MEMORANDUM

DT: May 31, 2006
TO: Prop A 2003 Citizen’s Bond Oversight Committee
    Patricia Crawford, Jim Dierke, Craig Issod, Christine Leishman, Nan McGuire, Tom Moore, Jim Quadra
FM: Leonard Tom
    Bond Program Manager

I have enclosed for your review a copy of the financial report for the Prop A 2003 Bond Program, effective for April 30, 2006. The figures for Fiscal Year 05/06 in this report are preliminary and unaudited. This report now includes audited final expenses through the end of Fiscal Year 04/05.

The basic program budget has been increased from $340.972 million to $341.533 million (a net increase of $0.561 million) since last month. That is due to a net increase in eligibility for State Prop 55 school modernization funding ($97,214) and additional accrued interest reported through April 2006 ($463,362) available to the program.

As projects that are eligible for State Prop 55 funding complete their design phases the programwide budget will be revised as final eligibility is determined and State approvals are received. Adjustment for one project is being acknowledged in this report.

The State approved a final modernization grant for Clarendon Elementary School that is $97,214 higher than previously determined. As the current financial status of that project is stable, the increased grant amount has been exchanged on a dollar for dollar basis from Prop A 2003 Bond funds and then added to the programwide contingency fund.

With the changes listed above and the increase in accrued interest, the programwide contingency fund stood at $11.077 million at the end of April.

Bids were received for one project at Washington High School (increment 1) in April. The winning bid was within the budgeted amount.

Project-to-date figures for budget and expense can be found in the latter three columns on the right side of each report page. “Bud-to-Date” combines the Budget columns for the two fiscal years and subtracts the unexpended balance of FY 04/05. “Exp-to-Date” combines the Exp columns for two years. “Total Project Budget Bal” subtracts “Exp-to-Date” from “Bud-to-Date.”

Please be aware that there are currently negative numbers in the Prop A portion of the “Total Project Budget Bal” column for 16 of the projects. These are schools that have State Prop 55 funding. The State funds are not credited against Prop A funds until a reimbursement of expenditures has occurred. Prop A funds are therefore, temporarily “carrying” the State funded portion of the budget until those funds are received, formally acknowledged by the Board of Education and used to reimburse prior expenditures.
As of April 30, 2006, the Board of Education had approved $97.658 million of contracts for the Bond Program and the Program had actually expended $33.345 million. The amount paid during April was about $4.086 million. A majority of the expense went to design fees, construction, inspection and construction management, plus the District’s programwide staffing and Primary Executive Architect costs.

Planning and design work was complete at 18 and ongoing at 14 of the 32 projects in the Bond Program. In April, construction was ongoing at fourteen sites. Construction at Bryant Elementary began in June 2005 and is currently complete. Construction at Bret Harte Elementary (58% complete), Thurgood Marshall High School (33% complete), Rosa Parks Elementary (55% complete), Dr. Charles Drew Elementary (48% complete), Commodore Sloat (31% complete) and Clarendon (24% complete), Alvarado (28% complete), Sherman (22% complete), Horace Mann (3% complete) and SF Community (7% complete) is proceeding on schedule. Construction started at Gloria Davis (4% complete), ER Taylor (8% complete) and West Portal in April. Two projects (Leonard Flynn and Washington increment 1) were scheduled to start construction in May. Two projects were advertised for bids during April 2006 (Hillcrest increment 1 and Mission High roofing and drainage repair).

Please call me at (415) 241-6151 with any questions that you may have about this report.

Enclosures

c:  David Goldin, Joe Grazioli, Genevieve Hahn, Josie Cruz, Myong Leigh, Shawn Ropp
    Bruce Hart, Jeff Stahl, Toks Ajike, Erin Hirst, James Wong, Maureen Shelton, Lori Shelton

H: Program Administration/financial report cover APR 2006