CONEJO VALLEY UNIFIED SCHOOL DISTRICT

SPECIAL MEETING OF THE MEASURE I INDEPENDENT CITIZENS’ BOND OVERSIGHT COMMITTEE
WEDNESDAY, JANUARY 16, 2019
3:30 P.M. OPEN SESSION

AGENDA

LOCATION
Conejo Valley Unified School District
District Office Board Conference Room
1402 E. Janss Road
Thousand Oaks, CA 91362

INDEPENDENT CITIZENS’ BOND OVERSIGHT COMMITTEE
Chair: Tony Gitt, Senior Citizens’ Organization representative (2019)
Angela Dowling, Community At-Large representative (2020)
Vice Chair: Silas Nesheiwat, Parent representative (2019)
Greg Ramirez, Community At-Large representative (2020)
Angie Simpson, Business Organization representative (2019)
Vacant, Taxpayers’ Association representative (2018)

ADMINISTRATIVE STAFF
Mark McLaughlin, Ed.D., Superintendent
Victor Hayek, Ed.D., Deputy Superintendent, Business Services, and Senior Staff Liaison to the Committee
Tim McCabe, Director, Planning and Facilities
Dave Riccardi, Director, Maintenance and Operations
David Hubbard, Interim Director, Technology Services
Maria Odell, Senior Administrative Assistant, Business Services
Nuria Becker, Administrative Assistant, Planning & Facilities
Sue Blake, Administrative Assistant, Technology Services
If you are on the agenda to present a report and need to use a computer and audio equipment, please contact the Business Services Office 24 hours prior to the meeting at 805-497-9511, extension 206, or email modell@conejousd.org.

If you wish to address the Independent Citizens’ Bond Oversight Committee, it is necessary to complete a speaker form (blue) and hand it to the recording secretary. If you would like to make comments about items not on the agenda, a speaker form should be completed and submitted prior to the Public Comments section of the agenda. If you wish to address an agenda item, please complete and submit your form prior to the Action section of the agenda. Pursuant to the Brown Act, the Committee cannot enter into a formal discussion nor can a decision be made in regard to public comments. The Committee may provide a reference to staff or other resources of information, request staff to report back at a subsequent meeting, or direct staff to place an item on a future agenda. Public comments will be limited to three minutes. On those occasions where there is an unusually large number of speaker cards, the Committee Chairperson may make the decision to decrease the time. Please present your comments in a factual, respectful, and dignified manner that models how we expect our children to participate in the democratic process.

If you wish to register your opinion on a topic but not speak, please fill out a public written statement form (yellow) and hand it to the recording secretary. Committee members will review these forms following the meeting.

Your input is greatly appreciated. The information on the speaker cards will assist the Committee Chairperson in conducting the meeting and is needed for the official minutes. The information on the cards will become public record. Thank you for your cooperation and compliance with these guidelines. Please feel free to call the Business Services office if you have any questions (805-497-9511 x206).

REGULARLY SCHEDULED COMMITTEE MEETINGS 2018/2019

October 24, 2018
January 23, 2019
April 24, 2019
July 24, 2019

AGENDAS ARE POSTED AT THE FOLLOWING LOCATIONS
CVUSD District Office, 1400 E. Janss Road, Thousand Oaks, CA

This serves as the main posting location pursuant to the Brown Act, Government Code §54954.2(a)

Additional Locations
Newbury Park High School, 456 Reino Road, Newbury Park, CA
Thousand Oaks High School, 2323 Moorpark Road, Thousand Oaks, CA
Westlake High School, 100 N. Lakeview Canyon Road, Westlake Village, CA
CVUSD District Operations Facility, 750 Mitchell Road, Newbury Park, CA
District website: www.conejousd.org

Ballot Language: To upgrade/maintain Conejo Valley schools with funding that cannot be taken by the State, shall Conejo Valley Unified School District upgrade all science/career training labs, update/maintain classroom technology and network infrastructure, provide safe, well maintained classrooms, repair/replace electrical, plumbing/roofing, repair, construct, acquire/equip sites/facilities, and improve school safety/security by issuing $197 million in bonds, at legal rates, with citizens’ oversight, annual audits, no money for administrators, and without increasing current tax rates?
AGENDA
INDEPENDENT CITIZENS’ BOND OVERSIGHT COMMITTEE
WEDNESDAY, JANUARY 16, 2019

