

CAJON VALLEY UNION SCHOOL DISTRICT

**PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
GENERAL OBLIGATION BONDS**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

JUNE 30, 2017

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
GENERAL OBLIGATION BONDS
TABLE OF CONTENTS**

INTRODUCTION	<u>Page</u>
Introduction and Citizens’ Oversight Committee Member Listing.....	1
Independent Auditor’s Report.....	3
 FINANCIAL SECTION	
Balance Sheet.....	5
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	6
Notes to the Financial Statements.....	7
 OTHER INDEPENDENT AUDITORS’ REPORTS	
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 <i>Government Auditing Standards</i>	20
Independent Auditors’ Report on Performance.....	22
 FINDINGS AND RESPONSES SECTION	
Schedule of Findings and Responses.....	25
Summary Schedule of Prior Audit Findings.....	26
 SUPPLEMENTAL INFORMATION	
Bond Project List.....	27

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
PROPOSITION C AND PROPOSITION EE
INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING**

On February 5, 2008 the Cajon Valley Union School District was successful in obtaining authorization from District voters to issue up to \$156,500,000 in General Obligation Bonds pursuant to a 55% vote in Proposition D, a Bond election. The General Obligation Bonds are considered Proposition 39 bonds.

On November 8, 2016 the Cajon Valley Union School District was successful in obtaining authorization from District voters to issue up to \$20,000,000 in General Obligation Bonds (Ed-Tech Bonds) pursuant to a 55% vote in Proposition EE, a Bond election. The General Obligation Bonds are considered Proposition 39 bonds.

The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability measures. Specifically, the District must conduct an annual, independent performance audit to ensure that funds have been expended only on the specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908, was also enacted which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Proposition 39 including formation, composition and purpose of the Citizens' Bond Oversight Committee, and authorization for injunctive relief against improper expenditure of bond revenues.

By approval of Proposition C (a re-authorization measure) on November 6, 2012, with at least 55 percent of the registered voters voting on the measure, the District was authorized to issue and sell bonds of up to \$88.4 million in aggregated principal at interest rates not in excess of the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List, subject to all the accountability requirements as specified.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

District voters previously approved Proposition D at an election held in the District on February 5, 2008. However, due to State law limitations imposed on the issuance of bonds under Proposition D, the District estimated that it would be unable to issue any additional Proposition D Bonds in the immediate future. The Governing Board of the District found and determined that there continued to be an urgent need in the District for the completion of the educational projects approved by District voters under Proposition D, and that no other District resources were available to finance such projects. As the Proposition C Bonds are issued, the Board of Trustees of the District has covenanted that it will cancel and shall not authorize the issuance of Proposition D Bonds in a like amount so that the total bonds issued under both measures shall not exceed the \$156,500,000 originally authorized under Proposition D.

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
PROPOSITION C AND PROPOSITION EE
INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING**

The Cajon Valley Union School District Proposition C and Proposition EE Citizens' Oversight Committee as of June 30, 2017 was comprised of the following members:

Deanne Markle	Chair
Richard Nasif	Co-Chair
Peter Lupo	Member
Victor Garcia	Member
Timothy Zelt	Member
Robert Kiesling	Member
Brailyn Daniel	Member

INDEPENDENT AUDITOR'S REPORT

**Governing Board Members and
Citizens' Bond Oversight Committee
Cajon Valley Union School District
El Cajon, California**

Report on Financial Statements

We have audited the accompanying financial statements of Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) of Cajon Valley Union School District, which comprise the balance sheet as of June 30, 2017, and the related statements of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the financial statements, whether due to fraud or error. 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 policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) of Cajon Valley Union School District as of June 30, 2017, and the result of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as required by the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 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 January 4, 2018 on our consideration of Cajon Valley Union School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Cajon Valley Union School District's internal control over financial reporting and compliance.

