

# Citizens' Oversight Committee Annual Report on Measure "E" & Measure "T" General Obligation Bonds

To request additional information, e-mail HUSD at: [MeasureE@hemetUSD.k12.ca.us](mailto:MeasureE@hemetUSD.k12.ca.us)  
Or visit the HUSD web site: [www.hemetUSD.k12.ca.us](http://www.hemetUSD.k12.ca.us)

## Letter from the Chairperson

As Chairperson of the Citizens' Oversight Committee, I am pleased to take this opportunity to brief you on the progress of the Measure "E" and Measure "T" School Facilities General Obligation Bonds. Since our last newsletter in October, 2007, much has happened. First of all the last of the Measure "E" (2002) \$60 million was expended and our Annual Financial and Performance Audits for Measure "E" and "T" (2006) were completed and reviewed by the Committee.

I am happy to say that all funds were spent appropriately and complied with the bond resolutions and the Education Code Section 15278 et seq. The Committee also reviewed and approved the Annual Reports (on pages 2 and 3 of this newsletter) for Measure "E" and Measure "T" as required by Ed Code.

Under the Education Section 15278, no bond funds can be expended on projects not listed on the Projects List (Exhibit A of Resolution 1053 and Exhibit 1 of Resolution 1608). The proceeds cannot be expended for administration or teacher salaries or operational expenses.

Absolutely no Measure "E" or "T" funds have been spent on the new support facilities, the Professional Development Service Center or the Professional Development Academy. The District utilized funds received from

the revenue generated from the City of Hemet Redevelopment Agency agreements.

*"...no Measure "E" or "T" funds have been spent on the District's support facilities, the Professional Development Services Center or the Professional Development Academy."*

In February, the District made a presentation to Standard & Poor's, the bond rating agency. The District retained an "A" rating matching its previous rating despite the dismal economic outlook and bond market. The second series of bonds, \$40 million, were issued on March 18, 2008. \$100 million of the \$149 million Measure "T" bond authorization has now been issued.

The major new construction projects are Rancho Viejo Middle School on Cawston Avenue next to Fruitvale Avenue and the second and third phases of Tahquitz High School consisting of two classroom wings, pool, stadium and food service facilities.

Other projects in motion include the well, water tank and library project at Cottonwood School; the design of the Hemet High School addition which is a major addition of classrooms and a theater, as well as major site improvements, and finally the master plan and conceptual plan of the Acacia Middle School addition and renovation project.

Many smaller projects and a site acquisition are in the works including improvements at West Valley High School,

Little Lake Elementary School and Winchester Elementary School. The "Project Status Report" included at the end of this newsletter summarizes the progress.

We are happy to have a full eleven (11) member committee with one member added since October to replace an outgoing member. We will, however, need to replace Anna Marie Dalbey and Thomas Green who have fulfilled their two terms. The Governing Board is soliciting new members (see article on page 6).

This report contains the Annual Report certifications, financial and project status summaries and other general information about Measure "E" and Measure "T".

We encourage you to visit the website at [www.hemetUSD.k12.ca.us](http://www.hemetUSD.k12.ca.us) and view all Citizens' Oversight Committee materials, agenda documents and meeting schedules.

We welcome input and questions. Please contact Richard Beck, Assistant Superintendent of Business Services at (951)765-5100 extension 5000 or email [rbeck@hemetUSD.k12.ca.us](mailto:rbeck@hemetUSD.k12.ca.us).

*Anna Marie Dalbey*  
Anna Marie Dalbey, Chairperson

Mrs. Anna Marie Dalbey, Chairperson ♦ Mr. Thomas Green, Vice Chairperson

Mr. George Buchanan ♦ Mr. Richard Schmitt ♦ Mr. Matthew Coiner ♦ Mr. Guy Excell ♦ Mrs. Marilyn Forst

Mrs. Heidi Roth ♦ Mr. Steve Pulbrook ♦ Mr. William Schembri ♦ Mr. Mark Shabashov

## Annual Report Citizens' Oversight Committee for Measure E Fiscal Year 2006/2007

The Citizens' Oversight Committee has reviewed the financial expenditures of Measure E proceeds on a quarterly basis and has reviewed all actions related to the compliance with Education Code 15728. The expenditure reports that the Citizens' Oversight Committee has been provided; provide the site, activity, vendor, and amount of each payment. The most recent expenditure reports reviewed by the Committee relative to the reporting period were June 21, 2007 and January 17, 2008. These reports have been made available for public review.

