

**BOND CITIZENS' OVERSIGHT COMMITTEE  
FOR BOND MEASURES E AND C**

Petaluma City Elementary School District  
Measure E

Petaluma Joint Union High School District  
Measure C

**Petaluma City Schools**

**ANNUAL REPORT  
Under California Education Code 15280(b)**

**March 7, 2022**

**I. Introduction**

Petaluma City Schools were successful in obtaining authorization from the District's voters to issue general obligation bonds through a local election on June 3, 2014, for both Petaluma City (Elementary) School District and the Petaluma Joint Union High School District. The Elementary School District obtained authorization to issue up to \$21,000,000 in aggregate principal amount of general obligation bonds pursuant to Measure E. The High School District obtained authorization to issue up to \$68,000,000 in aggregate principal amount of general obligation bonds pursuant to Measure C. The Bond Elections were conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39").

The Citizens' Oversight Committee of Petaluma City Schools District (the "COC") was formed pursuant to Measures E and C for the purpose of actively reviewing and reporting on the expenditure of Measure E and C bond proceeds. The COC is required to advise the public, through at least one report per year which shall be made available on the District's web site, as to whether the District is in compliance with Article XIII A of the California Constitution, Measure E and C, and the provisions of Education Code Section 15278 and following.

**A. Section 1 of Article XIII A of the California Constitution**

Section 1(b)(3) of Article XIII A of the California Constitution provides that bonded indebtedness incurred by a school district for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities include certain accountability requirements:

- (A) That the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

- (B) The proposition shall contain a list of the specific school facilities projects to be funded and certification that the school district board has evaluated safety, class size reduction, and information technology needs in developing that list.
- (C) A requirement that the school district board conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects list.
- (D) A requirement that the school district board conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.

## **B. The Citizens Oversight Committee; Purpose and Activities**

California Education Code §15278(a) provides that if a bond measure authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution is approved, the governing board of the school district establish and appoint members to an independent citizens' oversight committee. Section 15278(b) provides that the purpose of the citizens' oversight committee is to be:

1. Inform the public concerning the expenditure of bond revenues, and
2. Actively review and report on the proper expenditure of taxpayers' money for school construction.
3. Advise the public as to whether a school district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

Section 15278(b) provides that function of the committee shall be to ensure that bond revenues are properly expended and that no funds are used for teacher or administrative salaries, or other school operating expenses.

## **II. Specific School Facilities Projects Funded by Measures C and E**

Section 1(b) (3) of Article XIII A of the California Constitution requires that in order to incur bonded indebtedness for the construction, reconstruction, rehabilitation, or replacement of school facilities, the proposition presented to voters shall identify the specific school facilities projects to be funded and certify that the school district board has evaluated safety, class size reduction, and information technology needs in developing that list.

## A. Identification of School Facility Projects

See attachment A

## III. Public Meetings

The COC has met on the following dates and locations:

| <b>Meeting Date and Time</b> | <b>Meeting Location</b> |
|------------------------------|-------------------------|
| February 1, 2022 7:00 p.m.   | Via Zoom                |
| March 7, 2022 7:00 p.m.      | Via Zoom                |

Each meeting has been in compliance with the Ralph M. Brown Act (Brown Act), in that the meetings were formally scheduled with agendas duly posted and noticed and open to the public. Minutes were taken and when approved at the subsequent meeting was posted on the District's web page via the link to information relating to Measure C and E.

## IV. District Support

The District has, without spending bond funds, provided the COC with the administrative support it needs to meet and to perform its review and reporting duties.

## V. Status of Specific Projects

The following Projects have been completed:

- Petaluma City School Prop 39 Solar Projects at nine school sites
  - Petaluma Junior High School
  - San Antonio Continuation High School/Valley Oaks
  - Mary Collins at Cherry Valley Charter School
  - Grant Elementary School
  - McDowell Elementary School
  - McKinley Elementary School
  - McNear Elementary School
  - Pengrove Elementary Charter School
  - Valley Vista Elementary School
- Petaluma High School Stadium Project (Track & Field)
- Mary Collins at Cherry Valley Charter School Track & Field Renovation
- McKinley Elementary School New Drop-Off and Parking Alterations
- McKinley Elementary School Entryway, Phase II (Canopies)
- Petaluma High School Pool Renovation & Replacement Project
- Petaluma High School Reroofing and Repairs Project (Building F)
- Casa Grande High School Reroofing and Repairs Project (Building E-NO)
- Casa Grande High School Reroofing and Repairs Project (Building E-SO)
- McKinley Elementary School Exterior Painting and Preparation Project (Building A & B including adjacent walkways, the Boys and Girls Club modular building and the South County Consortium modular building)

