

*Eureka City Schools Citizens' Oversight Committee*  
*Virtual Google Meets Meeting due to COVID-19*

**REGULAR MEETING**

4:00 P.M.

**FEBRUARY 24, 2021**

**AGENDA**

- A. CALL TO ORDER OF REGULAR MEETING
  
- B. PUBLIC COMMENT ON NONAGENDA ITEMS
  
- C. CONSENT
  - 1. Minutes of the Regular Meeting of November 17, 2020
  
- D. DISCUSSION / ACTION
  
- E. DISCUSSION
  - 2. Receive and Review 2019-20 Performance & Financial Bond Audit
    - *Jesse Deol,, James Marta & Co.*
  
  - 3. Financial Update: Review Expenditure Report
    - Measure S
    - Measure T
  
  - 4. Projects Update
    - Measure S
    - Measure T
  
  - 5. Membership Terms Revisited
  
  - 6. Public Records Act Request from California Association of Bond Oversight Committees (CABOC)
    - Acceptable Use Agreement
  
  - 7. Community Conversations
  
  - 8. Next Meeting Dates: May 12, 2021 (confirmed); August 18, 2021 (proposed)
  
  - 9. Topics for Next Agenda
  
- F. ADJOURNMENT

Eureka City Schools Citizens' Oversight Committee  
Virtual Google Meets Meeting due to COVID-19

**REGULAR MEETING**

4:00 P.M.

**November 17, 2020**

**MINUTES**

A. CALL TO ORDER OF REGULAR MEETING

Chair Denise Jones called the regular meeting to order at 4:08 p.m.

Members Present : Denise Jones, Greg Burger, Bert Campton, Shalise Miles,  
Becky Reece

Members Absent : Jason Mayhorn, Syn-dee Noel

Staff Present : Paul Ziegler, Charley Batini, Jen Snipes

B. PUBLIC COMMENT ON NONAGENDA ITEMS

There were no public comments on nonagenda items.

C. CONSENT

**1. Minutes of the Regular Meeting of August 26, 2020**

M/S Reece/Miles. All in favor. Motion carries.

D. DISCUSSION / ACTION

**2. Election of Officers**

a. Elect Committee Chair

b. Elect Committee Vice-Chair

i. Excerpt from Section 9 of the Eureka City Schools Independent  
Citizens' Bond Oversight Committee Amended and Restated  
Bylaws:

*Officers. The Superintendent shall appoint the initial Chair. Thereafter, the  
Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent.  
The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected  
by vote of a majority of the members of the Committee.*

Denise Jones explained that this was the first meeting with the new Citizens' Oversight  
Committee (COC) that will oversee Measure S and Measure T.

Becky Reece nominated Denise for COC Chair. Shalise Miles moved to motion and Bert  
Campton seconded. All in favor. Motion carries.

Denise nominated Becky for Vice-Chair. Denise made the motion and Shalise seconded. All in  
favor. Motion carries.

NOT OFFICIAL UNTIL APPROVED ON \_\_\_\_\_

### 3. Term of Membership

- c. Excerpt from Section 5.4 of the Eureka City Schools Independent Citizens' Bond Oversight Committee Amended and Restated Bylaws:

*Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed. Members who have previously served on the Measure S Committee shall be permitted to serve on the Committee and, if appointed by the Board, are entitled to serve three (3) new consecutive two (2) year terms from the date of their appointment.*

#### One Year Terms:

- Greg Burger
- Syn-dee Noel

#### Two Year Terms:

- Bert Campton
- Denise Jones
- Jason Mayhorn
- Shalise Miles
- Becky Reece

M/S Miles/Reece. All in favor. Motion carries.

The committee agreed to bring this topic back to the next meeting to discuss due to two members being absent and assigned terms.

## E. DISCUSSION

### 4. Financial Update: Review Expenditure Report

- a. Measure S
- b. Measure T

#### Measure S:

Paul explained that in the first quarter of 2020-21 the District spent \$790,000, totaling \$18.8 million of the initial \$25 million of bonds sold. Funds will start moving faster when the gymnasium project starts.

Shalise complemented the District on the financial report format.

#### Measure T:

The District has spent \$45,000 to date, mostly for engineering and consulting costs.

We may potentially have to go through the California Environmental Quality Act (CEQA) process, which will add to the cost of the project.

NOT OFFICIAL UNTIL APPROVED ON \_\_\_\_\_

## 5. Projects Update

- a. Measure S
- b. Measure T

### Measure S:

- EHS Ag Building: this project is completed and Jen has filed the Notice of Completion with the County. Blinds, etc. are being installed in-house.
- Alice Birney Office: we have DSA approved plans. We are using the lease leaseback method and Dinsmore Construction is the contractor. We will take the Guaranteed Maximum Price (GMP) to the December 10, 2020 Board meeting for approval.
- EHS Gymnasium: plans are still with DSA. DSA has requested revisions. This is a complex project and we hope to start the project in March/April 2021.
- EHS Albee Stadium/Cloney Field: Charley met with the engineers, trying to find a location with native soil for the new building to reduce construction costs. The EHS alumni association and coaches met with the superintendent and staff to provide input on the project.
- Bell/PA Systems: we are installing at EHS. This is being done in-house.
- Winship Fence: staff is finishing up the project.
- Jacobs: abatement is complete. We are waiting for PG&E to address the gas to the site. Resource Environmental will start demolition on December 16, 2020.

## 6. Review of the Eureka City Schools Independent Citizens' Bond Oversight Committee Amended and Restated Bylaws

Paul reviewed the key notes from the newly adopted COC bylaws:

- Annual elections (November)
- Form 700 not required
- New term limits

The bylaws were adopted by the ECS Governing Board at the September 17, 2020 meeting.

## 7. Community Conversations

Denise explained to new member, Shalise Miles, that this is a standing agenda item so the committee has a chance to share any community conversation that they may have had between COC meetings.

There were no community conversations to report.

## 8. Next Meeting Dates: February 24, 2021 (confirmed); May 19 or May 26, 2021 (proposed)

NOT OFFICIAL UNTIL APPROVED ON \_\_\_\_\_  
February 24, 2021 and May 12, 2021 were confirmed

**9. Topics for Next Agenda**

- Tour of Ag Complex Project
- Bond Audit Report

F. ADJOURNMENT

The meeting was adjourned at 4:51 p.m.

Respectfully submitted,

Paul Ziegler  
Assistant Superintendent / Business Services

\_\_\_\_\_  
Recording Secretary, Jen Snipes

\_\_\_\_\_  
CHAIR OF THE COMMITTEE

\_\_\_\_\_  
DATE

*The next regular meeting will be held February 24, 2021, at 4:00 p.m*  
(MINUTES /js)



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

**COMMUNICATION WITH THOSE CHARGED  
WITH GOVERNANCE**

December 9, 2020

Citizen's Oversight Committee  
and Governing Board Measure S  
General Obligation Bonds Series 2015 Building Fund  
Eureka City Schools  
Eureka, California

We have audited the financial statements of the Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund as of and for the year ended June 30, 2020, and have issued our report thereon dated December 9, 2020. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 21, 2019, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by of Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2019-20 fiscal year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments. We did not identify any accounting estimates made by management relating to the performance of the audit.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We did not identify any disclosures that involve significant sensitive discretion.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. We did not identify any uncorrected misstatements in the course of our audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We did not identify any corrected misstatements in the course of our audit.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated December 9, 2020 (Attachment J).

