

## **Measures N & O**

### **Citizens' Oversight Committees**

**5:30 P.M., March 15, 2018**

#### **Turlock Unified School District Office, Room 102**

- 1) Greetings and Call to Order**
  - a) Chairperson, Lacy Elliott call the meeting to order
- 2) Roll Call**
- 3) Approval of Agenda**
  - a) Agenda for the March 15, 2018 meeting
- 4) Review**
  - a) Approval of Minutes from the meeting of December 14, 2017
- 5) Chair and Vice Chair are elected to serve a one-year term as directed in the bylaws**
  - a) Committee may elect to have Chair and Vice Chair continue to serve another year
  - b) Committee may elect a new Chair and Vice Chair
- 6) Staff Report on Projects & Activities**
- 7) Quarterly Expenditure Reports**
- 8) Debt Transparency Report for the California Debt & Investment Advisory Commission (CDIAC)**
- 9) Review Building Funds (Measures N & O) Financial and Performance Audits for the period ended June 30, 2017**
- 10) Discussion**
  - a) Prioritization
  - b) Future Planning
- 11) Adjourn Meeting**

# Turlock Unified School District, Measures N and O

## Bond Oversight Committee

### Meeting Minutes

14 December, 2017, 5:30 PM, Turlock USD Office, Room 104

Meeting # 4

### Attendees

Committee members in attendance: Lacy Elliott, Patrick Bettencourt, Kathi Farber, Steve Soderstrom, Bryan Tribble, and David Folly.

Not in attendance: Harry Carlson and Georgianna McDonald.

TUSD Staff: Mike Trainor, Assistant Superintendent Business Services; Martell Taylor, Facilities Planner; and Bridget Shelton, Facilities Secretary.

Conducting Meeting: Chairperson, Lacy Elliott

Meeting Commenced 5:30 PM

### Approval of Agenda

Current Agenda approved by consensus. No changes were made.

### Adoption of Meeting Minutes

No changes were suggested in the Meeting Minutes from September 21, 2017 meeting. The Bond Oversight Committees adopted the minutes by consensus. Kathi Farber asked about the Portrait vs. Landscape design of the Expenditure reports and it was discussed that the majority of the committee preferred the reports in Portrait Orientation.

### Questions & Answers – Open Discussion

The meeting started with a discussion regarding the Committee Annual Report. Since the reporting is for the prior fiscal year the first report will be for the time period starting when the bonds were sold to June 30, 2017. The report will be based on information from the “Special Audit” that is being conducted. Ronna Fraser, Chief Financial Officer, Fiscal Services will be presenting the audit information to the TUSD Board of Trustees at the January 9<sup>th</sup> Board Meeting. This information will be passed onto the Bond Oversight Committee (BOC) via email sometime in the later part of January, and then discussed at the next meeting in March. The BOC will then create a report of their finding to be presented to the Board in June 2018.

Kathi Farber asked about the architect cost for Walnut and when the fencing projects were started. Martell answered, and then began to explain the process of choosing the architects and the Request for Proposals, (RFPs), also the ADA requirements and that one set of plans is sent to DSA for Fire & Life Safety approval. Next topic was the Site Design Teams and what their project priority or “wish lists” consist of. Some sites such as Dutcher Middle School have requested more than what the Bond will be able to fund even with matching state funding. All projects go to the Board for final approval. Mike Trainor reminded everyone that only projects that were

voter approved are going to be funded with bond proceeds. The list of approved projects in the Full Text of the Measures N & O which is in their original handouts from the first meeting.

The committee asked if the old Science Building at THS is going to be torn down, and what the cost of a new building would be. The District responded that all of the companies that we talked with about possible renovation of the old building said it would not be feasible, that it would be better to tear down the old building and build a new Science Wing. The projected cost would be 20 plus million. With a separation of state matching funds to be able to report what portion is paid with bond funds and what is going to be paid with state funding. The committee stated a concern that all bond approved projects get accomplished and not just the stem building at THS. Measure O bond funds should be enough to cover the new stem building, new HVAC at Pitman and also be able to fix the PHS athletic field. Some new fencing at both High Schools is also included.

For Measure N the newer sites, such as Medeiros and Walnut, will not be receiving as much funding for projects as the older sites that need modernization etc.

Cost of inspections was mentioned as well as the inspection companies United Inspections, Kleinfelder, and North American Technical Services, that the District has chosen to work with.

### **Other Business**

Martell passed around the binder from the Board Workshop. The members requested a copy of those documents. We also talked about the new AstroTurf that is schedule to be installed at the TUSD Debely Stadium this summer. Clarification was made that this is not being paid for with bond funds.

### **Meeting Adjourned**

6:22 pm

Secretary Bridget Shelton

Date of approval

TURLOCK UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BOND - MEASURE N  
Bond Issue to Date Funding Summary Report  
As of March 6, 2018

	Building GO Bonds	Capital Facilities (COP-s)	Special Reserve (Local Fund)	General (General Admin)	Total
Unallocated Costs*	21,675.60	0.00	0.00	0.00	\$21,675.60
Wakefield Kinder Relocation	1,588,318.85	0.00	0.00	0.00	\$1,588,318.85
Brown Fencing-Phase 1	152,317.00	0.00	0.00	0.00	\$152,317.00
Earl Fencing	510,419.63	0.00	0.00	0.00	\$510,419.63
Medeiros Fencing	195,825.12	0.00	0.00	0.00	\$195,825.12
Walnut Fencing	455,408.55	0.00	0.00	0.00	\$455,408.55
Fencing Total	1,313,970.30	0.00	0.00	0.00	\$1,313,970.30
Dutcher Middle School	47,256.38	0.00	0.00	0.00	\$47,256.38
Osborn Elementary	7,958.12	0.00	0.00	0.00	\$7,958.12
Wakefield Phase II	57.00	0.00	0.00	0.00	\$57.00
Brown Elementary	23,630.00	0.00	0.00	0.00	\$23,630.00
Crowell Elementary	14,320.00	0.00	0.00	0.00	\$14,320.00
<b>Measure N Total Expenditures</b>	<b>3,017,186.25</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,017,186.25</b>

Note: Unspent bond proceeds from measures N & O earned \$140,421.85 in interest as of 12/31/2017.

\*Prior unallocated costs from report number 2, in the amount of \$353.64, were reclassified, they were not modernization project costs.

DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Unallocated Costs

Report Number: 4  
Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

Summary of Architect/Engineering Fees 0.00

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

Summary of Other Planning Cost 0.00

**TOTAL PLANNING** 0.00

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction 0.00

**OTHER CONSTRUCTION COSTS**

11/8/2017 36989761	Signs of Success, Inc.	2,078.75	Measure N signs
12/15/2017 36997452	Lozano Smith LLP	11,431.10	General Council
1/30/2018 36021011	Lozano Smith LLP	7,182.00	General Council
2/14/2018 36023756	Lozano Smith LLP	983.75	General Council

Summary of Other Construction Costs 21,675.60

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 21,675.60

**TOTAL UNALLOCATED COSTS**

21,675.60

**DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Wakefield Kinder Relocation

Report Number: 4

Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

6/30/2017 170459	FF&J Architects	1,844.30	Printing/advertising/plan check
6/30/2017 170461	FF&J Architects	946.74	Advertising
6/30/2017 170462	FF&J Architects	21,515.61	DSA plan check fees
1/30/2018 36020990	FF&J Architects	127,891.45	Architect - Design
Summary of Architect/Engineering Fees		152,198.10	

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees	0.00
---	------

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees	0.00
--	------

**PRELIMINARY TEST**

Summary of Preliminary Test	0.00
-----------------------------	------

**OTHER PLANNING COST**

Summary of Other Planning Cost	0.00
--------------------------------	------

<b>TOTAL PLANNING</b>	<b>152,198.10</b>
-----------------------	-------------------

**CONSTRUCTION**

**MAIN CONSTRUCTION**

11/29/2017 36993302	American Modular Systems, Inc.	180,509.50	Modular restroom
11/29/2017 36993302	American Modular Systems, Inc.	569,553.50	5 new modular classrooms
9/28/2017 36982199	Harris Builders, Inc.	75,786.25	Site imprvmnt & bldg. plcmnt
9/28/2017 36985732	Harris Builders, Inc.	102,832.75	Site imprvmnt & bldg. plcmnt
11/21/2017 36992392	Harris Builders, Inc.	122,205.15	Site imprvmnt & bldg. plcmnt
12/15/2017 36997439	Harris Builders, Inc.	165,894.70	Site imprvmnt & bldg. plcmnt
1/26/2018 36020423	Harris Builders, Inc.	177,433.40	Site imprvmnt & bldg. plcmnt
Summary of Main Construction		1,394,215.25	

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs	0.00
-------------------------------------	------

**INSPECTION**

11/15/2017 36991087	North American Technical	8,000.00	Building inspections
9/13/2017 36978793	United Inspections, Inc.	6,000.00	Inspection services
11/21/2017 36992450	United Inspections, Inc.	7,840.00	Inspection services
11/21/2017 36992450	United Inspections, Inc.	7,840.00	Inspection services
1/5/2018 36016517	United Inspections, Inc.	7,840.00	Inspection services
Summary of Inspection		37,520.00	

**LABOR COMPLIANCE**

Summary of Labor Compliance	0.00
-----------------------------	------

**CONSTRUCTION TESTS**

11/8/2017 36989731	Kleinfelder	1,343.00	Materials testing
1/5/2018 36016374	Kleinfelder	2,081.00	Materials testing
1/5/2018 36016374	Kleinfelder	961.5	Materials testing
Summary of Construction Tests		4,385.50	