- 1) The District has complied with Article XIII A, and Education Code 15728 at Section 1(b)(3) of the California Constitution as follows:
- 2) The first series of Measure E bonds (Series A) of \$23 million were issued in June 2002. Proceeds were spent only for construction, reconstruction, rehabilitation, or replacement of school facilities, including furnishings and equipping of school facilities, or acquisition or lease of real property for school facilities as identified in the projects list.
- 3) The second series of Measure E bonds (Series B) of \$15 million was issued in June 2003. Proceeds were spent only on construction, reconstruction, rehabilitation or replacement of school facilities including furnishings and equipping of school facilities on acquisition or lease of real property for school facilities as identified in the projects list.
- 4) The third series of Measure E bonds (Series C) of \$10 million were issued in June 2004. Proceeds were spent only on construction, reconstruction, rehabilitation or replacement of school facilities including furnishings and equipping of school facilities on acquisition or lease of real property for school facilities as identified in the projects list.
- 5) The fourth series of Measure E bonds (Series D) of \$6 million were issued in May 2005. Proceeds were spent only on construction, reconstruction, rehabilitation or replacement of school facilities including furnishings and equipping of school facilities on acquisition or lease of real property for school facilities as identified in the projects list.
- 6) The fifth and final series of Measure E bonds (Series E) of \$6 million were issued in February 2006. Proceeds were spent only on construction, reconstruction, rehabilitation or replacement of school facilities including furnishings and equipping of school facilities on acquisition or lease of real property for school facilities as identified in the projects list.
- 7) No proceeds were spent on teacher salaries, administrative salaries or on operational expenses.
- 8) An independent audit was prepared for the year ending June 30, 2007, complying with the provisions of the Education Code and approved by the Citizens' Oversight Committee. The audit referenced here was reviewed by the Citizens' Oversight Committee on January 17, 2008. The audit was previously approved by the Governing Board of the Hemet Unified School District and is available for public review on the District's webpage [www.hemetusd.k12.ca.us](http://www.hemetusd.k12.ca.us) at the Citizens' Oversight Committee link. Copies are also available at the District Office.
- 9) The District has made efforts to maximize the bond revenues by implementing cost-saving measures such as negotiating cost reduction in professional fees for architectural design, use of construction management value engineering services, reuse of plans, incorporation of water and energy conservation measures such as use of reclaimed water and use of drought tolerant plants within the school plans. Through the cooperation and partnership with contractor, Bogh Construction, and our Construction Manager, douglas e. barnhart, the District saved \$1 million on the site grading of Tahquitz High School.
- 10) The Committee has been provided necessary and adequate technical assistance from District staff in order for the Committee to fulfill its legal obligations and purpose. District staff welcomes Committee questions and comments. You can contact Richard Beck at [rbeck@hemetusd.k12.ca.us](mailto:rbeck@hemetusd.k12.ca.us). Staff has provided regular project status reports and expenditure reports quarterly to the Committee and agenda items as requested by the members.
- 11) The agendas, minutes, and reports have been made available to the public and are posted on the website maintained by the District ([www.hemetusd.k12.ca.us](http://www.hemetusd.k12.ca.us)).
- 12) The Committee has complied with the Ralph M. Brown Act (Brown Act) a public meetings act, by having formally scheduled meetings with agendas duly noticed, open to the public, with minutes taken and posted on the District's webpage under the Citizens' Oversight Committee. Meetings are scheduled on a quarterly basis. Special meetings may be scheduled and will follow the provisions of the Brown Act.
- 13) The Committee has toured various sites and has reviewed the progress reports on the status of all projects.