Wilkinson Hadley King & Co., LLP

El Cajon, California
January 4, 2018

FINANCIAL STATEMENTS

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Balance Sheet
June 30, 2017

	Proposition C Building Fund (21-00)	Proposition EE Building Fund (21-10)	Total
ASSETS			
Current Assets			
Cash in county treasury	\$ 5,191,507	\$ 5,666,195	\$ 10,857,702
Accounts receivable	20,237	16,257	36,494
Due from other funds	1,640,422	32,354	1,672,776
Total Current Assets	<u>6,852,166</u>	<u>5,714,806</u>	<u>12,566,972</u>
TOTAL ASSETS	<u>\$ 6,852,166</u>	<u>\$ 5,714,806</u>	<u>\$ 12,566,972</u>
LIABILITIES AND FUND BALANCE			
Current Liabilities			
Accounts payable	\$ 637,695	\$ 16,157	\$ 653,852
Due to other funds	3,147	-	3,147
Total Current Liabilities	<u>640,842</u>	<u>16,157</u>	<u>656,999</u>
Total Liabilities	<u>640,842</u>	<u>16,157</u>	<u>656,999</u>
Fund Balance			
Restricted for capital projects	6,211,324	5,698,649	11,909,973
Total Fund Balance	<u>6,211,324</u>	<u>5,698,649</u>	<u>11,909,973</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,852,166</u>	<u>\$ 5,714,806</u>	<u>\$ 12,566,972</u>

The accompanying notes to the financial statements are an integral part of this statement.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2017

Interest	\$ 88,969	\$ 16,650	\$ 105,619
E-rate reimbursement	172,506	-	172,506
Helix Water District reimbursement	8,223	-	8,223
TOTAL REVENUE AND SUPPORT	269,698	16,650	286,348
EXPENDITURES			
Classified salaries	210,572	-	210,572
Employee benefits	82,532	-	82,532
Other operating expenses:			
Mileage	187	-	187
Contracted services	79,129	-	79,129
Capital outlay:			
Architect fees	558,981	-	558,981
DSA fees	41,713	-	41,713
Planning costs	59,202	-	59,202
Miscellaneous fees	6,570	-	6,570
Main construction	8,038,026	-	8,038,026
Construction tests	109,229	-	109,229
Inspections	149,212	-	149,212
Other construction costs	103,809	-	103,809
Land improvements	95,145	-	95,145
Equipment - capitalized	700,667	318,001	1,018,668
TOTAL EXPENSES	10,234,974	318,001	10,552,975
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of bonds	-	6,000,000	6,000,000
Other financing sources	-	181,650	181,650
Other financing uses	-	(181,650)	(181,650)
TOTAL OTHER SOURCES	-	6,000,000	6,000,000
NET CHANGE IN FUND BALANCE	(9,965,276)	5,698,649	(4,266,627)
FUND BALANCE, BEGINNING OF YEAR	16,176,600	-	16,176,600
FUND BALANCE, END OF YEAR	\$ 6,211,324	\$ 5,698,649	\$ 11,909,973

The accompanying notes to the financial statements are an integral part of this statement.

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)**

Notes to the Financial Statements
Year Ended June 30, 2017

A. Definition of the Fund

Proposition C, was approved by local voters in November 2012. As Proposition C bonds are issued, an equal amount of Proposition D authorization is retired; therefore, no additional debt is incurred beyond the original Proposition D authorization. The Building Fund (21-00) was formed to account for revenues and expenditures under Proposition C.

Proposition C was placed on the November 2012 ballot giving voters the option to support re-authorization of the remaining bonds.

This \$88,400,000 re-authorization initiative:

- (1) Allows for completion of all bond projects without delay;
- (2) Minimizes project cost escalation;
- (3) Allows the voters who approved Proposition C to benefit from the projects;
- (4) Provides local construction jobs when they are needed most; and
- (5) Saves taxpayers millions of dollars in interest compared to issuing capital appreciation bonds.

Proposition EE was approved by local voters in November 2016. The Building Fund (21-10) was formed to account for revenues and expenditures under Proposition EE.

The \$20,000,000 authorized Proposition EE initiative allows for the District to use the bonds to provide for an ongoing source of funding for the evolving educational technology needs of its students and staff. In addition, the District intends to match as closely as possible the term of each series of bonds to the useful life of the technology equipment being financed. As such, the District anticipates that the amortization (or repayment period) of each series of bonds will be approximately three years and will in no case be in excess of five years. Bond proceeds will be expended to modernize, replace, renovate, acquire, install, equip, furnish, and otherwise improve educational technology equipment projects, supporting systems, and software within the District.

B. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB) and *Audits of State and Local Governmental Units* issued by the American Institute of Certified Public Accountants.

Fund Structure

The accompanying financial statements are used to account for the transactions of the Building Funds specific to Proposition C and Proposition EE as defined in Note A and are not intended to present fairly the financial position and results of operations of Cajon Valley Union School District in conformity with accounting principles generally accepted in the United States of America.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The Building Funds are maintained on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered). 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

The Board of Trustees adopts an operating budget no later than July 1 in accordance with state law. This budget is revised by the Board of Trustees 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.

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 at June 30 since they do not constitute expenditures or liabilities.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash in County Treasury

In accordance with Education Code §41001, the District maintains a substantial amount of its cash in the San Diego County Treasury. The County pools these funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates fair value, in accordance with the requirements of GASB Statement No. 31.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The county is authorized to deposit cash and invest excess funds by California Government Code §53648 et.seq. The funds maintained by the county are either secured by federal depository insurance or are collateralized.

Information regarding the amount of dollars invested in derivatives with San Diego County Treasury was not available.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables/payables. Accounts receivable are recorded net of estimated uncollectible amounts. There were no significant receivables that are not scheduled for collection within one year of year-end.

Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the District’s governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued

Year Ended June 30, 2017

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Deferred Inflows and Deferred Outflows of Resources

Deferred outflows of resources is a consumption of net position that is applicable to a future reporting period. Deferred inflows of resources is an acquisition of net position that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are recorded in accordance with GASB Statement numbers 63 and 65. At June 30, 2017 the District's Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) did not have any Deferred Inflows or Deferred Outflows of Resources.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles as defined by Governmental Accounting Standards Board (GASB) Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy is detailed as follows:

- Level 1 Inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
- Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 Inputs: Unobservable inputs for an asset or liability.

For the current fiscal year the District did not have any recurring or nonrecurring fair value measurements.

Change in Accounting Policies

The District has adopted accounting principles compliant with new pronouncements issued by the Government Accounting Standards Board (GASB) that are effective for the fiscal year ended June 30, 2017. Those newly implemented pronouncements are as follows:

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued

Year Ended June 30, 2017

GASB Statement No. 77 – Tax Abatement Disclosures

The objective of this Statement is to improve usefulness of information about tax abatement agreements entered into by governmental agencies. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

The Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

1. Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provision for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
2. The gross dollar amount of taxes being abated during the period.
3. Commitments made by a government, other than to abate taxes, as part of the abatement agreement.

The District has not entered into any tax abatement agreements. As a result, the adoption of GASB Statement No. 77 did not result in a change to the financial statements or note disclosures.

GASB Statement No. 80 – Blending Requirements for Certain Component Units

The objective of this statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in Paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended.

This statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units.

The District did not have any component units which met the definition noted above. As a result, the adoption of GASB Statement No. 80 did not result in a change to the financial statements or note disclosures.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued

Year Ended June 30, 2017

C. Cash and Investments

1. *Cash in County Treasury*

The District maintains significantly all of its cash in the San Diego County Treasury as part of the common investment pool. As of June 30, 2017, the portion of cash in county treasury attributed to Building Fund (21-00) and Building Fund (21-10) was \$10,857,702. The fair value of Building Fund (21-00) and Building Fund (21-10)'s portion of this pool as of that date, as provided by the pool sponsor, was \$10,857,702. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

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 investments in the pool is reported in the accounting financial statements as 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 the 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.

The San Diego County Treasury is not registered with the Securities and Exchange Commission (SEC) as an investment company; however, the County Treasury acts in accordance with investment policies monitored by a Treasury Oversight Committee consisting of members appointed by participants in the investment pool and up to five members of the public having expertise, or an academic background, in public finance. In addition, the County Treasury is audited annually by an independent auditor.

