

October 2, 2018

Dr. Sherry Kropp, Superintendent
Los Alamitos Unified School District
10293 Bloomfield St.
Los Alamitos, CA 90720

Dear Superintendent Kropp,

The Orange County Taxpayers Association (OCTax) neither support nor oppose individual school bond initiatives. We feel local taxpayers are in the best position to make that decision. Instead, we offer detailed criteria by which parents, taxpayers and voters may begin to judge the initiative. Our criteria states that a school bond will include the following:

- A documented list of specific problems to be corrected and specific projects to be completed.
- Bonds will not pay for computers, vehicles, technology items, or other equipment that will become obsolete while bond debt is outstanding.
- District will maintain a reserve of at least 2%-3% of its operating funds for maintenance of facilities.
- District will set aside a fund equivalent to 2%-4% of the value of the bonds for future construction and repair.
- District will utilize the services of an independent registered municipal advisor when issuing bonds.
- Bonds will be issued via competitive sale if credit rating is at least in the single A category, and by select underwriter for a negotiated sale via RFP if credit rating is below the single A category.
- Ballot language will clearly state whether or not a PLA is envisioned or required for any portion of the expected bond expenditures.
- The District will adopt a 'No Pay to Play' policy which includes the requirements spelled out in the OCTax School Bond Criteria.
- District will provide OCTax approved training for School Bond Citizens Oversight Committee members and District employees responsible for working with COC members.
- The Taxpayer Association Representative on the COC must come from a bona fide Orange County countywide taxpayers association. OCTax CEO must approve a representative who claims to be a member of OCTax.

OCTax has reviewed Measure G, the Los Alamitos Unified School District's Bond initiative that will appear on the ballot in the election of November 6, 2018.

Although our criteria is not completely listed out, Measure G does state in Resolution No. 2017/2018-36 that "the District has reviewed and is in agreement with the criteria established by the Orange County Taxpayers Association for the fiscally responsible issuance of local school district bonds." Criteria that we recommend voters insist, at a minimum, be included in every school bond initiative. Additionally, in email correspondence you have confirmed that the board is in agreement with our criteria.

I am pleased to report that Measure G meets the OCTax Criteria for the fiscally responsible issuance of a local school district bond. If Measure G passes, we look forward to working with you in implementing our criteria.

Sincerely,



Carolyn Cavecche
CEO and President
Orange County Taxpayers Association