Approved January 17, 2008 by the Citizens' Oversight Committee

*Anna Marie Dalbey*

Anna Marie Dalbey, Chairperson

*Thomas Green*

Thomas Green, Vice Chairperson

## Annual Report Citizens' Oversight Committee for Measure T Fiscal Year 2006/2007

The Citizens' Oversight Committee has reviewed the financial expenditures of Measure T proceeds on a quarterly basis and has reviewed all actions related to the compliance with Education Code 15728. The expenditure reports that the Citizens' Oversight Committee has been provided; provide the site, activity, vendor, and amount of each payment. The most recent expenditure reports reviewed by the Committee relative to the reporting period were September 20, 2007 and January 17, 2008. These reports have been made available for public review.

The District has complied with Article XIII A, and Education Code 15728 at Section 1(b)(3) of the California Constitution as follows:

- 1) The first series of Measure T bonds (Series A) of \$60 million were issued March 1, 2007. Proceeds were spent only on construction, reconstruction, rehabilitation or replacement of school facilities including furnishings and equipping of school facilities on acquisition or lease of real property for school facilities as identified in the projects list.
- 2) No proceeds were spent on teacher salaries, administrative salaries or on operational expenses.
- 3) An independent audit was prepared for the year ending June 30, 2007, complying with the provisions of the Education Code and approved by the Citizens' Oversight Committee. The audit referenced here was reviewed by the Citizens' Oversight Committee on January 17, 2008. The audit was previously approved by the Governing Board of the Hemet Unified School District and is available for public review on the District's webpage [www.hemetusd.k12.ca.us](http://www.hemetusd.k12.ca.us) at the Citizens' Oversight Committee link. Copies are also available at the District Office.
- 4) The District has made efforts to maximize the Measure T bond revenues by implementing cost-saving measures such as negotiating cost reduction in professional fees for architectural design, use of construction management value engineering services, reuse of plans, incorporation of water and energy conservation measures such as use of reclaimed water and use of drought tolerant plants within the school plans, and competitively bid bond issuance to obtain lowest interest rate ((4.3699 Measure T Series A). The District saved \$14 million for Phases 2 and 3 of Tahquitz High School and Rancho Viejo Middle School.
- 5) The Committee has been provided necessary and adequate technical assistance from District staff in order for the Committee to fulfill its legal obligations and purpose. District staff welcomes Committee questions and comments. You can contact Richard Beck at [rbeck@hemetusd.k12.ca.us](mailto:rbeck@hemetusd.k12.ca.us). Staff has provided regular project status reports and expenditure reports quarterly to the Committee and agenda items as requested by the members.
- 6) The agendas, minutes, and reports have been made available to the public and are posted on the website maintained by the District ([www.hemetusd.k12.ca.us](http://www.hemetusd.k12.ca.us)).
- 7) The Committee has complied with the Ralph M. Brown Act (Brown Act) a public meetings act, by having formally scheduled meetings with agendas duly noticed, open to the public, with minutes taken and posted on the District's webpage under the Citizens' Oversight Committee. Meetings are scheduled on a quarterly basis. Special meetings may be scheduled and will follow the provisions of the Brown Act.
- 8) The Committee has reviewed the progress reports on the status of all projects.

Approved January 17, 2008 by the Citizens' Oversight Committee.

*Anna Marie Dalbey*

Anna Marie Dalbey, Chairperson

*Thomas Green*

Thomas Green, Vice Chairperson

## Tour of New Measure T Projects Scheduled

As part of their role as the Citizens' Oversight Committee, a tour has been scheduled of the progress of several projects. They will tour the Rancho Viejo Middle School and Tahquitz High School Phases II and III which are scheduled for completion before September, 2008.

The Committee will also tour the existing Acacia Middle School located at San Jacinto Street and Acacia Avenue which will be undergoing a major addition and renovation project. The architect, Tom Kruse of PJHM Architects, will be giving an overview of the conceptual plans.

