

RIO SCHOOL DISTRICT

ANNUAL REPORT OF THE MEASURE L
CITIZEN'S BOND OVERSIGHT COMMITTEE
FISCAL YEAR ENDING JUNE 30, 2021

TO THE BOARD OF EDUCATION

APRIL 20, 2022

MEASURE L CITIZEN'S BOND OVERSIGHT COMMITTEE REPORT
APRIL 20, 20202
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Board of Trustees (the "Board")
Rio School District (the "District")
Oxnard, California

Dear Members of the Board:

The Measure L Citizens' Bond Oversight Committee (*the "Measure L Committee" or the "Committee"*) respectfully submits its annual report to the Board, for the fiscal year ended June 30, 2021:

- I. **The Establishment and Operation of the Committee:** The Measure L Committee was established by the Board, on February 20, 2019.
- II. **Purposes of Committee and Limitations of Report:** As stated in its Bylaws, the Measure L Committee was established by the Board to satisfy the accountability requirements of Prop 39 with regard to the Measure L Bonds, approved at the election conducted November 6, 2018, (*the "Measure L"*), of up to \$59,500.00 (*the "Bond Proceeds"*). This report is limited by various material restrictions on the Committee's legal capacity and activities, as stated in its Bylaws, as follows:
 - A. The Measure L Committee does not have independent legal capacity from the District;
 - B. May only receive copies of reports and documents which have been previously presented to the Board and which are public records; and
 - C. Only has duties and can only engage in activities that are confined specifically to the Bond Proceeds generated under Measure L, (and as otherwise provided for in its Bylaws), *and this report is so limited.*
- III. **Summary of Measure L Committee's Proceedings and Activities for the Preceding Year:**
 - A. **All Required Meetings Held:** The Committee hereby reports that it has met all of the requirements contained in its Bylaws to hold regular public meetings and that all of its business and member votes (including, but not limited to, with regard to the approval and adoption of this report), were taken with the required quorum of a majority of the Committee members. All of the following meetings were open to the public and held within the boundaries of

the District and, on information and belief, were duly noticed by the District and in accordance with the *Ralph M. Brown Act*, Government Code Section 54590 *et seq*:

<u>Date</u>	<u>Place</u>
July 28, 2021	Tour of Rio Del Sol School
December 1, 2021	Rio School District Office
March 8, 2022	Rio School District Office

Summary of Authorized Activities of the Committee: Attached hereto as **Exhibit "1"** and incorporated herein by this reference are true and correct copies of the minutes of the meetings of the Committee (*the "Minutes"*). The Minutes provide some of the details of the actions and activities of the Committee during the past year. With regard to any reference to any reports and documents received and reviewed by the Committee, the District has indicated that all such documents were provided by the District, with an indication that they had been presented to the Board and were a public record. In accordance with the Committee's Bylaws, the following is a summary of these activities, all of which were conducted at the Committee's public meetings:

1. Receiving, reviewing, discussing and making inquiries with regard to the audit of Bond Proceeds expenditures entitled "Measure L Building Fund, Financial and Performance Audit Report of Rio School District," for the fiscal year ended June 30, 2021, prepared for the Board by Vavrinek, Trinc, Day & Co., Certified Public Accountants, (*the "Auditor"*) constituting the District's annual independent performance audit and annual independent financial audit, required by Article XIII A of the California Constitution (*the "2021 Audit Report"*);
2. On an ongoing basis, from time to time, receiving, reviewing, discussing and making inquiries with regard to various reports, documents and other public records relating to the expenditure of Bond Proceeds, including, but not limited to, various line item expenditure reports;
3. Inspecting and/or receiving progress and status reports on projects and school facilities and grounds for which Bond Proceeds have been or will be expended;

4. Reviewing efforts by the District to maximize Bond Proceeds by implementing various cost-saving measures;
5. Reviewing Bylaws and responsibilities of the Committee;
6. Reviewing project lists and details; priorities lists; campus and proposed plans; interim financial and Bond Proceeds expenditure reports; and County data reports on expenditures;
7. Receiving briefings from the District, at public meetings, on current Measure L projects, and plans and expenditures;
8. Receiving confirmation and assurances from the District, at public meetings, that the District had satisfactorily addressed certain issues raised by the Committee with regard to various expenditures of Bond Proceeds;
9. Advertising and holding public meetings, in a continuing effort to inform the public.

IV. **Report on Duties of Committee:** Under its Bylaws, in addition to reporting on the activities it engaged in during the year, the Measure L Committee has the duty to report, and does hereby report, to the Board, on the following:

- A. **Informing the Public:** The Measure L Committee hereby reports that it has discharged its duty to inform the public concerning the District's Bylaws, by, among other things, giving the required notice of its meetings and holding them in public; by preparing and providing this report to the Board, at a meeting held in public, and by posting this report to the District website, along with a copy of the 2021 Audit Report from the Audit Accountant; and by engaging in the Activities described above and immediately below; and
- B. **Committee's Report on its Review of Expenditures:** As a result of holding its required meetings; of preparing and providing this report; and as a result of engaging in the Activities described above (and in reliance on the 2021 Audit Report and the other expenditure documents, reports, information and confirmations provided by the district):

The Measure L Committee hereby reports that, to the best of its knowledge, information and belief, through June 30, 2021

- (1) **The Bond Proceeds were expended only for the purposes set forth in the Measure L;**
- (2) **No Bond Proceeds were used for any teacher or administrative salaries or other operating expenses; and**

**(3) The District is in compliance with the requirements of Article XIII A,
Section 1(b)(3) of the California Constitution.**

Respectfully submitted,

MEASURE L CITIZEN'S OVERSIGHT COMMITTEE

By: 
Rosa Balderrama, Citizen's Oversight Committee President
March 8, 2022

Exhibit 1

Minutes of July 28, 2021



**SCHOOL
DISTRICT**

EDUCATING LEARNERS FOR THE 21ST CENTURY

Board of Trustees

Cassandra Bautista, President
Eleanor Torres
Linda Armas
Kristine Anderson
Edith Martinez Cortes

John D. Puglisi, Ph.D., Superintendent

**Informal Citizen's Oversight Committee Meeting
Measure L, held on July 28, 2021**

Attendees:

Rosa Balderama, President
Larry Wolf
Mary Orleans, Business Services
Celeste Perdue, Fiscal Services
Keith Henderson, Balfour Beatty
Jesus Ibarra, Balfour Beatty
Marisela Valdez, RTA

This meeting was placed on the calendar at the Committee's request, to provide a tour of Rio Del Sol, paid for by Measure G and L. The committee could see all of the wonderful things the bond money was able to provide our students.

The meeting began at 5:00 p.m.

