



### San Marcos USD Governing Board

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**Pam Lindamood**, *Member of the Board*  
**Janet McClean**, *Clerk of the Board*  
**Jay Petrek**, *Member of the Board*  
**Randy Walton**, *President of the Board*

### Prop K Citizens' Oversight Committee

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**Teresa Gregor**, *Parent-Teacher Association*  
**Jean Diaz**, *Senior Citizens' Organization Representative*  
**Darius Khayat**, *Active Business Person Representative*  
**David Barnum**, *Parent of Enrolled SMUSD Student Representative*  
**Jenna Harris**, *Community At-Large Representative*  
**Tom Kumura**, *Community At-Large Representative*  
**Robert Bowen**, *Alternate*  
**Stacy Carlson**, *Alternate*



"I am delighted to welcome students to the new and improved San Marcos High School for the 2013-14 school year. Students will have the opportunity to acquire 21st-century skills using modern instructional technology.

Vital safety upgrades and other repairs were desperately needed.

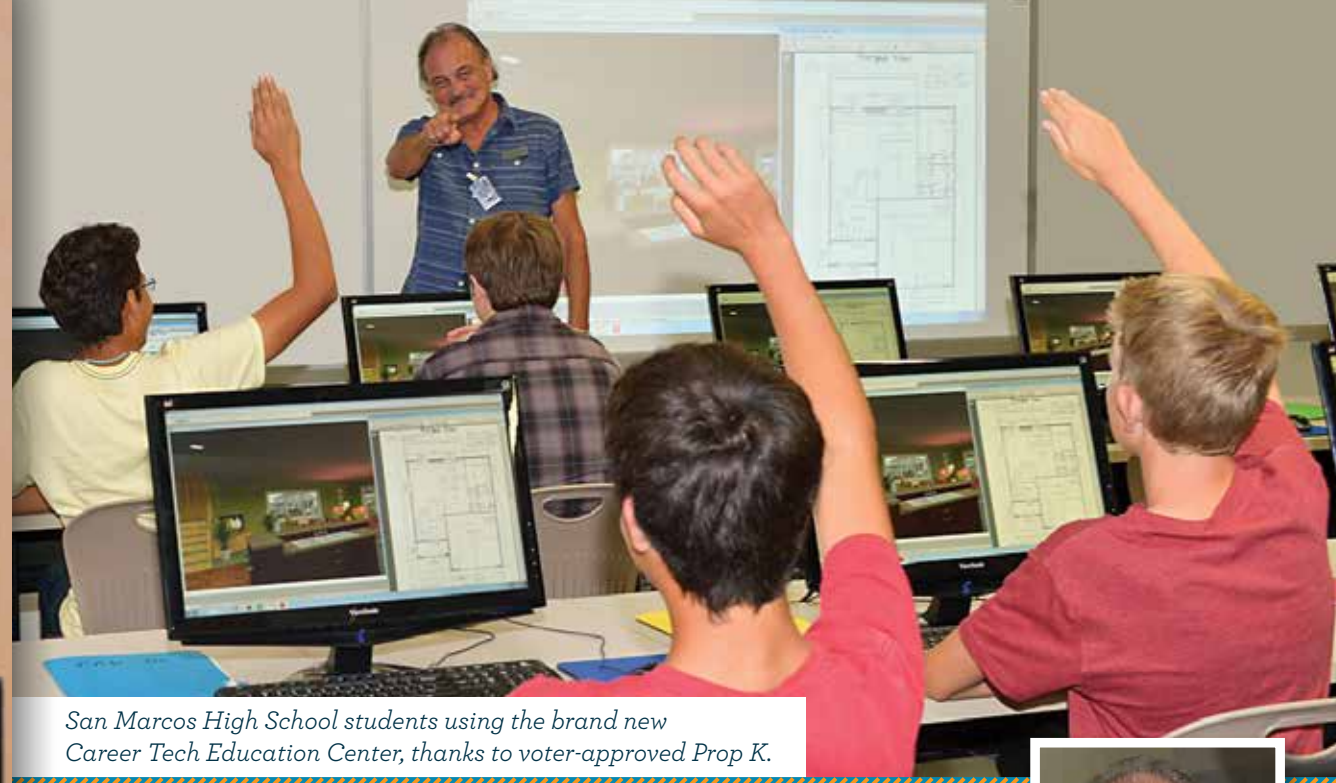
We are very grateful to the community for your support of Prop K. It will help me, our devoted teachers and our staff continue to challenge students to meet today's rising academic standards and prepare themselves for the world ahead."

—Julie Mottershaw, *San Marcos HS Principal*



Students entering newly-renovated San Marcos High School.

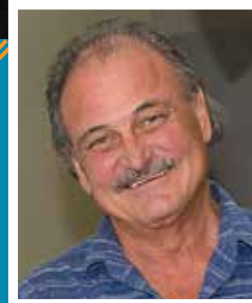
# Prop K Projects Are Opening Doors to Students' Future Careers



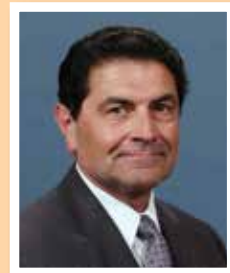
San Marcos High School students using the brand new Career Tech Education Center, thanks to voter-approved Prop K.

“In this class I challenge my students to meet the highest standards of academic assessment. I am thrilled to have the tools to teach our students the skills necessary to be ready for 21st-century college requirements and high-demand jobs in growing fields like engineering.”

