

PROPOSITION P

2011-2012 ANNUAL REPORT



RESPECTFULLY SUBMITTED BY

**ENCINITAS PROP P BOND
CITIZEN'S OVERSIGHT COMMITTEE**

PROP P BOND CITIZENS' OVERSIGHT COMMITTEE

2011-2012 ANNUAL REPORT

About the District

The Encinitas Union School District serves the City of Encinitas and the La Costa area of Carlsbad in North San Diego County. Approximately 5,500 students in Kindergarten through 6th grade are enrolled in the District's nine schools encompassing ten different sites.

About Proposition P

All schools and students in the Encinitas Union School District will benefit from Proposition P.

Proposition P will:

- ✚ Improve student access to computers and modern technology
- ✚ Provide for energy/water efficiency for the environment and to keep more money in the classroom
- ✚ Repair and replace leaky roofs
- ✚ Replace deteriorating plumbing systems
- ✚ Upgrade outdated and inadequate electrical systems
- ✚ Modernize classrooms, restrooms, and facilities
- ✚ Replace old heating and ventilation systems

Proposition P is subject to strict accountability requirements, including independent citizen oversight and annual audits, to guarantee that improvements specified in the District's facilities master plan are completed efficiently and as promised. Proposition P funds can only be spent on our neighborhood schools to benefit local students. Monies may not be spent on administrator or teacher salaries.

Quality school facilities help retain and attract qualified teachers. Good schools maintain local quality of life and strong values.

Committee Members

Jeff Bassman, Chairperson
Parent / Active

Allan Juliussen, Vice Chairperson
Community At-Large

Brenda Annibali-Smith
Business Representative

Bill Berrier
Community At-Large

Steve Gerken
Taxpayer Association

Lloyd O'Connell
Senior Representative

Ringa Viskanta
Parent / Active

Board of Trustees

Emily R. Andrade
Maureen "Mo" Muir
Carol Skiljan
Gregg Sonken
Marla Strich

Timothy Baird, Superintendent

June 26, 2012

To: The Board of Trustees and Citizens of the Encinitas Union School District

The Citizens' Oversight Committee is pleased to forward its first annual report on the \$44.2 million general obligation Proposition P bond initiative for the 2011-12 fiscal years covering the period of January 2011 through June 30, 2012. The committee held our first meeting on September 27, 2011 and has recently completed its first one year cycle.

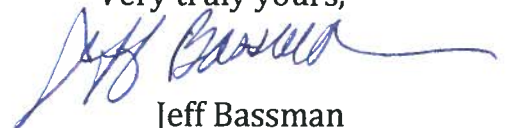
Principal duties of the Committee are to ensure that proceeds have been expended for the purposes set forth in the Proposition P ballot language. The committee's specific duties are informing the public, reviewing expenditures, and presenting an annual report to the School Board. The District's Board of Trustees is responsible for monitoring potential cost overruns, priority of projects commenced and spending levels of individual projects.

The Committee this past year focused on funds charged to all three categories of the accompanying Expenditures by Category chart. The expenditures, with Technology receiving approximately ninety percent of funds spent to date, are spread across all three categories as identified within the bond language. The Committee visited the EUSD networking and data center site, which represented the largest investment of bond funds to date.

The Committee relied on the annual financial audit of expenditures performed by Christy White Accountancy, CPA's and auditors for the bond funds, which disclosed no instances of non-compliance with the terms of Proposition 39 or Proposition P which covers the fiscal year through June 30, 2011. The Committee wishes to report that, to the best of its knowledge, the Encinitas Union School District is in full compliance with the responsibilities as described in Article XIII A, Section 1(b) (3) of the California State Constitution. A full disclosure of expenditures and the Committee's deliberations can be viewed at the Encinitas Union School District Office, 101 South Rancho Santa Fe Road, Encinitas, California 92024.

In closing, please allow me to express my appreciation to my colleagues on the Committee and staff who have worked so hard this year. It has been my distinct pleasure to serve as Chairman of the Committee since April of last year.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jeff Bassman", with a long horizontal flourish extending to the right.