Balfour Beatty Construction Managers took everyone for a behind-the-scenes tour of the classrooms, gardens, kitchen, bakery, front office, etc. and pointed out many of the design features, like a mural painting covering an entire hallway. Everyone had questions about the different and unique features like a textured wall that was sound proof and the lighting, among other things. They admired the nooks and crannies that students are able to go to and study. Being that the school is on the river, there is a lot of learning available from the habitat. (At the time of the tour, there was a fire in the river bed and the firemen did not want us coming close to it.)

The tour concluded at 6:18 p.m. and it seemed that everyone had a better understanding of what they see on paper at each meeting as an expense and what the finished product looks like.

Exhibit 2

Meeting Agenda and Minutes of December 1, 2021



**SCHOOL
DISTRICT**

EDUCATING LEARNERS FOR THE 21ST CENTURY

Board of Trustees

Cassandra Bautista, President
Eleanor Torres
Linda Armas
Kristine Anderson
Edith Martinez Cortes

John D. Puglisi, Ph.D., Superintendent

**CITIZENS' OVERSIGHT COMMITTEE MEETING
MEASURE L BOND**

December 1, 2021

5:30 p.m.

Committee Members:

Rosa Balderrama
Sean Husband
Cristina Mackey
Martha Mata
Mike Roberts
Terri Samudio
Larry Wolf

Welcome/Introductions

- 1. Public Comment**
- 2. Election of President and Vice President**
- 3. Project Status Update by Keith Henderson, Balfour Beatty**
 - a. HVAC Timeline and Cost**
 - b. Map Showing Rio Del Valle Phase I Sports Field**
 - c. Pictures of Rio Lindo Building A Parking Lot**
- 4. Review of Measure L Projects and Expenses To Date
(See Revenue/Expenditure Summary)**
- 5. Agenda Items for Future Meeting**
- 6. Next Meeting Date and Adjournment**

Rio School District | *Educating Students for the 21st Century,*
1800 Solar Drive, 3rd Floor, Oxnard, CA 93030



Board of Trustees

Kristine Anderson, President
Eleanor Torres
Linda Armas
Cassandra Bautista
Edith Martinez Cortez, Clerk

John D. Puglisi, Ph.D., Superintendent

MINUTES OF THE CITIZENS' OVERSIGHT COMMITTEE MEETING

MEASURE L BOND

December 1, 2021

5:30 p.m.

Committee Members Who Attended:

Rosa Balderrama

Sean Husband

Cristina Mackey

Martha Mata

Mike Roberts

Terril Samudio

Larry Wolf

- Everyone was welcomed and each person shared their name to the rest of the Committee.
- There were no Public Comments.
- Wael Saleh, Assistant Superintendent of Business Services spoke about the purpose of the Committee. By law, spending must be reviewed and annually audited by an independent citizens' oversight committee. Funds can only be spent to improve our local schools.
- An election was held to elect a President and Vice President. Rosa Balderrama was elected as President and Martha Mata was elected as Vice Chair.
- Keith Henderson of Balfour Beatty Construction gave a project status update. He spoke about projects that are in the works, i.e. Rio Plaza HVAC, Rio Del Valle Gym HVAC, Rio Del Valle Fields Phase I, and the Rio Del Valle Campus Wide Fire Alarms along with many other projects. He provided an HVAC Timeline and Cost chart, a map showing Rio Del Valle Phase I sports field layout, and pictures of Rio Lindo Building A Parking Lot.

- **Wael Safeh spoke about the Revenue and Expenditure Summary that was passed out. He explained the revenue that the District currently has and what is projected to be received. He then moved on to expenditures and went school-by-school briefly touching on the jobs in progress at each site. One of the members asked if we could add a column on the spreadsheet with the percent of the job left to complete and the percent of money that is left to use on that project.**
- **Everyone was asked if they had any agenda items they would like to discuss at our next meeting but there were none at this time.**
- **The next meeting will be scheduled for February/March and a separate email will go out to everyone.**

The meeting was adjourned at 7:09 p.m.

Measure L Revenue/Expenditure Summary
as of October 31, 2021

Revenue	TOTAL PROJECTED PROCEEDS	Actuals to date		
Proceeds from 2018 Series A FY 18/19	\$23,000,000.00			\$23,014,696.00
Proceeds from 2018 Series B FY 18/19	\$1,466,137			\$1,466,137.25
Proceeds from 2018 Series C FY 19/20	\$13,746,261			\$13,750,848.00
Proceeds from 2018 Series C FY 19/20 COPS	3,000,000			3,000,000.00
ESSER III Plan for Shade Structures	1,000,000			
Authorizations				
Series D 2021-22 for COPS	2,200,000			
Series E 2021-2022	12,200,000			
Series 2025-26	3,887,602			
Total Future Issuances	18,287,602			
EST State Matching Funds	15,000,000			
Reimbursement from CFD (Mello Road)	8,100,329			\$4,240,338.66
Interest Earned - FY18/19	172,714			\$172,713.80
Interest Earned - FY19/20	373,548			\$373,547.64
Interest Earned - FY20/21	73,428			\$73,428.00
Interest Earned - FY21/22	50,000			\$6,868.00
Est Interest - Future Fiscal Years	200,000			50.00
Mitigation Agreements (in Wagon Wheel) Developer Fees	3,641,956			
Total Available Funds	\$87,511,975			\$ 46,098,567.35
Expenditures	TOTAL PROJECTED PROJECTS	Expenditures To Date	Current Bond Issue A & B Encumbrances/ Approved	Total
General Projects Administration set aside	3,600,000	1,123,938.46	\$296,109.79	\$ 1,420,048.25
2016 COPS Repayment	6,466,137	1,466,137.25	\$3,000,000.00	\$4,466,137.25
HVAC - Districtwide		0.00	\$0.00	\$
Rio Lindo **	2,376,690	46,536.50	\$112,641.50	\$ 159,178.00
Rio Plaza **	3,980,200	130,723.50	\$34,077.92	\$ 164,801.42
Rio Real **	2,968,440	101,352.00	\$40,881.00	\$ 144,233.00
Rio del Valle **	5,879,112	117,620.95	\$45,159.05	\$ 182,780.00
Vista Gym **	1,560,000	0.00	\$0.00	\$
Rio del Norte	1,686,644	1,021,580.07	\$665,063.92	\$ 1,686,643.99
Rio del Norte Classroom Ceiling Project	1,435,000	1,158,158.09	\$294,289.13	\$ 1,452,447.22
Subtotal	19,906,086			
Roofing - District wide Rejuvenation	782,612	48,547.00	\$51,453.00	\$ 100,000.00
Rio Lindo	183,242	183,242.00	\$0.00	\$ 183,242.00
Rio Del Valle	34,146	34,146.00	\$0.00	\$ 34,146.00
subtotal	1,000,000			
Shade Structures - Covid-19 3 sites	1,199,189	182,188.75	\$16,800.00	\$ 199,188.75
Covid -19 Other costs	1,325,004	1,324,974.00	\$30.00	\$ 1,325,004.00
subtotal	2,524,193			
Safety Improvement	32,000	31,075.94	\$0.00	\$ 31,075.94
Technology for Classrooms Districtwide		3,213,832.06	\$58,029.92	\$ 3,271,861.98
Technology Infrastructure Districtwide		436,121.55	\$3,459.49	\$ 439,581.04
Technology Infrastructure/Classroom Upgrades- 7 yr Plan	6,500,000	3,649,953.61	81,449.41	\$ 3,731,403.02
Rio Del Sol New K-8 STEAM School - Phase 2	16,777,137	16,632,173.18	\$44,962.78	\$ 16,677,135.96

