

**Measure GG Independent Citizens Oversight Committee**  
**2018 Annual Report**

**May 2, 2019**

**Cardiff School District**

1888 Montgomery Ave.  
Cardiff by the Sea, CA 92007

760-632-5890

[www.cardiffschools.com](http://www.cardiffschools.com)



**CARDIFF**  
**SCHOOL**  
**DISTRICT**

**Inspiring a love of learning**

Dear Community Members,

The Independent Citizens Oversight Committee (ICOC) of the Cardiff School District is pleased to present our first annual report. The 2018 Annual report covers activity for the period ending December 31, 2018.

The ICOC was formed for the purpose of actively reviewing and reporting on the expenditure of Measure GG bond proceeds.

Building on the commitment from the voters in 2016, the District has issued \$14 million in general obligation bonds and has expended \$1,037,378.67 on projects through December 31, 2018.

The ICOC wishes to thank the District staff and project management team for their support, their detailed updates, and transparency of information, not only to the Committee, but also to the public.

We welcome your questions and comments. You will find ICOC members' e-mail addresses within this report.

For more information about Measure GG and the ICOC, please visit the [www.cardiffschools.com/MeasureGG](http://www.cardiffschools.com/MeasureGG) web page.

Sincerely,

*Rhea A. Stewart*

President,

Cardiff School District Independent Citizens Oversight Committee

May 2, 2019

## INTRODUCTION

Measure GG is a \$22 million bond initiative approved by 65.94% of District voters in November, 2016. The abbreviated form of the Measure GG Bond Measure stated that Measure GG is to "To improve the quality of education with local funding that cannot be taken by the State; modernize/construct classrooms, restrooms and school facilities; repair/replace roofs; renovate deteriorating plumbing and sewer systems; upgrade inadequate electrical systems; make health, safety, and energy efficiency improvements; and replace portables with permanent classrooms." See "Full Text of Measure" in **Exhibit A**.

Measure GG was passed under the rules of California Proposition 39 (passed in November 2000). California Assembly Bill 1908 (executed July 2000) required school districts that passed Proposition 39 bonds appoint an Independent Citizens Oversight Committee (ICOC) "to assure that funds are spent only on school and classroom improvements and for no other purposes." The purpose of the ICOC is "to inform the public concerning the expenditure of bond revenues."

For additional information about the ICOC and Measure GG projects, visit the [www.cardiffschools.com/ICOC](http://www.cardiffschools.com/ICOC) web page and the [www.cardiffschools.com/MeasureGG](http://www.cardiffschools.com/MeasureGG) web page.

The projects mentioned in this annual report, including the Performance Audit, Project Status, Master Plans, and ICOC actions can be found at the [www.cardiffschools.com/ICOC](http://www.cardiffschools.com/ICOC) web page.

## **INDEPENDENT CITIZENS OVERSIGHT COMMITTEE (ICOC)**

Members of the ICOC listed below were appointed by the District's Board of Trustees on February 6, 2017 for terms that end in February 2019. ICOC members are appointed for a term of two years, and may be appointed to serve two additional terms. ICOC officers were elected at the March 20, 2017 meeting.

<b>Name</b>	<b>Affiliation</b>	<b>Email Address</b>
Christine Bruington	Active Member of Senior Citizens Organization	chris.bruington@cardiffschools.com
Joyce Crosthwaite	Community at Large	joyce.crosthwaite@cardiffschools.com
Chris Fowler	Active Member of a Business Organization	chris.fowler@cardiffschools.com
Bill Moser	Community at Large	bill.moser@cardiffschools.com
Chuck Nichols	Active Member of Senior Citizens Organization	chuck.nichols@cardiffschools.com
Jenny Pieratt	Active Member of a Parent-Teacher Organization	jenny.pieratt@cardiffschools.com
Dave Smiley	Parent of District Student	dave.smiley@cardiffschools.com
Rhea Stewart	Community at Large	rhea.stewart@cardiffschools.com
Adam Sweet	Active Member of a Parent Teacher Organization	adam.sweet@cardiffschools.com
Kenneth Williams	San Diego Taxpayers Association	ken.williams@cardiffschools.com

## **TIMELINE FOR MEASURE GG**

The following dates and actions are significant to Measure GG and the ICOC.

