. Completion is expected in summer 2016.

- ♦ **Heating Ventilation & Air Conditioning Replacements**

Plans have been completed for HVAC replacements at the Bostonia Language Academy and Montgomery Middle School. This work will be done in the summer of 2016 and will be funded from both bond funds and Proposition 39 Clean Energy Jobs Act funds.

- ♦ **Magnolia Elementary School — Classroom Replacement & Minor Renovation Project**

Plans are nearly complete and construction is expected to begin in late spring/early summer 2016. This project includes demolition/removal of thirteen old portable classroom buildings and the addition of a new 8-classroom building. Minor renovations will also be done including: remodeling/reconfiguration of existing spaces to facilitate blended learning and small group instruction; kitchen expansion/remodel; auditorium remodel; and exterior improvements.

Completed Projects

- ♦ **Cajon Valley Middle School (Rebuilding Project)**

Construction of the final new building was completed in August 2011. This project, which includes 20 classrooms, a library, and serving kitchen, completes the rebuilding of the entire school campus.

- ♦ **Clock Systems**

New Clock Systems were installed at Anza, Chase, Fuerte, Hall, Johnson, Madison, Magnolia, Meridian, and Naranca Elementary Schools, as well as, Emerald and Greenfield Middle Schools, and EJE Charter Academy.

- ♦ **Electrical Upgrades**

Electrical upgrade projects were completed over the Summer 2010 at Chase Elementary, Madison Elementary and Emerald Middle School.

- ♦ **Fencing Projects**

Fencing enhancements were completed at all schools to improve security.

- ♦ **Heating Ventilation & Air Conditioning Replacements**

The HVAC replacements were completed each summer at the following sites: Anza, Chase, Crest, Madison, Meridian and Naranca in 2010; Emerald, Flying Hills, Fuerte, Johnson, Magnolia, and Rancho San Diego in 2011; EJE/Cuyamaca in 2012; and Vista Grande in 2013. These schools are already seeing significant energy savings.

- ♦ **Lexington Elementary School — Rebuilding**

This new school was constructed adjacent to the original (60-year old) school on the existing 9 acre campus. The original school buildings served as interim housing during construction, and were demolished when the new facility was completed in summer 2015.

- ♦ **Minor Renovations**

Minor Renovations were completed at Bostonia, Chase, Flying Hills, Fuerte, Hall, Johnson, Madison, Magnolia, Naranca, and Rios Elementary Schools, as well as Hillsdale Middle School and Sevvick Preschool. The renovations were primarily remodeling/reconfigurations to increase security.

Completed Projects (cont.)

♦ **Modernization – Rancho San Diego**

The Rancho San Diego Modernization project was completed in September 2012. This project included renovation of the existing campus, as well as replacement of three portable classroom buildings with new steel/wood-framed modular classrooms, including restrooms.

♦ **Modernization – Vista Grande**

The Vista Grande modernization project, which included renovation of the existing campus, as well as replacement of four portable classroom buildings with new steel/wood-framed modular classrooms, was substantially completed over the summer of 2012. However, in order to avoid disrupting the educational process, the addition of porticos and accessible parking improvements were completed over winter break of 2012/2013.

♦ **Montgomery Middle School — New Gymnasium & Renovation**

The Montgomery Middle School project included: a new gymnasium/multipurpose building, swimming pool, tennis court, and locker room renovations; painting; reroofing; new classroom skylights; and landscape/hardscape improvements. The project was completed in the summer/fall 2015.

♦ **Multipurpose Building Expansion– Flying Hills Elementary School**

This project includes an 1162 sf addition to the multipurpose building, as well as, a 1162 sf basement below for storage of props and costumes. Construction began in October 2009 and was completed in April 2010.

♦ **New Gymnasium / Multipurpose Building – Greenfield**

This project, which includes a gymnasium; locker rooms; theater; music/band room; serving kitchen; school offices; and six classrooms, was completed April 2013.

♦ **Parking Lot Upgrades**

Parking lot upgrades were completed at Avocado and WD Hall Elementary Schools in 2013.

♦ **Playground Upgrades**

New playground equipment was installed at Anza, Meridian, Naranca, and W.D. Hall Elementary Schools in summer 2009. Blossom Valley Elementary School playground upgrades were completed in summer 2010.

Completed Projects (cont.)