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment	0.00
----------------------------------	------

<b>TOTAL CONSTRUCTION</b>	<b>1,436,120.75</b>
---------------------------	---------------------

**TOTAL WAKEFIELD KINDER RELOCATION**

<b>1,588,318.85</b>
---------------------

**DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Fencing Projects: Brown, Earl, Medeiros, Walnut

Report Number: 4  
Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

6/30/2017	170455	Kan & Wong Consulting	13	Printing for Brown
6/30/2017	170744	Kan & Wong Consulting	5723.22	Earl Security Layout
6/30/2017	170456	Kan & Wong Consulting	14	Printing for Earl
6/30/2017	170457	Kan & Wong Consulting	13	Printing for Medeiros
Summary of Architect/Engineering Fees			5,763.22	

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees	0.00
---	------

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees	0.00
--	------

**PRELIMINARY TEST**

Summary of Preliminary Test	0.00
-----------------------------	------

**OTHER PLANNING COST**

Summary of Other Planning Cost	0.00
--------------------------------	------

<b>TOTAL PLANNING</b>	5,763.22
-----------------------	----------

**CONSTRUCTION**

**MAIN CONSTRUCTION**

8/11/2017	36973443	AAI Ceramic Tile	3,050.00	Earl lobby - floor tile
6/14/2017	36964550	Menghetti Construction	16,474.90	5% Owner Contingency
6/30/2017	170239	Menghetti Construction	15,634.15	5% Owner Contingency
8/11/2017	36973501	Menghetti Construction	21,872.80	5% Owner Contingency
10/4/2017	36982889	Menghetti Construction	8,268.15	5% Owner Contingency
10/2017	18007X	Finalize Project Cost/Reallocate owner Contingency to site of change order	-62,250.00	5% Owner Contingency
5/30/2017	36961181	Menghetti Construction	2,245.80	Brown Elementary
6/14/2017	36964550	Menghetti Construction	24,491.95	Brown Elementary
6/30/2017	170235	Menghetti Construction	34,121.15	Brown Elementary
8/11/2017	36973501	Menghetti Construction	79,978.60	Brown Elementary
10/4/2017	36982889	Menghetti Construction	3,526.10	Brown Elementary
10/27/2017	36987783	Menghetti Construction	237.50	Brown Elementary
11/1/2017	36988427	Menghetti Construction	11,398.90	Brown Elementary
10/2017	18007X	Finalize Project Cost/Reallocate owner Contingency to site of change order	-4,916.00	Brown Elementary
5/30/2017	36961181	Menghetti Construction	6,796.30	Earl Elementary
6/14/2017	36964550	Menghetti Construction	60,363.95	Earl Elementary
6/30/2017	170236	Menghetti Construction	162,069.05	Earl Elementary
8/11/2017	36973501	Menghetti Construction	193,615.70	Earl Elementary
10/4/2017	36982889	Menghetti Construction	4,180.00	Earl Elementary
11/1/2017	36988427	Menghetti Construction	29,975.00	Earl Elementary
11/1/2017	36988427	Menghetti Construction	16,575.00	Earl Elementary
10/2017	18007X	Finalize Project Cost/Reallocate owner Contingency to site of change order	11,351.63	Earl Elementary
5/30/2017	36961181	Menghetti Construction	2,744.55	Medeiros Elementary
6/14/2017	36964550	Menghetti Construction	36,214.95	Medeiros Elementary
6/30/2017	170237	Menghetti Construction	81,520.45	Medeiros Elementary
8/11/2017	36973501	Menghetti Construction	51,945.05	Medeiros Elementary
10/2017	18007X	Finalize Project Cost/Reallocate owner Contingency to site of change order	22,167.12	Medeiros Elementary
5/30/2017	36961181	Menghetti Construction	6,584.45	Walnut Elementary

**DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Fencing Projects: Brown, Earl, Medeiros, Walnut

Report Number: 4  
Period Ending: 3/6/2018

6/14/2017	36964550	Menghetti Construction	84,234.60	Walnut Elementary
6/30/2017	170238	Menghetti Construction	181,513.65	Walnut Elementary
8/11/2017	36973501	Menghetti Construction	141,392.30	Walnut Elementary
11/1/2017	36988427	Menghetti Construction	6,263.00	Walnut Elementary
10/2017	18007X	Finalize Project Cost/Reallocate owner Contingency to site of change order	33,647.25	Walnut Elementary
			<u>1,284,238.00</u>	

8/30/2017	36976685	Pauls Glass Co.	14,932.48	Earl security entry door
		Summary of Main Construction	<u>1,302,220.48</u>	

**OTHER CONSTRUCTION COSTS**

9/1/2017	36977206	Kleinfelder	553.30	Brown - Material Testing
9/1/2017	36977206	Kleinfelder	553.30	Walnut - Material Testing
		Summary of Other Construction Costs	<u>1,106.60</u>	

**INSPECTION**

6/21/2017	36965940	United Inspections Inc.	400.00	Brown Elementary
8/11/2017	36973544	United Inspections Inc.	650.00	Brown Elementary
9/13/2017	36978793	United Inspections Inc.	170.00	Brown Elementary
6/21/2017	36965940	United Inspections Inc.	400.00	Earl Elementary
8/11/2017	36973544	United Inspections Inc.	650.00	Earl Elementary
9/13/2017	36978793	United Inspections Inc.	170.00	Earl Elementary
6/21/2017	36965940	United Inspections Inc.	400.00	Medeiros Elementary
8/11/2017	36973544	United Inspections Inc.	650.00	Medeiros Elementary
9/13/2017	36978793	United Inspections Inc.	170.00	Medeiros Elementary
6/21/2017	36965940	United Inspections Inc.	400.00	Walnut Elementary
8/11/2017	36973544	United Inspections Inc.	650.00	Walnut Elementary
9/13/2017	36978793	United Inspections Inc.	170.00	Walnut Elementary
		Summary of Inspection	<u>4,880.00</u>	

**LABOR COMPLIANCE**

Summary of Labor Compliance	<u>0.00</u>
-----------------------------	-------------

**CONSTRUCTION TESTS**

Summary of Construction Tests	<u>0.00</u>
-------------------------------	-------------

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment	<u>0.00</u>
----------------------------------	-------------

<b>TOTAL CONSTRUCTION</b>	<u>1,308,207.08</u>
---------------------------	---------------------

<b>TOTAL FENCING PROJECT</b>	<u><u>1,313,970.30</u></u>
------------------------------	----------------------------



DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Dutcher Middle School - Modernization

Report Number: 4  
Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

6/30/2017	170669	Teter LLP	4735.00	Architect - Preliminary design
9/6/2017	36977700	Teter LLP	4744.20	Architect - Preliminary design
9/22/2017	36981148	Teter LLP	4127.38	Architect - Preliminary design
11/21/2017	36992442	Teter LLP	4313.75	Architect - Preliminary design
11/29/2017	36993370	Teter LLP	5250.21	Architect - Preliminary design

Summary of Architect/Engineering Fees 23,170.54

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

Summary of Other Planning Cost 0.00

**TOTAL PLANNING** 23,170.54

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction 0.00

**OTHER CONSTRUCTION COSTS**

11/21/2017	36992411	Northstar Engineering Group, Inc.	5,889.53	Topographic survey
11/21/2017	36992411	Northstar Engineering Group, Inc.	3,420.84	Boundary survey
3/2/2018	36026784	Northstar Engineering Group, Inc.	14775.47	Topographic survey

Summary of Other Construction Costs 24,085.84

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 24,085.84

**TOTAL DUTCHER MIDDLE SCHOOL MODERNIZATION**

47,256.38

**DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Osborn Elementary School - Modernization

Report Number: 4

Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

Summary of Architect/Engineering Fees 0.00

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

10/25/2017	36987180	Lozano Smith	118.00	General Legal Council
11/21/2017	36992401	Lozano Smith	295.00	General Legal Council
12/15/2017	36997452	Lozano Smith	3,037.25	General Legal Council
1/30/2018	36021011	Lozano Smith	843.37	General Legal Council
2/14/2018	36023756	Lozano Smith	272.5	General Legal Council
1/5/2018	36016424	Paddock Appraisal Service	725.00	Property Appraisal
1/5/2018	36016424	Paddock Appraisal Service	725.00	Property Appraisal
1/17/2018	36018522	Cogdill & Assoc. Inc.	1,250.00	Property Appraisal
1/30/2018	36021053	Stanislaus Co. Clerk/Recorder	57.00	CEQA-Exemp Filing Notice
1/30/2018	36021003	J.B. Anderson Land Use Planning	467.50	CEQA-Compliance Docs
2/16/2018	36024487	J.B. Anderson Land Use Planning	167.50	CEQA-Compliance Docs

Summary of Other Planning Cost 7,958.12

**TOTAL PLANNING** 7,958.12

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction 0.00

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs 0.00

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 0.00

**TOTAL OSBORN ELEMENTARY SCHOOL MODERNIZATION** 7,958.12

DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Wakefield Phase II

Report Number: 4  
Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

Summary of Architect/Engineering Fees 0.00

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

1/17/2018 36018579 Stanislaus Co. Clerk/Recorder 57.00 CEQA-Exemp Filing Notice

Summary of Other Planning Cost 57.00

**TOTAL PLANNING** 57.00

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction 0.00

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs 0.00

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 0.00

**TOTAL WAKEFIELD PHASE II MODERNIZATION** 57.00

**DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Brown Elementary School - Modernization

Report Number: 4

Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

1/5/2018 36016475 SKW & Associates	500.00 Architecture/Engineering
1/30/2018 36021052 SKW & Associates	2,520.00 Architecture/Engineering
3/2/2018 36026799 SKW & Associates	8,000.00 Architecture/Engineering
Summary of Architect/Engineering Fees	<u>11,020.00</u>