** Tentative Projects - Need Board Approval

Expenditures	TOTAL PROJECTED PROJECTS	Current Bond Issue A & B		
		Expenditures To Date	Encumbrances/Approved	Total
Rio Lindo ES				
Rio Lindo Bldg A	4,535,000	4,532,221.58	52,260.00 \$	4,534,481.58
Rio Lindo Fire Alarm Replacement	228,180	228,179.53	\$0.00 \$	228,179.53
Rio Lindo Parking Lot	568,385	543,701.75	\$24,683.53 \$	568,385.28
Rio Lindo Water Stations/Drinking Fountain Upgrades **	120,000	0.00	50.00 \$	
Subtotal	5,451,565			
Rio Plaza ES				
Rio Plaza Hood Replacement	209,040	209,039.74	50.00 \$	209,039.74
Rio Plaza Fire Alarm Replacement	320,000	281,399.26	\$34,575.64 \$	315,974.90
Subtotal	529,040			
Rio Real ES				
Rio Real Fire Alarm Replacement	370,000	296,347.70	\$71,258.00 \$	367,603.70
Rio Real Track & Sport Improvement	253,629	253,229.88	\$399.02 \$	253,628.90
Rio Real Office/Breakroom Remodel	105,000	103,859.26	\$524.00 \$	104,383.26
Site Improvement	50,000			
Rio Real Water Stations/Drinking Fountain Upgrades **	120,000	0.00	50.00 \$	
Subtotal	898,629			
Rio del Valle MS				
Rio del Valle Sports Fields Master Plan Phase I	5,400,000	425,898.45	\$4,969,711.40 \$	5,395,609.85
Rio del Valle Sports Fields Master Plan Phase II	4,300,000			
Rio del Valle Kitchen Remodel **	500,000	17,650.00	\$32,075.00 \$	49,725.00
For Fuel Kitchen/MPR Remodel**	6,700,000	0.00	\$0.00 \$	
Rio del Valle Admin Office redo **	2,400,000	7,500.00	\$0.00 \$	7,500.00
Rio del Valle Portable relocate/refresh	650,000	635,599.40	\$12,739.04 \$	648,338.44
Rio del Valle Fire Alarm	460,000	279,916.96	\$175,047.50 \$	454,964.46
Rio del Valle Restroom Remodel	8,910	8,910.16	\$0.00 \$	8,910.16
Rio del Valle Water Stations/Drinking Fountain Upgrades **	120,000	0.00	\$0.00 \$	
Rio del Valle GYM Acoustics & Sound Project **	54,862	54,861.98	\$0.00 \$	54,861.98
Subtotal	19,893,772			
Rio Del Norte ES				
Rio del Norte Water Stations/Drinking Fountain Upgrades **	120,000	0.00	\$0.00 \$	
Rio Del Norte - Kitchen Update	8,917	8,916.66	\$0.00 \$	8,916.66
Subtotal	128,917			
Rio Rosales ES				
Rio del Mar				
Rio del Mar Lighting Project	31,123	31,122.55	\$0.00 \$	31,122.55
Rio Vista Middle School				
Rio Vista MPR Lighting Project	29,022	29,021.59	\$0.00 \$	29,021.59
Rio Vista Modernization- Greenhouse	5,650	5,650.00	\$0.00 \$	5,650.00
Subtotal	34,672			
Facilities Modernization TBD	538,705			
Program Contingencies set aside	3,000,000			
Total Expenditures to Date		35,225,573.75	9,988,184.63	45,213,758.38
Net Projected Balance as of October 31 2021				\$884,808.97
TOTAL PROJECTED BOND PROJECTS	87,511,975			
Projects currently in construction				
Projects Completed				

** Tentative Projects - Need Board Approval

Exhibit 3

Minutes, Agenda, Audit Report
for June 30, 2021

From the Citizen's Oversight
Committee Meeting held on
March 8, 2022



EDUCATING LEARNERS FOR THE 21ST CENTURY

SCHOOL DISTRICT

Board of Trustees

Cassandra Bautista, President
Eleanor Torres
Linda Armas
Kristine Anderson
Rdith Martinez Cortes

John D. Puglisi, Ph.D., Superintendent

MINUTES OF THE CITIZENS' OVERSIGHT COMMITTEE MEETING MEASURE L BOND

March 8, 2022

5:00 p.m.

Committee Members who Attended:

Rosa Balclerrama, President
Sean Husband
Cristina Mackey (Via Google)
Mike Roberts
Terri Samudio
Larry Wolf

District Attendees:

Wael Saleh, Asst. Supt.
Linda Armas , Rio Board Member
Keith Henderson (Balfour Beatty)
Linda Bekeny
Marisela Valdez (Via Google)
Christie Henggeler (Via Google)

- Everyone was welcomed and handouts distributed
- There were no Public comments
- Mr. Wolf moved to approve the minutes from December 1, 2021 as submitted. Seconded by Ms. Mackey and approved .
- Keith Henderson of Balfour Beatty gave a project status update. Pictures were presented of work being done at Rio Del Valle Fields, Phase I. Work is completed for Fire Alarms at Rio Plaza, Rio Real and 95% completed at Rio del Valle. Rio Vista Gym HVAC has been bid and work to begin this month. Bid for Rio Plaza HVAC opened today with Rio Real HVAC Bid to be opened on Thursday, March 10, 2022. Ms. Armas asked if Maintenance personnel gave input to Rio Del Valle Fields phase I and phase II and Mr. Henderson stated their input was received.
- Mr. Saleh reviewed the Measure L Projects and Expenses to Date handout in detail. He explained the revenue that the District currently has received and what revenue is projected

in the future. He then moved on to the expenditures and went school by school. He noted two new columns that were added in Expenditure section in response to a request from the last meeting. These columns show the percentage of completion along with a brief comment. It was requested to modify the percentage to include the entire project expenses to date including architectural fees, Mr. Salch stated that architectural work might provide a misleading percentage of completion as most of the time 80% of Architectural work done before construction starts and he said administration will look into it. Also it was requested to subtotal the projects by school for Actual Expenditures such as is done for the projected projects and administration agreed.