♦ Security Cameras

Security cameras were installed at Avocado, Flying Hills , Hall, Johnson, Madison, and Naranca Elementary Schools and Cajon Valley, Emerald, Greenfield, Hillsdale, and Montgomery Middle Schools from 2009 through 2014.

♦ Technology

♦ Technology Infrastructure

Technology infrastructure upgrades including: cabling; data storage and management system; IDF (Intermediate Distribution Frame) and MDF (Main Distribution Frame) equipment room modifications; Campus-wide wireless access; infrastructure for Internet-accessible projectors; and Voice Over Internet Protocol (VoIP) phone systems have been completed at all schools.

♦ Educational Technology

Short-term bonds were used to fund a portion of the cost for educational technology devices for the District-wide 1:1 initiative.

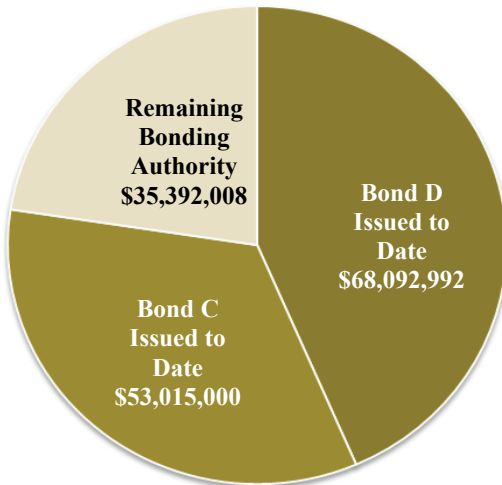
♦ Waterline Project

A new waterline was installed at Meridian Elementary in Spring 2008.

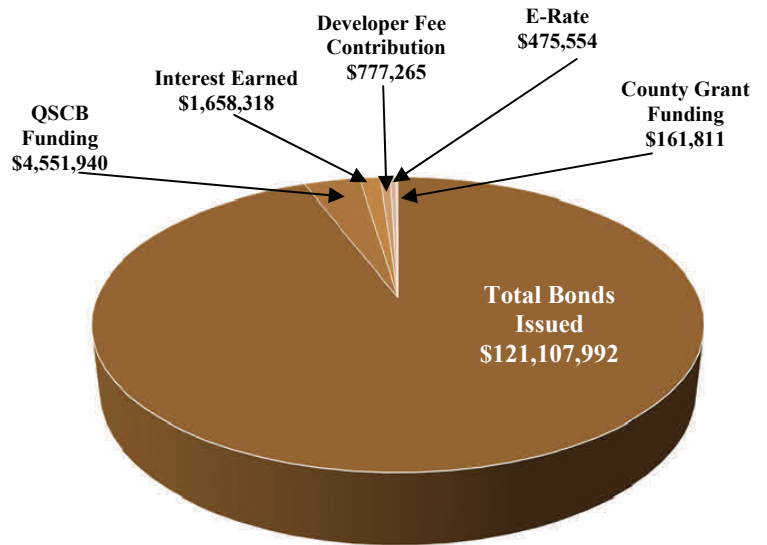
PROP C & D BONDS

Budget Overview 7/1/2008 - 6/30/2015					
	Bond Authorization		Revenues	Expenditures	Fund Balance
Total Bonds Authorized	\$	156,500,000			
Bond D Issued to Date	\$	(68,092,992)	\$ 68,092,992		
Bond C Issued to Date	\$	(53,015,000)	\$ 53,015,000		
QSCB Funding			\$ 4,551,940		
Interest Earned			\$ 1,658,318		
Developer Fee Contribution			\$ 777,265		
E-Rate			\$ 475,554		
County Grant Funding			\$ 161,811		
Bond Program Expenditures				\$ 109,680,291	
Totals as of 6/30/15:	\$	35,392,008	\$ 128,732,880	\$ 109,680,291	\$ 19,052,589

