



Los Alamitos Unified School District
Citizens' Bond Oversight Committee
for the 2008 Measure K and 2018 Measure G
ANNUAL REPORT FOR FISCAL YEAR 2019-2020
March 2021

INTRODUCTION

The Los Alamitos Unified School District, which serves the cities of Los Alamitos, Seal Beach, and the communities of Rossmoor, Surfside, and other unincorporated areas of Orange County, is the recognized leader in providing top quality education to Orange County students.

The District has a long-standing legacy of excellence in Academics, Athletics, Activities, and the Arts. All of the District's nine schools have been recognized as California Distinguished Schools and Gold Ribbon Schools. Highly talented teachers and staff ensure that students are prepared for unlimited possibilities now and following high school graduation. Los Alamitos Unified School District students regularly win honors in county, state, and national competitions, including:

- 97 National Merit Scholars in the past five years
- Military Academy appointments
- Academic and athletic scholarships
- Reigning Show Choir National Champions
- Multiple Sunset League Athletic Championships
- Reigning World Champion Cheer Team
- Reigning National Champion Song Team
- Marching Band, Jazz Band, Drama
- Robotics, STEAM
- Model United Nations and Speech/Debate tournaments

In addition, students from the District schools volunteer thousands of hours each year to community and environmental causes.

The achievements have been accrued by the District as a result of the long history of visionary leadership from the Board of Education for the District (the "Board"), as well as from staff members, parents, and members of the District communities. During its long history, the District has benefited from a community which supports its educational institutions by establishing high

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standards for academic achievement, while at the same time providing the means required to meet and even to surpass those expectations.

This year was a transformational period in education. The Covid-19 pandemic affected educational systems worldwide, leading to the near-total closure of schools. Most agencies decided to temporarily close educational institutions in an attempt to reduce the spread of Covid-19. However, school closures impact students, teachers, and families and have far-reaching economic and societal consequences. Los Alamitos Unified School District transitioned and adjusted overnight to continue serving students. Dedicated LAUSD teachers adapted to provide daily engaging lessons to students. After countless hours of collaboration with staff, and in partnership with local health agencies, a completed 2020-21 District Opening and Safety Plan was in place, and students returned for the school year in a hybrid and distance learning model.

Although well maintained, the average age of District schools was almost 50 years. Los Alamitos Elementary School, the oldest District school, had been serving students and the community for more than 63 years before being modernized.

In order to provide local students with the same classrooms and school facilities as other California school districts, major repairs, upgrades, and classroom construction are necessary to ensure these buildings will remain functional for future generations.

The District's Board of Education responded on August 5, 2008 by authorizing placement on the November 2008 ballot Measure K, a general obligation school construction bond. As approved, Measure K provided \$126 million for a wide array of District facility needs with every campus to receive improvements by having classrooms and facilities repaired, upgraded and modernized as necessary, along with \$2 million for technology needs and \$2 million for athletic projects.

Measure K was presented to the voters through the state's Proposition 39 program under which a measure is passed with 55 percent voter approval. On November 4, 2008, Measure K was passed with a strong 62.2% voter approval. Though funds from Measure K have helped complete numerous projects that are serving our students well, it was only meant to address a portion of the capital improvement needs identified through our Facilities Master Planning process.

On November 6, 2018, Measure G was passed with a 58.73% voter approval. Measure G, a \$97 million dollar bond will renovate, construct, acquire classrooms, science labs, instructional technology/equipment for student achievement in math, science, arts, engineering/careers; repair/upgrade 50 year old high school classrooms/ school facilities, deteriorating roofs, plumbing, sewer/electrical systems and improve student safety.

Proposition 39 includes a number of requirements the sponsoring school district must meet before a measure can go before the voters. The Los Alamitos Unified School District had to provide in advance of the election a complete and detailed list of all projects to be undertaken with bond funds. Proposition 39 also includes a number of requirements the sponsoring school district must meet after a measure is approved.

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CITIZENS’ OVERSIGHT COMMITTEE

Proposition 39 requires the sponsoring school district of an approved measure to establish a Citizens’ Oversight Committee to oversee, monitor and inform the public concerning the expenditure of general obligation bond revenues. The Citizens’ Oversight Committee must provide annually a report of how bond funds were used in the past year. This is the Los Alamitos Unified School District Measure K and Measure G Citizens’ Oversight Committee’s annual report for fiscal year 2019-2020.