- The Audit report for Measure L that was approved by the Board February 16, 2022 was briefly reviewed. It was noted that there were no findings in the report and the Financial Review indicated that the District expended Measure L funds only for specific projects approved by the voters.
- A draft version of the Annual Citizen's Oversight Committee Report was presented and discussed. It was moved and seconded to authorize the Committee president to work with the Business Department to amend and finalize the report, share with the committee, collect feedback, adjust, and share Final report with the committee and present the report to the board.
- Future agenda items were solicited as well as future site visits. It was determined that the next meeting would be held at Rio Del Valle along with a tour of the Field Project Phase 1.

The meeting was adjourned at 6:07 pm



Board of Trustees

Cassandra Bautista, President
Eleanor Torres
Linda Armas
Kristine Anderson
Edith Martinez Cortes

John D. Puglisi, Ph.D., Superintendent

**CITIZENS' OVERSIGHT COMMITTEE MEETING
MEASURE L BOND**

**March 8, 2022
5:00 p.m.**

Committee Members:

Rosa Balderrama
Sean Husband
Cristina Mackey
Martha Mata
Mike Roberts
Terri Samudio
Larry Wolf

Welcome/Introductions

- 1. Public Comment**
- 2. Review and Approve Minutes from December 1, 2021 Meeting**
- 3. Project Status Update by Keith Henderson, Balfour Beatty**
- 4. Review of Measure L Projects and Expenses To Date**
- 5. Financial and Performance Audit for Measure L Review**
- 6. Approval of 2020-2021 Committee Report**
- 7. Future Agenda Items**
- 8. Adjournment**

Rio School District
Citizens' Oversight Committee Meeting
Measure L Bond
March 8, 2022
 Sign-in Sheet

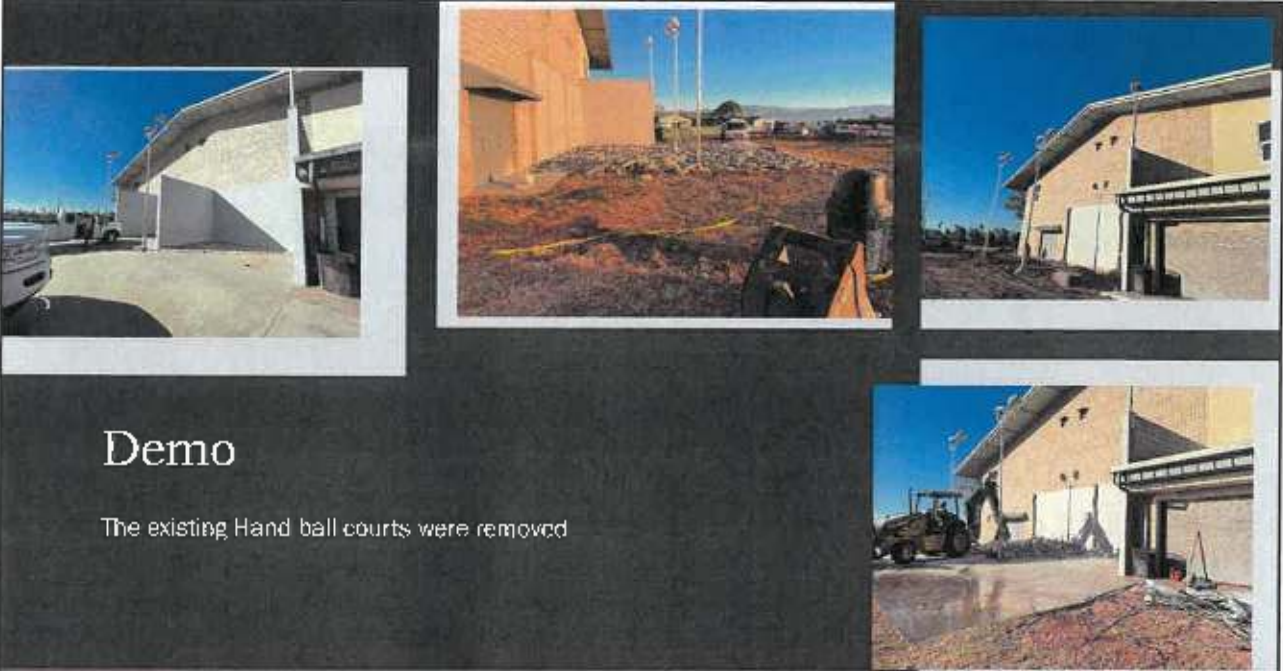
Name	Signature	Date
Rosa Balderrama	<i>Rosa Balderrama</i>	03/08/2022
Sean Husband	<i>Sean Husband</i>	03/08/2022
Cristina Mackey	<i>Remote</i>	03/08/2022
Martha Mata		03/08/2022
Mike Roberts	<i>[Signature]</i>	03/08/2022
Terri Samudio	<i>[Signature]</i>	03/08/2022
Larry Wolf	<i>[Signature]</i>	03/08/2022
Marisela Valdez		03/08/2022
Rosie Rosales		03/08/2022
Eleanor Torres		03/08/2022
Keith Henderson	<i>[Signature]</i>	03/08/2022
Linda Beckeny	<i>Linda Beckeny</i>	03/08/2022
<i>Linda Armas</i>	<i>Linda Armas</i>	<i>3/8/22</i>

Christie Henggeler Remote
Marisela Valdez Remote




Phases

DEMO	EARTH WORK	INSTALLATION	FINISH
Concrete/Basketball courts	Removal of field/grass	New Basketball Court	Hydroseeding
Existing baseball field	Electrical	Fencing/Sidewalk	Basketball Court
Fence	Irrigation	Wire Mesh	Football Field