I. 3:30 P.M. SPECIAL SESSION

  Opening Provisions
  A. Call the Meeting to Order and Roll Call
  B. Pledge of Allegiance
  C. Announcements and Procedures
  D. Approval of the Agenda
  E. Public Comments

  Pursuant to the Brown Act, the Citizens’ Bond Oversight Committee cannot enter into formal
discussion with individuals making public comments to the Committee. The Committee cannot
take action on any issues raised during public comments that are not on the meeting agenda.
Individual Committee members may respond to public comments during the Individual
Committee Member’s Comments section of the agenda (I.E.3.).

  F. Individual Committee Member Comments
  G. Administrative Staff Comments

II. INFORMATION / DISCUSSION ITEMS
(For discussion only; no action is taken on information items)

  A. Review of 2017-2018 financial audit by Vavrinek, Trine, Day & Co (Attachment A)

III. ADJOURNMENT

  NEXT MEETING
  January 23, 2019

AGENDAS ARE POSTED AT THE FOLLOWING LOCATIONS
CVUSD District Office, 1400 E. Janss Road, Thousand Oaks, CA
CVUSD Website: www.conejousd.org
This serves as the main posting sites pursuant to the Brown Act, Government Code §54954.2(a)

      Newbury Park High School, 456 Reino Road, Newbury Park, CA
     Thousand Oaks High School, 2323 Moorpark Road, Thousand Oaks, CA
             Westlake High School, 100 N. Lakeview Canyon Road, Westlake Village, CA
          CVUSD District Operations Facility, 750 Mitchell Road, Newbury Park, CA
ATTACHMENT A
To the Governing Board and Citizens' Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

We have audited the financial statements of the Building Fund (Measure I) of Conejo Valley Unified School District (the District) for the period ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. 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 the District are described in Note 1 to the financial statements. 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 auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.
To the Governing Board and Citizens' Oversight Committee
Conejo Valley Unified School District
Communication With Governance Letter
Page 2

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 14, 2018.

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 auditor's 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 Conejo Valley Unified School District Citizens' Oversight Committee and management of Conejo Valley Unified School District, and is not intended to be and should not be used by anyone other than these specified parties.

Varriene, Trine, Day & Co., LLP
Rancho Cucamonga, California
December 14, 2018
CONEJO VALLEY UNIFIED SCHOOL DISTRICT

BUILDING FUND (MEASURE I)
FINANCIAL AND PERFORMANCE AUDITS

JUNE 30, 2018
CONEJO VALLEY UNIFIED SCHOOL DISTRICT

BUILDING FUND (MEASURE I)
FINANCIAL AUDIT

JUNE 30, 2018
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

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INDEPENDENT AUDITOR'S REPORT

Governing Board and
Citizens Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Conejo Valley Unified School District's (the District), Building Fund (Measure I), as of and for the year ended June 30, 2018, and the related notes to the financial statements, 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 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 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 District'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 District'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 I) of the Conejo Valley Unified School District at June 30, 2018, 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 I, and are not intended to present fairly the financial position and changes in financial position of Conejo Valley Unified School District in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Conejo Valley Unified School District's basic financial statements. The accompanying supplementary information as listed on the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial statements are fairly stated, in all material respects, in relation to the basic 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 14, 2018, on our consideration of the District's Building Fund (Measure I) 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 I) internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinek, Trine, Day & Co., LLP

Rancho Cucamonga, California

December 14, 2018
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

BALANCE SHEET
JUNE 30, 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits and investments</td>
<td>$ 52,152,799</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>157,118</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>115</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 52,310,032</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND FUND BALANCE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$ 2,983,813</td>
</tr>
</tbody>
</table>

| Fund Balance:                              |       |
| Restricted for capital projects funds      | 49,326,219 |
| **Total Liabilities and Fund Balance**     | **$ 52,310,032** |

The accompanying notes are an integral part of these financial statements.
CONSEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2018

REVENUES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bond Issuance</strong></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$139,324</td>
</tr>
<tr>
<td>Other local revenue</td>
<td>$92,517</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$231,841</td>
</tr>
</tbody>
</table>

