

Lakeside Union School District Citizens' Bond Oversight Committee

2016-2017 Annual Report For Proposition V and Measure L

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<https://www.lsusd.net/Page/271>

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About LUSD

Bond Program

CBOC Meetings:

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

2019 CBOC Meeting Schedule:

Wednesday, April 24, 2019

Wednesday May 29, 2019

All meetings are at 4:30 pm unless stated otherwise.



HISTORY - Proposition V and Measure L

Proposition V and Measure L, hereinafter referred to as "bond measures", have separate histories but are related. On November 4, 2008 voters of the Lakeside Union School District (District) approved ballot Proposition V, authorizing the issuance of general obligation bonds in the amount of \$79,550,000. The first series of bonds was issued on April 23, 2009 in the amount of \$21,833,149. The second series of bonds was issued on September 22, 2010 in the amount of \$12,982,209. The total of these two sets of bonds is \$34,815,358.

Principal and interest on the bonds are to be paid by revenue from an annual tax levied on taxable property within the District. In 2014, the Board of Trustees of the District found and determined that, due to State law limitations imposed on the issuance of bonds under Proposition V, the balance of funds pending issuance would not be able to be acquired. Action was taken to put Measure L on the November 2014 ballot for up to \$31 million to allow the continued financing of the projects urgently needed. The ballot measure passed.

The passage of Measure L allowed the district to structure the bond sales in a fiscally responsible way that will also provide for ongoing funding for the replacement of technology (primarily iPads for student use). The purchase of technology is now done using low interest, short-term bonds, with a three-year payback period. The term of the financing allows the length of repayment to match the useful life of the asset purchased, which saves taxpayers from paying years of debt payments for out-of-date equipment. The facility work approved in Measure L is still being financed with longer term debt, typical in a school district general obligation bond issuance.

BOND OVERSIGHT COMMITTEE

The bond measures specify that the District's governing body, the Board of Education (Board), shall establish an Independent Citizens' Oversight Committee (Committee) pursuant to Education Code section 15278. The bond measures further specify that the function of the Committee is to ensure that bond proceeds are expended only on the school facilities projects listed in each bond measure.

The District's General Obligation Bonds Policies & Regulations, Section 5, states that the Committee shall inform the public, at least annually in a written report: (1) as to whether bond funds have been expended consistent with the bond language; (2) that no bond proceeds have been used for teacher, administrative salaries, or other school operating expenses; and (3) that an annual independent performance audit and financial audit have been performed by an independent consultant selected by the District.

Citizens' Bond Oversight Committee (CBOC) meetings are open to the public. Check the website for meeting times, agendas, and [minutes. www.lsusd.net/page/273](http://www.lsusd.net/page/273)

BOND OVERSIGHT COMMITTEE STATEMENT

For the 2016-2017 fiscal year, the committee found the following:

- 1) Bond funds have been expended consistent with the bond language;
- 2) No bond proceeds have been used for teacher, administrative salaries, or other school operating expenses; and
- 3) An annual independent performance audit and financial audit have been performed by an independent consultant selected by the District.

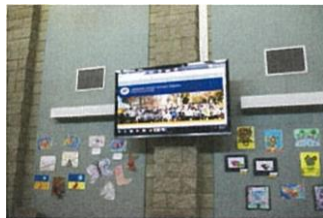
It was encouraging to see that the District again had no audit findings. The Bond Oversight Committee is in concurrence with the audit report and finds that the District is in general compliance with the requirements of the bond measures.

PROPOSITON V AND MEASURE L PROJECTS - YEAR IN REVIEW

During the 2016-2017 year, the following projects were completed at Lakeside Union School District:

- **District Boardroom remodel** — With recent advances in technology and its growth, it was determined that many presentations are going to be shown within the LUSD District Office Boardroom. This meant some updates were required to be made within the Boardroom. It was decided that the most critical pieces needed were: a single input selection panel (that can control device input and sound levels), wall input ports, a new video processor controller, and and two flat screen displays with Apple TV.

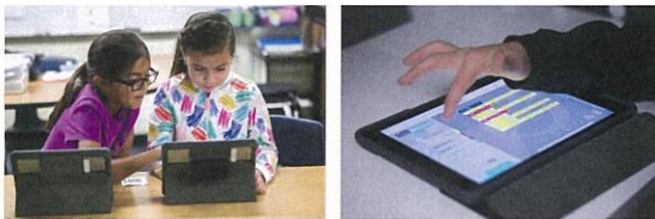
A main control panel was essential for the devices to hook into or thru to be displayed on the two TVs. Additionally, an updated speaker set was installed to improve sound quality.



- The office at Undo Park Elementary School was remodeled to update paint, flooring, and furniture.



- 400 iPads and cases were purchased for 3rd grade. The previous iPad model used in 3rd grade was outdated and no longer compatible with state testing software.



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Consultants were brought in to develop a Long Range Master Facility plan. The Master Plan will inform project decisions for when the next bonds are sold.

There was \$350,514 in fees related to refinancing the 2008 series A bonds. The refinanced bonds will save the taxpayers of Lakeside \$2.5 million dollars in interest costs.

FUTURE PROJECTS

There are \$28.1 million of authorized but unissued bonds remaining from the 2014 Measure L election. The District plans to issue these remaining bonds in two series, beginning with approximately \$15 million of bonds to be issued in Fall 2018. Various modernization, construction, and technology projects identified in the Master Plan will be planned and some projects will begin in the Summer of 2019.