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees	<u>0.00</u>
---	-------------

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees	<u>0.00</u>
--	-------------

**PRELIMINARY TEST**

Summary of Preliminary Test	<u>0.00</u>
-----------------------------	-------------

**OTHER PLANNING COST**

Summary of Other Planning Cost	<u>0.00</u>
--------------------------------	-------------

<b>TOTAL PLANNING</b>	<u>11,020.00</u>
-----------------------	------------------

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction	<u>0.00</u>
------------------------------	-------------

**OTHER CONSTRUCTION COSTS**

1/5/2018 36016419 Northstar Engineering Grp.	11,349.00 Topographic Survey
1/30/2018 36021028 Northstar Engineering Grp.	1,261.00 Topographic Survey
Summary of Other Construction Costs	<u>12,610.00</u>

**INSPECTION**

Summary of Inspection	<u>0.00</u>
-----------------------	-------------

**LABOR COMPLIANCE**

Summary of Labor Compliance	<u>0.00</u>
-----------------------------	-------------

**CONSTRUCTION TESTS**

Summary of Construction Tests	<u>0.00</u>
-------------------------------	-------------

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment	<u>0.00</u>
----------------------------------	-------------

<b>TOTAL CONSTRUCTION</b>	<u>12,610.00</u>
---------------------------	------------------

<b>TOTAL BROWN ELEMENTARY MODERNIZATION</b>	<u><u>23,630.00</u></u>
---	-------------------------

DETAILED LISTING OF PROJECT EXPENDITURES - BOND MEASURE N  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Crowell Elementary School - Modernization

Report Number: 4  
Period Ending: 3/6/2018

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

Summary of Architect/Engineering Fees 0.00

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

0.00

Summary of Other Planning Cost 0.00

**TOTAL PLANNING** 0.00

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Construction 0.00

**OTHER CONSTRUCTION COSTS**

1/5/2018 36016419 Northstar Engineering Group 6,444.00 Topographic Survey

1/30/2018 36021028 Northstar Engineering Group 7,876.00 Topographic Survey

Summary of Other Construction Costs 14,320.00

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 14,320.00

**TOTAL CROWELL ELEMENTARY MODERNIZATION** 14,320.00

**Bond Measure N**

21-0000-0-xxxx-0000-xxxx-100-Nxxx-xx

1st Sale of Bonds: \$12,500,000.00  
 Proceeds Received \$12,390,000.00

Org: N000							
Unallocated Costs							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Signs of Success	2,078.75	0.00	0.00	2,078.75	Measure N signs	181308	N/A
Government Financial Strategies	625.00	0.00	625.00	0.00	CDIAC Annual Debt Report	183670	N/A
Lozano Smith	19,596.85	0.00	0.00	19,596.85	Measure N - General Council	180197	N/A
Total:	\$22,300.60	\$0.00	\$625.00	\$21,675.60			

Org: N001							
Wakefield Kinder Mod - Phase I							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
AMS	190,010.00	0.00	9,500.50	180,509.50	Modular Restroom	174078	3/7/2017
AMS	599,530.00	0.00	29,976.50	569,553.50	5 new modular classrooms - Kinder	174079	3/7/2017
FF&J	1,844.30	1,844.30	0.00	0.00	Printing, advertising, plan ck	175355	N/A
North American Tech	8,000.00	0.00	0.00	8,000.00	Building inspections	180684	N/A
FF&J	946.74	946.74	0.00	0.00	Advertising WL-Kinder	175354	N/A
FF&J	21,515.61	21,515.61	0.00	0.00	DSA Plan check fees	175353	11/16&8/17
United Inspection Inc.	33,420.00	0.00	3,900.00	29,520.00	Inspection Services	181022	8/1/2017
FF&J-Percent Fee	176,562.00	0.00	48,670.55	127,891.45	Create new kindergarten area	181426	11/16&8/17
Kleinfelder	15,000.00	0.00	10,614.50	4,385.50	Materials Testing	182199	10/3/2017
Harris Builders	894,350.00	0.00	250,197.75	644,152.25	Site improv. & placement of bldgs.	181166	8/1/2017
Owner Contingency	225,673.00	0.00	18,620.00	0.00	Modular Class Room-Carpet	182682	8/1/2017
Total:	\$2,166,851.65	\$24,306.65	\$371,479.80	\$1,564,012.20			
17-18	\$2,142,545.00						

Org: N002							
Fencing Projects (one contract, 4 DSA numbers)							
Menghetti Construction	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
-BR	151,084.00	60,858.90	0.00	90,225.10	Brown Elementary	174351	3/7/2017
-EA	484,926.63	229,229.30	0.00	255,697.33	Earl Elementary	174351	3/7/2017
-MD	194,592.12	120,479.95	0.00	74,112.17	Medeiros Elementary	174351	3/7/2017
-WL	453,635.25	272,332.70	0.00	181,302.55	Walnut Elementary	174351	3/7/2017
-CO	0.00	32,109.05	0.00	-32,109.05	5% Owner Contingency	174351	3/7/2017
	1,284,238.00	715,009.90	0.00	569,228.10			
United Inspection						PO #	Board
-BR	1,220.00	400.00	0.00	820.00	Brown Elementary	174128	N/A
-EA	1,220.00	400.00	0.00	820.00	Earl Elementary	174128	N/A
-MD	1,220.00	400.00	0.00	820.00	Medeiros Elementary	174128	N/A
-WL	1,220.00	400.00	0.00	820.00	Walnut Elementary	174128	N/A
Kleinfelder						PO #	Board
-BR	0.00	0.00	0.00	0.00	Brown Elementary	174934	5/3/2017
-EA	553.30	0.00	0.00	553.30	Earl Elementary	174934	5/3/2017
-MD	0.00	0.00	0.00	0.00	Medeiros Elementary	174934	5/3/2017
-WL	553.30	0.00	0.00	553.30	Walnut Elementary	174934	5/3/2017
AAI Ceramic Tile						PO #	Board
-EA	3,050.00	0.00	0.00	3,050.00	Earl lobby - floor tile	180542	N/A
Glass Boss Inc						PO #	Board
-EA	14,932.48	0.00	0.00	14,932.48	Earl security entry door	180543	N/A
SKW						PO #	Board
-BR	13.00	13.00	0.00	0.00	Printing @ Brown	175356	N/A
-EA	14.00	14.00	0.00	0.00	Printing @ Earl	175356	N/A
-MD	13.00	13.00	0.00	0.00	Printing @ Medeiros	175356	N/A
-EA	5,723.22	5,723.22	0.00	0.00	Earl security layout	175388	N/A
Total:	\$1,313,970.30	\$722,373.12	\$0.00	\$591,597.18			

**Fencing Project Totals by Site**

-BR	\$152,317.00	Brown Elementary
-EA	\$510,419.63	Earl Elementary
-MD	\$195,825.12	Medeiros Elementary
-WL	\$455,408.55	Walnut Elementary
	<u>\$1,313,970.30</u>	

**Bond Measure N**

21-0000-0-xxxx-0000-xxxx-100-Nxxx-xx

1st Sale of Bonds: \$12,500,000.00  
 Proceeds Received \$12,390,000.00

Org:

N003 Dutcher Middle School							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Teter-Time & Materials Fee	67,000.00	4,735.00	0.00	18,435.54	Architect - Preliminary Design	175334	5/16/2017
Teter-Fixed Fee	1,180,741.97	0.00	1,180,741.97	0.00	Architect - Final Design	183487	1/9/2018
North Star Engineering	20,665.00	0.00	0.00	20,665.00	Topographic Survey	181284	8/15/2017
North Star Engineering	6,485.00	0.00	3,064.16	3,420.84	Boundary Survey	181660	9/5/2017
<b>Total:</b>	<b>\$1,274,891.97</b>	<b>\$4,735.00</b>	<b>\$1,183,806.13</b>	<b>\$42,521.38</b>			
17-18	1,270,156.97						

Org:

N004 Osborn Elementary							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
FF&J-Fixed Fee	23,000.00	0.00	23,000.00	0.00	Architect - Preliminary Design	175331	5/16/2017
FF&J-Percent Fee	947,500.00	0.00	275,000.00	0.00	Architect - Final Design	183527	1/9/2018
Paddock Appraisal	1,450.00	0.00	0.00	1,450.00	Appraisal Services 1/2018	182529	N/A
Giom, Inc.	2,000.00	0.00	2,000.00	0.00	Appraisal Services 2/2018	184079	N/A
J.B. Anderson	2,000.00	0.00	1,365.00	635.00	CEQA Compliance	182941	N/A
Stanislaus Co. Clerk/Recorder	57.00	0.00	0.00	57.00	CEQA Notice of Exempt Filing	183486	N/A
Cogdill & Assoc.	1,250.00	0.00	0.00	1,250.00	Property Appraisal 1/2018	183345	N/A
Lozano Smith	4,566.12	0.00	0.00	4,566.12	Attorney - General Council	180197	N/A
<b>Total:</b>	<b>\$981,823.12</b>	<b>\$0.00</b>	<b>\$301,365.00</b>	<b>\$7,958.12</b>			

Org:

N005 Turlock Jr. High School							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
FF&J-Fixed Fee	33,000.00	0.00	33,000.00	0.00	Architect - Preliminary Design	175332	5/16/2017
FF&J-Percent Fee	787,500.00	0.00	275,000	0.00	Architect - Final Design	183493	1/9/2018
<b>Total:</b>	<b>\$820,500.00</b>	<b>\$0.00</b>	<b>\$308,000.00</b>	<b>\$0.00</b>			

Org:

N006 Wakefield - Phase II							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
FF&J-Fixed Fee	23,000.00	0.00	23,000.00	0.00	Architect - Preliminary Design	175333	5/16/2017
FF&J-Percent Fee	517,500.00	0.00	275,000.00	0.00	Architect - Final Design	183488	1/9/2018
Stanislaus Co. Clerk/Recorder	57.00	0.00	0.00	57.00	CEQA Notice of Exempt Filing	183358	N/A
<b>Total:</b>	<b>\$540,557.00</b>	<b>\$0.00</b>	<b>\$298,000.00</b>	<b>\$57.00</b>			

Org:

N007 Brown Fencing & Modernization							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Northstar Engineering	12,610.00	0.00	0.00	12,610.00	Topographic Survey	182249	N/A
SKW & Associates-Percent Fee	24,628.00	0.00	13,608.00	11,020.00	Architectural & Engineering	182739	11/7/2017
<b>Total:</b>	<b>\$37,238.00</b>	<b>\$0.00</b>	<b>\$13,608.00</b>	<b>\$23,630.00</b>			

Org:

N008 Crowell Fencing							
Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Northstar Engineering	14,320.00	0.00	0.00	14,320.00	Topographic Survey	182351	10/17/2017
SKW & Associates-Percent Fee	27,772.00	0.00	27,772.00	0.00	Architectural & Engineering	182739	11/7/2017
<b>Total:</b>	<b>\$42,092.00</b>	<b>\$0.00</b>	<b>\$27,772.00</b>	<b>\$14,320.00</b>			

**Total Balance N: \$7,200,224.64 \$751,414.77 \$2,504,655.93 \$2,265,771.48**

**Balance Remaining N: \$5,189,775.36**

Total Balance N includes \$207,053 of unencumbered Owner Contingency from N001.

Total Balance N includes \$672,500 of unencumbered estimated Architectural fees (percent fee) from N004.

Total Balance N includes \$512,500 of unencumbered estimated Architectural fees (percent fee) from N005.

Total Balance N includes \$242,500 of unencumbered estimated Architectural fees (percent fee) from N006.

TURLOCK UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BOND - MEASURE O  
Bond Issue to Date Funding Summary Report  
As of March 6, 2018

	Building GO Bonds	Capital Facilities (COP-s)	Special Reserve (Local Fund)	General (General Admin)	Total
Unallocated Costs*	17,154.84	0.00	0.00	0.00	\$17,154.84
Pitman High HVAC	87,810.23	0.00	0.00	0.00	\$87,810.23
Pitman High Modernization	6,320.00	0.00	0.00	0.00	\$6,320.00
Turlock High Modernization	37,040.00	0.00	0.00	0.00	\$37,040.00
<b>Measure O Total Expenditures</b>	<b>148,325.07</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>148,325.07</b>

Note: Unspent bond proceeds from measures N & O earned \$140,421.85 in interest as of 12/31/2017.

\*Prior unallocated costs from report number 2 , in the amount of \$353.65, were reclassified, they were not modernization project costs.



**DETAILED LISTING OF PROJECT EXPENDITURE - BOND MEASURE O  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY**

Unallocated Costs

Report Number: 4  
Period Ending: 3/6/18

**PLANNING  
ARCHITECT/ENGINEERING FEES**

Summary of Architect/Engineering Fees	0.00
<b>DEPARTMENT OF STATE ARCHITECT FEES</b>	

Summary of Department of State Architect Fees	0.00
<b>CALIFORNIA DEPARTMENT OF EDUCATION FEES</b>	

Summary of California Department of Education Fees	0.00
<b>PRELIMINARY TEST</b>	

Summary of Preliminary Test	0.00
<b>OTHER PLANNING COST</b>	

12/15/2017 36997452 Lozano Smith LLP	9,290.59	Generl Council
1/30/2018 36021011 Lozano Smith LLP	5,907.50	Generl Council
2/14/2018 36023756 Lozano Smith LLP	1,956.75	Generl Council
Summary of Planning Cost	17,154.84	
<b>TOTAL PLANNING</b>	17,154.84	

**CONSTRUCTION  
MAIN CONSTRUCTION**

Summary of Main Building	0.00
<b>OTHER CONSTRUCTION COSTS</b>	

Summary of Other Building cost	0.00
<b>INSPECTION</b>	

Summary of Inspection	0.00
<b>LABOR COMPLIANCE</b>	

Summary of Labor Compliance	0.00
<b>CONSTRUCTION TESTS</b>	

Summary of Construction Tests	0.00
<b>FURNITURE &amp; EQUIPMENT</b>	

Summary of Furniture & Equipment	0.00
<b>TOTAL CONSTRUCTION</b>	0.00

<b>TOTAL UNALLOCATED COSTS</b>	17,154.84
--------------------------------	-----------

DETAILED LISTING OF PROJECT EXPENDITURE - BOND MEASURE O  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Pitman High HVAC Project

Report Number: 4  
Period Ending: 3/6/18

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

8/11/2017	36973527	SKW & Associates	7,000.00	Architectural/Engineering
11/21/2017	36992434	SKW & Associates	20,000.00	Architectural/Engineering
11/21/2017	36992434	SKW & Associates	10,000.00	Architectural/Engineering
1/5/2018	36016475	SKW & Associates	10000	Architectural/Engineering
1/5/2018	36016475	SKW & Associates	10000	Architectural/Engineering
3/2/2018	36026799	SKW & Associates	276.5	Architectural/Engineering
3/2/2018	36026799	SKW & Associates	1533.73	Architectural/Engineering
3/2/2018	36026799	SKW & Associates	10000	Architectural/Engineering
3/2/2018	36026799	SKW & Associates	19000	Architectural/Engineering
Summary of Architect/Engineering Fees			87,810.23	

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees 0.00

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees 0.00

**PRELIMINARY TEST**

Summary of Preliminary Test 0.00

**OTHER PLANNING COST**

Summary of Other Planning Cost 0.00

**TOTAL PLANNING** 87,810.23

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Building 0.00

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs 0.00

**INSPECTION**

Summary of Inspection 0.00

**LABOR COMPLIANCE**

Summary of Labor Compliance 0.00

**CONSTRUCTION TESTS**

Summary of Construction Tests 0.00

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment 0.00

**TOTAL CONSTRUCTION** 0.00

**TOTAL PITMAN HIGH HVAC** 87,810.23

DETAILED LISTING OF PROJECT EXPENDITURE - BOND MEASURE O  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Pitman High Modernization

Report Number: 4  
Period Ending: 3/6/18

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

12/13/2017	36996390	California Design West Architects	6,320.00	Architectural/Engineering
Summary of Architect/Engineering Fees			6,320.00	

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees	0.00
---	------

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees	0.00
--	------

**PRELIMINARY TEST**

Summary of Preliminary Test	0.00
-----------------------------	------

**OTHER PLANNING COST**

Summary of Other Planning Cost	0.00
--------------------------------	------

<b>TOTAL PLANNING</b>	<b>6,320.00</b>
-----------------------	-----------------

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Building	0.00
--------------------------	------

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs	0.00
-------------------------------------	------

**INSPECTION**

Summary of Inspection	0.00
-----------------------	------

**LABOR COMPLIANCE**

Summary of Labor Compliance	0.00
-----------------------------	------

**CONSTRUCTION TESTS**

Summary of Construction Tests	0.00
-------------------------------	------

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment	0.00
----------------------------------	------

<b>TOTAL CONSTRUCTION</b>	<b>0.00</b>
---------------------------	-------------

**TOTAL PITMAN HIGH MODERNIZATION**

<b>6,320.00</b>
-----------------

DETAILED LISTING OF PROJECT EXPENDITURE - BOND MEASURE O  
TURLOCK UNIFIED SCHOOL DISTRICT, STANISLAUS COUNTY

Turlock High Modernization Project

Report Number: 4  
Period Ending: 3/6/18

**PLANNING**

**ARCHITECT/ENGINEERING FEES**

9/1/2017	36977194	Darden Architects Inc.	1,840.00	Architectural Services
9/13/2017	36978756	Darden Architects Inc.	1,380.00	Architectural Services
10/11/2017	36984242	Darden Architects Inc.	460.00	Architectural Services
1/5/2018	36016301	Darden Architects Inc.	24,972.75	Architectural Services
2/2/2018	36021792	Darden Architects Inc.	8,387.25	Architectural Services
Summary of Architect/Engineering Fees			37,040.00	

**DEPARTMENT OF STATE ARCHITECT FEES**

Summary of Department of State Architect Fees	0.00
---	------

**CALIFORNIA DEPARTMENT OF EDUCATION FEES**

Summary of California Department of Education Fees	0.00
--	------

**PRELIMINARY TEST**

Summary of Preliminary Test	0.00
-----------------------------	------

**OTHER PLANNING COST**

Summary of Other Planning Cost	0.00
--------------------------------	------

<b>TOTAL PLANNING</b>	<b>37,040.00</b>
-----------------------	------------------

**CONSTRUCTION**

**MAIN CONSTRUCTION**

Summary of Main Building	0.00
--------------------------	------

**OTHER CONSTRUCTION COSTS**

Summary of Other Construction Costs	0.00
-------------------------------------	------