Demo

The existing Hand ball courts were removed

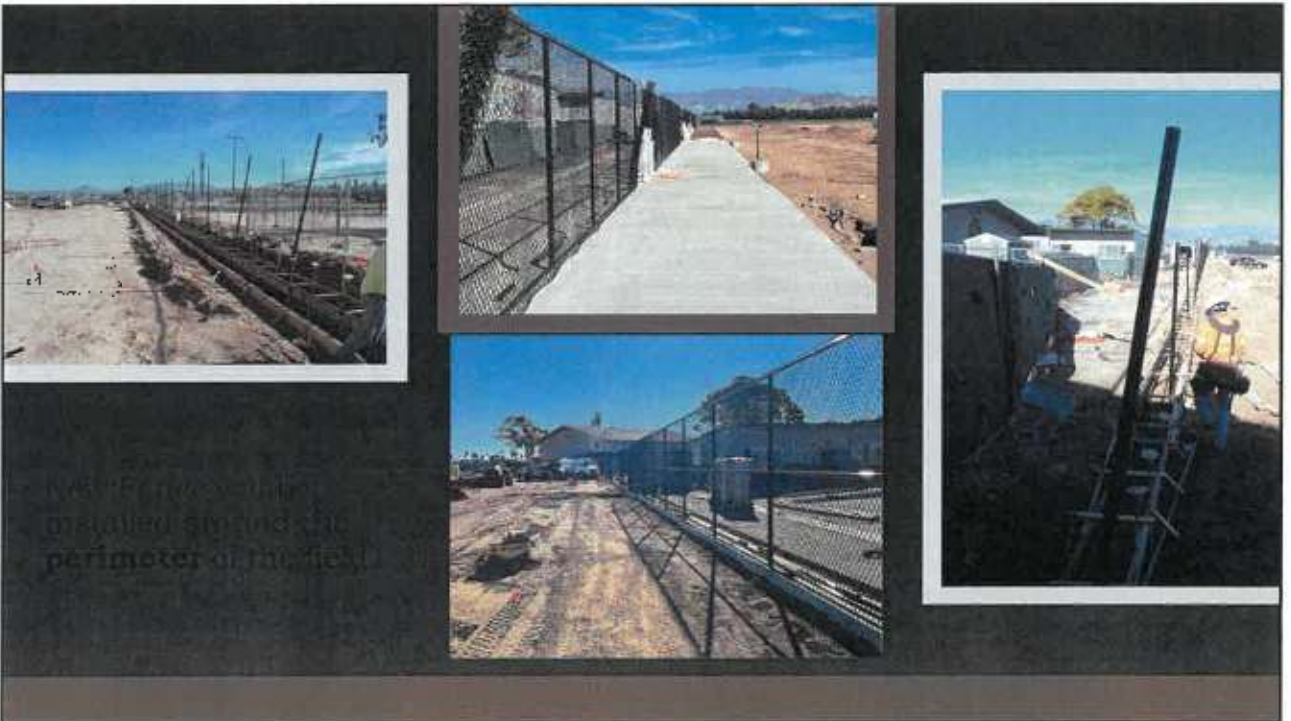


Removal of existing basketball courts and baseball field

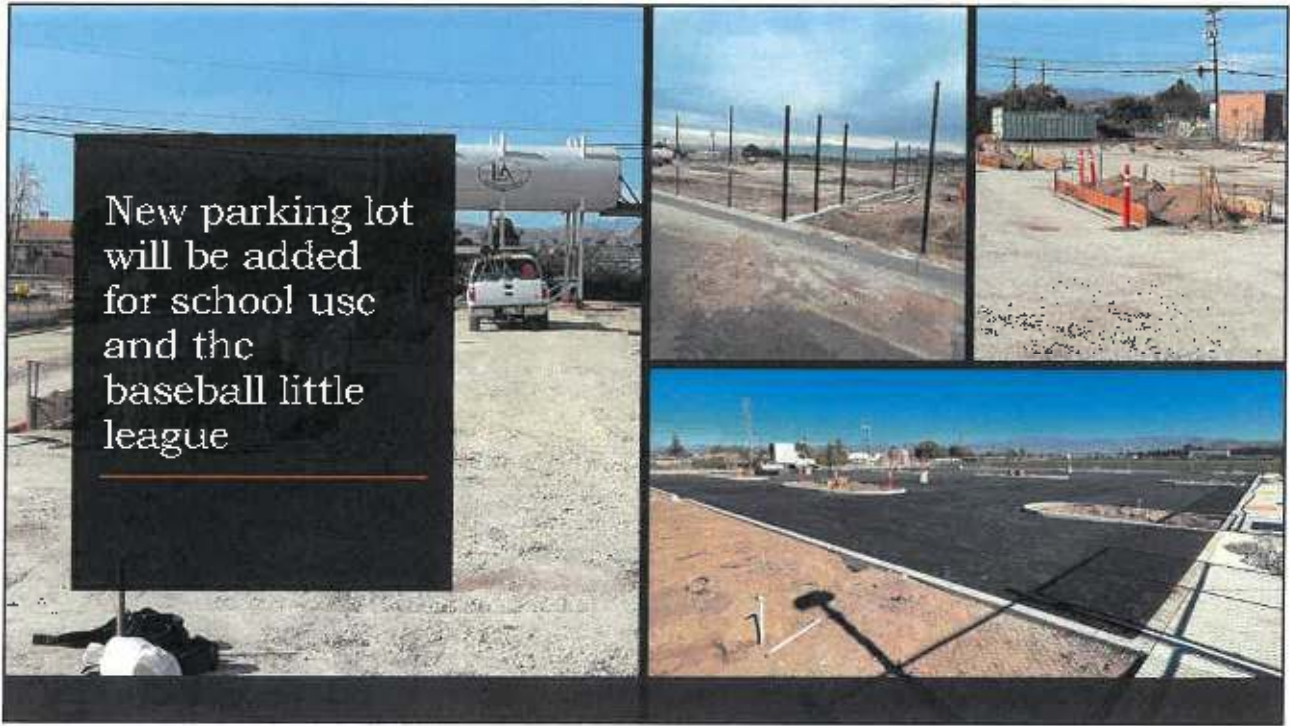




New Basketball Courts
Placing of the concrete and basketball posts



Installed chain link fence perimeter of the field



Measure L Revenue/Expenditure Summary
as of February 28, 2022

Revenue	Authorized	Issuance		TOTAL PROJECTED NET PROCEEDS	Actuals to date				
		Cost/Premium							
Proceeds from 2018 Series A FY 18/19	23,000,000	-		\$23,000,000.00	\$	23,014,696			
Proceeds from 2018 Series B FY 18/19 COPS	1,510,000	43,863		\$1,466,137	\$	1,466,137			
Proceeds from 2018 Series C FY 19/20	13,922,236	175,975		\$13,746,261	\$	13,746,261			
Proceeds from 2018 Series D FY 19/20 COPS	3,087,423	64,907		\$3,022,522	\$	3,022,522			
Proceeds from 2018 Series E FY 21/22	13,618,453	180,000		\$13,638,453	\$	13,638,453			
Proceeds from 2018 Series F FY 21/22 COPS	1,000,000	65,716		\$934,284	\$	934,284			
Future Series 2025-28	2,861,888			2,861,888					
ESSEF III Plan for Shade Structures				1,400,000					
EST State Matching Funds				15,000,000		\$12,731,564.00			
Reimbursement from CFB (Mello Roos)				9,513,399		\$9,653,398.90			
Interest Earned - FY18/19				172,714		\$177,713.80			
Interest Earned - FY19/20				373,548		\$373,547.64			
Interest Earned - FY20/21				73,428		\$73,428.00			
Interest Earned - FY21/22				50,000		\$11,366.42			
Est Interest - Future Fiscal Years				200,000		\$0.00			
Mitigation Agreements (ie: Wagon Wheel) Developer Fees				1,695,734					
Total Available Funds				\$86,747,868	\$	74,838,372.01			
Expenditures		TOTAL PROJECTED PROJECTS			Expenditures To Date	Committed/Encumbered	Total	% Complete	Comment
General Projects Administration set aside		2,900,000			1,288,099.29	\$148,947.77	\$ 1,437,047.06	49.35%	
2016 COPS Reassignment		7,064,043.00			1,466,137.00	\$3,956,806.00	\$9,422,943.00	76.76%	
FYAC - Districtwide		-			0.00	\$0.00	\$ -		
Rio Linda **		2,376,690			118,105.50	\$53,202.50	\$ 171,308.00	0.00%	Architect/DSA
Rio Plaza **		3,980,200			132,117.92	\$32,756.43	\$ 164,874.35	0.00%	Architect Fees
Rio Real **		2,968,440			110,578.00	\$33,750.00	\$ 144,328.00	0.00%	Architect Fees
Rio del Valle **		5,879,112			172,045.95	\$11,109.00	\$ 183,154.95	0.00%	Architect/DSA
Vista Gym		1,560,000			83,688.00	\$1,350,382.50	\$ 1,434,070.80	0.00%	Architect Fees
Rio del Norte		1,658,142			1,563,005.92	\$125,136.39	\$ 1,688,142.31	100.00%	Retention ,Architect
Rio del Norte Classroom Ceiling Project		1,455,000			1,370,149.47	\$93,768.63	\$ 1,463,918.10	100.00%	Retention ,Architect
Subtotal		19,907,584							
Roofing - Districtwide Renovation		782,612			48,547.00	\$51,463.00	\$ 100,000.00	12.78%	as needed
Rio Linda		183,747			183,242.00	\$0.00	\$ 183,242.00	100.00%	
Rio del Valle		34,146			34,146.00	\$0.00	\$ 34,146.00	100.00%	
Subtotal		1,080,000							
Shade Structures - Covid-19 3 sites		1,199,189			182,388.75	\$16,800.00	\$ 199,188.75	0.00%	on hold, Architect Fees
Covid-19 Other costs		1,324,974			1,324,974.00	\$0.00	\$ 1,324,974.00	100.00%	
Subtotal		2,524,163							
Safety Improvement		32,000			31,075.94	\$0.00	\$ 31,075.94	100.00%	
Technology Infrastructure/Classroom Upgrades - 7 yr Plan		7,000,000			3,718,441.79	25,992.27	3,744,434.06	53.49%	Year 4 of 7