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund's auditors.

### **Other Services**

We have assisted management in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by management.



Management's responsibilities for other services included designating qualified individuals with the skill, knowledge, and experience to be responsible and accountable for overseeing financial statement preparation and any other nonattest services we performed as part of this engagement. Management has represented that they have evaluated the adequacy and results of those services and is accepting responsibility for them.

**Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

However, in accordance with such standards, we have:

Reviewed the Measure S text and related budget versus actual for the projects and considered whether such information and requirements, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Citizen's Oversight Committee and Governing Board and members of management of the Eureka City Schools and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 9, 2020



# *Eureka City Schools*

2100 J Street, Eureka, CA 95501

December 9, 2020

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California

This representation letter is provided in connection with your audit of the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance of the Measure S General Obligation Bonds Series 2015 Building Fund (the "Fund") of Eureka City Unified School District (the "District") as of June 30, 2020 and for the fiscal year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the fund financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the Fund in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 9, 2020:

## **Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 21, 2019, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We acknowledge that we are responsible for distributing the issued report as well as the communication with governance letter and internal control letter to all governing board members and the Citizens Oversight Committee.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes and acknowledge the auditor's role in the preparation of this information.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

## **Supplementary Information in Relation to the Financial Statements as a Whole**

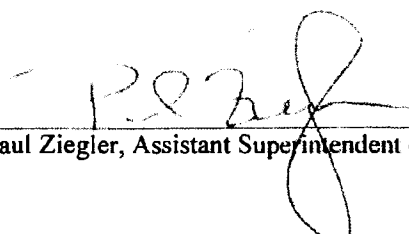
With respect to the supplementary information accompanying the financial statements:

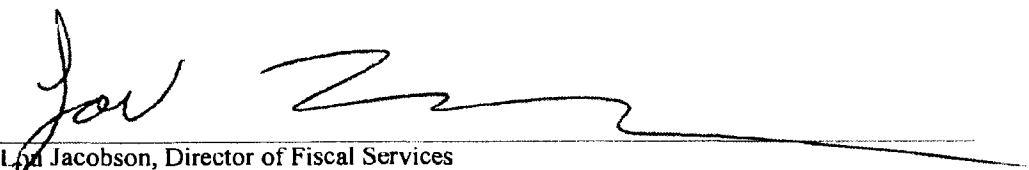
- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with *accounting principles generally accepted in the United States of America, GASB-34 fund statement reporting*.
- b. We believe the supplementary information, including its form and content, is fairly presented in accordance with *GASB-34 fund statement reporting*.
- c. The methods of measurement or presentation have not changed from those used in the prior period
- d. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- e. We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- f. We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

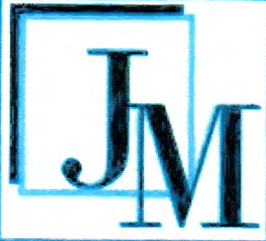
## **Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We *are* not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

- There have been *no* communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Measure S General Obligation Bonds Series 2015 Building Fund of the Eureka City Unified School District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Measure S General Obligation Bonds Series 2015 Building Fund of the Eureka City Unified School District is contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- The Measure S General Obligation Bonds Series 2015 Building Fund of the Eureka City Unified School District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

  
 \_\_\_\_\_  
 Paul Ziegler, Assistant Superintendent of Business Services

  
 \_\_\_\_\_  
 Lou Jacobson, Director of Fiscal Services



**EUREKA CITY SCHOOLS**

**MEASURE S  
GENERAL OBLIGATION BONDS  
SERIES 2015  
BUILDING FUND**

**COUNTY OF HUMBOLDT  
EUREKA, CALIFORNIA**

**FINANCIAL AND PERFORMANCE AUDIT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**

**JAMES MARTA & COMPANY LLP  
CERTIFIED PUBLIC ACCOUNTANTS**

**701 HOWE AVENUE, E3  
SACRAMENTO, CA**

**(916) 993-9494  
(916) 993-9489 FAX  
WWW.JPMCPA.COM**

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**

**TABLE OF CONTENTS**

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	<u>PAGE</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1
<b>BASIC FINANCIAL STATEMENTS</b>	
Balance Sheet	3
Statement of Revenues, Expenditures, and Changes in Fund Balance	4
Notes to the Financial Statements	5
<b>SUPPLEMENTAL INFORMATION</b>	
Full Text of Bond Measure S	12
<b>OTHER INDEPENDENT AUDITOR'S REPORTS</b>	
Report on Internal Control Over Financial Reporting and on Compliance and on Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	15
Independent Auditor's Report on Series 2015 Measure S Bond Performance	17



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**INDEPENDENT AUDITOR'S REPORT**

Citizen's Oversight Committee  
and Governing Board  
Eureka City Schools  
Eureka, California

**Report on the Financial Statements**

We have audited the accompanying Balance Sheet of Eureka City Schools (the District), Measure S General Obligation Bonds Series 2015 Building Fund (the Fund), and the related statement of revenues, expenditures, and changes in fund balance as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements.

**Managements Responsibility for the Financial Statements**

Management is responsible for the preparation and 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, 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 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**

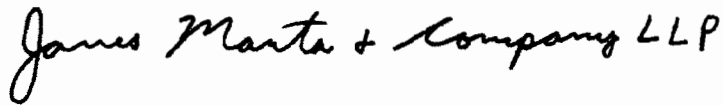
In our opinion, the fund financial statements referred to above present fairly, in all material respects, the financial position of the Eureka City Schools Measure S General Obligation Bonds Series 2015 Building Fund as of June 30, 2020 and the results of its operations the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

As discussed in Note 1, the financial statements referred to above present only the individual Measure S General Obligation Bonds Series 2015 Building Fund and are not intended to present fairly the financial position and results of operations of the District in conformity with generally accepted accounting principles generally accepted in the United States of America.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 2020 on our consideration of the fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting and compliance.



James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 9, 2020

## **BASIC FINANCIAL STATEMENTS**

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**BALANCE SHEET**  
**JUNE 30, 2020**

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**ASSETS**

Cash and investments	\$ 9,055,553
Receivables	<u>85,412</u>
Total assets	<u>\$ 9,140,965</u>

**LIABILITIES AND  
FUND BALANCES**

Liabilities	
Accounts payable	<u>\$ 649,046</u>
Total liabilities	<u>649,046</u>
Fund balance	
Restricted for Measure S Bond Projects	<u>8,491,919</u>
Total fund balance	<u>8,491,919</u>
Total liabilities and fund balance	<u>\$ 9,140,965</u>

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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<b>REVENUES</b>	
Other local revenues	\$ 198,756
Total revenues	<u>198,756</u>
<b>EXPENDITURES</b>	
Classified salaries	121,820
Employee benefits	13,868
Books and supplies	55,615
Contract services and operating expenditures	10,730
Capital outlay	<u>5,679,764</u>
Total expenditures	<u>5,881,797</u>
Net change in fund balance	(5,683,041)
Fund balances, July 1, 2019	<u>14,174,960</u>
Fund balances, June 30, 2020	<u>\$ 8,491,919</u>

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

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

The accounting policies of the Measure S General Obligation Bonds Series 2015 Building Fund (the Fund) of Eureka City Schools 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 fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

Eureka City Schools (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five-member Governing Board elected by registered voters of the District, which comprises an area in Humboldt County. The District was established in 1908 and serves students in grades Transitional Kindergarten through twelve.