**INSPECTION**

Summary of Inspection	0.00
-----------------------	------

**LABOR COMPLIANCE**

Summary of Labor Compliance	0.00
-----------------------------	------

**CONSTRUCTION TESTS**

Summary of Construction Tests	0.00
-------------------------------	------

**FURNITURE & EQUIPMENT**

Summary of Furniture & Equipment	0.00
----------------------------------	------

<b>TOTAL CONSTRUCTION</b>	<b>0.00</b>
---------------------------	-------------

<b>TOTAL TURLOCK HIGH MODERNIZATION</b>	<b>37,040.00</b>
---	------------------

**Bond Measure O**

**21-0000-0-xxxx-0000-xxxx-100-0xxx-xx**

1st Sale of Bonds \$14,700,000.00  
 Proceeds Received \$14,590,000.00

Org:

**0000**

**Unallocated Costs**

Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Government Financial Strategi	625.00	0.00	625.00	0.00	CDIAC Annual Debt Report	183670	N/A
Lozano Smith	17,154.84	0.00	0.00	17,154.84	Measure O - General Council	180197	N/A
<b>Total:</b>	<b>\$17,779.84</b>	<b>\$0.00</b>	<b>\$625.00</b>	<b>\$17,154.84</b>			

**0001**

**PHS HVAC Project**

Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
United Inspections	21,760.00	0.00	21,760.00	0.00	Construction Inspections	184064	2/20/2018
Nicro Inc.	1,718,539.00	0.00	1,718,539.00	0.00	Construction Services	183991	2/6/2018
SKW & Associates-Fixed Fee	185,000.00	0.00	97,189.77	87,810.23	Architectural services	175018+ 183676	5/2/2017
<b>Total:</b>	<b>\$1,925,299.00</b>	<b>\$0.00</b>	<b>\$1,837,488.77</b>	<b>\$87,810.23</b>			

**0002**

**Pitman High School**

Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Ca Design West-T&M Fee	20,000.00	0.00	13,680.00	6,320.00	Architect - Preliminary Design	175337	5/16/2017
Ca Design West-Percent Fee	584,276.00	0.00	584,276.00	0.00	Architect - Final Design	183095	12/5/2017
<b>Total:</b>	<b>\$604,276.00</b>	<b>\$0.00</b>	<b>\$597,956.00</b>	<b>\$6,320.00</b>			

**0003**

**Turlock High School**

Vendor	Cost	Paid 16-17	Encumbered 17-18	Paid 17-18	Description	PO #	Board
Darden Architects-Percent Fee	640,000.00	0.00	640,000.00	0.00	Architect - Final Design	183617	1/23/2018
Darden Architects- NTE Fee	98,000.00	0.00	60,960.00	37,040.00	Architect - Preliminary Design	175335	5/16/2017
<b>Total:</b>	<b>\$738,000.00</b>	<b>\$0.00</b>	<b>\$700,960.00</b>	<b>\$37,040.00</b>			

**Total Balance O: \$3,285,354.84 \$0.00 \$3,137,029.77 \$148,325.07**

**Balance Remaining O: \$11,304,645.16**

Total Balance O includes estimated Architectural fees (percentage based fees) to cover the cost of current design.  
 Those fees will increase once more information is available for 0002 and 0003.



## MEMORANDUM

To: Mike Trainor  
From: Matt Kolker *mk*  
Date: January 30, 2018  
Re: 2016-17 CDIAC Annual Debt Transparency Report

---

Mike, we wanted to let you know that the District has fulfilled its CDIAC annual debt transparency reporting requirement in connection with its outstanding debt. This reporting is required pursuant to California Government Code §8855(k) (SB 1029), which became effective on January 1, 2017.

We filed the required report(s) on your behalf through the Annual Debt Transparency Report system, operated by the California Debt and Investment Advisory Commission (CDIAC), and located at <http://www.treasurer.ca.gov/cdiac/reporting.asp>.

Please find attached for your reference a PDF copy of the report(s).

Mike, please let us know if you have any questions or comments.

MK/skw

Enclosures

Submitted:

Monday, January 29, 2018

8:31:53PM

CDIAC Number:

2017-0382

Information as of Reporting Year End :

6/30/2017

**STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT**

For Office Use Only

Fiscal Year \_\_\_\_\_

**I. GENERAL INFORMATION**

A. Issuer Turlock Unified School District  
 B. Issue Name General Obligation Bonds of SFID No. 1 of the Turlock USD, Election of 2016, Series 2017  
 C. Project Name SFID No 1  
 D. Date of Sale 4/19/2017  
 E. Original Principal Amount of Issue \$12,500,000.00  
 F. Net Original Issue Premium (Discount) \$134,501.50  
 G. Proceeds Used to Acquire Local Obligations (Marks-Roos Only): \$0.00  
 H. Total Reportable Proceeds \$12,634,501.50

**II. AUTHORITY**

A. Original Voter/Legislative Body Authorized Amount \$0.00  
 B. Authorization Date  
 C. Authorization Measure/Resolution Name and Number Measure N  
 D. Debt Authorized at the Beginning of the Reporting Period \$0.00  
 E. Debt Authorized During the Reporting Period \$40,800,000.00  
 F. Total Debt Authorized \$40,800,000.00  
 G. Debt Issued During the Reporting Period \$12,500,000.00  
 H. Debt Authorized but Unissued During the Reporting Period \$28,300,000.00  
 I. Debt Authority That Has Lapsed During the Reporting Period \$0.00  
 J. Total Authorization Remaining at the End of the Reporting Period \$28,300,000.00

**III. PRINCIPAL OUTSTANDING**

A. Principal Balance upon sale or at the Beginning of Reporting Period \$12,500,000.00  
 B. Accreted Interest During Reporting Period \$0.00  
 C. Total Principal and Accreted Interest \$12,500,000.00  
 D. Principal Paid During the Reporting Period with Proceeds from Other Debt Issues \$0.00  
 E. Principal Payments (not reported in III.D.) made during the Reporting Period \$0.00  
 F. Principal Outstanding at the End of the Reporting Period \$12,500,000.00

**IV. REFUNDING/REFINANCING ISSUES**

Source of Refunding/refinancing proceeds in III.D.:

CDIAC NUMBER	REFUNDING/REFINANCING AMOUNT	REDEMPTION/PAYMENT DATE
	\$0.00	
	\$0.00	
<b>Total Proceeds</b>	\$0.00	

**V. USE OF PROCEEDS****A. Reportable Proceeds**

REPORT PERIOD END	BEGIN	SPENT	REMAIN
6/30/2017	\$12,634,501.50	\$856,014.77	\$11,778,486.73

Submitted:  
Monday, January 29, 2018  
8:31:53PM

STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT

CDIAC Number: 2017-0382  
Information as of Reporting Year End : 6/30/2017

For Office Use Only

Fiscal Year \_\_\_\_\_

**B. Expenditure of Proceeds - Fund Level**

Fund Category	Total Proceeds	Current Spent	Prior Spent	Unspent / Remaining
Construction Fund	\$12,390,000.00	\$751,414.77	\$0.00	\$11,638,585.23
Cost of Issuance	\$241,537.50	\$104,600.00	\$0.00	\$136,937.50
Debt Service Fund	\$2,964.00	\$0.00	\$0.00	\$2,964.00
<b>TOTAL</b>	<b>\$12,634,501.50</b>	<b>\$856,014.77</b>	<b>\$0.00</b>	<b>\$11,778,486.73</b>

**C. Expenditure of Proceeds - Detail Level**

Fund Category	Purpose Detail	Current Period	Prior Period	Total All Period	Refunded CDIAC#
Construction Fund	Architect/engineer	\$34,804.87	\$0.00	\$34,804.87	
Construction Fund	Construction	\$716,609.90	\$0.00	\$716,609.90	
Cost of Issuance	Costs of issuance	\$104,600.00	\$0.00	\$104,600.00	
<b>TOTAL</b>		<b>\$856,014.77</b>	<b>\$0.00</b>	<b>\$856,014.77</b>	

**VI. ADTR REPORTABLE**

**A. Principal Issued has been fully:**

Not Retired ☒ Repaid ☐ Redeemed ☐ Matured ☐ Date:

**B. Proceeds have been fully spent:** Yes ☐ No ☒ Date:

**C. Reportable in next Fiscal Year:** Y - Yes

**VII. NAME OF PARTY COMPLETING THIS FORM**

Name Sirikhwan Weaver  
Title Senior Project Manager  
Firm/ Agency Government Financial Strategies inc.  
Address 1228 N Street, Suite 13  
City/ State/ Zip Sacramento, CA 95814  
Phone Number (916) 444-5100  
E-Mail siri@gfsi.com

Date of Report 1/29/2018

**VIII. COMMENTS:**



Submitted:  
Monday, January 29, 2018  
8:31:53PM

STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT

CDIAC Number: 2017-0382  
Information as of Reporting Year End : 6/30/2017

For Office Use Only

Fiscal Year \_\_\_\_\_

**B. Expenditure of Proceeds - Fund Level (continued)**

Fund Category	Total Proceeds	Current Spent	Prior Spent	Unspent / Remaining

**TOTAL**

**C. Expenditure of Proceeds - Detail Level (continued)**

Fund Category	Purpose Detail	In Report Period	Prior Period	Total All Period	Refunded CDIAC#

**TOTAL**

Submitted:

Monday, January 29, 2018

8:22:37PM

CDIAC Number:

2017-0381

Information as of Reporting Year End :