Rio Del Sol New K-8 STEAM School - Phase 2		16,625,023			16,633,069.78	(\$8,047.71)	\$ 16,625,022.07	100.00%	
Rio Linda ES									
Rio Linda Bldg A		4,535,795			4,535,794.08	\$0.00	\$ 4,535,794.08	100.00%	
Rio Linda Fire Alarm Replacement		231,538			231,537.53	\$0.00	\$ 231,537.53	100.00%	
Rio Linda Parking Lot		561,734			561,733.75	\$0.00	\$ 561,733.75	100.00%	
Subtotal		3,329,066							
Rio Plaza ES									
Rio Plaza Hood Replacement		209,040			209,039.74	\$0.00	\$ 209,039.74	100.00%	
Rio Plaza Fire Alarm Replacement		326,000			324,987.48	\$2,440.00	\$ 327,427.48	100.00%	Architect Closeout balance
Subtotal		537,040							
Rio Real ES									
Rio Real Fire Alarm Replacement		382,000			376,660.07	\$4,490.00	\$ 381,150.07	100.00%	Architect Closeout balance
Rio Real Track & Sport Improvement		253,230			253,229.88	\$0.00	\$ 253,229.88	100.00%	
Rio Real Offiuer/Breakroom Remodel		103,859			103,859.26	\$0.00	\$ 103,859.26	100.00%	
Subtotal		739,089							
Rio del Valle #5									
Rio del Valle Sports Fields Master Plan Phase I		5,902,213			3,928,896.68	\$1,973,316.26	\$ 5,902,212.94	43.67%	Plus Architect/Inspector
Rio del Valle Sports Fields Master Plan Phase II		4,800,000							
Rio del Valle Kitchen Remodel **		500,000			17,690.00	\$32,075.00	\$ 49,765.00	0.00%	Architect fees
For Full Kitchen/MPR Remodel**		6,100,000			0.00	\$0.00	\$ -		
Rio del Valle Admin. Office redo **		2,400,000			7,500.00	\$0.00	\$ 7,500.00	0.00%	
Rio del Valle Portabac relocate/refresh		656,470			654,129.61	\$2,340.00	\$ 656,469.61	100.00%	Inspector balance

** Tentative Projects - Need Board Approval

Expenditures	TOTAL PROJECTED PROJECTS	Expenditures To Date	Committed/Encumbered	Total	% Complete	Comment
Rio del Valle Fire Alarm	517,582	461,740.49	\$55,841.90	\$	91.00%	Plus Architect/Inspector
Rio del Valle Restroom Remodel	8,910	8,910.16	\$0.00	\$	100.00%	
Rio del Valle Gym Acoustics & Sound Project **	54,862	54,861.98	\$0.00	\$	100.00%	
Subtotal	20,940,037					
Rio Del Norte ES						
Rio Del Norte - Kitchen Update	8,917	8,916.66	\$0.00	\$		
Subtotal	8,917					
Rio Rosales Es						
Rio del Mar						
Rio del Mar Lighting Project	31,123	31,122.55	\$0.00	\$		
Rio Vista Middle School						
Rio Vista MPR Lighting Project	29,022	29,021.59	\$0.00	\$		
Rio Vista Modernization- Greenhouse	5,650	5,650.00	\$0.00	\$		
Subtotal	34,672					
Facilities Modernization TBD	74,112					
Program Contingencies set aside	2,000,000					
Total Expenditures to Date		40,265,054.12	7,963,154.94		48,228,209.06	
Net Projected Balance as of February 28, 2022					\$26,610,167.95	
TOTAL PROJECTED BOND PROJECTS	86,747,868					

Projects currently in construction

Projects Completed

Summary

Measure L funds continue to improve the facilities at our 9 sites. Last year we completed the new Classroom Building C at Rio del Sol. Also completed was the remodel of Building A at Rio Lindo as well as a new Staff Parking lot. Rio Del Valle Sports Field Phase I is almost finished and Phase II is ready to go out for Bid. Rio Del Valle had a portable refresh/relocation completed as well as an acoustical/sound project in the gym.

One of the major goals of Measure L is to install air conditioning at all of our sites. Architectural fees for all sites have been encumbered. Rio Del Norte was the first school to be completed this year and Rio Vista gym HVAC is just beginning. Rio Plaza and Rio Real bids are just coming in.