2. *Analysis of Specific Deposit and Investment Risks*

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. *Credit Risk*

Credit Risk is the risk that an issuer or their counterparty to an investment will not fulfill its obligations. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. The San Diego County Investment Pool is rated AA-Af by Standard & Poors.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

b. *Custodial Credit Risk*

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. At year end, the District's Building Fund (21-00) and Building Fund (21-10) were not exposed to custodial credit risk.

c. *Concentration of Credit Risk*

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District's Building Fund (21-00) and Building Fund (21-10) were not exposed to concentration of credit risk.

d. *Interest Rate Risk*

This is the risk that changes in 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 to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the county pool.

e. *Foreign Currency Risk*

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District's Building Fund (21-00) and Building Fund (21-10) were not exposed to foreign currency risk.

f. *Investment Accounting Policy*

The District is required by GASB statement No. 31 to disclose its policy for determining which investments, if any are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts using a cost-based measure; however, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value.

All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposits are examples of nonparticipating interest-earning investment contracts.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

General Authorizations

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

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

D. Accounts Receivable

As of June 30, 2017 accounts receivable consisted of:

	Proposition C (21-00)	Proposition EE (21-10)	Total
Interest	\$ 16,411	\$ 16,257	\$ 32,668
Other local income	3,826	-	3,826
Total Accounts Receivable	\$ 20,237	\$ 16,257	\$ 36,494

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Notes to the Financial Statements, Continued
Year Ended June 30, 2017

E. Accounts Payable

As of June 30, 2017 accounts payable consisted of:

	Proposition C (21-00)	Proposition EE (21-10)	Total
Vendor payables	\$ 634,492	\$ 16,157	\$ 650,649
Payroll and related benefits	26	-	26
Pension liabilities	3,177	-	3,177
Total Accounts Payable	\$ 637,695	\$ 16,157	\$ 653,852

F. Interfund Transactions

Interfund receivable and payable balances at June 30, 2017 are as follows:

	Proposition C (21-00)	Proposition EE (21-10)
Due From Other Funds - General Fund	<u>\$ 1,640,422</u>	<u>\$ 32,354</u>
Due To Other Funds - General Fund	<u>\$ 3,147</u>	<u>\$ -</u>

The amounts due from the General Fund is for reimbursement of construction costs and fees and the amount due to the General Fund is for reimbursement of the portion of other post-employment benefits (OPEB) designated to Building Fund (21-00) at year end. These expenses were attributed to the work necessary for the bond projects and in conjunction with the Bond Project List as listed in the full text of the ballot measure.

G. General Obligation Bonds

In July 2008, the District issued \$35,000,000, Series A General Obligation Bonds in order to finance the construction of new schools, classrooms, and instructional facilities in addition to financing the repair and renovation of existing schools. The bonds mature on August 1, 2032 and yield an interest rate of 3.00 to 4.80 %.

In May 2011, the District issued \$13,093,060, Series B General Obligation Bonds in order to finance the construction, rehabilitation or repair of public school facilities, which may include interest payments during the construction period. The bond proceeds received by the District is part of an \$18,000,000 General Obligation Revenue Bonds of the California Qualified School Bond Joint Powers Authority (QSCB). The bonds mature on September 1, 2025 and yield an interest rate of 4%.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Notes to the Financial Statements, Continued

In August 2012, the District authorized the sale and issuance of General Obligation Bonds, 2008 Election, Series C, in the amount of \$19,999,932 consisting of \$12,000,000 in current interest serial bonds and \$7,999,932 in capital appreciation bonds. Proceeds from the sale of bonds will be used primarily for financing the renovation, construction, and improvement of school facilities. The current interest bonds are payable semiannually on each February 1 and August 1 of year commencing February 1, 2013 and mature August 1, 2032. The capital appreciation bonds accrete interest compounding semiannually on February 1 and August 1 of each year. Principal is payable August 1, commencing August 1, 2017, and mature August 1, 2030. The overall true interest cost is 4.14%.

In August 2013, the District issued \$31,200,000 Series A Bonds. The Series A Bonds were authorized at an election of the registered voters of the District held on November 6, 2012, which authorized a total of \$88,400,000 of Bonds to finance the repair and renovation of school facilities, increase student access to technology, improve energy efficiency, and reduce overall borrowing costs for the District (the "Authorization"). The Series A Bonds are the first series of bonds issued pursuant to the Authorization.