On August 27, 2015, the District issued Measure S Series 2015 General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$25,000,000 for the purpose of financing improvements to facilities and educational technology in the District's facilities and to pay certain costs of issuance associated therewith. The Bonds represent the first series of bonds issued under the Authorization. Subsequently, the District has \$24,750,000 in authorized but unissued bonds.

The Bonds were authorized at an election within the District held on November 4, 2014 (the "Election") at which at least fifty-five percent of the registered voters voting on the proposition voted to authorize the issuance and sale of \$49,750,000 aggregate principal amount of general obligation bonds of the District (the "Authorization"). Because the Bond required only 55% of the vote in accordance with Proposition 39 (Article XIII of the California State Constitution), the District was required to establish a citizen's bond oversight committee and to conduct a financial and performance audit.

The Committee's oversight goals include ensuring expenditures are within the language of the ballot measure and advising the District's Governing Board on various projects. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization and a senior citizens organization. No district employees or vendors are allowed to serve on the citizens' oversight committee.

The fund financial statements presented are for the Measure S General Obligation Bonds Series 2015 Building Fund. Since this is just one component of the District these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of Eureka City Schools include the Measure S General Obligation Bond Building Fund activities, related debt and disclosures as well as the management discussion and analysis.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**B. FUND ACCOUNTING**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The proceeds from the sale of general obligation bonds and the subsequent expenditure of the bond funds are accounted for in the Building fund of the District. Any premium received from the sale of the bonds is deposited in the Bond Interest and Redemption Fund of the District.

**C. ACCOUNTING POLICIES**

The District prepares its financial statements in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) and complies with the policies and procedures of the Department of Education's *California School Accounting Manual*.

**D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures 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 financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**E. 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. By state law, the District's governing board must adopt a final 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.

**F. ENCUMBRANCES**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

**G. DEPOSITS AND INVESTMENTS**

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 County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq.

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 instruments; 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 agreements; 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.

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

**H. CAPITAL AND LONG-TERM DEBT**

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the General Obligation Bond Building Fund is accounted for on a spending or "financial flow" measurement focus. This means that only current assets and liabilities are generally included on the balance sheet.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**H. CAPITAL AND LONG-TERM DEBT (CONTINUED)**

The reported fund balance is considered a measure of “available spendable resources”. Thus, the capital assets and long-term liabilities associated with the Measure S General Obligation Bond Building Fund are accounted for in the basic financial statements of the District.

**I. FUND BALANCE – GOVERNMENTAL FUNDS**

As of June 30, 2020, fund balances of the Measure S General Obligation Bond Building Fund are classified as restricted. Restricted funds can only be spent 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.

**J. 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.

**2. CASH AND INVESTMENTS**

Cash and investments as of June 30, 2020 consist of \$9,055,553 cash in the county treasury.

**A. 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.



**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**2. CASH AND INVESTMENTS (CONTINUED)**

**B. Cash in County Treasury**

County pool investments consist of District cash held by the Humboldt County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The County Treasurer has not posted the third and fourth quarter accrued interest for fiscal year 2019-2020 resulting in differences between the actual cash balances in the Humboldt County Treasury compared to the District reported balances. The weighted average maturity of the pool is not determinable at this time. The pool is rated AAA by Standard and Poor's.

**C. Investment Risks**

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, 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 Treasury that purchases a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**3. MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**

The authorized issuance amount of the bonds is \$49,750,000. On August 27, 2015, the District issued Measure S Series 2015 General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$25,000,000 for the purpose of financing the improvements to facilities and educational technology in the District's facilities and to pay costs of issuance of the Bonds. See table below of how the proceeds of the bonds were applied.

Series 2015

The proceeds of the Bonds were applied as follows:

*Sources of Funds*

Principal Amount of Bonds	\$ 25,000,000
Net Original Issue Premium	854,246
Total Sources	<u>\$ 25,854,246</u>

*Uses of Funds*

Deposited to Building Fund	\$ 24,665,000
Deposited to Debt Service Fund	762,110
Cost of Issuance	427,136
	<u>\$ 25,854,246</u>

The Bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of Humboldt County are obligated to levy and collect on all taxable property in the District for the payment of principal and interest on the Bonds when due. The bonds carry interest rates ranging from 2.0% to 5.0% and mature through August 1, 2045.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS SERIES 2015**  
**BUILDING FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**4. COMMITMENTS AND CONTINGENCIES**

As of June 30, 2020, the Building Fund had the following commitments with respect to unfinished capital projects:

<u>Project Name</u>	<u>Initial Committed Balance</u>	<u>Expenditures to Date</u>	<u>Committed Balance at June 30, 2020</u>
AB Office	\$ 865,000	\$ 1,540	\$ 863,460
EHS Gym	15,000,000	834,265	14,165,735
	<u>\$ 15,865,000</u>	<u>\$ 835,805</u>	<u>\$ 15,029,195</u>

**5. SUBSEQUENT EVENTS**

District management evaluated its June 30, 2020 financial statements for subsequent events through December 9, 2020, the date these financial statements were available to be issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

**SUPPLEMENTARY INFORMATION**

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS**  
**SERIES 2015**

**FULL TEXT OF BOND MEASURE**

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**THE EUREKA CITY SCHOOLS CLASSROOM REPAIR, TECHNOLOGY, & JOB  
TRAINING BOND MEASURE**

Upon the passage of Measure S, Eureka City Schools shall be authorized to issue bonds in the aggregate amount of \$49.75 million, bearing interest at rates not exceeding the statutory limit, for the purpose of funding the following school facilities projects:

**Classroom Repair, Technology and Job Training for Eureka City Schools**

**Goal and Purpose:** To upgrade every school site and help improve education by: upgrading career/job training classrooms; investing in technology/science labs; repairing aging classrooms; qualifying local schools for matching state funds; and constructing/acquiring facilities, classrooms, sites and equipment.

**Classroom and Facility Repair:**

- Upgrade fire alarm systems and fire sprinkler systems to meet current codes
- Replace/upgrade existing security systems
- Correct earthquake safety deficiencies where found to be necessary
- Repair, replace and expand fencing, doors, locks, exterior lighting and other barriers to provide increased security for students and staff
- Upgrade emergency communication systems, including warning and public address systems
- Improve, expand or construct safer student pick-up and drop off areas
- Repair and/or replace outdated heating and ventilation systems
- Repair and/or replace drainage, sewer, gas, electrical, irrigation and water systems
- Repair and/or replace leaking roofs, gutters and downspouts
- Repair, renovate, upgrade, improve build and/or replace pavement, sidewalks, outdoor structures, fields, facilities and landscape areas at physical education facilities, sports and athletic facilities, playfields and playgrounds
- Repair and/or replace deteriorated walls, ceilings, doors, windows, cabinets, interior and exterior building finishes
- Repair, renovate or improve site restroom facilities
- Construct classrooms, restrooms, nurses offices, staff work areas at existing sites and furnish and equip such buildings
- Repair, upgrade or reconfigure site grounds and facilities to accommodate projects on this project list
- Construct access improvements for disabled persons, as required by state and federal law
- Carry out necessary deferred maintenance projects
- Repair, add and/or replace school activity signage
- Repair, add and/or replace school furniture and equipment
- Replace aging portable classroom buildings, and furnish and equip such buildings
- Abate and demolish any school buildings that are deemed unsafe and/or not fit for modernization
- Install energy efficient mechanical, electrical and lighting systems
- Replace and/or improve single-paned windows
- Install power generation equipment to reduce energy/utility costs
- Improve insulation, weatherproofing and roofs
- Implement water conservation systems
- Improve, modernize, expand or construct multi-use buildings, including kitchen facilities and central kitchen

