

**CITIZENS' OVERSIGHT COMMITTEE
OF THE BELLFLOWER UNIFIED SCHOOL DISTRICT
2015-2016 FISCAL YEAR ANNUAL REPORT
RELATING TO MEASURE BB**

I. INTRODUCTION

The Citizens' Oversight Committee (COC) of the Bellflower Unified School District was formed pursuant to Measure BB for the purpose of actively reviewing and reporting on the expenditures of Measure BB bond proceeds. The COC is required to advise the public as to whether the District is in compliance with Article XIII A of the California Constitution, Measure BB, and the provisions of Education Code Section 15278 and following. The Committee will inform the public by posting a Citizens' Oversight Committee Report on the District's website at a minimum of once per year.

II. CURRENT MEMBERSHIP OF THE BUSD CITIZENS' OVERSIGHT COMMITTEE

Gregory Jue, Chairperson
Kirk Real, Vice Chairperson
Linda Morgan, Secretary
Rick Kempainen, Member
Edie McConnell, Member
Mark Dameron, Member
Yolanda Melendez, Member

III. SUMMARY OF PROCEEDINGS AND ACTIVITIES

The COC has met quarterly at the District Office, to receive, discuss and review information pertaining the bond expenditures and projects, on the following dates:

Meeting Date	Summary
October 22, 2015	District presented quarterly financial report. Project status report: Roofing projects and STEAM Building Project Plans are in final stages. Yolanda Melendez, Parent Representative, was presented as a new member of the committee. The COC Annual report is to be presented in December at the district board meeting.
January 21, 2016	District presented quarterly financial report. Annual audit report for 2014-2015 was completed by Vicenti Lloyd & Stutzman LLP and was presented to the COC committee. Project status report: Roofing projects were reported as completed. A detailed report on projects currently in the planning stages were discussed.
May 12, 2016	District presented quarterly financial report. Project status report: Detailed report on BUSD projects and their status. Some of the projects discussed were roofing, High School Gymnasiums, Athletic Fields and Security Video Surveillance (CCTV).
July 7, 2016	District presented quarterly financial report. Project status report: Updates on all BUSD projects, including the Bellflower High School project. Mayfair High School project has a projected start date of February 2017. CCTV bid has been awarded, and is scheduled to begin July 2016 – early 2017. Other projects are still in planning stage, no movement since last report.
October 19, 2016	District presented quarterly financial report. Project status report: BHS gymnasiums HVAC project is underway. Some of the surveillance cameras started going up for the Security Video Surveillance (CCTV) Project. Other projects, such as the Athletic fields, are still in Engineering/Architect Phase. Once approved they will start the bidding process. Financial and Performance Audits were performed for the 2015-2016 Fiscal year, by an independent auditor: Vicenti, Lloyd & Stutzman LLP. The COC Annual report is to be presented in December at the district board meeting.

In Compliance with the Ralph M. Brown Act, each meeting has been open to the public and formally scheduled with agenda's duly posted and noticed. Meeting minutes have been taken, approved and posted on the District's webpage, www.busd.k12.ca.us, under the Citizens Bond Oversight Committee.

IV. STATEMENT OF COMPLIANCE

- a. Bond proceeds have been used only for specified purposes and not for any teacher or administrator salaries or operating expenses
- b. The district has conducted an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.
- c. The district has conducted an annual, independent financial audit of the proceeds from the sale of the bonds.

FINANCIAL REPORT for the 2015-2016 Fiscal Year

Beginning Balance as of July 1, 2015	\$ 27,834,031
Income	
Interest and investment income	\$ 476,446
Proceeds from sale of bonds*	\$ 42,000,000
Total Income	\$ 42,476,446
Expenditures	
Supplies	\$ 4,521,295
Other services	\$ 461,677
Capital outlay	\$ 3,549,774
Total Expenditures	\$ 8,532,746
Ending Fund Balance as of June 30, 2016	\$ 61,777,731

* On April 10, 2013, \$37,000,000 of general obligation bonds were sold (Series A) and on August 12, 2015, \$42,000,000 of general obligation bonds were sold (Series B).