In October 2013, the District issued \$1,815,000 of 2012 Election, Series B, General Obligation Ed-Tech Bonds in order to increase student computer/technology access, continue classrooms/school facilities, improve energy efficiency, and reduce overall borrowing costs. The issue consists of Serial Bonds with an interest rate of 1.45% with annual maturities from August 1, 2014 through August 1, 2016. Principal payments on the bonds are due August of each year beginning August 1, 2014 while interest is payable semi-annually on February 1 and August 1 of each year through maturity.

In April 2015, the District issued \$20,000,000 2012 Election, Series C, General Obligation Reauthorization Bonds in order to finance the repair and renovation of school facilities, increase student access to technology, improve energy efficiency, and reduce overall borrowing costs for the District. The issue consisted of a) \$17,785,000 in Serial Bonds with interest rates ranging from 3.25% to 5.00% with annual maturities from August 2016 through August 2040, b) \$1,020,000 in Term Bonds with a stated interest rate of 5.00% due August 1, 2028, and c) \$1,195,000 in Term Bonds with a stated interest rate of 5.00% due August 1, 2030. Principal payments on the bonds are due August 1 of each year beginning August 1, 2016 while interest is payable semi-annually on February 1 and August 1 of each year through maturity.

In October 2015, the District issued \$17,880,000 2012 Election, Series D, General Obligation Reauthorization Bonds for the purpose of increasing student computer/technology access and continuing to finance the renovation, construction and improvement of school facilities. The issue consisted of serial bonds with interest rates ranging from 3.00% to 5.00% with annual maturities from August 2019 through August 2040. Principal payments on the bonds are due August 1 of each year beginning August 2019 while interest is payable semi-annually on February 1 and August 1 of each year through maturity.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Notes to the Financial Statements, Continued

In March 2017 the District issued \$6,000,000 2016 Election, Series A, General Obligation Ed-Tech Bonds for the purpose of increasing student computer/technology access and continuing to finance the renovation, construction, and improvement of school facilities. The issue consisted of \$6,000,000 in current interest bonds with an interest rate of 5.00% with annual maturities from August 2018 through August 2020. Principal payments on the bonds are due August 1 of each year beginning August 1, 2018 while interest is payable semi-annually on February 1 and August 1 of each year through maturity beginning August 1, 2017. Net proceeds of \$6,000,000 were deposited into the Building Fund after premium of \$531,242 less issuance costs of \$176,710 while remaining funds of \$354,532 were deposited into the Bond Interest and Redemption Fund to be utilized for subsequent debt service on the bonds.

The outstanding bonded debt of Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) as of June 30, 2017 is as follows:

Date of Issuance	Type	Interest Rate	Maturity Date	Original Issue Amount	Amount Outstanding 7/1/16	Issued Current Year	Redeemed Current Year	Amount Outstanding 6/30/17
2008	GO Bonds	3.00%-4.80%	2032	35,000,000	3,590,000	-	1,135,000	2,455,000
2011	GO Bonds	4.00%	2026	13,093,060	11,617,156	-	705,194	10,911,962
2012	GO Bonds	2.00%-3.38%	2032	19,999,932	19,269,932	-	115,000	19,154,932
2012	Accreted Interest			-	1,822,098	535,949	-	2,358,047
2013	GO Bonds	3.00%-5.00%	2037	31,200,000	27,885,000	-	670,000	27,215,000
2013	Ed-Tech Bonds	1.45%	2016	1,815,000	605,000	-	605,000	-
2015	GO Bonds	3.25%-5.00%	2037	20,000,000	20,000,000	-	500,000	19,500,000
2015	GO Bonds	3.00%-5.00%	2040	17,880,000	17,880,000	-	-	17,880,000
2016	Ed-Tech Bonds	5.00%	2021	6,000,000	-	6,000,000	-	6,000,000
Total				\$ 144,987,992	\$ 102,669,186	\$ 6,535,949	\$ 3,730,194	\$ 105,474,941

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)**

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

The annual requirements to amortize the general obligation bonds payable outstanding as of June 30, 2017 is as follows:

Year Ending June 30,	Principal	Accreted Interest	Interest	Total
2018	3,890,883	17,519	4,933,652	8,842,054
2019	6,223,257	102,461	4,941,460	11,267,178
2020	3,782,864	141,482	3,503,401	7,427,747
2021	4,087,319	268,691	3,327,645	7,683,655
2022	2,200,180	391,671	3,143,987	5,735,838
2023-2027	16,311,534	2,869,102	14,129,455	33,310,091
2028-2032	26,820,857	3,959,143	10,870,419	41,650,419
2033-2037	20,095,000	-	6,146,670	26,241,670
2038-2042	19,705,000	-	1,518,837	21,223,837
Totals	<u>103,116,894</u>	<u>7,750,069</u>	<u>52,515,526</u>	<u>163,382,489</u>

Note: Amounts represented in the repayment schedule of accreted interest are reflective of 100% of amounts to be repaid. Amounts represented as accreted interest in the debt summary are reflective of amounts that have been accrued as of June 30, 2017. Accreted interest is the process of systematically increasing the carrying amount of capital appreciation bonds to their estimated value at the maturity date of the bond. The District inputs the effective interest rate, using the present value, the face value, and the period of the bond and multiplies the effective interest rate by the book value of the debt at the end of the period.

H. Construction Commitments

As of June 30, 2017, the Building Fund (21-00) and Building Fund (21-10) had the following commitments with respect to unfinished capital projects:

Construction in Progress:	Commitment	*Expected Date of Final Completion
Security cameras	\$ 15,000	September 2017
New Gym Greenfield Middle School	26,928	September 2017
Modernization Vista Grand Elementary	1,147,222	September 2017
Modernization Rancho San Diego Elementary	1,098,874	September 2017
New Gym Emerald Middle School	212,759	September 2017
New Gym Montgomery Middle School	8,658	July 2017
New Classroom Magnolia Elementary	407,345	September 2017
Total	<u>\$ 2,916,786</u>	

*Expected date of final completion subject to change.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)

Notes to the Financial Statements, Continued
Year Ended June 30, 2017

I. Subsequent Events

New Accounting Pronouncements

GASB Statement No. 86 – Certain Debt Extinguishment Issues

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Statement No. 7, Advance Refundings Resulting in Defeasance of Debt, requires that debt be considered defeased in-substance when the debtor irrevocably places cash or other monetary assets acquired with refunding debt proceeds in a trust to be used solely for satisfying scheduled payments of both principal and interest of the defeased debt. The trust also is required to meet certain conditions for the transaction to qualify as an in-substance defeasance. This Statement establishes essentially the same requirements for when a government places cash and other monetary assets acquired with only existing resources in an irrevocable trust to extinguish the debt. However, in financial statements using the economic resources measurement focus, governments should recognize any difference between the reacquisition price (the amount required to be placed in the trust) and the net carrying amount of the debt defeased in substance using only existing resources as a separately identified gain or loss in the period of defeasance.

Governments that defease debt using only existing resources should provide a general description of the transaction in the notes to financial statements in the period of the defeasance. In all periods following an in-substance defeasance of debt using only existing resources, the amount of that debt that remains outstanding at period-end should be disclosed.

For governments that extinguish debt, whether through a legal extinguishment or through an in-substance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

One of the criteria for determining an in-substance defeasance is that the trust hold only monetary assets that are essentially risk-free. If the substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, governments should disclose that fact in the period in which the debt is defeased in substance. In subsequent periods, governments should disclose the amount of debt defeased in substance that remains outstanding for which that risk of substitution exists.

As of the date of this audit report was issued, the District did not have any defeasance of debt. Consequently, the implementation of GASB No. 68 is not expected to have a fiscal impact on the District.

OTHER INDEPENDENT AUDITORS' REPORTS

**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 Members and
Citizens' Bond Oversight Committee
Cajon Valley Union School District
El Cajon, 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 financial statements of Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) of Cajon Valley Union School District, which comprise the balance sheet as of June 30, 2017, and the related statements of revenues, expenditures, and change in fund balance for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 4, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cajon Valley Union School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cajon Valley Union School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Cajon Valley Union School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cajon Valley Union School District's financial statements are free from 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.