Jeff Bassman

Chairman, Prop P Citizens' Oversight Committee

Committee Meetings

The Citizens' Oversight Committee meets quarterly throughout the year. All meetings are open to the public.

Agendas and meeting minutes from all committee meetings are available on the bond website at www.eusd.net. All meetings are held at the District Offices. Meetings held to date during the fiscal year 2011-2012 include:

- ✚ April 18, 2011
- ✚ September 27, 2011
- ✚ January 30, 2012
- ✚ March 21, 2012
- ✚ June 7, 2012

For the latest Citizens' Oversight Committee meeting schedule please visit www.eusd.net.

Committee Activity Summary

The Citizens' Oversight Committee was appointed by the District's Board of Trustees in March 15, 2012. Proceedings of the meetings will include:

- ✚ Appointment and Election of Chair/Vice-Chair;
- ✚ Review of Financial and Performance Audit;
- ✚ Review of Committee Bylaws;
- ✚ Review of Roles and Responsibilities;
- ✚ Review of Solicitation and Appointment Process;
- ✚ Review of Community Outreach Efforts;
- ✚ Review of Overhead;
- ✚ Review of Design Progress;
- ✚ Review of Project Status Reports;
- ✚ Review of Program Schedule;
- ✚ Review of Financial Reports.

Bond Expenditures as of June 30, 2012

The Encinitas Union School District is in the initial stages of the implementation of the \$44.2 million Proposition P Bond Program. Phase I bond proceeds were \$12,998,719. The financial information on the following pages are 1) Balance Sheet/Statement of Revenues/Changes in fund balance; 2) Graph of Bond Expenditures for 2011/2012; 3) Graph of Bond Expenditures for All Years.

For additional information on current and future Proposition P projects, please visit

<http://www.eusd.net/aboutus/pages/PropositionP.aspx>.

**PROPOSTION P BOND BUILDING FUND OF
ENCINITAS UNION SCHOOL DISTRICT
Balance Sheet
June 30, 2012**

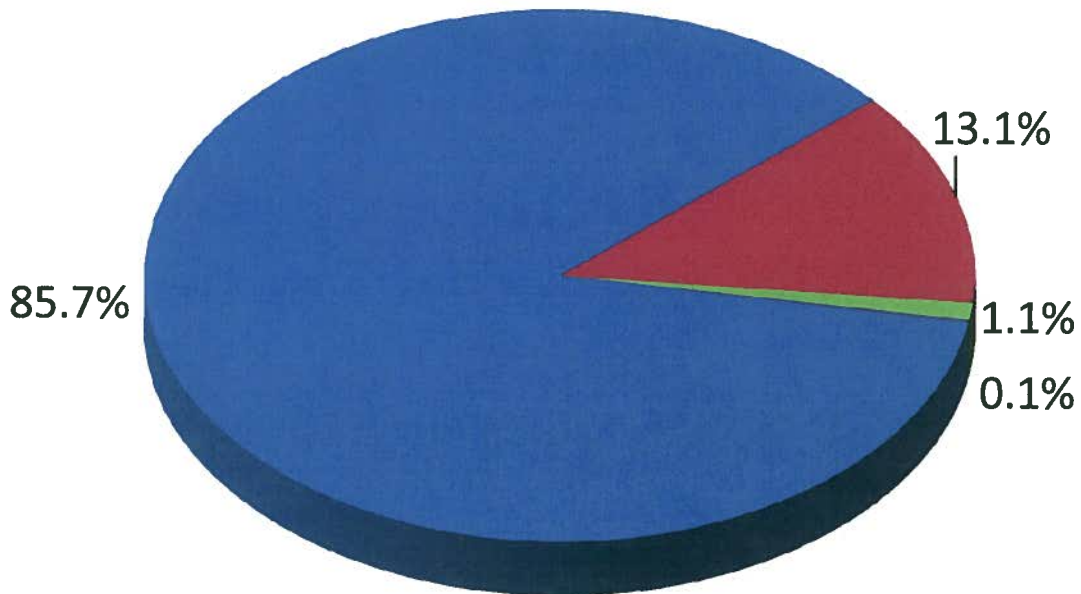
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 7,341,418
Accounts Receivable	
	<hr/>
TOTAL ASSETS	7,341,418
LIABILITIES AND FUND BALANCE	
Accounts payable	
Due to Other Funds	-
	<hr/>
TOTAL LIABILITIES	-
Fund Balance	
Designated for Tech, Green or Capital Projects	7,341,418
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TOTAL LIABILITIES AND FUND BALANCE	\$ 7,341,418
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**PROPOSTION P BOND BUILDING FUND OF
ENCINITAS UNION SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year ended June 30 , 2012**