The committee is to consist of 11 members to serve for a term of two years without compensation.

The committee must include:

- A. One member who is active in a business organization representing the business community located within the school district.
- B. One member active in a senior citizens’ organization.
- C. One member who is a parent or guardian of a child enrolled in the school district.
- D. One member who is both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization; and
- E. One member who is active in a bona fide taxpayer’s organization.

The committee is currently made up of the following individuals:

<u>Member</u>	<u>Represent</u>
Craig Cartozian	Member of Taxpayer Organization
Keith Crafton	At-Large Community Member
Alexandra Ito	At-Large Community Member
Ashran Jen	At-Large Community Member
Trini Jimenez	Business Representative
Brett Lorber	Vice-Chairperson; At-Large Community Member
Brady Metcalfe	At-Large Community Member
Janet Murphy	Chairperson; Active PTA Member
Lorraine Navarro	At-Large Community Member
Marilynn Poe	Active Senior Citizens Group
Chad Stuart	Parent of District Student

The Los Alamitos Unified School District’s School Facilities Improvement District No. 1 Citizens’ Bond Oversight Committee met on the following dates:

- January 29, 2020
- April 1, 2020
- October 14, 2020

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The committee toured the construction sites on the following dates:

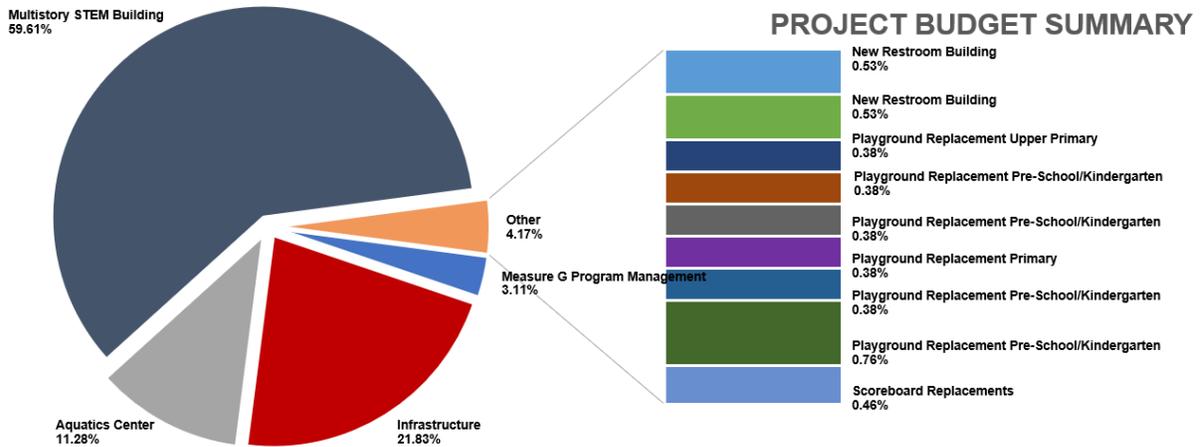
- August 28, 2020
- September 22, 2020
- September 28, 2020

It is planned that at the April 13, 2021 regular meeting of the Board of Education, the Committee will present the 2019-2020 Annual Report of the Citizens' Oversight Committee.

BUDGET

The following are charts that represents the current budget expressed both by school and by expense categories as they stand on June 30, 2020:

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PROJECT FULL NAME	PROJECTS		FUNDING SOURCE		
	SITE	PROJECT	A MEASURE G	B MEASURE K	C OTHER FUNDS
BP - Measure G Program Management	Bond Program	Measure G Program Management	\$ 3,500,000.00	\$ -	\$ -
LAHS - Infrastructure	Los Alamitos High School	Infrastructure	\$ 23,400,000.00	\$ -	\$ 1,158,933.00
LAHS - Aquatics Center	Los Alamitos High School	Aquatics Center	\$ -	\$ 7,207,513.00	\$ 5,488,297.00
LAHS - Multistory STEM Building	Los Alamitos High School	Multistory STEM Building	\$ 67,066,000.00	\$ -	\$ -
HES - New Restroom Building	Hopkinson Elementary School	New Restroom Building	\$ 600,000.00	\$ -	\$ -
LAES - New Restroom Building	Los Alamitos Elementary School	New Restroom Building	\$ 600,000.00	\$ -	\$ -
LES - Playground Replacement Upper Primary	Lee Elementary School	Playground Replacement Upper Primary	\$ 425,000.00	\$ -	\$ -
WES - Playground Replacement Pre-School/Kindergarten	Weaver Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ -	\$ -
RES - Playground Replacement Pre-School/Kindergarten	Rossmoor Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ -	\$ -
LAES - Playground Replacement Primary	Los Alamitos Elementary School	Playground Replacement Primary	\$ 425,000.00	\$ -	\$ -
LES - Playground Replacement Pre-School/Kindergarten	Lee Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ -	\$ -
MGES - Playground Replacement Pre-School/Kindergarten	McGaugh Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 850,000.00		
LAHS - Scoreboard Replacements	Los Alamitos High School	Scoreboard Replacements	\$ 520,000.00		
			\$ 98,661,000.00	\$ 7,207,513.00	\$ 6,647,230.00

