

2014 Measure U Bond

Citizens' Oversight Committee 2018-2019, 2019-2020, & 2020-2021 Combined Annual Report

Letter from Citizens' Oversight Committee Chair

Citizens Oversight Committee

Matthew Hippler
Chair

Karen Mazur

Gail Stephens

Glennis Jones

Mary Brown

Patricia Gibbons-
Johnson

May 4, 2022

To: The Board of Trustees and Citizens of the Tahoe Truckee Unified School
District

The Citizens' Oversight Committee (COC) would like to present the fifth annual report for the \$114 million 2014 Measure U Bond Program. Attached is the 2018-2019, 2019-2020, & 2020-2021 combined fiscal year annual report that covers the COC's work from July 1, 2018 to June 30, 2021. The principal duties of the Committee are to:

TTUSD Board of Trustees

Kim Szczurek
President

Cris Hennessey

Kirsten Livak

Dianna Driller

Gaylan Larson

- Inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.
- Review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure U; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.
- Present an annual written report to the board, in public session.

District Administrators

Carmen Ghysels
Superintendent Chief
Learning Officer

Todd Rivera
Executive Director
Business Services

Jorge Rojas
Director Facilities &
Maintenance

The first series of Measure U Bonds (Series A) in the amount of \$20 million were issued in March 2015. The second Series B bond issuance occurred in December 2016 for \$54 Million, and the final bond issuance Series C was completed in November 2017 for \$40 million. These proceeds are to be used to fund capital improvements on school facilities located within Schools Facilities Improvement District No. 1. Shortly after the first issuance, prospective members of the COC were selected and recommended to the Board of Trustees (Board). COC members were officially appointed by the Board on April 1, 2015.

The Measure U COC held two meetings in the 2018-2019 fiscal year. The first meeting was held on October 9, 2018 to review financial project budgets and the progress of Truckee High School and Truckee Elementary School modernization projects. At the second meeting held on February 13, 2019, project progress and project expenditures were presented to the COC along with reviewing the 2017-2018 fiscal year performance audit.



The Measure U COC held two meetings in the 2019-2020 fiscal year. The first meeting was held on October 8, 2019 to review financial project budgets and the project progress. At the second meeting held on January 29, 2020, project progress and project expenditures were presented to the COC along with reviewing the 2018-2019 fiscal year performance audit.

The Measure U COC held one meeting in the 2020-2021 fiscal year. The meeting was held on January 21, 2021 to review financial project budgets and project progress.

The Measure U COC held a final meeting on March 28, 2022 to review project expenditures and project completion along with reviewing the 2019-2020 and 2020-2021 fiscal years performance audits.

The Measure U Bond Program activity that occurred during the reporting period of this combined annual report was related to completing the Truckee High School Increment 1 and Increment 2, the Truckee Elementary School Modernization, the Truckee Elementary School Reroof and the Glenshire Elementary Reroof.

Crowe Horwath LLP completed the Measure U General Obligation Bond performance audit of Bond expenditures for the years ending June 30, 2019, June 30, 2020, and June 30, 2021. A total of \$27,429,544 in Measure U funds were expended in the 2018-2019 fiscal year with a sample of 35 expenditures totaling \$4,986,308 tested and verified as valid bond expenditures. A total of \$39,492,647 in Measure U funds were expended in the 2019-2020 fiscal year with a sample of 38 expenditures totaling \$24,275,673 tested and verified as valid bond expenditures. A total of \$423,321 in Measure U funds were expended in the 2020-2021 fiscal year with a sample of 15 expenditures totaling \$373,824 tested and verified as valid bond expenditures. The performance audit disclosed that Measure U funds were expended only for the specific projects developed by the District's Governing Board and approved by the voters, in accordance with the requirements of Proposition 39.

The committee is pleased to report that by the findings in the performance audit, Tahoe Truckee Unified School District is in full compliance with the requirements specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Respectfully,

Matthew Hippler

Chair - Measure U Citizens' Oversight Committee

Tahoe Truckee Unified School District Citizens' Oversight Committee 2018-2019, 2019-2020, & 2020-2021 Combined Annual Report

About the Measure U Bond Program

On November 14, 2014, voters in the Tahoe Truckee Unified School District passed Measure U, a \$114 million school general obligation bond. The proceeds from the bond issuances will be used for school facility improvements approved by the Board of Education on the priority project list. This list was prioritized according to the Facilities Master Plan. The ballot language for Measure U reads as follows:

To improve Truckee area schools with funding that the State cannot take away, repair/replace roofs, plumbing and electrical systems, help local schools qualify for state matching funds, and construct, equip, repair/acquire classrooms, science labs, career technical education facilities to provide a well-rounded education and prepare students for college/high-demand jobs, shall School Facilities Improvement District No. 1 of the Tahoe-Truckee Unified School District issue \$114,000,000 in bonds at legal rates with independent audits, citizen oversight, and no funds for administrative salaries.

