

**SYLVAN UNION SCHOOL DISTRICT
RESOLUTION 2018/2019 - #2**

**DRAFT RESOLUTION OF THE BOARD OF TRUSTEES OF THE
SYLVAN UNION SCHOOL DISTRICT AUTHORIZING INTERFUND TRANSFER AND
CLOSURE OF MEASURE A BUILDING FUND**

WHEREAS, the Sylvan School District (the “District”) is a school district duly organized under the laws of the State of California; and

WHEREAS, in November, 2006, the District passed Measure A, a general obligation bond measure authorizing the issuance of \$40 million in bonds for the purpose of making capital improvements to District schools and facilities; and

WHEREAS, since 2006, the District issued multiple series of general obligation bonds, each time depositing the proceeds into an established Fund for accounting for sources and uses of the (Fund 21) (“Building Fund”) to hold the proceeds of the bonds for the purposes and projects outlined in the ballot measure;

WHEREAS, between 2010 and 2017, the District also received in excess of \$13 million in state matching grants from the State of California School Facility Program (“SFP”) to support or reimburse the District for facility project expenditures; and

WHEREAS, after receipt into Fund 35, state matching funds were [inadvertently] transferred to and accounted for in the Building Fund rather than the Capital Outlay Fund (Fund 40), thus inflating the balance of funds in the Building Fund beyond proceeds from the Bonds; and

WHEREAS, all Measure A bond projects capable of being completed have been completed, leaving a balance of **\$TBD** (*approx. \$1,028,646*) in the Building Fund which, in accordance with School Facility Program (SFP) regulations, is not required to be used on Measure A projects or on the project for which the application was made, if such projects have already been completed with bond funds; and

WHEREAS, the Board of Trustees now desires to make an interfund transfer of the remaining balance of the Building Fund from the Building Fund to Fund 40 to be used, in accordance with SFP regulations, to complete the modernization of Ustach Middle School (“Project”), and other high priority capital projects, and further desires to declare all Measure A funds spent and to close the Building Fund until which time a new General Obligation Bond Measure is authorized by voters, and bond proceeds are generated.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Sylvan Union School District that:

1. Recitals. The Board hereby determines that the foregoing recitals are true and correct.

2. Authorization to Transfer Funds. The Board hereby authorizes the transfer of the balance of **\$TBD** from the District’s Building Fund (Fund 21) to Fund 40 to pay or reimburse the District for the costs of the Project. Through prudent and efficient management of capital project expenses, the balance represents state matching grant savings achieved by the District, and the Project(s) are a high priority capital project. In accordance with SFP Regulations (Cal. Code Regs., tit 2, section 1859.90.5), the District elects to use its state matching grant savings for this purpose.

3. Closure of Building Fund. Upon completion of the interfund transfer, all Measure A building funds will have been expended, and the Board hereby authorizes and directs the closing of the Building Fund until which time a new General Obligation Bond Measure is authorized by voters, and bond proceeds are generated.

4. Effective Date. This resolution shall take effect immediately upon its passage. The Superintendent, Assistant Superintendent of Business Services, or a designee thereof is hereby authorized and directed to deliver a copy of this Resolution to the Stanislaus County Office of Education and such other officers and officials of the County as necessary to implement the directive of this Resolution. Notice of the final expenditure of Measure A funds shall be provided to the District’s Citizen’s Bond Oversight Committee.

THE FOREGOING RESOLUTION was introduced at a Regular Meeting of the **SYLVAN UNION SCHOOL DISTRICT’S** Board of Trustees held on the a 7th day of August, 2018, by Board Member _____, who made the motion, which motion being duly seconded by Board Member _____, was, upon roll call, carried into Resolution and passed by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTENTIONS:**

I, DEBRA M. HENDRICKS, Secretary of the Board of Trustees, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Board of Trustees of the **SYLVAN UNION SCHOOL DISTRICT** at a Regular Meeting of August 28, 2018, which Resolution is on file in office of said Board.

DATE: _____

SIGNED: _____

Debra M. Hendricks
Board of Trustees Secretary