The tour is scheduled for 5:00 p.m. on Wednesday, May 15, prior to the scheduled quarterly meeting. The public is welcome to attend. Please call (951)765-5100 extension 5002 by May 8, 2008 to RSVP so we can plan on bus transportation. The tour will leave at 5:00 p.m. from the Professional Development Service Center located at 1791 W. Acacia Avenue. □

## Committee to Review Board Approved Acacia Middle School Master Plan

The Citizens' Oversight Committee will review the Acacia Middle School Master Plan at their May 15, 2008 meeting.

In January, the Governing Board had a master plan design competition to select an architect and the basic schematic theme for Acacia Middle School. Dr. Philip Pendley and the Governing Board want to bring the school up to the standards of our newer middle

## District Retains "A" Bond Rating & Issues Second Series

Despite the decline in home construction, prices of existing homes, slow down in the economy and the lending crisis, the Hemet Unified School District retained its "A" bond rating on the \$40 million Series B bond issuance from Standard & Poor's on February 29, 2008.

The District had previously received an "A" rating for the \$60 million Series A bonds issued in March, 2007.

District officials were concerned that the downturn in housing and economic growth and employment would impact the rating but were not surprised by the "A" rating due to the solid financial management

and oversight of the District.

The \$40 million bonds were competitively bid on March 3, 2008 with the low bid being from UBS for an effective interest rate of 5.06%. The rate is higher than the District's previous issuances, but is excellent considering the bond market problems. Also, rates are expected to increase over the next several months due to inflationary pressures.

The District closed the \$40 million bond sale on March 18, 2008. The District has now issued \$100 million of the \$149 million General Obligation Bond authorization approved by the voters in November, 2006. □



*Funded by Measure T, Construction at Rancho Viejo Middle School will be Complete for the Start of the 2008-09 School Year.*

schools including spatial, functional and contemporary issues.

Acacia Middle School is on a large site but lacks a gymnasium, has deteriorated locker rooms, shower rooms, library facilities, poorly functional classrooms and support facilities.

The Board selected PJHM Architects who have designed many of the District's schools to design

the upgrades and renovations using the approved master plan.

District staff and the Governing Board will be holding a similar master plan theme competition for selection of architects for Ramona Elementary School located at the corner of Whittier Avenue and Columbia Street and Little Lake Elementary School located at the corner of Acacia Avenue and Meridian Street. □

## District Matches Measure E Dollars with Over \$100 Million in State Funds

The District received \$101,294,786 in State School Building funds as a match to the \$60 million of Measure "E" funds.

The District received matching funds for both new construction and major repairs. 100% financial hardship funding for the acquisition and site improvement funds for Diamond Valley Middle School, McSweeny Elementary School and Tahquitz High School which included Rancho Viejo Middle School was received. □

## Measure E Budgeted Projects & Expenditures

School Site	Measure E Budget	Expenditures to Date	Balance
Acacia Middle School	\$ 598,542	\$ 598,542	\$ -
Alternative Learning Center	65,820	65,820	-
Bautista Creek Elementary School	102,283	102,283	-
Cottonwood School (K-8)	206,783	206,783	-
Dartmouth Middle School	27,356	27,356	-
Fruitvale Elementary School	120,980	120,980	-
Hamilton School (K-8) 2 Story Relo ( Modernization)	247,497	247,497	-
Hamilton School (K-8) 2 Story Relo (New Construction)	1,028,679	1,028,679	-
Hamilton School (K-8) (Bond Only)	173,323	173,323	-
Hemet Elementary School	1,096,555	1,096,555	-
Hemet High School	1,862,634	1,862,634	-
Idyllwild School (K-8)	193,183	193,183	-
Little Lake Elementary School	649,968	649,968	-
Ramona Elementary School	378,593	378,593	-
Santa Fe Elementary School	598,258	598,258	-
Valle Vista Elementary School	93,188	93,188	-
West Valley High School	194,585	194,585	-
Whittier Elementary School	449,769	449,769	-
Winchester Elementary School	145,801	145,801	-
Issuance Costs	793,969	793,969	-
Harmony Elementary School	4,649,108	4,649,108	-
McSweeny Elementary School	4,647,773	4,647,773	-
Cawston Elementary School	7,422,246	7,422,246	-
Diamond Valley Middle School	10,206,272	10,206,272	-
Tahquitz High School	15,618,397	15,618,397	-
Jacob Wiens Elementary School (Permanent)	9,262,416	9,262,416	-
<b>Total</b>	<b>\$ 60,833,978</b>	<b>\$ 60,833,978</b>	<b>\$ -</b>