Spring 2016: A series of Facilities Focus Group meetings were conducted on May 3, May 9, and May 23, 2016. Community members, staff, business leaders, parents, and other community stakeholders met to discuss ideas about District facilities needs. The District also approved a formal telephone poll to registered Cardiff voters, to gauge support for the issue from the greater Cardiff community, and initiated an online survey to solicit input from the families of currently registered students.

May-June 2016: Phone polling was conducted to understand Cardiff voters' opinions of the proposed measure language. The results of the polling were presented to the Governing Board.

July 7, 2016: The Cardiff Elementary School District approved revised resolution 15-16-18, authorizing Measure GG.

September 8, 2016: San Diego Taxpayers Association endorses Measure GG.

November 8, 2016: Cardiff voters approve Measure GG by a 65.94% vote.

February 6, 2017: The Board votes to appoint 10 members to the Independent Citizens' Oversight Committee.

February 13, 2017: Governing Board members approve a contract for bond program management with Randy Peterson, FAIA, of Peterson Consulting.

March 9, 2017: The Cardiff School District sells Series A bonds, in the amount of \$14,000,000, at a rate of 3.8%.

March 24, 2017: The District's Bond Implementation Team (BIT) holds its first meeting.

June 8, 2017: The Board approves the selection of Studio E Architects as the firm to design new school buildings.

Summer 2017: Community workshops were held on June 13, 2017 and August 30, 2017, to gather input on the Cardiff School design and receive updates on progress of the program.

September 14, 2017: The Board approves the selection of McCarthy Building Companies as the general contractor for the program, and selects the lease-

lease back delivery method.

November 16, 2017: A Board workshop was held to gather input on the Cardiff School design and receive updates on progress of the program.

At the ICOC meeting on March 15, 2018, the Committee received and reviewed the 2016-17 Measure GG Annual Audit report, and asked questions of the Independent Auditor's representative. On the basis of this review, the ICOC concurred with the Independent Auditor's conclusion of no findings of noncompliance and that the District complied with the requirements of Article 13A, Section 1(b)(3) of the California Constitution as it pertains to Measure GG.

### EIR PROCESS

The preparation of an Environmental Impact Report (EIR) requires the District to follow a specific process as defined in the California Environmental Quality Act (CEQA). A Notice of Preparation (NOP) is communicated to the public of the intent to prepare a Draft Environmental Impact Report (DEIR). The NOP was made available on May 8, 2018. The public was given until June 6, 2018 to respond to the NOP.

A DEIR assessing all required environmental categories was published on October 5, 2018 and the public was provided 45 days to provide comments in writing to the District. At the conclusion of the 45-day comment period, the District's consultants began the preparation of the Final EIR (FEIR). In addition to all information contained within the DEIR, the FEIR addresses all concerns expressed in response to the DEIR. If environmental issues are presented that warrant further evaluation, then those evaluations are performed. In addition to the comprehensive environmental assessment, the FEIR included copies of all public and agency comments as well as responses to each comment. The FEIR was presented at the District's public board meeting on February 7, 2019. After the presentation by the consultants and Board and public discussion, the Board voted to adopt the FEIR. Both a Notice of Determination (NOD) and Notice of Exemption (NOE) were recorded on February 8, 2019 with the County of San Diego and the State of California. There is a 30-day period from the recording of the NOD in order to file a legal challenge. On March 8, 2019, a legal challenge was filed against the District by an entity called Save the Park and Build the School.

At the ICOC meeting on March 21, 2019, the Committee received and reviewed the 2017-18 Measure GG Annual Audit report, and asked questions of the Independent Auditor's representative. On the basis of this review, the ICOC concurred with the Independent Auditor's conclusion of no findings

of noncompliance and that the District complied with the requirements of Article 13A, Section 1(b)(3) of the California Constitution as it pertains to Measure GG.

## **ICOC AUDIT REVIEW**

California Senate Bill 581 (SB 581), signed August 12, 2013, requires that independent performance and financial audits for the preceding year be conducted and submitted to the citizens oversight committee no later than March 31 of each year for its review. SB 581 also requires that the District provide the ICOC with responses, within three months, to any finding, recommendation, or concern addressed in the annual independent performance and financial audits.