EXPENDITURES

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>$918,789</td>
</tr>
<tr>
<td>Books and supplies</td>
<td></td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>$1,672,903</td>
</tr>
<tr>
<td>Noncapitalized equipment</td>
<td>$1,118,887</td>
</tr>
<tr>
<td>Services and other operating expenditures</td>
<td></td>
</tr>
<tr>
<td>Travel and conferences</td>
<td>$9,200</td>
</tr>
<tr>
<td>Operation and housekeeping services</td>
<td>$2,318</td>
</tr>
<tr>
<td>Rentals, leases, repairs, and noncapitalized improvements</td>
<td>$4,661,565</td>
</tr>
<tr>
<td>Direct costs for interfund services</td>
<td>$39</td>
</tr>
<tr>
<td>Professional/Consulting services and operating expenditures</td>
<td>$1,116,910</td>
</tr>
<tr>
<td>Communications</td>
<td>$463</td>
</tr>
<tr>
<td><strong>Capital outlay</strong></td>
<td></td>
</tr>
<tr>
<td>Sites and improvement of sites</td>
<td>$109,888</td>
</tr>
<tr>
<td>Building and improvements to buildings</td>
<td>$2,016,373</td>
</tr>
<tr>
<td>Equipment</td>
<td>$1,046,118</td>
</tr>
<tr>
<td>Equipment replacement</td>
<td>$2,778,885</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$15,452,338</td>
</tr>
</tbody>
</table>

DEFICIENCY OF REVENUES OVER EXPENDITURES

(15,220,497)

Other Financing Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other sources (Bond proceeds)</td>
<td>$49,721,750</td>
</tr>
</tbody>
</table>

NET CHANGE IN FUND BALANCE

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FUND BALANCE - BEGINNING</strong></td>
<td>$14,824,966</td>
</tr>
<tr>
<td><strong>FUND BALANCE - ENDING</strong></td>
<td>$49,326,219</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Conejo Valley Unified School District's (the District) Building Fund (Measure I) 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. The Conejo Valley 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 Conejo Valley Unified School District used to account for Measure I projects. This Fund was established to account separately for proceeds from the sale of bonds (Education Code Section 15146) and may not be used for any purposes other than those for which the bonds were issued. These financial statements are not intended to present fairly the financial position and results of operations of the Conejo Valley 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.
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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 Balances - Governmental Funds

As of June 30, 2018, fund balances of the governmental funds are 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.

Spending Order Policy

When an expenditure is incurred for purposes 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, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

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 fairly 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.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Authorized</th>
<th>Maximum Remaining Maturity</th>
<th>Maximum Percentage of Portfolio</th>
<th>Maximum Investment in One Issuer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventura County Treasury Investment Pool</td>
<td>$52,152,799</td>
<td>$52,265,971</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

General Authorizations

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

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Maximum Remaining Maturity</th>
<th>Maximum Percentage of Portfolio</th>
<th>Maximum Investment in One Issuer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Bonds, Notes, Warrants</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Registered State Bonds, Notes, Warrants</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>U.S. Treasury Obligations</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>U.S. Agency Securities</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Banker's Acceptance</td>
<td>180 days</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>270 days</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Negotiable Certificates of Deposit</td>
<td>5 years</td>
<td>30%</td>
<td>None</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>1 year</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Reverse Repurchase Agreements</td>
<td>92 days</td>
<td>20% of base</td>
<td>None</td>
</tr>
<tr>
<td>Medium-Term Corporate Notes</td>
<td>5 years</td>
<td>30%</td>
<td>None</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>N/A</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Money Market Mutual Funds</td>
<td>N/A</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Mortgage Pass-Through Securities</td>
<td>5 years</td>
<td>20%</td>
<td>None</td>
</tr>
<tr>
<td>County Pooled Investment Funds</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Joint Powers Authority Pools</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
Weighted Average Maturity

The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. Information about the weighted average maturity of the District's portfolio is presented in the following schedule:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Reported Amount</th>
<th>Fair Value</th>
<th>Average Days to Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventura County Treasury Investment Pool</td>
<td>$ 52,152,799</td>
<td>$ 52,265,971</td>
<td>148</td>
</tr>
</tbody>
</table>

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of the year-end for each investment type.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Reported Amount</th>
<th>Minimal Legal Rating</th>
<th>Moody's Rating as of Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventura County Treasury Investment Pool</td>
<td>$ 52,152,799</td>
<td>Not Required</td>
<td>AAA</td>
</tr>
</tbody>
</table>

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 Ventura 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.