The District received State School Building Funds totaling \$101,275,089 in matching funds for these projects.

## Rancho Viejo Middle School Progress



Library



Inside Library



Building 700

## New Members Being Sought for Committee

The Hemet Unified School District is soliciting applicants to fill two vacant positions and select an alternate on the Proposition 39 Citizens' Oversight Committee for Measure T. The District is currently looking for at least one member for Category V and a second member and an alternate can be appointed to represent any of the categories. Minimally, there must be one representative from each of the following categories:

- I. Active in a business organization representing the business community located within the District;
- II. Active in a senior citizen's organization;
- III. Active in a bona fide taxpayer association;
- IV. Parent or guardian of a child enrolled in the District;
- V. Both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the Parent Teacher Association or School Site Council.

Guidelines and applications for the Citizens' Oversight Committee may be obtained from the Superintendent's Office by telephoning (951) 765-5100, Extension 1001 or Extension 1002 or from the district website at [www.hemetusd.k12.ca.us](http://www.hemetusd.k12.ca.us) with the last date to submit completed applications being 5:00 p.m. on April 18, 2008.

Contact: Dr. Philip Pendley 951-765-5100, Ext. 1000 or Karen Ashman, Ext. 1001 ☐

## Tahquitz High School Phases II & III Progress



*Stadium Progress*



*Pool Progress*



*Building L*



*Buildings E & F*

## Measure T Expenditure Report - Series A & Series B Bonds Budget

New School Projects	Measure T		Expenditures/	
	Budget	Interest	Encumbrances	Balance
Tahquitz High School - Phase II & III	\$ 30,000,000		\$ 27,855,559	\$ 2,144,441
Rancho Viejo Middle School	24,000,000		18,619,671	5,380,329
Page Ranch Elementary School	2,000,000		1,086,423	913,577
Currie Ranch Elementary School	2,000,000		885,659	1,114,341
<b>Additions, Upgrades and Major Repairs</b>				
Acacia Middle School	\$ 10,500,000		\$ 133,750	\$ 10,366,250
Bautista Creek Elementary School	50,000		1,410	48,590
Cottonwood School (K-8)	2,200,000	400,000	2,594,817	5,183
Hamilton School (K-8)	500,000		383,507	116,493
Hemet Elementary School	200,000		98,150	101,850
Hemet High School	23,000,000	217,688	3,683,447	19,534,241
Idyllwild School (K-8)	500,000	69,750	149,750	420,000
Little Lake Elementary School	500,000		124,006	375,994
Ramona Elementary School	500,000		454,285	45,715
Santa Fe Middle School	200,000		38,583	161,417
Valle Vista Elementary School	50,000		6,740	43,260
West Valley High School	1,000,000		573,746	426,254
Whittier Elementary School	300,000		81,602	218,398
Winchester Elementary School	2,500,000		132,173	2,367,827
Issuance Costs	750,450		339,030	411,420
Interest (to be disbursed)	-	1,014,397		1,014,397
<b>Total</b>	<b>\$ 100,750,450</b>	<b>\$ 1,701,835</b>	<b>\$ 57,242,308</b>	<b>\$ 45,209,977</b>