The ICOC held a meeting on March 21, 2019, to receive and review the 2017-18 Measure GG Annual Audit report and ask questions of the Independent Auditor's representative. On the basis of this review the ICOC concurred with the Independent Auditor's conclusion of no findings of noncompliance and that the District complied with the requirements of Article 13A, Section 1(b)(3) of the California Constitution as it pertains to Measure GG.

## **MEASURE GG DELIVERY METHOD**

The school district chose the **lease-leaseback** method of delivery on September 14, 2017. The following describes this method.

The District engages an architect and a construction manager (General Contractor) through a competitive proposal process. The architect drafts plans and specifications in cooperation with the District and the construction manager. The District then leases the construction site to the construction manager who then leases the site back to the district for a guaranteed maximum price that represents the cost of construction.

## **MEASURE GG PROJECT PROGRESS**

As of December 31, 2018, there are numerous activities occurring simultaneously for the Measure GG project. Various design plans including, but not limited to architectural, landscape architecture, civil engineering and an Environmental Impact Report have been prepared and submitted to the City of Encinitas for a Coastal Development Permit (CDP). This is the City's Coastal Commission review that is performed by the City of Encinitas on behalf of the Coastal Commission. Civil Engineering plans have also been prepared and submitted to the City of Encinitas for a Grading Permit and a Public Improvement Permit. These two permits will allow the District to perform grading on the site as well as construct improvements in the City's



Right of Way per City requirements. Currently plans are being prepared for submittal to the Division of the State Architect (DSA). DSA is the entity responsible for issuing the public school district's building permits.

In order for the District to perform work on the site during Summer 2019, when Cardiff School is not in session, the scope of work is being separated into two increments. This will allow an expedited review process for the first increment with DSA.

Increment 1 scope will include the demolition of 65-70 year-old classroom and multipurpose buildings, grading of the site, and installation of new site utilities. It is expected that DSA review will be completed in time for this work to commence on June 17, 2019. This work will be completed by August 23, 2019, prior to students returning to school.

Increment 2 scope will be the construction of new classroom and multipurpose buildings, and final construction of site improvements. Because review by DSA will take longer for Increment 2, construction is planned to commence on or about November 4, 2019. In order to accommodate two grade levels of students on campus during construction, Increment 2 will be completed in two phases. The first buildings will be completed in time for students to occupy them at the end of Summer 2020. After students occupy the new buildings, the remaining older buildings will be removed and the remaining classroom building will be constructed.

All work on the site is scheduled to be completed on or about April 29, 2021.



<b>Measure GG Facilities Expense Report</b>		<b>As of December 31, 2018</b>			
	<b>Function</b>	<b>Original Contract/Budget Amount</b>	<b>Approved Revisions to Contract Amount</b>	<b>2018 Amount</b>	<b>Total Amount Paid to Date</b>
<b>Process</b>					
Advertising				\$67.60	\$76.12
Best Best & Krieger, Attorneys at Law				\$4,549.11	\$18,773.21
City of Encinitas				\$1,600.00	\$1,600.00
First American Title					\$1,500.00
Measure GG Ballot Fees					\$9,643.00
<b>Consultants</b>					
Arbogate Consulting	Survey	\$2,800.00		\$2,800.00	\$2,800.00
Construction Testing & Engineering	Survey	\$20,500.00	-\$3,000.00	\$15,375.00	\$15,375.00
Land Survey, Inc.	Survey	\$24,000.00	\$1,750.00	\$1,750.00	\$22,750.00
Placeworks	Survey	\$110,752.00	\$51,771.00	\$133,173.35	\$158,825.96
Randy Peterson, Bond Program Manager	Consulting	\$408,000.00		\$136,897.77	\$250,621.05
School Facilities Consultants	Consulting	\$40,000.00		\$1,010.00	\$4,860.00
Studio E Architect: Phase 1	Design	\$40,000.00	\$57,152.74	\$56,200.00	\$97,152.74
Studio E Architect: Phase 2	Design	\$1,370,000.00	\$90,812.00	\$428,551.59	\$428,551.59
Urban Futures	Consulting	\$10,050.00		\$3,350.00	\$3,350.00
Wilkinson Hadley & King	Auditors	\$10,500.00		\$3,500.00	\$3,500.00
<b>Contractors</b>					
McCarthy: Preconstruction	Construction	\$100,000.00		\$18,000.00	\$18,000.00
<b>TOTALS</b>					
		<b>\$2,136,602.00</b>	<b>\$198,485.74</b>	<b>\$806,824.42</b>	<b>\$1,037,378.67</b>
<b>SUMMARY</b>					
Series A Issue: March 9, 2017		\$13,830,000.00			
Series B Issue					
Expended to December 31, 2018		\$1,037,378.67			
Interest Accrual to Date		\$323,059.85			
<b>Balance</b>		<b>\$13,115,681.18</b>			