- San Antonio High/Crossroads Community Day School add two portable classrooms
- Grant Elementary School – Removal of existing blacktop and rubber surface and repaving for play area
- McDowell Elementary School Roofing and Repair – Buildings D, E, and Breezeways
- Petaluma High School Exterior Painting (Phases I, II, & III)– Main Administration building and adjacent classroom wings, including the library and counseling offices (Buildings A, B and C, D) Multi, Gymnasium, Pool area , and CTE/AG buildings
- Petaluma High School HVAC replacement - Museum
- Petaluma Junior High School Roofing/HVAC replacement & repairs kitchen
- Petaluma Junior High School Roofing replacement & repairs Breezeways (Admin/Multi/Library)
- Mary Collins at Chery Valley New Roof & HVAC Laurel & Admin Bldgs
- McNear elementary Roofing & repairs to breezeways and lower roofs
- Valley Vista Multi-purpose/kitchen interior modernization with new flooring, paint, pocket tables, lighting, and other finishes Penngrove Parking Lot redesign and expansion with ADA Ramp
- Kenilworth HVAC upgrades and replacement Phase I- Bldgs C/D and Gym
- Kenilworth HVAC upgrades and replacement Phase II- Bldgs F, G, J & Woodshop
- Roofing repairs and replacement Classrooms 4,5 6
- McNear installation of new flooring in all classrooms and small instructional spaces
- Valley Vista Elementary asphalt repairs for both South & North Blacktop with new striping
- Petaluma Junior High School Exterior Paint (Phases I & II)
- Casa Grande Roofing & Repairs & HVAC replacement (Multi-OMU/NUM & Admin Bldg)
- Casa Grande – installation and replacement of underground gas lines across the campus
- Penngrove Lower Parking Lot reconfiguration and expansion with new dropoff and ADA Access ramp for Admin. Bldg

The following Projects are Under Construction:

- Petaluma Junior High School – Battery Backup/Micro-grid project (Paid for in part by PGE SJIP funds)
- Casa Grande High School – Battery Backup/Micro-grid project(Paid for in part by PGE SJIP funds)
- Casa Grande High School – Covered outdoor student eating area
- Casa Grande ADA upgrades to student restrooms in Library and Music Bldgs
- Modernize and upgrade former SCOE building at Maria & McDowell for new fully intergrated and accessible preschool program for preschool students of all abilities (Paid for in part by State Grant Funding)

The following Projects are in design:

- Penngrove Restroom modernization
- Mary Collins @ Cherry Valley Kitchen improvements
- Casa Grande High School – New Classroom Building (R-Wing 5 classrooms)
- Kenilworth Junior High School HVAC Upgrades Ph III
- Casa Grande HVAC replacement and upgrade for Building M (24-classrooms) and new roof
- McDowell Elementary, McKinley, and McNear Elementary Schools Multi-Purpose Room Renovations (new floor, paint interior, pocket tables, etc.)
- Penngrove Elementary Charter new Library & replacement of 4-classroom building with 6 classroom building
- McKinley replace existing SOCC modular building with new 2 new kinder and SOCC classroom modular building with newly expanded and redesigned kinder play area
- New exterior Paint at McDowell Elementary
- New exterior Paint at Casa Grande High School
- Redesign and replace blacktop play area and paths of travel at Mary Collins @ Cherry Valley to address ADA Access and safety concerns
- Electrical Upgrades and new electric charging stations at Transportation Yard to support new electric buses

The following Projects to begin in Summer 2022

- Kenilworth Junior High School HVAC Upgrades Ph III
- Casa Grande HVAC replacement and upgrade for Building M (24-classrooms) and new roof
- New exterior Paint at McDowell Elementary
- New exterior Paint at Casa Grande High School
- Electrical Upgrades and new electric charging stations at Transportation Yard to support new electric buses

## **VI. Sale of Bonds**

In April 2018, the Board of Education adopted a resolution authorizing the issuance and sale of General Obligation Bonds, Election of 2014, Series B, in the aggregate principal amount of not to exceed \$9,000,000, and approving related documents and actions. The Series B Bonds were successfully issued on May 24, 2018.

## **VII. Members of the Citizens Oversight Committee for Measures C and E**

The Board of Education of the Petaluma City Schools District appointed the following individuals to the Citizens' Oversight Committee for Measures C and E:

Alice Christensen

Phoebe Ellis

Jerry Mataria

Tim Scheele

Michael Webb

## **VIII. Activities of the Citizens Oversight Committee for Measures C and E**

In accordance with Education Code Section 15280(b), the following report is presented to the Board of Education for Petaluma City Schools in the fulfillment of the Committee's annual reporting requirement.

### **A. Activities of the Committee and Summary of Meetings**

The Committee met twice between July 2021 and February 2022. The meetings were noticed per the Brown Act and open to the public. Complete minutes are on file at the District Office. District personnel provided staff to the Committee and were present at the meeting.

*Review of Expenditures.* The COC was provided with expenditure reports prepared by the District at each of its meetings. At each meeting, the COC reviewed the text of Measures E and C and the expenditure reports. Members of the COC had the opportunity to ask District personnel questions regarding the projects and expenditures.

*Review of District Bond Audits.* With respect to the bond audit for the prior fiscal year, the COC met on February 1, 2022 to review the District's Financial and Performance Audits for the year ending June 30, 2020. The Petaluma City Schools District retained the services of the accounting firm of Nigro & Nigro, A Professional Accountancy Corporation to conduct an independent audit of the revenues, expenditures, and changes in fund balance related to construction costs for Measures E and C funds as of June 30, 2020.

## **IX. Conclusion**

Based on the foregoing review of expenditures and other activities, the COC concludes 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, as identified in the project list presented to District voters, and as a result the District has complied with California Constitution Article XIII A Section (1)(b)(3), the text of Measures E and C and Education Code 15278 and following. Furthermore, no proceeds were spent on teacher salaries, administrative salaries or on operational expenses.

Approved by the Citizens' Oversight Committee on March 7, 2022.

**CITIZENS' OVERSIGHT COMMITTEE OF THE PETALUMA CITY SCHOOLS' DISTRICT**

BY: \_\_\_\_\_  
Jerry Matacia, Chairperson