No State School Building funds have yet been received

## Measure T Budget & Estimated State Match

New School Projects	State Matching Funds		
	Measure T	(estimate)	Total
Tahquitz High School (Phase II & III)	\$ 30,000,000	\$ -	\$ 30,000,000
Rancho Viejo Middle School	24,000,000	12,000,000	36,000,000
Page Ranch Elementary School	12,000,000	10,000,000	22,000,000
Currie Ranch Elementary School	12,000,000	10,000,000	22,000,000
<b>Upgrades &amp; Major Repairs</b>			
Acacia Middle School	\$ 13,000,000	\$ -	\$ 13,000,000
Bautista Creek Elementary School	50,000	-	50,000
Cottonwood School (K-8)	2,200,000	1,500,000	3,700,000
Hamilton School (K-8)	500,000	-	500,000
Hemet Elementary School	200,000	-	200,000
Hemet High School	45,000,000	10,000,000	55,000,000
Idyllwild School (K-8)	500,000	-	500,000
Little Lake Elementary School	2,500,000	-	2,500,000
Ramona Elementary School	2,500,000	-	2,500,000
Santa Fe Middle School	200,000	-	200,000
Valle Vista Elementary School	50,000	-	50,000
West Valley High School	1,000,000	-	1,000,000
Whittier Elementary School	800,000	-	800,000
Winchester Elementary School	2,500,000	-	2,500,000
<b>Total for All Projects</b>	<b>\$ 149,000,000</b>	<b>\$ 43,500,000</b>	<b>\$ 192,500,000</b>

# Project Status Summary

Site	Expended to Date State & Local Funds	Status
<b>Measure E Status</b>		
Acacia Middle School	\$ 3,248,377	Complete
Alternative Learning Center	65,820	Complete
Bautista Creek Elementary School	102,283	Complete
Cottonwood School (K-8)	206,783	Complete
Diamond Valley Middle School (new)	22,278,718	Complete
Hamilton School (K-8)	3,099,457	Complete
Harmony Elementary School (new)	10,815,042	Complete
Hemet Elementary School	1,096,555	Complete
Hemet High School	8,567,697	Complete
Idyllwild School (K-8)	1,108,932	Complete
Jacob Wiens Elementary School (new)	16,519,806	Complete
Little Lake Elementary School	2,158,717	Complete
McSweeny Elementary School (new)	11,928,961	Complete
Santa Fe Middle School	3,485,705	Complete
Tahquitz High School (new)	69,578,693	Complete
Valle Vista Elementary School	93,188	Complete
West Valley High School	194,585	Complete
Winchester Elementary School	859,228	Complete
<b>Measure T Status</b>		
Tahquitz High School Phases 2 & 3	\$ 14,774,635	Construction on Phase II 80% complete, Phase III 35% complete.
Rancho Viejo Middle School	12,331,888	Construction is 50% complete.
Hemet High School Expansion	1,851,541	Stadium Phase III is under construction on a portion. Soccer field design complete. Expansion project design is in various phases with pool design complete. Project is to be constructed in four (4) phases.
Cottonwood School (K-8) Library, Water & Site Improvements	1,990,835	Library; Building bid and contract awarded site improvements at Division of State Architect (DSA) for review. Water & Site improvements; tank is on site, erection started in April.
Page Ranch Elementary School	732,663	Appraisal complete, State Dept. of Ed site approval complete, plans at DSA.
Currie Ranch Elementary School	554,035	Site approval review in progress.
Acacia Middle School Expansion & Modernization		- Master plan approved. Planning committee in progress. Design to start May, 2008.
Ramona Elementary School Expansion & Modernization	217,843	Classroom units complete.
Winchester Elementary School Modernization	32,062	Design is complete. Plans at DSA for review and approval.

## Citizens' Oversight Committee Meetings

Meetings are scheduled to begin at 6:30 p.m. (unless otherwise noted) and are held quarterly in the Board Room at the Professional Development Services Center located at:

*1791 West Acacia Avenue  
Hemet, CA 92545  
Meetings at 6:30 pm*

### Measure E Meetings

- May 15, 2008, 5:00 p.m.



### Measure T Meetings

- May 15, 2008, 5:00 p.m.
- September 18, 2008
- December 11, 2008