## **ICOC ACTIVITIES IN 2018**

For meeting agendas and minutes, please visit the [www.cardiffschools.com/ICOC](http://www.cardiffschools.com/ICOC) web page.

The ICOC met on **March 15, 2018**, at the Cardiff School Auditorium. The Committee received a review of the bond audit report from Robert Wilkinson of Wilkinson Hadley King & Co. LLP. The ICOC heard presentations from Superintendent Jill Vinson, Bond Program Manager Randy Peterson, and Director of Fiscal Services Courtney Jasper. The 2017 report ad hoc committee reported on their meeting and the progress of drafting the report for review by the Committee.

The ICOC held a special meeting on **April 19, 2018**. The report ad hoc committee presented their draft of the 2017 meeting to the Committee. After reviews and edits, the Committee completed the final version of the report. The ICOC voted unanimously to approve the report and present it to the School Board at the May 10, 2018 meeting, with the recommendation to accept the report.

The ICOC met on **June 21, 2018** at the Cardiff School Auditorium. The Committee heard public comment regarding proposed plans for the construction of Cardiff School. The ICOC heard presentations from Superintendent Jill Vinson, Bond Program Manager Randy Peterson, and Director of Fiscal Services Courtney Jasper.

At the **September 20, 2018** meeting, held at the Cardiff School Auditorium, Courtney Jasper, Director of Fiscal Services, reviewed quarterly expenses and answered questions. In her presentation, Superintendent Jill Vinson reviewed the legal opinion from Bond Council regarding updates to the ICOC bylaws. She also reported on continuing work with the California State Parks Office of Grants and Local Services (OGALS) and the environmental impact report (EIR).

At the **December 11, 2018** meeting, held at the Cardiff School Auditorium, the Committee received an update on the program from Bond Program Manager Randy Peterson, and reviewed a quarterly expense report provided by Director of Fiscal Services Courtney Jasper. Superintendent Jill Vinson informed the Committee that their two-year term is completed and asked members to consider their availability for a second two-year term.

## **Exhibit A**

### **MEASURE GG BALLOT MEASURE**

The Cardiff School District Measure GG Ballot Measure follows. The Measure GG ballot measure can also be found at [www.cardiffschools.com/MeasureGG](http://www.cardiffschools.com/MeasureGG).

## EXHIBIT B

### BALLOT MEASURE FULL TEXT OF MEASURE

This proposition may be known and referred to as the Cardiff School District General Obligation Bond of 2016, or Measure GG.

#### BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Cardiff School District (the "District") shall be authorized to issue and sell bonds of up to \$22 million in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List below, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified below.

#### ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the District's voters and taxpayers may be assured that their money will be spent wisely to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Limitation on Use of Bond Proceeds. The State of California does not have the power to take locally approved school district bond funds for any State purposes. The Constitution allows proceeds from the sale of bonds authorized by this proposition to be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities listed in this proposition, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an independent Citizens' Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are spent only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date on which the Board of Trustees enters the election results on its minutes.

Annual Performance Audits. The Board of Trustees shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.

Annual Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds (which shall be separate from the District's regular annual

financial audit) until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Trustees shall take actions necessary pursuant to Government Code Section 53410 and following to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent or the Chief Business Official of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

### FURTHER SPECIFICATIONS

Specific Purposes. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Joint Use. The District may enter into agreements with the County of San Diego, or other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that bond funds will or may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board of Trustees shall determine.