—Trayon Cionka, Engineering and Design Instructor at San Marcos HS and Palomar Community College



## Prop K Citizens' Oversight Committee (COC)



“The Citizens' Oversight Committee (COC) was established to actively review and report on the proper expenditure of taxpayer money for school construction. Based on the COC's review of staff reports, annual independent performance and financial audits and tours of the facilities being financed, the COC has concluded that to date:

- bond funds have been expended for the intended purposes;
- no bond funds have been used for any teacher or administrative salaries or other operating expenses; and
- the annual independent auditor has opined that the District has complied with the requirements of Proposition K Bond Building Fund.

The COC members, individually and as a committee, have participated in or attended presentations and workshops evaluating alternatives for completing Prop K projects in light of new state legislation and changes in the economy. The consensus among COC members is that the District's plan is appropriate.”

—Jean Diaz, Chair, Prop K Citizens' Oversight Committee

The full letter is available online:

District web site: [www.smusd.org/coc](http://www.smusd.org/coc) or our Facebook page at [www.facebook.com/smusd.prop.k.coc](http://www.facebook.com/smusd.prop.k.coc)

## More About Prop K

### Q. What is Prop K?

A. Prop K is a local school bond measure that authorized \$287 million worth of local elementary, middle and high school repairs and improvements. Prop K was approved by 63% of San Marcos USD voters in 2010.

### Q. How are Prop K funds being used?

A. High-priority projects related to career technical education, student safety and technology have been undertaken first. Construction and repairs have been completed on-time and on-budget. Annual, independent audits show wise and proper use of funds.

In updated, safe, modern classrooms and labs, like the new Career Technical Education Center at San Marcos HS (pictured), students will gain up-to-date instruction in high-demand career fields like engineering, drafting, computer science, health science and other growing employment areas. Students who plan to attend college will gain important instruction and students who intend to enter the job force right after high school will gain vital skills and experience.

Prop K will fund improvements throughout our school district, supporting ongoing academic progress and excellent instruction in all of our elementary, middle and high schools.

### Q. Which school improvements are specifically included?

A. All schools will benefit from upgraded technology infrastructure to meet rising academic standards for the 21st century. In addition, the following school sites have specific improvements planned under Prop K.

- |                       |                    |
|-----------------------|--------------------|
| ✪ Alvin Dunn ES       | ✪ Twin Oaks ES     |
| ✪ Carrillo ES         | ✪ San Elijo MS     |
| ✪ Discovery ES        | ✪ San Marcos MS    |
| ✪ Knob Hill ES        | ✪ Woodland Park MS |
| ✪ La Costa Meadows ES | ✪ Mission Hills HS |
| ✪ Paloma ES           | ✪ San Marcos HS    |
| ✪ Richland ES         | ✪ Twin Oaks HS     |
| ✪ San Elijo ES        |                    |

### Q. What are the impacts of new state legislation on Prop K projects and financing?

A. Assembly Bill 182, adopted by the California Legislature and signed by the Governor in 2013, places several different limitations on overall interest rates and repayment ratios for school bonds, as well as the type and length of bonds to be used, including “capital appreciation bonds”. The new law will go into effect in 2014. The San Marcos USD Governing Board is planning all future bond sales to comply with the terms of AB 182, even though the law isn't formally in effect yet. The impact of the new law is that school boards must consider raising current tax rates or delaying the progress of voter-approved school improvement programs.

### Q. What kind of transparency and accountability is required for Prop K?

A. Prop K is subject to mandatory independent citizen oversight and annual, independent audits. The independent Citizens' Oversight Committee has met regularly since 2011 and reviewed all projects and spending.

### Q. What types of repairs, improvements and upgrades are funded by Prop K?

A. Prop K projects will:

- ✪ Repair or replace aging roofs, windows, and plumbing
- ✪ Remove asbestos and lead paint
- ✪ Improve earthquake preparedness, fire safety and school security
- ✪ Upgrade classroom technology, science labs and libraries
- ✪ Renovate career technical and job training classrooms
- ✪ Update instructional technology
- ✪ Replace old, hazardous electrical wiring that can't support today's classroom technology
- ✪ Prepare for future growth and help prevent student overcrowding
- ✪ Make other needed school improvements, upgrades and repairs

### Q. How many Prop K bonds have been sold to-date? What are the payment terms?

A. In June 2011, \$142 million were sold (Series A bonds). In May 2012, another \$65 million were sold (Series B bonds). The combined tax rate for repayment of both 'A' and 'B' bond series is \$44 per \$100,000 of industrial, commercial and residential property assessed (not market) value.

The Board is preparing to sell Series C bonds to raise approximately \$70 million for the next phase of school improvement projects. These funds will specifically fund projects at La Costa ES, San Marcos MS, Alvin Dunn ES, Richland ES, Paloma ES, and other modernization projects. The combined tax rate for repayment of all three series of bonds is projected to be \$60 per \$100,000 of assessed value. (By law, the rate can rise no higher.)

The terms of the Series C bond sale are consistent with new state legislation, and will save local taxpayers over \$24 million in reduced interest costs throughout the life of the bonds.

For a Fact Sheet regarding bond series A, B and C, please visit [www.smusd.org/coc](http://www.smusd.org/coc)

### Q. Are outside matching funds available to stretch these funds further?

A. Yes. At least \$46 million, and possibly as much as \$98 million, is available from state funding and other sources.

