ANNUAL REPORT TO THE
SUNOL GLEN UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES

Measure J Bond

Citizens' Bond Oversight Committee

Annual Report

Fiscal Year 2024–2025

CBOC Membership

Representing	Member
Member of the Business Organization located in the District	Connie DeGrange
Member active in the Senior Citizens Organization	Lisa Ball
Member of Senior Citizens' Organization	Rodney Zeisse
Guardian of a Child in the District	Griffin Beemiller
Member of the Community	Alex Starr
Member of the Community	Ken Horton
Member of the Community	Jim Garcia
Member of the Community	Debbie Ferrari
Member of the Community	Timothy Koopman

District Representatives	Name
Sunol Glen Board Trustee	Chris Bobertz
Sunol Glen Board Trustee	Erin Choin
Sunol Glen Board Trustee	Peter (Ted) Romo
Superintendent/Principal	Shay Galletti
Director of Facilities	Matt Sylvester
Bond Program Manager	William Savidge

Sunol Glen USD

Measure J Bond CBOC Annual Report

(Fiscal Year 2024–2025)

Introduction and Background

The Sunol Glen Unified School District's Measure J is a $10.9 million general obligation school bond program approved by local voters in November 2022. In compliance with California's Proposition 39 requirements, the District's Governing Board established an independent Citizens' Bond Oversight Committee (CBOC) to ensure that Measure J bond proceeds are expended only on voter-approved school facilities projects. The CBOC operates under a formal charter and California Education Code §15278 et seq., which mandate independent oversight of bond expenditures. All CBOC members represent the community and were appointed by the Board of Trustees to monitor Measure J implementation. Importantly, while the CBOC provides oversight and transparency, the Board of Trustees (upon the Superintendent's recommendation) retains all decision-making authority over project scope, schedule, and budget. This annual report summarizes Measure J bond expenditures and audit results for the fiscal year ending June 30, 2025, as reviewed by the CBOC.

Independent Audits and Oversight Process

To promote accountability, the Board conducts independent annual financial and performance audits of Measure J bond funds. For 2024–2025, the auditing firm Eide Bailly, LLP performed the Measure J Bond Building Fund financial audit and performance audit, examining all bond fund revenues and expenditures. By charter, these audit reports are provided to the CBOC by March 31 each year (for the prior fiscal year). The CBOC reviewed the 2024–2025 Financial Audit and Performance Audit upon their completion. These audits, conducted in accordance with Government Auditing Standards and Proposition 39, tested whether bond funds were managed properly and spent only on eligible projects.

Audit Results: The independent auditor issued an unmodified ("clean") opinion on the Measure J Building Fund financial statements. No financial statement or compliance findings were reported in the 2024–2025 audits. The Performance Audit likewise found full compliance with the California Constitution Article XIIIA §1(b)(3) (Prop 39) requirements. The auditors confirmed that the District expended Building Fund (Measure J) funds only for the specific projects approved by the voters, that expenditures were properly accounted for, and that no bond proceeds were used for teacher or administrator salaries or general operating expenses. No material weaknesses or significant deficiencies in internal controls were identified, and no instances of noncompliance were found. The CBOC's own review of expenditures and the audit reports confirm that bond proceeds for 2024–2025 were used in strict accordance with the Measure J project list approved by voters.

Financial Summary – Fiscal Year 2024–2025

Total bond expenditures in 2024–25 were $1,191,941, while interest and investment gains contributed $167,040 of revenue to the bond fund. A second series of Measure J bonds was issued during this fiscal year, generating $3,900,000 in new bond proceeds (the first $3 million tranche was issued in 2022–23). The ending fund balance as of June 30, 2025 was approximately $5.0 million, which remains available for upcoming Measure J projects. A summary of the Building Fund (Measure J) financial activity for the year is presented below:

Fund Balance – Beginning (July 1, 2024)	**$2,132,356**
Revenues:	
Interest income	$88,365
Net change in fair value of investments	$58,999
Other local source	$19,676
Total Revenues	**$167,040**
Expenditures:	
Services and other operating expenditures	$339,889
Capital outlay	$829,108
Other outgo	$22,944
Total Expenditures	**$1,191,941**
Other Financing Sources:	
Proceeds from bond issuance (Series 2)	$3,900,000
Transfers out	($7,344)
Net Financing Sources	**$3,892,656**
Net Change in Fund Balance	**$2,867,755**
Fund Balance – Ending (June 30, 2025)	**$5,000,111**

Source: Eide Bailly LLP, Financial Audit of the Building Fund (Measure J), Year Ended June 30, 2025 — Statement of Revenues, Expenditures, and Changes in Fund Balance (p. 5).

The majority of expenditures (approximately 70%) went toward capital outlay, covering construction contracts, materials, and equipment for facility projects. An additional 29% was spent on Services and other operating expenditures (architectural, engineering, inspection, legal, etc.), and less than 1% on other outgo/costs. This spending reflects active construction and planning work as the District continued to advance Measure J improvements. All expenses were audited and verified to align with authorized projects and budget allocations.

Key Project Progress in 2024–2025

Kitchen/Cafeteria Renovation (Hoxie Hall) – Completed

The most significant milestone of the year was the completion of the Kitchen/Cafeteria renovation. Construction began immediately after the school year ended in June 2024 and was completed by fall 2025. The renovated multipurpose building was christened "Hoxie Hall" in honor of retiring Director of Facilities Lowell Hoxie, in recognition of his decades of service to the school. A ribbon-cutting ceremony was held on October 15, 2025 to unveil the newly designed space. Major upgrades included a fully reconfigured kitchen with a new code-compliant hood and fire suppression system (the previous kitchen lacked up-to-code ventilation), new roofing, ceiling tiles, flooring, lunch tables, ADA-accessible bathrooms and doors, new staff room cabinets. This project is the first to be fully completed under the Measure J bond project list and represents a significant improvement to the school's food service infrastructure, safety, and community gathering space.