Wilkinson Hadley King & Co., LLP

El Cajon, California
January 4, 2018

INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

**Governing Board Members and
Citizens' Bond Oversight Committee
Cajon Valley Union School District
El Cajon, California**

We have audited the financial statements of the Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) of Cajon Valley Union School District as of and for the fiscal year ended June 30, 2017 and have issued our report thereon dated January 4, 2018. Our audit was made in accordance with generally accepted auditing standards in the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

In connection with our performance audit, we performed an audit for compliance as required in the performance requirements for the Proposition 39 Proposition C and Proposition EE General Obligation Bonds for the fiscal year ended June 30, 2017. The objective of the audit of compliance applicable to Cajon Valley Union School District is to determine with reasonable assurance that:

- The proceeds from the sale of the Proposition C and Proposition EE Bonds were only used for the purposes set forth in the ballot measure and not for any other purpose, such as teacher and administrative salaries.
- The Governing Board of the District, in establishing the approved projects set forth in the ballot measure to modernize, replace, renovate, construct, acquire, equip, furnish, and otherwise improve facilities of the District as noted in the bond project list.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

Internal Control Evaluation

Procedure Performed:

Inquiries were made of management regarding internal controls to:

- Prevent fraud, waste, or abuse regarding Proposition C and Proposition EE resources
- Prevent material misstatement in the Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10) financial statements
- Ensure all expenditures are properly allocated
- Ensure adequate separation of duties exists in the accounting of Proposition C and Proposition EE funds

All purchase requisitions are reviewed for proper supporting documentation. The Project Manager or appropriate Director submits back up information to the Construction Accountant to initiate a purchase requisition. The Long-Range Planning Director verifies that the requested purchase is an allowable project cost in accordance with the Proposition C and Proposition EE ballot initiatives approved by local voters, as well as the Board approved budget, and that all expenditures are properly recorded by project and expense category. All requisitions are routed for review and electronic approval as follows: (1) Construction Accountant; (2) Assistant Superintendent of Business Services; (3) Long-Range Planning Director; (4) Account Analyst; and (5) Purchasing Director.

Once the purchase requisition has gone through the approval process, the Purchasing Department creates a purchase order, which is provided to the vendor who proceeds to provide the requested service or item.

When the invoice is received, the Construction Accountant verifies that the charges are consistent with the amounts on the approved contract/purchase order. The Director of Long Range Planning verifies the services were satisfactorily performed and/or the items were received and installed. Once the invoice has been signed and approved by the Director, the Construction Accountant processes the invoice through the accounts payable system of the District for payment. The checks and back-up documents are then audited by the San Diego County Office of Education's Commercial Warrant Audit Unit to ensure compliance with procurement regulations and good business practices before payment is released.

Results of Procedures Performed

The results of our audit determined the internal control procedures as implemented are sufficient to meet the financial and compliance objectives required by generally accepted accounting principles and applicable laws and regulations.

Tests of Expenditures

Procedures Performed:

We tested expenditures to determine whether Proposition C and Proposition EE funds were spent solely on voter and Board approved school facilities projects as set forth in the Bond Project Lists and language of the Proposition C and Proposition EE ballot measures. Our testing included a sample of vendors and payroll payments, totaling approximately \$9,507,027 or approximately 90% of total expenditures for the year.

Results of Procedures Performed:

We found no instances where expenditures tested were not in compliance with the terms of Proposition C and Proposition EE ballot measures and applicable state laws and regulations.

Tests of Contracts and Bid Procedures

Procedures Performed:

We reviewed the District's board minutes for approval of construction contracts and change orders, if any, to determine compliance with the District's policy and Public Contract Code provisions related to biddings and contracting.

Results of Procedures Performed:

We noted no instances where the District was out of compliance with respect to contracts and bidding procedures.

Citizens' Oversight Committee

Procedures Performed:

We have reviewed the minutes of the Citizens' Oversight Committee meetings and have attended committee meetings to verify compliance with Education Code sections 15278 through 15282.

Results of Procedures Performed:

We have determined the Cajon Valley Union School District's Proposition C and Proposition EE Citizens' Oversight Committee and its involvement is in compliance with Education Code sections 15278 through 15282.