The District's fair value measurements are as follows at June 30, 2018:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Reported Amount</th>
<th>Uncategorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventura County Treasury Investment Pool</td>
<td>$ 52,152,199</td>
<td>$ 52,152,199</td>
</tr>
</tbody>
</table>

**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2018, consisted of the following:

- Interest $ 157,118

**NOTE 5 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2018, consisted of the following:

- Construction $ 2,983,813

**NOTE 6 - 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, 2018, between major and non-major governmental funds are as follows:

The balance of $115 is due to the Building Fund from the General Fund for bond expenditures.

**NOTE 7 - FUND BALANCES**

Fund balances at June 30, 2018, consist of the following:

- Restricted
  - Capital projects $ 49,326,219
SUPPLEMENTARY INFORMATION
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

SCHEDULE OF LONG-TERM OBLIGATIONS
JUNE 30, 2018

General Obligation Bonds, Election of 2014, Series A

In June 2015, the District issued $37,199,279 principal amount of the General Obligation Bonds Election of 2014, Series A. The bonds were issued as capital appreciation bonds, with the capital bond principal accreting interest to a maturity value of $55,670,000. The bonds mature through August 1, 2030, with interest rates from 2.78 to 5.56 percent. Proceeds from the sale of the bonds were used to finance specific construction and modernization projects approved by the voters and pay costs of issuance of the bonds. At June 30, 2018, the principal balance outstanding was $40,931,768.

Debt Service Requirements to Maturity

The bonds mature through 2031 as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Principal Including Accreted Interest</th>
<th>Future Interest Accretion</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>3,924,775</td>
<td>625,225</td>
<td>4,550,000</td>
</tr>
<tr>
<td>2022</td>
<td>4,277,214</td>
<td>457,786</td>
<td>4,735,000</td>
</tr>
<tr>
<td>2023</td>
<td>3,990,587</td>
<td>599,413</td>
<td>4,590,000</td>
</tr>
<tr>
<td>2024-2028</td>
<td>18,618,142</td>
<td>6,206,858</td>
<td>24,825,000</td>
</tr>
<tr>
<td>2029-2031</td>
<td>10,121,050</td>
<td>6,848,950</td>
<td>16,970,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 40,931,768</strong></td>
<td><strong>$ 14,738,232</strong></td>
<td><strong>$ 55,670,000</strong></td>
</tr>
</tbody>
</table>
General Obligation Bonds, Election of 2014, Series B

In June 2018, the District issued $50,000,000 principal amount of the General Obligation Bonds Election of 2014, Series B. The bonds mature through August 1, 2033, with interest rates from 3.12 to 5.00 percent. Proceeds from the sale of the bonds were used to finance specific construction and modernization projects approved by the voters and pay costs of issuance of the bonds. At June 30, 2018, the principal balance outstanding was $50,000,000, and unamortized premium was $5,904,469.

The bonds mature through 2034 as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>-</td>
<td>1,190,326</td>
<td>1,190,326</td>
</tr>
<tr>
<td>2020</td>
<td>-</td>
<td>2,280,701</td>
<td>2,280,701</td>
</tr>
<tr>
<td>2021</td>
<td>4,450,000</td>
<td>2,069,500</td>
<td>6,519,500</td>
</tr>
<tr>
<td>2022</td>
<td>4,000,000</td>
<td>1,858,250</td>
<td>5,858,250</td>
</tr>
<tr>
<td>2023</td>
<td>1,175,000</td>
<td>1,734,750</td>
<td>2,909,750</td>
</tr>
<tr>
<td>2024-2028</td>
<td>10,800,000</td>
<td>7,607,650</td>
<td>18,407,650</td>
</tr>
<tr>
<td>2029-2033</td>
<td>22,455,000</td>
<td>4,125,125</td>
<td>26,580,125</td>
</tr>
<tr>
<td>2034</td>
<td>7,120,000</td>
<td>111,250</td>
<td>7,231,250</td>
</tr>
<tr>
<td>Total</td>
<td>$50,000,000</td>
<td>$20,977,552</td>
<td>$70,977,552</td>
</tr>
</tbody>
</table>
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS
JUNE 30, 2018

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2018.
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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 Building Fund (Measure I) obligations.