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS**  
**SERIES 2015**

**FULL TEXT OF BOND MEASURE**

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**Upgrade career/job training classrooms in our middle and high school campuses allowing us to improve instructional methods, and integrate modern technology:**

- Repair and/or replace deteriorated walls, ceilings, doors, windows, cabinets, interior and exterior building finishes
- Repair and/or replace leaking roofs, gutters and downspouts
- Replace aging portable classroom buildings, and furnish and equip such buildings
- Repair, replace or purchase new shop and classroom furniture and equipment
- Install energy efficient mechanical, electrical and lighting systems
- Replace and/or improve single-paned windows

**Integrate modern technology into daily student learning to improve current instructional methods:**

- Provide and maintain upgraded technology, data and communication equipment
- Upgrade and expand wireless systems, telecommunications, internet and network connections
- Upgrade and replace computers, hardware and software systems
- Install updated wiring and infrastructure to accommodate modern technology

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, surveys, construction management, relocation assistance, staff training expenses and customary contingency and escalation for unforeseen design and construction costs. In addition to the listed projects, the project list also includes the payment of the costs of preparation of all facility planning, permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, printers, portable interface devices, servers, switches, routers, modules, sound projection systems, digital whiteboards, document projectors, upgrade VOIP, call manager and network security/firewall and other miscellaneous equipment and software.

The District Board of Trustees certifies that it has evaluated safety, class size reduction, and information technology needs in developing this list.

The bond proceeds will be used only for the purposes specified in Article XIII A, section 1(b)(3) of the California Constitution, and not for any other purposes, including teacher and administrator salaries and other school operating expenses.

Approval of the bond measure does not guarantee that the school facility projects proposed for construction will be funded beyond the local revenues generated by the measure. Certain of the District's proposed projects assume the receipt of matching State funds, which could be subject to appropriation by the State Legislature or approval of a statewide bond measure. Reduction in state funds may result in a subsequent reduction in funding of projects provided for herein.

**EUREKA CITY SCHOOLS**  
**MEASURE S GENERAL OBLIGATION BONDS**  
**SERIES 2015**

**FULL TEXT OF BOND MEASURE**

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The District Board of Trustees will conduct an annual independent performance audit to ensure that the bond funds have been expended only on the specific projects authorized. The District Board of Trustees will also conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been expended for the above-stated school facilities projects. The District will deposit the proceeds of the bonds in a separate account. The District's chief business official shall issue an annual report to the Board of Trustees, which shall contain the amount of funds collected and expended as well as the status of the above-stated school facilities projects.

Additionally, the District Board of Trustees shall appoint a citizen's oversight committee. The membership requirements and procedures for such committee shall be established by the Board of Trustees in accordance with the requirements of law.

**OTHER INDEPENDENT AUDITOR'S REPORTS**





**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**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***

**INDEPENDENT AUDITOR'S REPORT**

Citizen's Oversight Committee  
and Governing Board  
Eureka City Schools  
Eureka, 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 fund financial statements of the Measure S General Obligation Bonds Series 2015 Building Fund of Eureka City Schools (the "District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Measure S General Obligation Bonds Series 2015 Building Fund financial statements, and have issued our report thereon dated December 9, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure S General Obligation Bond Series 2015 Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of Measure S General Obligation Bond Series 2015 Building Fund 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.

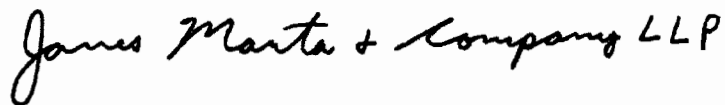
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Measure S General Obligation Bond Series 2015 Building Fund 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.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 9, 2020



**James Marta & Company**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**INDEPENDENT AUDITOR'S REPORT  
ON MEASURE S BOND PERFORMANCE**

Citizen's Oversight Committee  
and Governing Board Measure S  
General Obligation Bonds Building Fund  
Eureka City Schools  
Eureka, California

We have audited the performance audit of the 2015 Measure S General Obligation Bonds Building Fund of the Eureka City Schools (the "District") as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated December 9, 2020. Our audit was made in accordance with auditing standards generally accepted 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.

**Management's Responsibility**

The design, implementation and maintenance of internal controls relevant to the financial process and compliance with the requirements of state laws and regulations is the responsibility of management.

Our responsibility is to determine that the District complied with the 2015 Measure S General Obligation Bonds in accordance with Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. 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 objects. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The results of the procedures performed indicate that the District complied with the requirements identified in Appendix A of the K-12 Local Education Agencies and State Compliance Reporting for the 2015 Measure S General Obligation Bond funds for the year ended June 30, 2020.

**Objectives**

The objectives of our performance audit was to determine that the District expended the 2015 Measure S General Obligation Bond funds for the year ended June 30, 2020 only for purposes approved by voters and only for specific projects adopted by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C.

## **Scope of the Audit**

The scope of our performance audit covered the fiscal year ended June 30, 2020. The expenditures included all account and project codes associated with the bond projects. Expenditures before July 1, 2019 and after June 30, 2020 were not reviewed as they were not within the scope of our audit.

## **Methodology**

1. We obtained the general ledger for the fiscal year ended June 30, 2020.
2. We selected expenditures to ensure compliance with Proposition 39 and 2015 Measure S General Obligation Bond funding.
3. We verified the mathematical accuracy of the expenditures included in the 2015 Measure S General Obligation Bond Fund detailed general ledger for the fiscal year ended June 30, 2020.
4. We verified that the funds were generally expended for the construction, renovation, furnishing and equipping of school facilities constituting authorized bond projects.
5. Solely to assist us in planning and completing our performance audit, we obtained an understanding of the internal controls of the District.
6. We selected a sample of bond expenditures and performed the following:
  - a. Reviewed the invoices, contracts, warrant copies and other supporting documents to verify the funds were spent in accordance with list of projects defined in the full Measure S bond text.
  - b. For any expenditures that were subject to the bid process, we reviewed supporting documentation to verify that all applicable bid process requirements were satisfied.
  - c. We verified that any change orders for the selected projects were approved by the Board of Trustees.
7. We verified that funds used to pay the salaries of district employees were allowable per opinion 04-110 issued November 9, 2004 by the State of California Attorney General.