V. REVIEW OF AUDITS

Financial and Performance Audits were performed for the 2015-2016 Fiscal year, by an independent auditor: Vicenti, Lloyd & Stutzman LLP.

It was concluded that in all significant respects the District has properly accounted for the expenditures of the funds held in the Measure BB Bond Building Fund and that such expenditures were made on authorized bond projects.

VI. ACTIVITIES/PROJECTS

Bellflower High School Gym – HVAC and Lighting Retrofit – Project is completing remaining construction items. Gym is in use. (Contracted amount - \$937,000)

Mayfair High School Gym – HVAC and Lighting Retrofit – Project is DSA approved. The project will bid early next year and start construction in spring 2017. (Estimated Construction Cost - \$900,000)

Bellflower Unified School District – District wide CCTV – Project is currently under construction and is currently scheduled to be completed the end of January 2017. (Bid amount - \$1,573,713.22)

Mayfair High School – STEAM Building – The Design team has received approval from the District on the design layouts on the programmed spaces. A list of outstanding items was sent to the District regarding hazardous materials and chemicals; equipment and certain utilities. The Design Team continues to progress on their documents as they prepare for the DSA submittal in January. The Design team continues to progress on Interim Housing and is currently coordinating new fire hydrant provisions with respect to placement. The total count of modular buildings was reduced by 3 as a result of the ones by the Girls locker room. The Design team is currently working with the District on their proposal of reducing the count by 6, thus providing a total of 17 portables in the existing staff parking lot.

Bellflower High School – Synthetic Turf Soccer Field – The project is currently at the DSA for review. DSA backcheck and approval late 2016/early 2017. Bid early 2017 and start construction spring 2017. (Estimated Construction Cost - \$3,900,000)

Mayfair High School – Sports Fields – Survey work is underway. A soils investigation is being done. A preliminary drawing set has been put together for review. Coordination work is continuing with Richard Watson and the Civil Engineer concerning the proposed covering of the drainage channel for parking and the proposed plan for the water capture facility. The Civil Engineer has met with LA County Flood Control, and it was discussed to perform a new hydrology study to prove the amount of water the drainage culvert/ pipes will need to be designed to handle is less than the county's design number. The Civil Engineer believes the county's design number is high and a new hydrology study is underway. Richard Watson has obtained funding from Caltrans for a separate water capture facility project that is proposed to be under a portion of the sports fields. Richard Watson's portion of the project is in discussion between the city of Bellflower and the District and may not happen. (Estimated Construction Cost - \$9,250,000 - This estimate does not include the separate water capture facility)

Ramona Elementary School – Multi-purpose Building Mod – Continuing to look at closeout issue of a previous fire alarm project that will prevent this project from receiving DSA approval. (Estimated Construction Cost - \$1,050,000)

Bellflower Unified School District Maintenance Yard – Additional Bus Parking – Survey completed. Drawings are in preliminary stage; work cannot be done until Soccer Field work is complete. (Estimated Construction Cost - \$610,000)

Bellflower High School – Track and Field – The survey work has been completed. The Civil Engineer has put together a drawing package. A preliminary drawing set has been put together for review. Engineering consultants are on board. DSA submittal is scheduled for early 2017. (Estimated Construction Cost - \$2,750,000)

Craig Williams Elementary School – Covered Walk Replacement – Survey work to be done soon. Drawing sets are being put together for a DSA over the counter appointment March 2017. (Estimated Construction Cost - \$625,000) Craig Williams Elementary School – 50 Wing Re-roof and HVAC Replacement – Drawing sets are being put together for a DSA submittal December 2016. (Estimated Construction Cost - \$550,000)

VII. CONCLUSION

The COC concludes that the District has complied with Article XIII A Section (1)(b)(3), the Measure and Education Code 15278 and following, in that bond proceeds spent to date have only been spent for the construction, reconstruction, rehabilitation, or replacement of school facilities, including furnishing and equipping of school facilities, or acquisition or lease of real property for school facilities. No proceeds were spent on teacher salaries, administrative salaries or on operational expenses.