Reconciliation of Annual Financial and Budget Report With Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure I) reported on the Unaudited Actual Financial Report to the audited financial statements.
INDEPENDENT AUDITOR’S REPORT
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
Conejo Valley Unified School District
Thousand Oaks, 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 Conejo Valley Unified School District (the District) Building Fund (Measure I), as of and for the year ended June 30, 2018, and the related notes of the financial statements, and have issued our report thereon dated December 14, 2018.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure I, and are not intended to present fairly the financial position and changes in financial position of Conejo Valley 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 Conejo Valley 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 Conejo Valley Unified School District’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Conejo Valley 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 Conejo Valley Unified School District's Building Fund (Measure I) 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.

Varrinek, Trine, Day & Co. LLP

Rancho Cucamonga, California
December 14, 2018
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>Excess cost</td>
<td>$50,000</td>
</tr>
<tr>
<td>2021</td>
<td>Overhead cost</td>
<td>$30,000</td>
</tr>
<tr>
<td>2022</td>
<td>Utility expenses</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

Total questioned costs: $105,000
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

FINANCIAL STATEMENT FINDINGS
JUNE 30, 2018

None reported.
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2018

There were no audit findings reported in the prior year's schedule of financial statement findings.
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditor's Report on Performance</td>
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</tr>
<tr>
<td>Authority for Issuance</td>
<td>2</td>
</tr>
<tr>
<td>Purpose of Issuance</td>
<td>2</td>
</tr>
<tr>
<td>Authority for the Audit</td>
<td>2</td>
</tr>
<tr>
<td>Objectives of the Audit</td>
<td>3</td>
</tr>
<tr>
<td>Scope of the Audit</td>
<td>3</td>
</tr>
<tr>
<td>Procedures Performed</td>
<td>3</td>
</tr>
<tr>
<td>Conclusion</td>
<td>3</td>
</tr>
<tr>
<td>Schedule of Findings and Questioned Costs</td>
<td>4</td>
</tr>
<tr>
<td>Summary Schedule of Prior Audit Findings</td>
<td>5</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and
Citizens Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

We were engaged to conduct a performance audit of the Conejo Valley Unified School District (the District) Building Fund (Measure I) for the year ended June 30, 2018.

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 I) 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.

Vavrinek, Trine, Day & Co., LLP
Rancho Cucamonga, California
December 14, 2018
AUTHORIZED FOR ISSUANCE

The Bonds were issued pursuant to the provisions of the California Education Code commencing with Section 15264 and pursuant to resolutions adopted by the Board of Trustees of the District, and by the Board of Supervisors of the County. The District received authorization at an election held on November 4, 2014, by 55 percent of the votes cast by eligible voters within the district, to issue $197,000,000 of General Obligation Bonds. The Bonds represent the first and second series of bonds issued under the Authorization.

PURPOSE OF ISSUANCE

The General Obligation Bond funds of the Conejo Valley Unified School District will be used to "upgrade and maintain Conejo Valley Schools with funding that cannot be taken by the state, shall Conejo Valley Unified School District upgrade all science and career training labs, update and maintain classroom technology and network infrastructure, provide safe, well maintained classrooms, repair and replace electrical, plumbing and roofing, repair, construct, acquire and equip sites and facilities and improve school safety and security by issuing $197 million in bonds, at legal rates, with citizens' oversight, annual audits, no money for administrators, and without increasing current tax rates".

AUTHORIZED FOR THE AUDIT

In November 2014 the voters of Conejo Valley Unified School District overwhelmingly approved Measure I, a $197 million general obligation bond to support technology and facilities improvements. 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 citizen's 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.

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.
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

JUNE 30, 2018

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 I.

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

SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2017 to June 30, 2018. 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, 2018, 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 period July 1, 2017 through June 30, 2018, for the Building Fund (Measure I). 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 I 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, 2017 and ending June 30, 2018, 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 102 transactions totaling $9,962,375. This represents 64 percent of the total expenditures of $15,452,338, including expenditures related to transferred funds.

3. We verified that funds from the Building Fund (Measure I) 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 Conejo Valley Unified School District has properly accounted for the expenditures held in the Building Fund (Measure I) and that such expenditures were made for authorized Bond projects.
None reported.
CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018

There were no audit findings reported in the prior year's schedule of financial statement findings.