## **Conclusion**

Based on the procedures performed, we found that the Eureka City Schools has properly accounted for the expenditures of 2015 Measure S General Obligation Bond Fund. Further, it was noted that the funds were not used for salaries of school administrators or other operating expenditures. Our audit does not provide a legal determination on the District's compliance with specific requirements.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our performance audit and the results of that testing. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's compliance. This report is intended solely for the information and use of management and Governing Board of Eureka City Schools, others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

*James Marta & Company LLP*

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 9, 2020

**Bond Fund 23 (Measure 5)  
New Activity from 07/01/2020 to 09/30/2020**

**Alice Birney 3 Classroom Additions**

	Expenditures 2014/15	Expenditures 2015/16	Expenditures 2016/17	Expenditures 2017/18	Expenditures 2018/19	Expenditures 2019/20	2020-21 Expenditures			Total 2020-21	Total Bond Expenditures	
							Quarter 1	Quarter 2	Quarter 3	Quarter 4		
Total	11,621	154,064	985,172	18,073	0	0	0	0	0	0	0	1,168,930
<b>Alice Birney Restroom Upgrade</b>												
Total	0	13,129	0	0	0	0	0	0	0	0	0	13,129
<b>Alice Birney &amp; Classroom Modernization Upper Wing</b>												
Total	0	27,227	109,168	0	0	0	0	0	0	0	0	136,395
<b>Alice Birney Loading Zone</b>												
Total	0	12,414	159,057	1,191,083	35,272	0	0	0	0	0	0	1,397,826

**Alice Birney Office Area Alterations**

Advanced Security Systems	0	0	0	0	0	0	4,020	0	0	0	0	4,020
Brunelle & Clark	0	0	0	0	5,974	700	0	0	0	0	0	6,674
Campton Electric	0	0	0	0	0	0	464	-5	0	0	0	459
Don's Rent All	0	0	0	0	0	0	467	0	0	0	0	467
FF&J Architects	0	0	0	0	1,111,174	0	0	4,203	0	0	0	115,376
Jack Schroeder & Associates	0	0	0	0	0	0	866	0	0	0	0	866
Payroll - ECS labor	0	0	0	0	322	0	0	1,131	0	0	0	1,453
Platt Electric Supply	0	0	0	0	0	0	727	0	0	0	0	727
Shafer's Hardware	0	0	0	0	0	0	89	0	0	0	0	89
SHN Consulting Engineers	0	0	0	0	0	840	0	0	0	0	0	840
Times Standard Tri-City Weekly	0	0	0	0	0	0	3,440	0	0	0	0	3,440
U.S. Bank Corp	0	0	0	0	0	0	108	0	0	0	0	108
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>117,469</b>	<b>1,540</b>	<b>10,181</b>	<b>5,329</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134,519</b>

**Grant Fencing Campton Road**

Total	0	0	0	0	0	17,589	0	0	0	0	0	17,589
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**Grant PA Bell System**

Total	0	0	39,972	0	0	0	0	0	0	0	0	39,972
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**Grant Parking Lot**

Total	0	0	33,596	0	0	14,129	0	0	0	0	0	47,724
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**Lafayette Classroom 5, 7, & 12 Modernization**

Total	0	48,260	18,654	0	0	0	0	0	0	0	0	66,914
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**Lafayette Loading Zone**

Total	0	9,500	227,538	1,593,129	27,609	0	0	0	0	0	0	1,857,776
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**Multiple Sites - Teaching Walls**

Total	0	1,815	220,769	12,828	0	0	0	0	0	0	0	235,412
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**Winship/Perimeter Fencing**

Don's Rent All	0	0	0	0	347	0	0	480	0	0	0	827
Eureka Ace Hardware	0	0	0	0	22	0	0	0	0	0	0	22
Eureka Ready Mix	0	0	0	0	880	0	0	0	0	0	0	880
Fastenal Company	0	0	0	0	120	0	0	0	0	0	0	120
Humboldt Waste Management Authority	0	0	0	0	309	0	0	0	0	0	0	309
Labor Expense - ECS	0	0	0	0	8,561	0	0	0	0	0	0	8,561
Pierson Bldg Center	0	0	0	0	306	0	0	287	0	0	0	593
Point West Surveying Co	0	0	0	0	0	0	4,808	0	0	0	0	4,808
Powell Concrete Pumping	0	0	0	0	434	0	0	0	0	0	0	434
Powell Landscape Materials	0	0	0	0	164	0	0	128	0	0	0	292
Schmidbauer Lumber CO	0	0	0	0	1,201	0	0	48	0	0	0	1,249
Security Contractor Services	0	0	0	0	15,145	0	0	0	0	0	0	15,145
Western Chain Saw Equipment	0	0	0	0	94	0	0	0	0	0	0	94
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,583</b>	<b>0</b>	<b>4,808</b>	<b>943</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,751</b>

**Winship/Bell PA System**

Total	0	0	0	0	0	0	4,808	943	0	0	0	33,334
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Bond Fund 23 (Measure 5) New Activity from 07/01/2020 to 09/30/2020	Expenditures 2014/15	Expenditures 2015/16	Expenditures 2016/17	Expenditures 2017/18	Expenditures 2018/19	Expenditures 2019/20	2020-21 Expenditures Quarter 1	2020-21 Expenditures Quarter 2	2020-21 Expenditures Quarter 3	2020-21 Expenditures Quarter 4	Total 2020-21	Total Bond Expenditures
<b>Total</b>	0	0	0	55,798	0	0	0	0	0	0	0	55,798
<b>Winship Gymnasium Siding Replacement</b>												
<b>Total</b>	5,830	10,453	0	0	0	0	0	0	0	0	0	16,283
<b>Winship Security System</b>												
<b>Total</b>	0	23,597	0	2,059	6,789	0	0	0	0	0	0	32,445
<b>Winship Gym Tech Upgrades</b>												
<b>Total</b>	0	5,067	0	0	0	0	0	0	0	0	0	5,067
<b>Winship - CTE Greenhouses</b>												
<b>Total</b>	0	0	52,554	7,527	0	0	0	0	0	0	0	60,081
<b>Zane Classroom Modernization Room 42</b>												
<b>Total</b>	0	0	0	5,614	0	0	0	0	0	0	0	5,614
<b>Zane Security Cameras</b>												
<b>Total</b>	0	20,580	0	0	9,976	0	0	0	0	0	0	30,556
<b>Zane Cafeteria Roof Replacement</b>												
<b>Total</b>	0	0	0	102,106	0	0	0	0	0	0	0	102,106
<b>Zane Gym Tech Upgrades</b>												
<b>Total</b>	0	5,040	0	0	0	0	0	0	0	0	0	5,040
<b>Zane S Street Entrance</b>												
<b>Total</b>	5,900	0	55,414	430,058	0	0	0	0	0	0	0	491,372
<b>Zane Engineering Class (Room 12)</b>												
<b>Total</b>	3,025	95,716	0	865	0	0	0	0	0	0	0	99,606
<b>Zane PA Bell / Clock System</b>												
<b>Total</b>	0	0	0	65,100	0	0	0	0	0	0	0	65,100
<b>EHS Wireless Network Upgrade</b>												
<b>Total</b>	0	0	0	0	484	0	0	0	0	0	0	484
<b>Modernize Autoshop Equipment</b>												
<b>Total</b>	0	0	0	0	4,166	0	0	0	0	0	0	4,166
<b>EHS CTE Greenhouses</b>												
<b>US Bank Corp</b>	0	0	0	0	0	0	9,916	0	0	0	9,916	9,916
<b>Total</b>	0	0	0	0	0	0	9,916	0	0	0	9,916	9,916
<b>EHS Security Cameras</b>												
<b>Total</b>	0	13,317	151	0	29,175	2,681	0	0	0	0	0	45,324
<b>EHS Gym Project</b>												
<b>AT&amp;T</b>	0	0	0	0	0	0	27,764	0	0	0	27,764	27,764
<b>Brunelle &amp; Clark Consulting</b>	0	0	0	16,525	0	0	0	0	0	0	0	16,525
<b>Department of Toxic Substances</b>	0	0	0	0	0	3,230	0	0	1,065	0	1,065	4,295
<b>Division of State Architect - OSA Plan Check Fees</b>	0	0	0	0	163,049	0	0	0	0	0	0	163,049
<b>ECS Labor</b>	0	0	0	0	0	730	0	0	0	0	0	730
<b>ECS Revolving Fund</b>	0	0	0	0	3,500	0	0	0	0	0	0	3,500
<b>Ferguson Enterprises</b>	0	0	0	0	0	56	0	0	0	0	0	56
<b>FF&amp;J Architects - fees</b>	0	0	0	3,600	502,797	11,247	0	0	0	0	0	517,644
<b>Pacific Gas &amp; Electric - Electric Service</b>	0	0	0	0	0	60,408	0	0	0	0	0	60,408
<b>Pacific Gas &amp; Electric - Engineering Advance</b>	0	0	0	0	5,000	0	0	0	0	0	0	5,000
<b>Page &amp; Turnbull</b>	0	0	8,001	0	0	0	0	0	0	0	0	8,001
<b>Pierson Building Center</b>	0	0	0	0	0	8	0	0	0	0	0	8
<b>Rincon Consulting</b>	0	0	14,146	12,027	0	9,534	0	0	0	0	0	35,707
<b>Schmidbauer Lumber</b>	0	0	0	0	0	2,130	0	0	0	0	0	2,130