Our audit of compliance made for the purposes set forth in the second and third paragraphs of this report above would not necessarily disclose all instances of noncompliance.

In our opinion, the District complied, in all material respects, with the compliance requirements for the Proposition C Building Fund (21-00) and Proposition EE Building Fund (21-10), for the fiscal year ended June 30, 2017.

This report is intended solely for the information and use of the District's Governing Board, the Proposition C and Proposition EE Citizens' Oversight Committee, management, others within the entity, and the taxpayers of Cajon Valley Union School District and is not intended to be and should not be used by anyone other than these specified parties.

Wilkinson Hadley King & Co., LLP

El Cajon, California
January 4, 2018

FINDINGS AND RECOMMENDATION

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Schedule of Findings and Responses
Year Ended June 30, 2017

There were no findings to report.

CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2017

There were no findings reported for the year ended June 30, 2016.

**CAJON VALLEY UNION SCHOOL DISTRICT
PROPOSITION C BUILDING FUND (21-00)
PROPOSITION EE BUILDING FUND (21-10)
GENERAL OBLIGATION BONDS
BOND PROJECT LIST
JUNE 30, 2017**

Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, furnish and otherwise improve the facilities of the District located at the following locations:

Anza Elementary - Built in 1960	Avocado Elementary - Built in 1970
Blossom Valley Elementary - Built in 1993	Bostonia Elementary - Built in 1995
Cajon Valley Home School	Cajon Valley Middle School - Built in 1953
Chase Elementary - Built in 1979	Community Day - Built in 2007
Crest Elementary - Built in 1956	Cuyamaca Elementary - Built in 1948
Emerald Middle - Built in 1958	Flying Hills Elementary - Built in 1959
Fuerte Elementary - Built in 1959	Greenfield Middle - Built in 1959
Hillsdale Middle - Built in 1995	Jamacha Elementary - Built in 1991
Johnson Elementary - Built in 1954	Lexington Elementary - Built in 1956
Los Coches Creek Middle - Built in 2006	Madison Avenue Elementary - Built in 1958
Magnolia Elementary - Built in 1952	Meridian Elementary - Built in 1949
Montgomery Middle - Built in 1974	Naranca Elementary - Built in 1957
Rancho San Diego Elementary - Built in 1986	Rios Elementary - Built in 1959
Sevick - Built in 1974	Vista Grande Elementary - Built in 1981
W.D. Hall Elementary - Built in 1960	

<u>Project Number</u>	<u>Project Name</u>	<u>School Name</u>
D-7501	Water Line Replacement	Meridian
D-7502	Security Camera Upgrades	Various
D-7503	Clock System Upgrades	Various
D-7504	Play ground Upgrades	Various
D-7505	New Gymnasium/MPB	Greenfield
D-7506	Electrical Upgrades	Various
D-7507	New 2 Story Classroom/MPB	Cajon Valley
D-7508	HVAC	Various
D-7509	MPR Remodel	Flying Hills
D-7510	Modernization	Vista Grande
D-7511	Modernization	Rancho San Diego
D-7512	Technology Infrastructure	Various
D-7513	Reconstruction	Lexington
D-7515	New Gymnasium/MPB	Emerald
D-7516	New Gymnasium/MPB	Montgomery
D-7518	Erosion Control	Crest
D-7519	Fencing	Various
D-7522	Parking Lot Upgrades	Various
D-7524	Minor Renovations	Various

**CAJON VALLEY UNION SCHOOL DISTRICT
 PROPOSITION C BUILDING FUND (21-00)
 PROPOSITION EE BUILDING FUND (21-10)
 BOND PROJECT LIST
 (CONTINUED)
 JUNE 30, 2017**

<u>Project Number</u>	<u>Project Name</u>	<u>School Name</u>
D-7525	Security Lighting	Various
D-7526	Sidewalk Upgrades	Various
D-7527	Window Replacement	Blossom Valley
D-7528	Educational Technology	Various
D-7529	New Classroom Buildings/Renovations	Magnolia
D-7530	New Classroom Buildings/Renovations	Various
D-7540	Lighting Retrofit	Various
EE Tech Bond	EE Tech Bond	Various