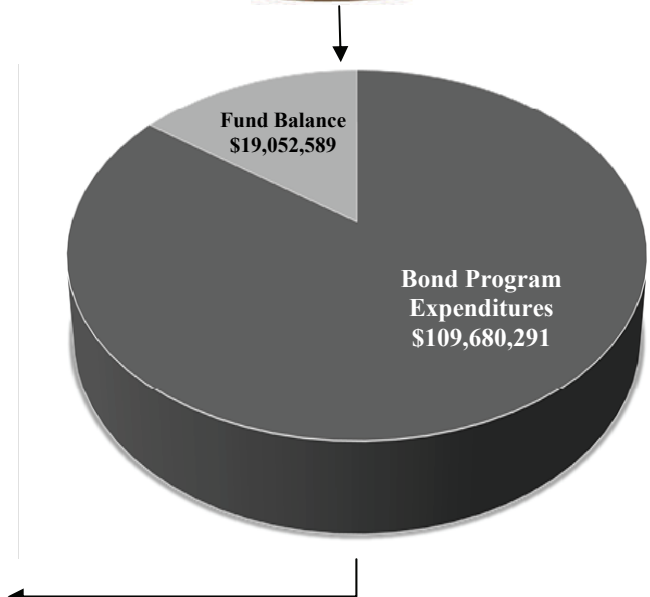
Prop C & D Bond Issuances
Total Authorization
=\$156,500,000



Total Revenue Received =
\$128,732,880



Expenditure Detail		
Main Construction	\$	66,227,156
Other Construction Costs	\$	18,599,683
Architect Fees	\$	7,033,852
Equipment	\$	9,403,944
Construction Tests	\$	1,956,760
Program Management	\$	2,097,652
Planning Cost	\$	1,222,406
Inspections	\$	794,351
DSA Fees	\$	539,143
Site Improvements	\$	1,590,683
Preliminary Tests	\$	142,469
Misc. Fees & Permits	\$	62,475
Library Books	\$	9,717
Total Expenditures	\$	109,680,291



Budget Overview FY 2014/2015

	Prop D	Prop C	Totals
Beginning Balance	\$ 349,685	\$ 30,931,220	\$ 31,280,905
Prop C Issuances		\$ 20,000,000	\$ 20,000,000
Interest		\$ 82,911	\$ 82,911
E-Rate		\$ 399,079	\$ 399,079
County Grant Funding		\$ 161,811	\$ 161,811
Expenditures	\$ (349,685)	\$ (32,522,432)	\$ (32,872,117)
Ending Balance on 6/30/15	\$ -	\$ 19,052,589	\$ 19,052,589

FINANCIAL AND PERFORMANCE AUDIT SUMMARY

Wilkinson Hadley King & Co., LLP conducted the annual bond program financial and performance audit for the 2014-2015 fiscal year, which ended June 30, 2015. The audit report was completed on December 8, 2015 and reviewed by the COC at its December 9, 2015 meeting.

The audit was performed in accordance with generally accepted auditing standards as prescribed by the Governmental Account Standards Board and included:

- Evaluation of internal control procedures
- Tests of expenditures
- Test of contracts and bid procedures
- Evaluation of the Citizens' Oversight Committee's regulatory compliance

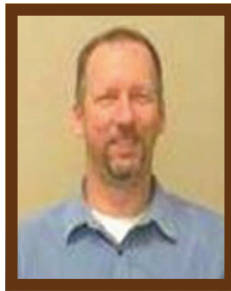
The audit report concluded that the District complied, in all material respects, with the compliance requirements for the Proposition D & C Bond Building Funds.

To obtain a copy of the completed audit report, please visit the bond website by going to www.cajonvalley.net and clicking on the "Bond Program" link, or by contacting Sharon Dobbins, Long-Range Planning Director at (619) 588-3016.

COC COMMITTEE MEMBERS



Victor Garcia



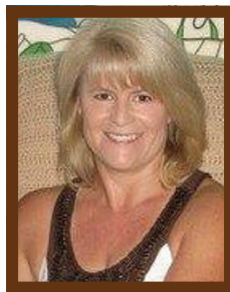
Les Henderson



Deanne Markle



Dick Nasif



Linda Webb



Timothy Zelt

MEMBER	TERM #	TERM
VICTOR GARCIA	1	2/01/2015 – 1/31/2017
GEORGE HAWKINS	2	2/01/2015 – 9/30/2015 VACANT AS OF 10/1/15
LES HENDERSON	3	2/01/2015 – 1/31/2017
DEANNE MARKLE	1	2/01/2015 – 1/31/2017
DICK NASIF	2	6/01/2014 – 5/31/2016
LINDA WEBB	2	6/01/2014 – 5/31/2016
TIMOTHY ZELT	2	6/01/2014 – 5/31/2016