**Bond Fund 23 (Measure 5)  
New Activity from 07/01/2020 to 09/30/2020**

	Expenditures 2014/15	Expenditures 2015/16	Expenditures 2016/17	Expenditures 2017/18	Expenditures 2018/19	Expenditures 2019/20	Quarter 1 2020-21	Quarter 2 2020-21	Quarter 3 2020-21	Quarter 4 2020-21	Total 2020-21	Total Bond Expenditures
SHN Consulting Engineers	0	0	6,295	0	4,974	2,424	2,565	0	0	0	2,565	16,257
Times Standard	0	0	0	1,179	0	0	0	0	0	0	0	1,179
US Bank - Postage	0	0	0	0	7	0	0	0	0	0	0	7
Wahlund construction	0	0	0	0	3,398	0	0	0	0	0	0	3,398
<b>Total</b>	<b>0</b>	<b>0</b>	<b>28,442</b>	<b>33,331</b>	<b>682,725</b>	<b>89,767</b>	<b>30,329</b>	<b>1,065</b>	<b>0</b>	<b>0</b>	<b>31,394</b>	<b>865,659</b>
<b>EHS AG Building</b>												
Advanced Security Systems	0	0	0	0	0	3,237	0	3,507	0	0	3,507	6,743
AIRGAS USA	0	0	0	0	0	146,683	0	4,827	0	0	4,827	151,509
Almquist Lumber CO	0	0	0	0	0	0	772	0	0	0	772	772
Anixter Inc	0	0	0	0	0	53,313	2,634	0	0	0	2,634	2,634
Baileigh Industrial Holdings	0	0	0	0	0	0	0	0	0	0	0	53,313
Batini Reimbursement	0	0	0	0	0	0	0	122	0	0	122	122
Bay Tank & Boiler Works	0	0	0	0	0	0	556	32	0	0	588	588
California Geological Survey	0	0	3,600	3,600	0	0	0	0	0	0	0	7,200
Campton Electric	0	0	0	1,006	0	322	31	0	0	0	31	1,359
Carolina Biological Supply	0	0	0	0	0	385	0	0	0	0	0	385
CDW-G	0	0	0	0	0	0	0	5,386	0	0	5,386	5,386
City of Eureka	0	0	0	0	0	10,394	0	0	0	0	0	10,394
Classroom Equipment	0	0	0	0	0	50,309	0	0	0	0	0	50,309
Dismore Construction	0	0	0	0	0	4,097,753	615,625	347,313	0	0	962,938	5,060,691
Division of State Architect	0	0	2,000	0	72,750	0	0	0	0	0	0	74,750
Don's Rent All	0	0	0	644	0	1,162	155	103	0	0	258	2,064
ECS Labor	0	0	0	3,187	158	78,984	14,424	7,542	0	0	21,966	104,295
Elite Metal Tools	0	0	0	0	0	25,536	0	0	0	0	0	25,536
Engineering Advanced Refund	0	0	0	0	0	0	0	-2,500	0	0	-2,500	-2,500
Eureka Oxygen	0	0	0	0	0	0	38	43	0	0	81	81
Fastenal Company	0	0	0	0	0	13,790	31	252	0	0	283	13,573
Ferguson Enterprises	0	0	0	44	0	54	0	0	0	0	0	98
Full Spectrum Laser	0	0	0	0	0	21,345	0	0	0	0	0	21,345
Grainger	0	0	0	0	0	0	2,001	0	0	0	2,001	2,001
Humboldt Counterop Sulaking	0	0	0	0	0	0	401	0	0	0	401	401
Humboldt Fasteners	0	0	0	0	0	0	28	0	0	0	28	28
Infinity Abatement Services	0	0	0	0	0	3,975	0	0	0	0	0	3,975
Jack Schroeder & Associates	0	0	0	1,214	0	0	0	0	0	0	0	1,214
Keenan Supply	0	0	0	0	0	0	4,995	0	0	0	4,995	4,995
Matson & Valleriga - architect fees	0	0	27,671	103,794	282,497	182,329	18,217	17,204	0	0	35,421	631,712
Mill Yard	0	0	0	0	0	0	266	106	0	0	372	372
Miller Farms Nursery	0	0	0	0	0	0	43	0	0	0	43	43
Nilsen Feed	0	0	0	0	0	0	8	0	0	0	8	8
North Coast Flooring	0	0	0	0	0	75,946	8,209	0	0	0	8,209	84,155
O and M Industries	0	0	0	0	0	5,922	0	4,991	0	0	4,991	10,913
Pacific Gas & Electric - Engineering Fee	0	0	0	0	2,500	0	0	0	0	0	0	2,500
Pape Material Handling AC 4408	0	0	0	0	0	0	0	17,903	0	0	17,903	17,903
Pasco Scientific	0	0	0	0	0	0	17,383	0	0	0	17,383	17,383
Pierison Building Center	0	0	0	52	0	173	173	171	0	0	344	396
Platt Electric Supply	0	0	0	213	0	0	610	19,045	0	0	19,655	19,868
Points West Surveying	0	0	0	0	0	5,248	0	0	0	0	0	5,248
Powell Landscape Materials	0	0	0	0	0	98	62	33	0	0	95	193
PPG Architectural Finishes	0	0	0	22	0	284	10	0	0	0	10	316
Sales Tax Corrections	0	0	0	0	0	20	0	0	0	0	0	20
Sales Tax Corrections	0	0	0	0	0	1,814	0	0	0	0	0	1,814
Schmidbauer Lumber Co	0	0	0	0	0	0	33	145	0	0	178	178
School Outlet	0	0	0	0	0	0	0	43,359	0	0	43,359	43,359
School Specialty	0	0	0	0	0	0	0	8,802	0	0	8,802	8,802
Security Contractor Services	0	0	0	0	0	0	2,173	3,358	0	0	5,531	5,531
Shafer's Hardware	0	0	0	0	0	65	162	39	0	0	201	266
SHN Consulting Engineers	0	0	3,844	19,948	6,281	9,935	1,101	2,278	0	0	3,379	43,386
Staples Credit	0	0	0	0	0	0	0	700	0	0	700	700
Stover Engineering	0	0	0	3,700	0	0	0	0	0	0	0	3,700
Sunbelt Rentals	0	0	0	0	0	0	854	1,341	0	0	2,195	2,195
Thrifty Supply Co.	0	0	0	16	0	112	90	0	0	0	90	218
Times Standard	0	0	0	1,079	0	0	0	0	0	0	0	1,079
US Bank Corporate Payments	0	0	0	0	0	17,262	40,206	27,907	0	0	68,113	85,375