Main Building Seismic Upgrade and Modernization – In Progress

The historic Main Building, an 8,233-square-foot Spanish Colonial Revival structure built in 1925 and listed on the Alameda County Register of Historic Resources, is the centerpiece of the Measure J bond program. During FY 2024–25, the District advanced the design phase significantly. The architect (Aedis) completed schematic design, and the project was submitted to the Division of the State Architect (DSA) for review under DSA Application No. 01-122554. A Categorical Exemption Evaluation Report under CEQA was completed in February 2025 by Michael Baker International, confirming the project is categorically exempt from extended environmental review.

The full scope of the Main Building rehabilitation includes seismic retrofitting (exposing structural elements within interior walls), ADA accessibility improvements throughout, replacement of all HVAC, plumbing, electrical, and fire alarm systems, new window glazing within original sash and frames, roof tile removal and reinstallation with new weatherproofing underlayment, and interior renovations to the East Wing, West Wing, kindergarten classrooms, and auditorium. The character defining features of the historic building will be retained and preserved, consistent with the Secretary of Interior's Standards for the Treatment of Historic Properties.

Due to the scale and cost of this comprehensive renovation, the project has been organized into three construction phases. Landmark Constructors, Inc. was selected as the lease-leaseback contractor. In January 2026, Landmark began subcontractor bidding, with two site walks held in January attracting strong interest (over 30 subcontractors at the first walk). The Board approved the Guaranteed Maximum Price (GMP) for Phase 1 Early Procurement at $682,497 on March 10, 2026, followed by a First Amendment to the Facilities Lease covering the remaining Phase 1 construction scope at $6,323,586, bringing the total Phase 1 GMP to $7,006,083. Phase 1 and Phase 2 construction is targeted for completion by August 15, 2027.

Funding and Bond Anticipation Note

To fund the first phase of Main Building construction, the District completed the sale of a Bond Anticipation Note (BAN) on February 5, 2026, generating $3,783,054.68 in proceeds. Of this amount, $3,674,165.79 was deposited to the Building Fund and $108,888.89 to the Debt Service Fund. The Board passed Resolution No. 25-2026-20 on February 10, 2026 establishing a Note Repayment Fund (Fund 511) for managing BAN repayment. The District is also pursuing an application to the Office of Public School Construction (OPSC) for Seismic Mitigation Program funding, with Sierra West Consulting Group, Inc. retained to provide specialized cost estimating services for this application (contract amended to $24,600 total on February 10, 2026).

It is important to note that even with all remaining Measure J funds and anticipated state funding, the District will not be able to complete all identified work on the Main Building. Current funding is expected to cover Phases 1 and projected money from the state to cover Phase 2 of the three-phase construction plan. Phase 3, which includes work needed to complete the full scope of the project, remains unfunded at this time. The Board has been advised to explore additional funding options and timing with the Bond Financial Advisor to address this gap, as well as other deferred maintenance needs and future facilities requirements identified through the Master Plan process.

Conclusion and CBOC Compliance Statement

In summary, after a thorough review of the 2024–2025 Measure J Bond financials and the independent audit reports, the Citizens' Bond Oversight Committee finds that Sunol Glen USD is in full compliance with the requirements of Article XIIIA §1(b)(3) of the California Constitution governing school bonds. All Measure J bond expenditures during FY 2024–25 were spent only on the specific school facilities projects approved by the voters, with no misallocation of funds to salaries or non-project costs. The independent financial and performance audits confirm that bond proceeds have been properly accounted for and used exclusively for authorized purposes, and no audit exceptions or irregularities were identified.

The CBOC notes the significant milestone of completing the Kitchen/Cafeteria renovation (Hoxie Hall) and the substantial progress made toward the Main Building seismic upgrade and modernization. The Committee also acknowledges the funding challenges ahead, particularly the gap for Phase 3 of the Main Building project, and encourages the Board to continue exploring all available funding options.

The CBOC wishes to thank the community for its support of Measure J and reaffirms its commitment to transparent oversight of these bond funds.

According to Education Code §15280(b), this CBOC Annual Report for 2024–25 will be presented at an open session of the District's Board of Trustees and then posted on the District website for public review. Community members are encouraged to attend the Board meeting and to view this report online. The Citizens' Bond Oversight Committee will continue to meet regularly (meetings are open to the public) and will monitor ongoing projects and expenditures. We remain dedicated to ensuring that Measure J bond revenues are spent effectively, responsibly, and in alignment with the promises made to Sunol Glen voters.

Statement Of Compliance

Measure J

This Annual Report is submitted to the Board of Trustees by the Sunol Glen Unified School District Citizens' Bond Oversight Committee.

The Committee advises that, to the best of its knowledge, the Sunol Glen Unified School District is in compliance with the requirements of Article XIIIA, Section 1(b) (3) of the California Constitution. Furthermore, the Committee has reviewed expenditure reports produced by the District to ensure that (a) bond proceeds have been expended only for the purposes set forth in the ballot measure; (b) and not for any other purposes, including teacher and administrative salaries and other school operating expenses; (C) and that the bond proceeds have been maximized. Committee review is supported by independent financial and performance audits required by state law. The statement covers activities for the 2024–2025 school year.

Respectfully Submitted:

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(Name)
Citizens' Bond Oversight Committee

Date: ________________