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BUDGET BY TOTAL PROGRAM

In addition to Measure K and Measure G, some projects have other revenue sources that have helped fund these projects including State Bond Funds, Deferred Maintenance Funds, or local donations. The following chart shows “Total” Budget from all sources, both at the time of approval and actual at completion of the project.

SITE	PROJECT	D PRELIMINARY BUDGET	E MODIFICATIONS	F CURRENT BUDGET
Bond Program	Measure G Program Management	\$ 3,500,000.00	\$ -	\$ 3,500,000.00
Los Alamitos High School	Infrastructure	\$ 24,558,933.00	\$ -	\$ 24,558,933.00
Los Alamitos High School	Aquatics Center	\$ 12,695,810.00	\$ -	\$ 12,695,810.00
Los Alamitos High School	Multistory STEM Building	\$ 67,066,000.00	\$ -	\$ 67,066,000.00
Hopkinson Elementary School	New Restroom Building	\$ 600,000.00	\$ 250,000.00	\$ 850,000.00
Los Alamitos Elementary School	New Restroom Building	\$ 600,000.00	\$ 350,000.00	\$ 950,000.00
Lee Elementary School	Playground Replacement Upper Primary	\$ 425,000.00	\$ (12,613.00)	\$ 412,387.00
Weaver Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ (85,383.00)	\$ 339,617.00
Rossmoor Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ (9,267.00)	\$ 415,733.00
Los Alamitos Elementary School	Playground Replacement Primary	\$ 425,000.00	\$ (97,687.00)	\$ 327,313.00
Lee Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 425,000.00	\$ (71,132.00)	\$ 353,868.00
McGaugh Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 850,000.00	\$ (387,291.00)	\$ 462,709.00
Los Alamitos High School	Scoreboard Replacements	\$ 520,000.00		\$ 520,000.00
		\$ 112,515,743.00	\$ (63,373.00)	\$ 112,452,370.00

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REVENUE

The District sold bonds in 2020 in the amounts of \$39 million (Measure G) and \$8.3 million (Measure K) and plans to sell additional bonds in 2022 and 2025. The revenue this year from interest is \$416,406.00.

EXPENDITURES

The California Constitution specifically limits the expenditures of bond revenues to: construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.

As disclosed in the Proposition 39-required annual independent auditor’s report, the total amount expended during the 2019-20 fiscal year for Measure K was \$3,645,215.00. The total amount expended during the 2019-20 fiscal year for Measure G was \$15,251,159.00. An itemized list of the expenditures was provided by the Los Alamitos Unified School District accounting staff as additional supporting documentation to the annual audit. The independent accounting firm of EideBailly prepared the audit report, *Los Alamitos Unified School District, Building Fund (Measure K) and (Measure G), Financial Audit and Performance Audits, June 30, 2020.*