**Bond Fund 23 (Measure 5)**  
**New Activity from 07/01/2020 to 09/30/2020**  
 Valley Pacific Petroleum SVCS  
 Wahlund Construction

	Expenditures 2014/15	Expenditures 2015/16	Expenditures 2016/17	Expenditures 2017/18	Expenditures 2018/19	Expenditures 2019/20	2020-21 Expenditures			Total 2020-21	Total Bond Expenditures	
							Quarter 1	Quarter 2	Quarter 3	Quarter 4		
<b>Total</b>	<b>0</b>	<b>0</b>	<b>37,114</b>	<b>139,605</b>	<b>364,186</b>	<b>4,805,776</b>	<b>731,291</b>	<b>514,260</b>	<b>0</b>	<b>0</b>	<b>1,245,551</b>	<b>6,592,232</b>

**EHS Music Building**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>52,560</b>	<b>759,217</b>	<b>121,616</b>	<b>52,123</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>985,516</b>
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**EHS PA Bell / Clock System**

Campton Electric	0	0	0	1,768	1,146	2,315	0	0	0	0	0	5,229
CDW Computer Centers	0	0	0	0	45,461	134,493	0	0	0	0	0	179,954
Fastenal Company	0	0	0	0	71	0	0	0	0	0	0	71
Payroll - ECS Labor	0	0	0	0	8,424	11,382	0	0	0	0	0	19,806
Pierson Building Center	0	0	0	0	33	107	0	0	0	0	0	140
Platt Electric Supply Company	0	0	0	2,225	4,346	7,485	208	0	0	0	208	14,264
Schmidbauer Lumber	0	0	0	0	0	376	0	0	0	0	0	376
Shaler's Hardware	0	0	0	0	0	123	0	0	0	0	0	123
Thrifty	0	0	0	0	0	33	0	0	0	0	0	33
United Rentals Northwest Inc	0	0	0	0	0	166	0	0	0	0	0	166
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,993</b>	<b>59,481</b>	<b>156,479</b>	<b>208</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>208</b>	<b>220,161</b>

**Lincoln Bell and PA System**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>40,528</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,528</b>
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**Lincoln Modernization Phase 2**

<b>Total</b>	<b>955,093</b>	<b>408,986</b>	<b>7,940</b>	<b>1,206</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,373,225</b>
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**Lincoln Modernization Phase 3**

<b>Total</b>	<b>52,065</b>	<b>243,335</b>	<b>713,858</b>	<b>48,250</b>	<b>9,331</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,066,839</b>
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**Washington Parking Lot (6149)**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>7,470</b>	<b>1,316</b>	<b>151,745</b>	<b>715,907</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>876,438</b>
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**Washington Bell/PA System**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,737</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,737</b>
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**Washington Library Modernization**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>2,607</b>	<b>30,139</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,746</b>
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**Washington Cafeteria Project**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>115</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>115</b>
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**Wintler Playground Paving and Equipment Replacement**

<b>Total</b>	<b>36,179</b>	<b>23,944</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,123</b>
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**Wintler Landscaping**

<b>Total</b>	<b>0</b>	<b>28,149</b>	<b>-67</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28,082</b>
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**District Elementary Furniture Purchases**

<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,926</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,926</b>
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**Jacobs Demolition-6751**

Brunelle & Clark Consulting	0	0	0	0	0	0	0	0	0	0	0	10,065
Campton Electric	0	0	0	0	0	0	0	0	0	0	0	2,575
Don's Rent All	0	0	0	0	0	0	0	0	0	0	0	3,475
Fastenal Company	0	0	0	0	0	0	0	0	0	0	0	302
Humboldt Waste Management Authority	0	0	0	0	0	0	0	0	0	0	0	8,681
Jack Schreder & Associates INC	0	0	0	0	0	784	0	0	0	0	0	784
Piersons	0	0	0	0	0	0	0	0	0	0	0	136
Resource Environmental	0	0	0	0	0	0	0	0	0	0	0	427,500
Times Standard	0	0	0	0	0	0	1,112	0	0	0	0	1,112
United Rentals	0	0	0	0	0	0	0	0	0	0	0	361

	Expenditures 2014/15	Expenditures 2015/16	Expenditures 2016/17	Expenditures 2017/18	Expenditures 2018/19	Expenditures 2019/20	2020-21 Expenditures Quarter 1	2020-21 Expenditures Quarter 2	2020-21 Expenditures Quarter 3	2020-21 Expenditures Quarter 4	Total 2020-21	Total Bond Expenditures
Bond Fund 23 (Measure 5)												
New Activity from 07/01/2020 to 09/30/2020												
<b>Total</b>	0	0	0	0	0	784	1,112	453,095	0	0	454,207	454,991
<b>Tech Center Security Cameras-6165</b>												
<b>Total</b>	0	0	0	0	0	90	0	0	0	0	0	90
<b>District Technology Upgrades</b>												
<b>Total</b>	0	0	0	5,400	0	0	0	0	0	0	0	5,400
<b>Site Technology Updates</b>												
<b>Total</b>	0	356,010	447	0	0	0	0	0	0	0	0	356,457
<b>Miscellaneous</b>												
California Debt & Investment Reporting fees.	0	3,000	0	0	0	0	0	0	0	0	0	3,000
CDE Computer Centers	0	0	38,557	0	0	0	0	0	0	0	0	38,557
ECS Labor	0	0	0	0	0	377	613	0	0	0	613	991
FF&J Architects - delineate the scope of work and range of costs	33,389	58,322	32,870	0	0	0	0	0	0	0	0	124,581
Humboldt County Treasurer - agent fees	0	0	291	0	0	0	0	0	0	0	0	291
Jack Schreder & Assoc. Project review.	0	2,210	0	0	0	0	0	0	0	0	0	2,210
James Marta & Co Bond audit.	0	8,000	7,700	5,965	5,605	10,630	0	3,400	0	0	3,400	41,300
Kronick Moskowitz Tiedemann Review architect prequalification	2,866	0	0	0	0	0	0	0	0	0	0	2,866
On-Behalf Pension Contributions	0	335,000	0	0	2,051	0	0	0	0	0	0	2,051
Proceeds / Bond Fees	0	0	0	0	0	0	0	0	0	0	0	335,000
SHN Consulting - geologic/geotechnical investigation - EHS	0	0	26,886	0	0	0	0	0	0	0	0	26,886
<b>Total</b>	36,255	406,532	106,304	5,965	7,656	11,007	613	3,400	0	0	4,013	577,733
<b>TOTAL</b>	1,105,968	1,907,135	2,899,362	4,507,262	1,702,400	5,881,798	788,457	978,093	0	0	1,766,550	19,770,475
<b>State Match:</b>												
Alice Birney 3 Classroom	0	0	0	(364,590)	0	0	0	0	0	0	0	(364,590)
<b>NET EXPENDITURES</b>	1,105,968	1,907,135	2,899,362	4,142,672	1,702,400	5,881,798	788,457	978,093	0	0	1,766,550	19,405,885