6/30/2017

**STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT**

For Office Use Only

Fiscal Year \_\_\_\_\_

**I. GENERAL INFORMATION**

A. Issuer Turlock Unified School District  
 B. Issue Name 2016 Election 2017 General Obligation Bonds  
 C. Project Name Measure O  
 D. Date of Sale 4/18/2017  
 E. Original Principal Amount of Issue \$14,700,000.00  
 F. Net Original Issue Premium (Discount) \$229,922.60  
 G. Proceeds Used to Acquire Local Obligations (Marks-Roos Only): \$0.00  
 H. Total Reportable Proceeds \$14,929,922.60

**II. AUTHORITY**

A. Original Voter/Legislative Body Authorized Amount  
 B. Authorization Date  
 C. Authorization Measure/Resolution Name and Number Measure O  
 D. Debt Authorized at the Beginning of the Reporting Period \$0.00  
 E. Debt Authorized During the Reporting Period \$48,000,000.00  
 F. Total Debt Authorized \$48,000,000.00  
 G. Debt Issued During the Reporting Period \$14,700,000.00  
 H. Debt Authorized but Unissued During the Reporting Period \$33,300,000.00  
 I. Debt Authority That Has Lapsed During the Reporting Period \$0.00  
 J. Total Authorization Remaining at the End of the Reporting Period \$33,300,000.00

**III. PRINCIPAL OUTSTANDING**

A. Principal Balance upon sale or at the Beginning of Reporting Period \$14,700,000.00  
 B. Accreted Interest During Reporting Period \$0.00  
 C. Total Principal and Accreted Interest \$14,700,000.00  
 D. Principal Paid During the Reporting Period with Proceeds from Other Debt Issues \$0.00  
 E. Principal Payments (not reported in III.D.) made during the Reporting Period \$0.00  
 F. Principal Outstanding at the End of the Reporting Period \$14,700,000.00

**IV. REFUNDING/REFINANCING ISSUES**

Source of Refunding/refinancing proceeds in III.D.:

CDIAC NUMBER	REFUNDING/REFINANCING AMOUNT	REDEMPTION/PAYMENT DATE
	\$0.00	
	\$0.00	
<b>Total Proceeds</b>	\$0.00	

**V. USE OF PROCEEDS****A. Reportable Proceeds**

REPORT PERIOD END	BEGIN	SPENT	REMAIN
6/30/2017	\$14,929,922.60	\$253,471.25	\$14,676,451.35

Submitted:  
Monday, January 29, 2018  
8:22:37PM

STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT

For Office Use Only

Fiscal Year \_\_\_\_\_

CDIAC Number: 2017-0381  
Information as of Reporting Year End : 6/30/2017

**B. Expenditure of Proceeds - Fund Level**

Fund Category	Total Proceeds	Current Spent	Prior Spent	Unspent / Remaining
Construction Fund	\$14,590,000.00	\$0.00	\$0.00	\$14,590,000.00
Cost of Issuance	\$258,621.25	\$253,471.25	\$0.00	\$5,150.00
Debt Service Fund	\$81,301.35	\$0.00	\$0.00	\$81,301.35
<b>TOTAL</b>	<b>\$14,929,922.60</b>	<b>\$253,471.25</b>	<b>\$0.00</b>	<b>\$14,676,451.35</b>

**C. Expenditure of Proceeds - Detail Level**

Fund Category	Purpose Detail	Current Period	Prior Period	Total All Period	Refunded CDIAC#
Cost of Issuance	UW's discount	\$148,621.25	\$0.00	\$148,621.25	
Cost of Issuance	Costs of issuance	\$104,850.00	\$0.00	\$104,850.00	
<b>TOTAL</b>		<b>\$253,471.25</b>	<b>\$0.00</b>	<b>\$253,471.25</b>	

**VI. ADTR REPORTABLE**

**A. Principal Issued has been fully:**

Not Retired ☒ Repaid ☐ Redeemed ☐ Matured ☐ Date:

**B. Proceeds have been fully spent:** Yes ☐ No ☒ Date:

**C. Reportable in next Fiscal Year:** Y - Yes

**VII. NAME OF PARTY COMPLETING THIS FORM**

Name Sirikhwan Weaver  
Title Senior Project Manager  
Firm/ Agency Government Financial Strategies inc.  
Address 1228 N Street, Suite 13  
City/ State/ Zip Sacramento, CA 95814  
Phone Number (916) 444-5100  
E-Mail siri@gfsi.com

Date of Report 1/29/2018

**VIII. COMMENTS:**

Submitted:  
Monday, January 29, 2018  
8:22:37PM  
CDIAC Number:  
Information as of Reporting Year End :

STATE OF CALIFORNIA  
ANNUAL DEBT TRANSPARENCY REPORT

2017-0381  
6/30/2017

For Office Use Only
Fiscal Year _____

**B. Expenditure of Proceeds - Fund Level (continued)**

Fund Category	Total Proceeds	Current Spent	Prior Spent	Unspent / Remaining

**TOTAL**

**C. Expenditure of Proceeds - Detail Level (continued)**

Fund Category	Purpose Detail	In Report Period	Prior Period	Total All Period	Refunded CDIAC#

**TOTAL**



## Turlock Unified School District

---

Martell Taylor  
Facilities Planner/Safety Coordinator

19 January, 2018

Dear Committee Member,

Enclosed, for your review, are the Building Funds (Measures N & O) Financial and Performance Audits.

These audits were recently completed by Vanninek, Trine, Day & Co. They are separate from the General Audit that covers the entire district finances. The auditors use a slightly different process for these financial and performance audits and they are specific to the funds used from Measures N and O.

Since the audits only cover bond activities up to June 30, 2017, there is not a lot of information covered on these first audit reports. We will review and discuss these audits at our next quarterly Bond Oversight Committee Meeting on March 15, 2018

Please let me know if you have any questions.

Sincerely,

Martell Taylor  
Facilities Planner/Safety Coordinator

Cc: Measure N Committee Members: Patrick Bettencourt, Harry Carlson, Lacy Elliott, Kathi Farber, David Folly, Georgianna McDonald, Bryan Tribble

Measure O Committee Members: Patrick Bettencourt, Harry Carlson, Lacy Elliott, Kathi Farber, David Folly, Georgianna McDonald, Steve Soderstrom, Bryan Tribble



VAVRINEK, TRINE, DAY & CO., LLP  
Certified Public Accountants

VALUE THE *difference*

December 15, 2017

To the Turlock Unified School District  
Governing Board and  
Citizens' Oversight Committee  
Turlock, California

We have audited the financial statements of the Building fund (Measure N) of Turlock Unified School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated October 15, 2017. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Turlock Unified School District are described in Note 1 to the financial statements. There were no changes in accounting policies in the current year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the Building fund financial statements.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements of the financial statements.

*Disagreements With Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 15, 2017.

*Management Consultations With Other Independent Accountant*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Turlock Unified School District Governing Board and Citizens' Oversight Committee and management of Turlock Unified School District and is not intended to be and should not be used by anyone other than these specified parties.

*Vavrinek, Trine, Day & Co. LLP*

Fresno, California  
December 15, 2017

**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE N)  
FINANCIAL AND PERFORMANCE AUDITS**

---

**JUNE 30, 2017**



**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE N)  
FINANCIAL AUDIT**

---

**JUNE 30, 2017**

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**TABLE OF CONTENTS  
JUNE 30, 2017**

---

***FINANCIAL SECTION***

Independent Auditor's Report	2
Building Fund (Measure N)	
Balance Sheet	4
Statement of Revenues, Expenditures, and Changes in Fund Balance	5
Notes to Financial Statements	6

***SUPPLEMENTARY INFORMATION***

Schedule of Long-Term Obligations	12
Reconciliation of Annual Financial Report With Audited Building Fund (Measure N)	13
Note to Supplementary Information	14

***INDEPENDENT AUDITOR'S REPORT***

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	16
--	----

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

Financial Statement Findings	19
------------------------------	----

---

---

***FINANCIAL SECTION***

---

---

***This page left blank intentionally.***



Certified Public Accountants

VALUE THE *Accountant*

## INDEPENDENT AUDITOR'S REPORT

Governing Board and  
Citizens Oversight Committee  
Turlock Unified School District  
Turlock, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Turlock Unified School District's (the District), Building Fund (Measure N), and the related notes to the financial statements, as of and for the year ended June 30, 2017, 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 statement 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 financial statement presentation.

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 N) of the Turlock Unified School District at June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure N, and are not intended to present fairly the financial position and changes in financial position of Turlock Unified School District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements of the Turlock Unified School District's Building Fund (Measure N). The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, on our consideration of the District's Building Fund (Measure N) 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 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 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 the District's Building Fund (Measure N) internal control over financial reporting and compliance.

*Varrinck, Trine, Day & Co. LLP*

Fresno, California  
December 15, 2017

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**BALANCE SHEET  
JUNE 30, 2017**

---

**ASSETS**

Deposits and investments	\$ 12,137,813
Due from other funds	9,029
<b>Total Assets</b>	<b>\$ 12,146,842</b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 522,966
------------------	------------

**FUND BALANCE**

Restricted for Capital projects	11,623,876
<b>Total Liabilities and Fund Balance</b>	<b>\$ 12,146,842</b>

The accompanying notes are an integral part of these financial statements.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**REVENUES**

Local Sources	\$ (14,709)
<b>Total Revenues</b>	<u>(14,709)</u>

**EXPENDITURES**

Planning - Architects/Engineering	34,805
Capital outlay - Construction	<u>716,610</u>
<b>Total Expenditures</b>	<u>751,415</u>

<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(766,124)</u>
---	------------------

**Other Financing Sources:**

Proceeds from bond issuance	<u>12,390,000</u>
-----------------------------	-------------------

<b>NET CHANGE IN FUND BALANCE</b>	<u>11,623,876</u>
-----------------------------------	-------------------

<b>FUND BALANCE - BEGINNING</b>	<u>-</u>
---------------------------------	----------

<b>FUND BALANCE - ENDING</b>	<u><u>\$ 11,623,876</u></u>
------------------------------	-----------------------------

The accompanying notes are an integral part of these financial statements.



# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE N)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **Fund Accounting**

The operations of the Building Fund 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 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 balance 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 minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE N)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### **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 Balance - Building Fund (Measure N)**

As of June 30, 2017, the 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.

### **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.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**General Authorizations**

Limitations as they relate to interest rate 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 manages its exposure to interest rate risk by investing in the County Pool. The District's Building Fund (Measure N) maintains an investment of \$12,137,813 with the Stanislaus County Investment Pool, with an average maturity of 395 days.

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE N)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### **NOTE 3 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Stanislaus County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

### **NOTE 4 - INTERFUND TRANSACTIONS**

#### **Interfund Receivables/Payables (Due To/Due From)**

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2017 are as follows:

The General Fund owes the Building Fund for community projects.	<u>\$ 9,029</u>
---	-----------------

### **NOTE 5 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017, consist of \$522,966 due to vendors for services received.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 6 - CONTINGENCIES**

**Litigation**

The District is not currently a party to any legal proceedings regarding bond projects.

***This page left blank intentionally.***

---

---

***SUPPLEMENTARY INFORMATION***

---

---

***This page left blank intentionally.***



**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**SCHEDULE OF LONG-TERM OBLIGATIONS  
JUNE 30, 2017**

**Measure N Bonded Debt**

The outstanding general obligation bonded debt issued under Measure N is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2016	Issued	Redeemed	Bonds Outstanding June 30, 2017
2017	8/1/46	3.125-5.0%	\$ 12,500,000	\$ -	\$ 12,500,000	\$ -	\$ 12,500,000

In April 2017, the School Facilities Improvement District No. 1 of the Turlock Unified School District issued \$12,500,000 in general obligation bonds under Measure N. The bonds were issued to upgrade and repair elementary schools within the District. The Series 2017 General Obligation Bonds were issued as current interest bonds with interest rates ranging from 3.125 percent to 5.00 percent and are scheduled to mature through August 1, 2046.

**Debt Service Requirements to Maturity**

Election of 2016, Series 2017 General Obligation Bonds (SFID)

The bonds mature through 2047 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ -	\$ 353,809	\$ 353,809
2019	1,020,000	460,650	1,480,650
2020	1,300,000	402,650	1,702,650
2021	-	370,150	370,150
2022	-	370,150	370,150
2023-2027	-	1,850,750	1,850,750
2028-2032	-	1,850,750	1,850,750
2033-2037	1,935,000	1,732,912	3,667,912
2038-2042	3,395,000	1,262,019	4,657,019
2043-2047	4,850,000	509,900	5,359,900
Total	\$ 12,500,000	\$ 9,163,740	\$ 21,663,740

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED  
BUILDING FUND (MEASURE N)  
JUNE 30, 2017**

---

There were no adjustments to the Unaudited Actual Building Fund (Measure N), which required reconciliation to the audited financial statements at June 30, 2017.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

---

**NOTE 1 - PURPOSE OF SCHEDULES**

**Schedule of Long-Term Obligations**

This schedule provides a debt repayment schedule associated with the bond proceeds received through issuance of Proposition 39 obligations.

**Reconciliation of Annual Financial Report With Audited Building Fund (Measure N)**

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure N) reported on the Unaudited Actual Financial Report to the audited financial statements.

***This page left blank intentionally.***

---

---

***INDEPENDENT AUDITOR'S REPORT***

---

---

***This page left blank intentionally.***



Certified Public Accountants

VALUE THE

**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  
Turlock Unified School District  
Turlock, 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 Turlock Unified School District (the District) Building Fund (Measure N), as of and for the year ended June 30, 2017, and the related notes of the financial statements, and have issued our report thereon dated December 15, 2017.

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure N, and are not intended to present fairly the financial position and changes in financial position of Turlock Unified School District in accordance with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Turlock Unified School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Turlock Unified School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Turlock Unified School District's internal control over financial reporting.

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 entity's 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 Turlock Unified School District's Building Fund (Measure N) 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavrinch, Trine, Day + Co. LLP*

Fresno, California  
December 15, 2017



---

---

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

---

---

***This page left blank intentionally.***

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2017**

---

None reported.

***This page left blank intentionally.***

**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE N)  
PERFORMANCE AUDIT**

---

**JUNE 30, 2017**

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**TABLE OF CONTENTS  
JUNE 30, 2017**

---

Independent Auditor's Report on Performance	1
Authority for Issuance	2
Purpose of Issuance	2
Authority for the Audit	2
Objectives of the Audit	3
Scope of the Audit	3
Procedures Performed	3
Conclusion	3
Schedule of Findings and Questioned Costs	4



Certified Public Accountants

VALUE THE

## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and  
Citizens Oversight Committee  
Turlock Unified School District  
Turlock, California

We were engaged to conduct a performance audit of the Turlock Unified School District (the District) Building Fund (Measure N) for the year ended June 30, 2017.

We conducted this performance audit in accordance with the standards applicable to performance 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 sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our 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. 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.

The results of our tests indicated that the District expended Building Fund (Measure N) 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.

*Vaccined, Trine, Day + Co. LLP*

Fresno, California  
December 15, 2017

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE N)**

**JUNE 30, 2017**

---

## **AUTHORITY FOR ISSUANCE**

The general obligation bonds associated with Measure N were issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, Article XIII A of the California Constitution (the State), and other applicable provisions of law. The bonds are authorized to be issued by a resolution adopted by the Board of Trustees of the District on February 21, 2017.

The District received authorization at an election of the registered voters of the District held on November 8, 2016, which authorized the issuance of \$40,800,000 of general obligation bonds to upgrade and repair elementary schools within the District. In April 2017, the School Facilities Improvement District No. 1 of the Turlock Unified School District issued \$12,500,000 in general obligation bonds under Measure N. This is the first issuance under the Authorization.

## **PURPOSE OF ISSUANCE**

To upgrade and repair elementary schools with local funding that cannot be taken by the State, shall Turlock Unified School District provide new classrooms/instructional technology, including necessary infrastructure, for core academics including math, science, reading/writing; modernize classrooms to meet health/safety codes; improve campus safety/security; repair, construct, acquire, equip, classrooms, sites, facilities; by issuing \$40,800,000 of bonds at legal rates, with independent citizen oversight, no money for administrators, and all funds used for Turlock Schools.

## **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.



# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE N)**

**JUNE 30, 2017**

---

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 N.
2. Determine whether salary transactions, if any, charged to the Building Fund were in support of Measure N and not for District general administration or operations.

## **SCOPE OF THE AUDIT**

The scope of our performance audit covered the period of July 1, 2016 to June 30, 2017. 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, 2017, were not reviewed or included within the scope of our audit or in this report.

## **PROCEDURES PERFORMED**

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2017 for the Building Fund (Measure N). 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 N as to the approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2016 and ending June 30, 2017, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text.
2. Our sample included transactions totaling \$680,457 which represents 91 percent of the total expenditures of \$751,415.
3. We verified that funds from the Building Fund (Measure N) were generally expended for the construction, renovation, furnishing and equipping of District facilities constituting authorized bond projects.

## **CONCLUSION**

The results of our tests indicated that, in all significant respects, the Turlock Unified School District has properly accounted for the expenditures held in the Building Fund (Measure N) and that such expenditures were made for costs authorized by the voters of the District.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE N)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

---

None reported.



VAVRINEK, TRINE, DAY & CO., LLP  
Certified Public Accountants

VALUE THE *difference*

December 15, 2017

To the Turlock Unified School District  
Governing Board and  
Citizens' Oversight Committee  
Turlock, California

We have audited the financial statements of the Building fund (Measure O) of Turlock Unified School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated October 15, 2017. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Turlock Unified School District are described in Note 1 to the financial statements. There were no changes in accounting policies in the current year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the Building fund financial statements.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements of the financial statements.



Value The Data  
Certified Public Accountants

VALUE THE DATA

January 9, 2018

Ronna Fraser  
Chief Financial Officer  
Turlock Unified School District  
1574 E. Canal Drive  
Turlock, CA 95381

Dear Ms. Fraser:

Enclosed are one unbound and fifteen bound copies of the Building Fund (Measure O) Financial and Performance Audits for the period ended June 30, 2017.

Our Auditing Standards require certain communication to the District's governing board. The enclosed letter should be provided to each board member together with their copy of the bond audit report.

Thank you for allowing us to provide you with this service.

Very truly yours,

A handwritten signature in black ink that reads 'David Randel'. The signature is written in a cursive style with a large, stylized 'D' and 'R'.