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SITE	PROJECT	G CONTRACTS COMMITTED	H OTHER FUND EXPENDITURES	I BOND FUND EXPENDITURES	(F - H - I) CURRENT BALANCE
Bond Program	Measure G Program Management	\$ 2,405,841.00	\$ -	\$ 935,980.08	\$ 2,564,019.92
Los Alamitos High School	Infrastructure	\$ 22,976,021.80	\$ 1,158,932.79	\$ 19,364,307.48	\$ 4,035,692.73
Los Alamitos High School	Aquatics Center	\$ 11,049,243.28	\$ 5,488,297.17	\$ 4,862,964.27	\$ 2,344,548.56
Los Alamitos High School	Multi-story STEM Building	\$ 58,786,744.68	\$ -	\$ 10,590,018.26	\$ 56,475,981.74
Hopkinson Elementary School	New Restroom Building	\$ 850,123.00		\$ 525,570.89	\$ 324,429.11
Los Alamitos Elementary School	New Restroom Building	\$ 866,856.00		\$ 627,750.00	\$ 322,250.00
Lee Elementary School	Playground Replacement Upper Primary	\$ 425,981.40	\$ -	\$ 412,386.66	\$ 0.34
Weaver Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 339,616.23	\$ -	\$ 339,616.23	\$ 0.77
Rossmoor Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 424,838.97	\$ -	\$ 415,732.73	\$ 0.27
Los Alamitos Elementary School	Playground Replacement Primary	\$ 426,899.30	\$ -	\$ 327,312.15	\$ 0.85
Lee Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 398,399.12	\$ -	\$ 353,867.82	\$ 0.18
McGaugh Elementary School	Playground Replacement Pre-School/Kindergarten	\$ 398,399.12		\$ 462,708.32	\$ 0.68
Los Alamitos High School	Scoreboard Replacements	\$ 465,020.00		\$ 213,536.66	\$ 306,463.34
		\$ 99,813,983.90	\$ 6,647,229.96	\$ 39,431,751.55	\$ 66,373,388.49

TIMELINE

Below is a table summarizing the timelines for projects under Measures K and G:

Site	Begin Architectural Drawings	Submit Drawings to DSA/Projection of when Contractor Selection Process will be Completed	Projected Start Date of Construction at Site	Projected Construction Completion
Los Alamitos High School Infrastructure	November 2017	April 2018	June 2018	March 2020
Los Alamitos High School Multi-Story Building	July 2018	June 2019	February 2020	June 2022
Los Alamitos High School Aquatic Center	February 2018	June 2018	April 2019	June 2020
Los Alamitos High School Scoreboards	December 2019	-	-	-
Los Alamitos High School Gymnasium	Planning Phase	Planning Phase	Planning Phase	Planning Phase
Los Alamitos High School Classrooms Modernization	Planning Phase	Planning Phase	Planning Phase	Planning Phase
Los Alamitos Elementary Restroom	July 2019	March 2020	August 2020	August 2020
Hopkinson Elementary Restroom	July 2019	March 2020	August 2020	August 2020

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AUDIT

Proposition 39 requires that the sponsoring school district of an approved measure conduct an annual independent performance audit to ensure that bond funds have been expended only on the specific projects included on the list of projects the district was required to provide before Measure K and Measure G were presented to the voters.

Proposition 39 also requires that the school district conduct an annual independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended for the school facilities projects.

The annual audit of the Los Alamitos Unified School District's Measure K and G bond expenditure was conducted by EideBailley, an independent auditing firm. In the firm's report of that audit it states, "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Building Fund (Measure K and G) of the Los Alamitos Unified School District at June 30, 2020 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

The audit report will be presented by an accountant of EideBailley for review to the Citizens' Bond Oversight Committee at its March 31, 2021 meeting. This report will be available online or upon request at the Los Alamitos Unified School District's Business Office located at 10293 Bloomfield Street, Los Alamitos, California.

WEBSITE

Proposition 39 requires the sponsoring school district of an approved measure to establish a website dedicated to bond matters. All documents received by the Citizens' Oversight Committee and all reports issued by the Committee are a matter of public record and are made available on the District's website.

That website can be found at the Los Alamitos Unified School District homepage at www.losal.org. By clicking on "Menu", "Our District", "Bond Measures" and selecting Citizens' Bond Oversight Committee, visitors will find all available documents presented to the committee, including:

- Meeting agendas
- Meeting minutes. Minutes of a meeting cannot be provided until they are approved by the Committee.
- Project list
- California Education Code Provisions for Citizens' Oversight Committees

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- Reports and other documents prepared and presented to the Committee

CONCLUSIONS

The Los Alamitos Unified School District's Measure K and Measure G Citizens' Bond Oversight Committee will meet and review the reports of the audit of bond expenditures conducted by EideBailley for the fiscal year ending June 30, 2020. The report and the Citizens' Bond Oversight Committee website can be found on the Los Alamitos Unified School District's webpage at www.losal.org.

The Oversight Committee finds the Los Alamitos Unified School District to be in compliance with the requirements of Article XIII A, Section 1 (b)(3) of the California Constitution.

Janet Murphy, Committee Chair
Brett Lorber, Committee Vice-Chair