**Bond Fund 23 (Measure T)  
New Activity from 07/01/2020 to 09/30/2020  
Measure T Storm Drain (7400)**

	2020-21 Expenditures				Total	Total Bond
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2020-21	Expenditures
BRUNELLE & CLARK CONSULTING	7,975	0	0	0	7,975	7,975
DON'S RENT ALL	332	0	0	0	332	332
EUREKA READY MIX	662	0	0	0	662	662
FF&J Architects INC.	0	496,775	0	0	496,775	496,775
SHN CONSULTING ENGINEERS	36,477	53,589	0	0	90,066	90,066
UNITED RENTALS NORTHWEST INC.	96	0	0	0	96	96
<b>Total</b>	<b>45,542</b>	<b>550,364</b>	<b>0</b>	<b>0</b>	<b>595,906</b>	<b>595,906</b>
<b>TOTAL</b>	<b>45,542</b>	<b>550,364</b>	<b>0</b>	<b>0</b>	<b>595,906</b>	<b>595,906</b>
<b>State Match:</b>	0	0	0	0	0	0
<b>NET EXPENDITURES</b>	<b>45,542</b>	<b>550,364</b>	<b>0</b>	<b>0</b>	<b>595,906</b>	<b>595,906</b>

## ACCEPTABLE USE AGREEMENT AND RELEASE OF DISTRICT FROM LIABILITY (EMPLOYEES)

The Eureka City School District authorizes district employees to use technology owned or otherwise provided by the district as necessary to fulfill the requirements of their position. The use of district technology is a privilege permitted at the district's discretion and is subject to the conditions and restrictions set forth in applicable Board policies, administrative regulations, and this Acceptable Use Agreement. The district reserves the right to suspend access at any time, without notice, for any reason.

The district expects all employees to use technology responsibly in order to avoid potential problems and liability. The district may place reasonable restrictions on the sites, material, and/or information that employees may access through the system.

The district makes no guarantee that the functions or services provided by or through the district will be without defect. In addition, the district is not responsible for financial obligations arising from unauthorized use of the system.

Each employee who is authorized to use district technology shall sign this Acceptable Use Agreement as an indication that he/she has read and understands the agreement.

### Definitions

District technology includes, but is not limited to, computers, the district's computer network including servers and wireless computer networking technology (wi-fi), the Internet, email, USB drives, wireless access points (routers), tablet computers, smartphones and smart devices, telephones, cellular telephones, personal digital assistants, pagers, MP3 players, wearable technology, any wireless communication device including emergency radios, and/or future technological innovations, whether accessed on or off site or through district-owned or personally owned equipment or devices, and non-connected District technology such as printers, copiers, scanners, projectors presenters (document cameras), and webcams.

### Employee Obligations and Responsibilities

Employees are expected to use district technology safely, responsibly, and primarily for work-related purposes. Any incidental personal use of district technology shall not interfere with district business and operations, the work and productivity of any district employee, or the safety and security of district technology. The district is not responsible for any loss or damage incurred by an employee as a result of his/her personal use of district technology.

The employee in whose name district technology is issued is responsible for its proper use at all times. Employees shall not share their assigned online services account information, passwords, or other information used for identification and authorization purposes, and shall use the system only under the account to which they have been assigned. Employees shall not gain unauthorized access to the files or equipment of others, access electronic resources by using another person's name or electronic identification, or send anonymous electronic communications. Furthermore, employees shall not attempt to access any data, documents, emails, or programs in the district's system for which they do not have authorization.

Employees are prohibited from using district technology for improper purposes, including, but not limited to, use of district technology to:

1. Access, post, display, or otherwise use material that is discriminatory, defamatory, obscene, sexually explicit, harassing, intimidating, threatening, or disruptive
2. Disclose or in any way cause to be disclosed confidential or sensitive district, employee, or student information without prior authorization from a supervisor
3. Engage in personal commercial or other for-profit activities without permission of the Superintendent or designee
4. Engage in unlawful use of district technology for political lobbying

5. Infringe on copyright, license, trademark, patent, or other intellectual property rights
6. Intentionally disrupt or harm district technology or other district operations (such as destroying district equipment, placing a virus on district computers, adding or removing a computer program without permission, changing settings on shared computers)
7. Install unauthorized software
8. Engage in or promote unethical practices or violate any law or Board policy, administrative regulation, or district practice
9. Use personal equipment to access confidential and/or sensitive information

#### Privacy

Since the use of district technology is intended for use in conducting district business, no employee should have any expectation of privacy in any use of district technology.

The district reserves the right to monitor and record all use of district technology, including, but not limited to, access to the Internet or social media, communications sent or received from district technology, or other uses within the jurisdiction of the district. Such monitoring/recording may occur at any time without prior notice for any legal purposes including, but not limited to, record retention and distribution and/or investigation of improper, illegal, or prohibited activity. Employees should be aware that, in most instances, their use of district technology (such as web searches or emails) cannot be erased or deleted.

All passwords created for or used on any district technology are the sole property of the district. The creation or use of a password by an employee on district technology does not create a reasonable expectation of privacy.

#### Personally Owned Devices

If an employee uses a personally owned device to access district technology or conduct district business, he/she shall abide by all applicable Board policies, administrative regulations, and this Acceptable Use Agreement. Any such use of a personally owned device may subject the contents of the device and any communications sent or received on the device to disclosure pursuant to a lawful subpoena or public records request. Employees accessing district resources on personal devices will make every effort to ensure the security of District data.

#### Records

Any electronically stored information generated or received by an employee which constitutes a district or student record shall be classified, retained, and destroyed in accordance with BP/AR 3580 - District Records, BP/AR 5125 - Student Records, or other applicable policies and regulations addressing the retention of district or student records.

#### Reporting

If an employee becomes aware of any security problem (such as any compromise of the confidentiality of any login or account information) or misuse of district technology, he/she shall immediately report such information to the Superintendent or designee.

#### Consequences for Violation

Violations of the law, Board policy, or this Acceptable Use Agreement may result in revocation of an employee's access to district technology and/or discipline, up to and including termination. In addition, violations of the law, Board policy, or this agreement may be reported to law enforcement agencies as appropriate.

Employee Acknowledgment

I have received, read, understand, and agree to abide by this Acceptable Use Agreement, BP 4040 - Employee Use of Technology, and other applicable laws and district policies and regulations governing the use of district technology. I understand that there is no expectation of privacy when using district technology or when my personal electronic devices use district technology. I further understand that any violation may result in revocation of user privileges, disciplinary action, and/or appropriate legal action.

I hereby release the district and its personnel from any and all claims and damages arising from my use of district technology or from the failure of any technology protection measures employed by the district.

Name: \_\_\_\_\_ (Please print)

Position: \_\_\_\_\_

School/Work Site: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Are you requesting access to our Student Information System?      YES      NO

Exhibit EUREKA CITY UNIFIED SCHOOL DISTRICT

version: February 3, 2016 Eureka, California