REVENUES	
Interest Income	\$ 41,411
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TOTAL REVENUES	41,411
EXPENDITURES	
Technology Projects	3,347,183
Facility Projects	501,973
Green Projects	41,272
Bond Audit	6,000
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TOTAL EXPENDITURES	3,896,428
EXCESS OF EXPENDITURES OVER REVENUES	(3,855,017)
	<hr/>
OTHER FINANCING SOURCES (USES)	
Proceeds From Sale of Bonds	
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TOTAL OTHER FINANCING SOURCES (USES)	-
NET CHANGE IN FUND BALANCE	(3,855,017)
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FUND BALANCE, BEGINNING OF YEAR	10,250,229
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FUND BALANCE, END OF YEAR	\$ 6,395,212
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Bond Expenditures For Fiscal Year 2011-12

Expenditure By Category

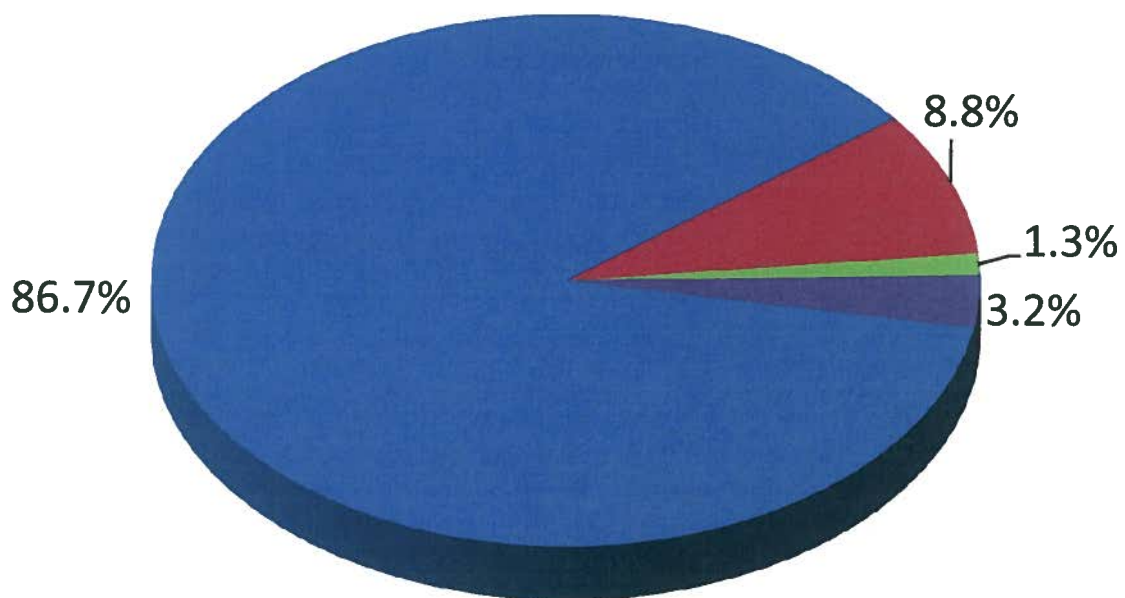


■ Technology ■ Facility ■ Green ■ Bond Audit

Technology	3,291,113
Facility	501,973
Green	41,272
Bond Audit	6,000

Bond Expenditures For All Years

Expenditure By Category



■ Technology ■ Facility ■ Green ■ Bond Issue/Audit

Technology	5,953,677
Facility	601,464
Green	91,272
Bond Issue/Audit	220,359