Rate of Interest. The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

Term of Bonds. The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

### BOND PROJECT LIST

The Bond Project List below describes the specific projects the Cardiff School District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at each school site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Trustees cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some

projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public.

Projects for Cardiff School include:

- Replace outdated roofs.
- Renovate or replace existing deteriorating plumbing, drainage, and sewer systems.
- Upgrade inadequate electrical systems including power and low voltage to meet current electrical and accessibility codes, increase capacity, and relieve overloaded systems.
- Improve energy efficiency by replacing old and energy inefficient heating, ventilation, and air conditioning (HVAC) systems, windows, and lighting systems; also, install cost-effective systems including “green” building projects and sustainable building practices to promote energy-efficiency (e.g., Energy Management Systems (EMS), solar, electrical, etc.).
- Replace aging temporary portable classrooms with new classrooms.
- Replace outdated classrooms that are now between 55-65 years old with new classrooms
- Construct new restrooms.
- Construct a new multipurpose room and warming kitchen to replace the current 55 year old building.
- Make health, safety, and security improvements, such as improve student drop-off and pick-up areas, upgrade campus fencing, and renovate/retrofit the “brick building”.
- Replace or upgrade fire alarm systems, fire safety equipment, and emergency exit lighting improvements.
- Replace campus wide intercom and telecommunication systems, clocks, and upgrade wireless systems and internet/network connections.
- Improve handicapped accessibility by making Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades and as mandated by the Division of the State Architect (DSA) including site access, parking, restrooms, relocation of some existing electrical devices, drinking fountains, playground equipment, etc.
- Upgrade, renovate and improve library/computer lab, art/science lab, and school office building to be integrated with the newly constructed school facilities.
- Upgrade and improve playgrounds and playfields for school and community use; preserve existing mature trees and other landscaping where possible.
- Resurface, repair, and/or replace paved surfaces, play court areas, turf, and other grounds to eliminate safety hazards and improve outside instructional areas.



Projects for Ada Harris School include:

- Improve energy efficiency by replacing old and energy inefficient heating, ventilation, and air conditioning (HVAC) systems and lighting systems; also, install cost-effective systems including “green” building projects and sustainable building practices to promote energy-efficiency (e.g., Energy Management Systems (EMS), solar, electrical, etc.).
- Replace aging temporary portable classrooms.
- Replace or upgrade fire alarm systems, fire safety equipment, and emergency exit lighting improvements.
- Replace campus wide intercom and telecommunication systems, clocks, and upgrade wireless systems and internet/network connections.

Miscellaneous District-wide Projects

- Abate and remove hazardous materials identified prior or during construction.
- Address unforeseen conditions revealed by construction/modernization (such as water, sewage or gas line breaks, dry rot, seismic, structural, etc.).
- Other site improvements required to comply with existing building codes, including the Field Act, and access requirements of the Americans with Disabilities Act.
- Necessary preparation/restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, preserving, or installing irrigation, utility lines (such as gas lines, water lines, electrical lines, sewer lines, and communication lines), trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property.
- Rental or construction of storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including relocatables) for students and school functions or other storage for classroom materials displaced during construction.
- Acquisition of any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements, or execute purchase option under leases for any of these authorized facilities.
- All work necessary and incidental to specific projects described above, including demolition of existing structures.

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list

also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Proceeds of the bonds may be used to pay or reimburse the District for the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

**The Bond Project List shall be considered a part of this ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.**

**BALLOT MEASURE**  
**(ABBREVIATED FORM)**

“To improve the quality of education with local funding that cannot be taken by the State; modernize/construct classrooms, restrooms and school facilities; repair/replace roofs; renovate deteriorating plumbing and sewer systems; upgrade inadequate electrical systems; make health, safety, and energy efficiency improvements; and replace portables with permanent classrooms; shall Cardiff Elementary School District issue \$22 million of bonds at legal interest rates, have an independent citizens’ oversight committee, and have NO money used for administrative or teacher salaries?”

## **Exhibit C**

### **2017-18 AUDIT REPORT**

The Cardiff School District Measure GG Building Fund General Obligation Bonds Audit Report, dated June 30, 2018, follows. It can also be found on the [www.cardiffschools.com/MeasureGG](http://www.cardiffschools.com/MeasureGG) web page.