Updating Fire Safety systems was also prioritized and the Fire Alarm Replacement at Rio Lindo, Rio Plaza, Rio Real and Rio Del Valle have been completed. This will enhance the safety and security of our students.

Some much needed COVID related projects were also completed. This included replacing all bathroom fixtures to be touchless and HVAC Bi polar ionization and filter replacement to ensure students safety while on campus.

[Measure L Bond Projects by Site](#)

Rio Lindo: Building A, New Staff Parking Lot, Fire Alarm Replacement

Adeline Mendez, Principal: "Measure L Bond Projects at Rio Lindo has made a huge improvement in our facilities. The renovation of the Administration building, including our kitchen, MPR, staff workroom and staff lounge created a better flow in our office and much needed upgrade in our facilities. Also, our kitchen is now providing freshly cooked meals for our

students. The additional staff parking lot has relieved some of the congestion and lack of parking for staff and guests. Additionally, the Fire Alarm replacement is a necessity to maintain a safe learning and working environment".

Río Real: Breakroom/Office Remodel, Fire Alarm Replacement, Track Improvement

Future : HVAC project for entire School

Maria Hernandez, Principal: "A very significant impact of the measure L funds at Río Real is the running path that has transformed the physical education program at Río Real. This track is used on a daily basis by students from K-8. Running is safer now that students have a dedicated and appropriate space on which to run. The Bond money from measure L has also provided a much needed upgrade to Río Real's administration building. The teacher workroom and lounge have been moved to a redesigned room (12) with adequate space for the xerox machines, mailboxes and expanded work counters. The space in the administration building has now been converted to an office for the assistant principal and small and large conference rooms. Future improvements include the installation of an HVAC system to the original/permanent buildings. Our students and staff could not be happier!"

Río Del Valle: Sports Field Master Plan Phase I, Fire Alarm Replacement, Portable Refresh and Relocation, Gym Acoustic & Sound Project

Natalie Spevak, Principal: Río del Valle Middle School has benefited greatly from the Measure L Bond. We are currently under construction and look forward to opening Phase I of the sports fields on or before this summer.

Our RDV Knights cannot wait to get out there again and enjoy the new improvements.

Rio Del Norte: Install HVAC (entire school), Classroom Ceilings Project

Leslie Pimental, Principal: "Rio del Norte staff and students now enjoy more comfortable indoor learning spaces thanks to the installation of the new HVAC system throughout the remaining classroom pod buildings. This is particularly true for some of our classrooms that have windows facing the playground area and are subject to direct sun and heat throughout the school day. The ceilings project in the classrooms looks wonderful, providing clean lines to enhance the aesthetics of the rooms and common pod area as well as providing some much needed upgrades in the lighting of those areas. Our students and staff are extremely happy with the final results".

Rio Del Sol: Completed Construction on new Building C

Ryan Emery, Principal: "We were able to finish our 3rd - 6th grade building (San Miguel). The building has 11 beautiful classrooms with two bathrooms between each classroom. The building also has a wonderful makerspace where students are able to express their creative side and work collaboratively".

Rio Vista: Install A/C in gym - just under bid

Ethan Gray, Principal: "Rio Vista staff, students, parents, and community have greatly benefited from the measure L bond funds that have been used to install air conditioning in our gymnasium. Our gym is used not only by our school, but the City of Oxnard as well. The installation of the air

conditioning is a welcome and needed addition, as the gym gets very hot and uncomfortable during warm spells. The funds from the measure L bond have been used wisely and have provided this upgrade that benefits both the Rio Vista community and community as whole".

Ethan Gray, Principal: "The installation of new antimicrobial acoustic wall covering in the Rio Vista gym not only looks amazing, it is functional and more safe for our community. The original wall covering that was installed when the school was built was falling off the wall and was not up to the high quality standards that the community deserves. The new acoustic wall installation has dramatically improved the look of the gym as well as the sound dampening effects. In addition the material is antimicrobial for added safety and cleanliness. Measure L funds used wisely and for the improvement of the facilities that serve Rio Vista and the City of Oxnard".

All Sites:

COVID related Plumbing - Touchless Bathroom Fixtures, Bi polar Ionization and Filter Replacement



Financial and Performance Audits

Building Fund (Measure L)

June 30, 2021

Rio Elementary School District

Rio Elementary School District
Building Fund (Measure L)

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June 30, 2021

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Financial Audit
Building Fund (Measure L)
June 30, 2021

Rio Elementary School District



Independent Auditor's Report

To the Governing Board and
Citizens Oversight Committee
Rio Elementary School District
Oxnard, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Rio Elementary School District's (the District), Building Fund (Measure L), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

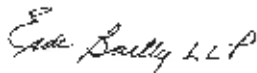
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Building Fund (Measure L) of Rio Elementary School District as of June 30, 2021, and the change in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Building Fund specific to Measure L are intended to present the financial position and the change in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of Rio Elementary School District as of June 30, 2021, and the change in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2022, on our consideration of Rio Elementary School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rio Elementary School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rio Elementary School District's internal control over financial reporting and compliance.



Rancho Cucamonga, California
January 28, 2022

Rio Elementary School District
Building Fund (Measure L)
Balance Sheet
June 30, 2021

Assets	
Investments	\$ 11,472,581
Accounts receivable	8,397
Prepaid expenditures	<u>8,586</u>
Total assets	<u>\$ 11,489,564</u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable	<u>\$ 781,397</u>
Fund Balances	
Restricted for capital projects	<u>10,708,167</u>
Total liabilities and fund balances	<u>\$ 11,489,564</u>

Rio Elementary School District
Building Fund (Measure L)
 Statement of Revenues, Expenditures, and Change in Fund Balance
 June 30, 2021

Revenues	
Interest income	\$ 79,933
Decrease in the fair value of investments	(6,504)
Other local revenue	4,588
Total revenues	<u>78,017</u>
Expenditures	
Current	
Salaries and benefits	30,011
Supplies	1,584,679
Services	180,429
Capital outlay	<u>4,206,052</u>
Total expenditures	<u>6,001,171</u>
Net Change in Fund Balance	(5,923,154)
Fund Balance - Beginning	<u>16,631,321</u>
Fund Balance - Ending	<u>\$ 10,708,167</u>

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Rio Elementary School District Building Fund (Measure L) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA), who is not an accounting standard setting body, but does produce non-authoritative guidance. The Rio Elementary School District Building Fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

Financial Reporting Entity

The financial statements include only the Building Fund of the Rio Elementary School District used to account for Measure L projects. This Fund was established to account for the expenditures of general obligation bonds issued under Measure L. These financial statements are not intended to present fairly the financial position and results of operations of the Rio Elementary School District in compliance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the Building Fund (Measure L) are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Basis of Accounting

The Building Fund (Measure L) is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by major object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

Fund Balances – Building Fund (Measure L)

As of June 30, 2021, fund balance of the Building Fund is classified as follows:

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Investments

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instrument; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreement; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security, and collateralized mortgage obligations.