Independent Audit

Under the provisions of the California Constitution as amended by Proposition 39, the 2014 Measure U Bond Program must undergo an annual performance audit by an independent auditing firm. The certified public accounting firm Crowe Horwath LLP conducted the required financial and performance audits for the 2018-2019, 2019-2020, & 2020-2021 fiscal year. The 2018-2019 audit report was approved by the District's Board of Trustees at their meeting held on February 5, 2020 and reviewed by the COC on January 29, 2020. The 2019-2020 audit report was approved by the District's Board of Trustees at their meeting held on March 17, 2021 and reviewed by the COC on March 23, 2022. The 2020-2021 audit report was approved by the District's Board of Trustees at their meeting held on January 19, 2022 and reviewed by the COC on March 23, 2022.

Citizens' Oversight Committee

Under the provisions of the California Constitution as amended by Proposition 39, an independent Citizens' Oversight Committee must be established to assure that the 2014 Measure U Bond funds are to be expended as approved by the voters. As stated in Education Code 15278:

Article 2. Citizens' Oversight Committee [15278-15282] (Article 2 added by Stats. 2000, Ch. 44 Sec. 3.)

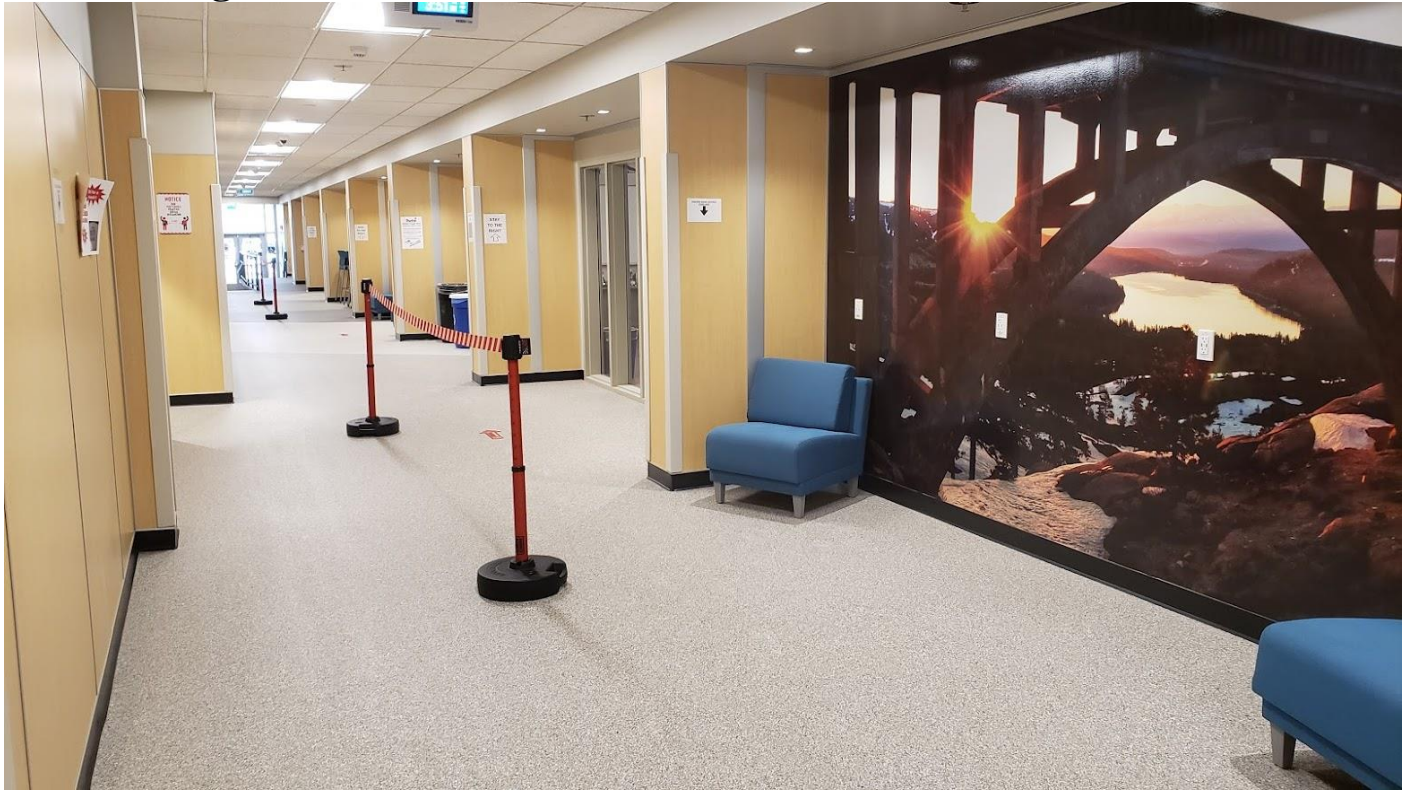
- The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens' oversight committee shall convene to provide oversight for, but not be limited to, both the of the following:

- Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.

Truckee High School – New Construction & Modernization



Truckee High School – New Construction & Modernization



Truckee High School – New Construction & Modernization



Truckee Elementary School – New Construction & Modernization



Truckee Elementary School – New Construction & Modernization