David Randel  
of VAVRINEK, TRINE, DAY & CO., LLP

DDR/lto

Enclosures

**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE O)  
FINANCIAL AND PERFORMANCE AUDITS**

---

**JUNE 30, 2017**

**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE O)  
FINANCIAL AUDIT**

---

**JUNE 30, 2017**

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**TABLE OF CONTENTS  
JUNE 30, 2017**

---

***FINANCIAL SECTION***

Independent Auditor's Report	2
Building Fund (Measure O)	
Balance Sheet	4
Statement of Revenues, Expenditures, and Changes in Fund Balance	5
Notes to Financial Statements	6

***SUPPLEMENTARY INFORMATION***

Schedule of Long-Term Obligations	12
Reconciliation of Annual Financial Report With Audited Building Fund (Measure O)	13
Note to Supplementary Information	14

***INDEPENDENT AUDITOR'S REPORT***

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	16
--	----

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

Financial Statement Findings	19
------------------------------	----

---

---

*FINANCIAL SECTION.*

---

---



***This page left blank intentionally.***



VERMONT  
Certified Public Accountants

VALUE THE *Relationship*

## INDEPENDENT AUDITOR'S REPORT

Governing Board and  
Citizens Oversight Committee  
Turlock Unified School District  
Turlock, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Turlock Unified School District's (the District), Building Fund (Measure O), and the related notes to the financial statements, as of and for the year ended June 30, 2017, 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 statement 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 financial statement presentation.

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 O) of the Turlock Unified School District at June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure O, and are not intended to present fairly the financial position and changes in financial position of Turlock Unified School District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements of the Turlock Unified School District's Building Fund (Measure O). The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, on our consideration of the District's Building Fund (Measure O) 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 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 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 the District's Building Fund (Measure O) internal control over financial reporting and compliance.

*Varinich, Trine, Day & Co. LLP*

Fresno, California  
December 15, 2017

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**BALANCE SHEET  
JUNE 30, 2017**

---

**ASSETS**

Deposits and investments	\$ 14,567,517
Due from other funds	5,335
<b>Total Assets</b>	<b><u>\$ 14,572,852</u></b>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	<u>\$ 354</u>
------------------	---------------

**FUND BALANCE**

Restricted for Capital projects	14,572,498
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 14,572,852</u></b>

The accompanying notes are an integral part of these financial statements.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**REVENUES**

Local Sources	\$ (17,502)
<b>Total Revenues</b>	<u>(17,502)</u>

**EXPENDITURES**

Capital outlay	<u>-</u>
----------------	----------

<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(17,502)</u>
---	-----------------

**Other Financing Sources:**

Proceeds from bond issuance	14,590,000
<b>NET CHANGE IN FUND BALANCE</b>	<u>14,572,498</u>

**FUND BALANCE - BEGINNING**

<b>FUND BALANCE - ENDING</b>	<u>\$ 14,572,498</u>
------------------------------	----------------------

The accompanying notes are an integral part of these financial statements.

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE O)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **Fund Accounting**

The operations of the Building Fund 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 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 balance 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 minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE O)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

---

### **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 Balance - Building Fund (Measure O)**

As of June 30, 2017, the 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.

### **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.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**General Authorizations**

Limitations as they relate to interest rate 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 manages its exposure to interest rate risk by investing in the County Pool. The District's Building Fund (Measure O) maintains an investment of \$14,567,517 with the Stanislaus County Investment Pool, with an average maturity of 395 days.



**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Stanislaus County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

**NOTE 4 - INTERFUND TRANSACTIONS**

**Interfund Receivables/Payables (Due To/Due From)**

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2017, are as follows:

The General Fund owes the Building Fund for community projects.

\$ 5,335

**NOTE 5 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017, consist of \$354 due to vendors for services received.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

---

**NOTE 6 - CONTINGENCIES**

**Litigation**

The District is not currently a party to any legal proceedings regarding bond projects.

***This page left blank intentionally.***

---

---

***SUPPLEMENTARY INFORMATION***

---

---

***This page left blank intentionally.***

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**SCHEDULE OF LONG-TERM OBLIGATIONS  
JUNE 30, 2017**

**Measure O Bonded Debt**

The outstanding general obligation bonded debt issued under Measure O is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2016	Issued	Redeemed	Bonds Outstanding June 30, 2017
2017	8/1/46	3.125-5.0	\$ 14,700,000	\$ -	\$ 14,700,000	\$ -	\$ 14,700,000

In April 2017, the District issued \$14,700,000 in general obligation bonds under Measure O. The bonds were issued to upgrade and repair high schools within the District. The Series 2017 General Obligation Bonds were issued as current interest bonds with interest rates ranging from 3.125 percent to 5.00 percent and are scheduled to mature through August 1, 2046.

**Debt Service Requirements to Maturity**

Election of 2016, Series 2017 General Obligation Bonds

The bonds mature through 2047 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ -	\$ 417,494	\$ 417,494
2019	1,260,000	542,156	1,802,156
2020	1,500,000	473,156	1,973,156
2021	-	435,656	435,656
2022	-	435,656	435,656
2023-2027	-	2,178,280	2,178,280
2028-2032	-	2,178,280	2,178,280
2033-2037	2,610,000	1,986,268	4,596,268
2038-2042	3,835,000	1,444,223	5,279,223
2043-2047	5,495,000	579,128	6,074,128
Total	\$ 14,700,000	\$ 10,670,297	\$ 25,370,297

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED  
BUILDING FUND (MEASURE O)  
JUNE 30, 2017**

---

There were no adjustments to the Unaudited Actual Building Fund (Measure O), which required reconciliation to the audited financial statements at June 30, 2017.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

---

**NOTE 1 - PURPOSE OF SCHEDULES**

**Schedule of Long-Term Obligations**

This schedule provides a debt repayment schedule associated with the bond proceeds received through issuance of Proposition 39 obligations.

**Reconciliation of Annual Financial Report With Audited Building Fund (Measure O)**

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure O) reported on the Unaudited Actual Financial Report to the audited financial statements.



***This page left blank intentionally.***

---

---

***INDEPENDENT AUDITOR'S REPORT***

---

---

***This page left blank intentionally.***



VALUING THE DATA  
Certified Public Accountants

VALUE THE DATA

**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  
Turlock Unified School District  
Turlock, 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 Turlock Unified School District (the District) Building Fund (Measure O), as of and for the year ended June 30, 2017, and the related notes of the financial statements, and have issued our report thereon dated December 15, 2017.

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure O, and are not intended to present fairly the financial position and changes in financial position of Turlock Unified School District in accordance with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Turlock Unified School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Turlock Unified School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Turlock Unified School District's internal control over financial reporting.

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 entity's 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 Turlock Unified School District's Building Fund (Measure O) 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Varrinck, Trine, Day + Co. LLP*

Fresno, California  
December 15, 2017

---

---

***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

---

---

***This page left blank intentionally.***

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2017**

---

None reported.



***This page left blank intentionally.***

**TURLOCK UNIFIED SCHOOL DISTRICT**

---

**BUILDING FUND (MEASURE O)  
PERFORMANCE AUDIT**

---

**JUNE 30, 2017**

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**TABLE OF CONTENTS  
JUNE 30, 2017**

---

Independent Auditor's Report on Performance	1
Authority for Issuance	2
Purpose of Issuance	2
Authority for the Audit	2
Objectives of the Audit	3
Scope of the Audit	3
Procedures Performed	3
Conclusion	3
Schedule of Findings and Questioned Costs	4



*Valentine, Trine, Day & Co. LLP*  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and  
Citizens Oversight Committee  
Turlock Unified School District  
Turlock, California

We were engaged to conduct a performance audit of the Turlock Unified School District (the District) Building Fund (Measure O) for the year ended June 30, 2017.

We conducted this performance audit in accordance with the standards applicable to performance 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 sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our 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. 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.

The results of our tests indicated that the District did not expend any of the Building Fund (Measure O) funds in this first year of issuance.

*Valentine, Trine, Day & Co. LLP*

Fresno, California  
December 15, 2017

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE O)**

**JUNE 30, 2017**

---

## **AUTHORITY FOR ISSUANCE**

The general obligation bonds associated with Measure O were issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, Article XIII A of the California Constitution (the State), and other applicable provisions of law. The bonds are authorized to be issued by a resolution adopted by the Board of Trustees of the District on February 21, 2017.

The District received authorization at an election of the registered voters of the District held on November 8, 2016, which authorized the issuance of \$48,000,000 of general obligation bonds to upgrade and repair high schools within the District. In April 2017, the District issued \$14,700,000 in general obligation bonds under Measure O. This is the first issuance under the Authorization.

## **PURPOSE OF ISSUANCE**

To upgrade and repair high schools with local funding that cannot be taken by the State, shall Turlock Unified School District provide science, technology/engineering labs; provide new classrooms/instructional technology, including necessary infrastructure, for core academics; modernize facilities to meet health/safety codes; improve campus safety/security; repair, construct, acquire, equip, classrooms, sites, facilities; by issuing \$48,000,000 of bonds at legal rates, with independent citizen oversight, no money for administrators, and all funds used for Turlock Schools.

## **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.

# **TURLOCK UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE O)**

**JUNE 30, 2017**

---

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 O.
2. Determine whether salary transactions, if any, charged to the Building Fund were in support of Measure O and not for District general administration or operations.

## **SCOPE OF THE AUDIT**

The scope of our performance audit covered the period of July 1, 2016 to June 30, 2017. The population of expenditures tested would have included all object and project codes associated with the bond projects, however, in this first year of the bond issuance, there were no expenditures of Measure O bond proceeds. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, are not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2017, were not reviewed or included within the scope of our audit or in this report.

## **PROCEDURES PERFORMED**

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2017 for the Building Fund (Measure O), however, we found that the District had not expended any of the Measure O bond Proceeds.

## **CONCLUSION**

The results of our tests indicated that the District had not expended any of the Measure O bond proceeds.

**TURLOCK UNIFIED SCHOOL DISTRICT  
BUILDING FUND (MEASURE O)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

---

None reported.