Investment in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statement at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Ventura County Treasury Investment Pool. The District maintains a Building Fund (Measure L) investment of \$11,472,581 with the Ventura County Treasury Investment Pool, with an average maturity of 322 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the Ventura County Treasury Investment Pool is not required to be rated, nor has been rated as of June 30, 2021.

Note 3 - Receivables

Receivables at June 30, 2021, consisted of the following:

Interest	<u>\$ 8,397</u>
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Note 4 - Accounts Payable

Accounts payable at June 30, 2021, consisted of the following:

Capital outlay	<u>\$ 781,397</u>
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Note 5 - Commitments and Contingencies

As of June 30, 2021, the Building Fund (Measure L) had the following commitments with respect to unfinished projects:

<u>Capital Projects</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Rio del Valle Portable Rehab	\$ 558,500	January 2022
Rio REal Fire Alarm System Upgrade	90,154	January 2022
Rio Plaza Fire Alarm System Upgrade	85,598	January 2022
Rio Del Valle Fire Alarm System Upgrade	57,670	January 2022
Rio Del Norte HVAC & Electrical , Ceilings	299,218	February 2022
Rio del Valle Sports Master Plan	360,587	March 2022
RDV HVAC	44,112	[1]
Rio Plaza HVAC & Electrical	212,528	[1]
Rio Real HVAC & Electrical	97,264	[1]
Outdoor Shade Structures- various sites	123,100	[2]
	<u>\$ 1,928,731</u>	

[1] Currently in planning phase

[2] Completion date unknown at this time

Litigation

The District's Measure L bond program is not currently a party to any legal proceedings.



Independent Auditor's Report
June 30, 2021

Rio Elementary School District



**Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Governing Board and
Citizens Oversight Committee
Rio Elementary School District
Oxnard, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Rio Elementary School District (the District) Building Fund (Measure L), as of and for the year ended June 30, 2021, and the related notes of the financial statements, and have issued our report thereon dated January 28, 2022.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Building Fund specific to Measure L are intended to present the financial position and the change in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of Rio Elementary School District as of June 30, 2021, and the change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rio Elementary School District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rio Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Rio Elementary School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's Building Fund (Measure L) financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

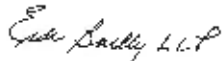
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rio Elementary School District's Building Fund (Measure L) financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's Building Fund (Measure L) internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Measure L) internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rancho Cucamonga, California
January 28, 2022

None reported.

Rio Elementary School District
Building Fund (Measure L)
Summary of Schedule of Prior Audit Findings
June 30, 2021

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.



Performance Audit
Building Fund (Measure L)
June 30, 2021

Rio Elementary School District



Independent Auditor's Report on Performance

Governing Board and
Citizens Oversight Committee
Rio Elementary School District
Oxnard, California

We were engaged to conduct a performance audit of the Rio Elementary School District (the District) Building Fund (Measure L) for the year ended June 30, 2021.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution and Appendix A contained in the 2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting issued by the California Education Audit Appeals Panel. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The results of our tests indicated that the District expended Building Fund (Measure L) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

This report is intended solely for the information and use of the District and is not intended to be and should not be used by anyone other than this specified party.

Eide Baily LLP

Rancho Cucamonga, California
January 28, 2022

Authority for Issuance

The Measure L Bonds are issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The Bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County, pursuant to a request of the District made by a resolution adopted by the Board of Education of the District on January 16, 2019.

The District received authorization at an election held on November 6, 2018, to issue bonds of the District in an aggregate principal amount not to exceed \$59,200,000 to finance specific construction and renovation projects approved by eligible voters within the District. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District. The Bonds represent the first two of a series of the authorized bonds to be issued under the 2018 Authorization.

Purpose of Issuance

The Measure L general obligation bond funds of the District will be used to finance projects that will improve the quality of education; modernize outdated classrooms, restrooms and facilities; make health, safety, and security improvements; provide HVAC; upgrade technology; and construct new classrooms and libraries.

Authority for the Audit

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools, and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in Education Code Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a citizens' oversight committee.

4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the Government Auditing Standards issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

Objectives of the Audit

1. Determine whether expenditures charged to the Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure L.
2. Determine whether salary transactions charged to the Building Fund were in support of Measure L and not for District general administration or operations.

Scope of the Audit

The scope of our performance audit covered the period of July 1, 2020 to June 30, 2021. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2021, were not reviewed, or included within the scope of our audit or in this report.

Methodology

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2021, for the Building Fund (Measure L). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure L as to the approved bond projects list. We performed the following procedures:

1. We identified expenditures and projects charged to the general obligation bond proceeds by obtaining the general ledger and project listing.

2. We selected a sample of expenditures using the following criteria:
 - a. We considered all expenditures recorded in all object codes.
 - b. We considered all expenditures recorded in all projects that were funded from July 1, 2020, through June 30, 2021, from Measure L bond proceeds.
 - c. We selected all expenditures that were individually significant expenditures based on our assessment of materiality.
 - d. For all items below the individually significant threshold identified in item 2c, judgmentally selected expenditures based on risk assessment and consideration of coverage of all object codes, and projects for period starting July 1, 2020, and ending June 30, 2021.
3. Our sample included transactions totaling \$5,817,181. This represents 97 percent of the total expenditures of \$6,001,171.
4. We reviewed the actual invoices and other supporting documentation to determine that:
 - a. Expenditures were supported by invoices with evidence of proper approval and documentation of receipting goods or services.
 - b. Expenditures were supported by proper bid documentation, as applicable.
 - c. Expenditures were expended in accordance with voter-approved bond project list.
 - d. Bond proceeds were not used for salaries of school administrators or other operating expenses of the District.
5. We determined that the District has met the compliance requirements of Measure L if the following conditions were met:
 - a. Supporting documents for expenditures were aligned with the voter-approved bond project list.
 - b. Supporting documents for expenditures were not used for salaries of school administrators or other operating expenses of the District.

Conclusion

The results of our tests indicated that, in all significant respects, the Rio Elementary School District has properly accounted for the expenditures held in the Building Fund (Measure L) and that such expenditures were made for authorized bond projects. Further, it was noted that funds held in the Building Fund (Measure L) and expended by the District were used for salaries of administrators only to the extent they perform administrative oversight work on construction projects as allowable per Opinion 04-110 issued on November 9, 2004, by the State of California Attorney General.

None reported.

Rio Elementary School District
Building Fund (Measure L)
Summary of Schedule of Prior Audit Findings
June 30, 2021

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.