



**Los Alamitos Unified School District
Citizens' Bond Oversight Committee
for the 2008 Measure K and 2018 Measure G
ANNUAL REPORT FOR 2021**

March 2022

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. Our highly talented teachers and staff ensure that our 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:

- 93 National Merit Scholars in the past five years
- AP Honor Roll for the past seven 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 standards for academic achievement, while at the same time providing the means required to meet and even to surpass those expectations.

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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.

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 2021.

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

The committee must include:

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- 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
M. 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:

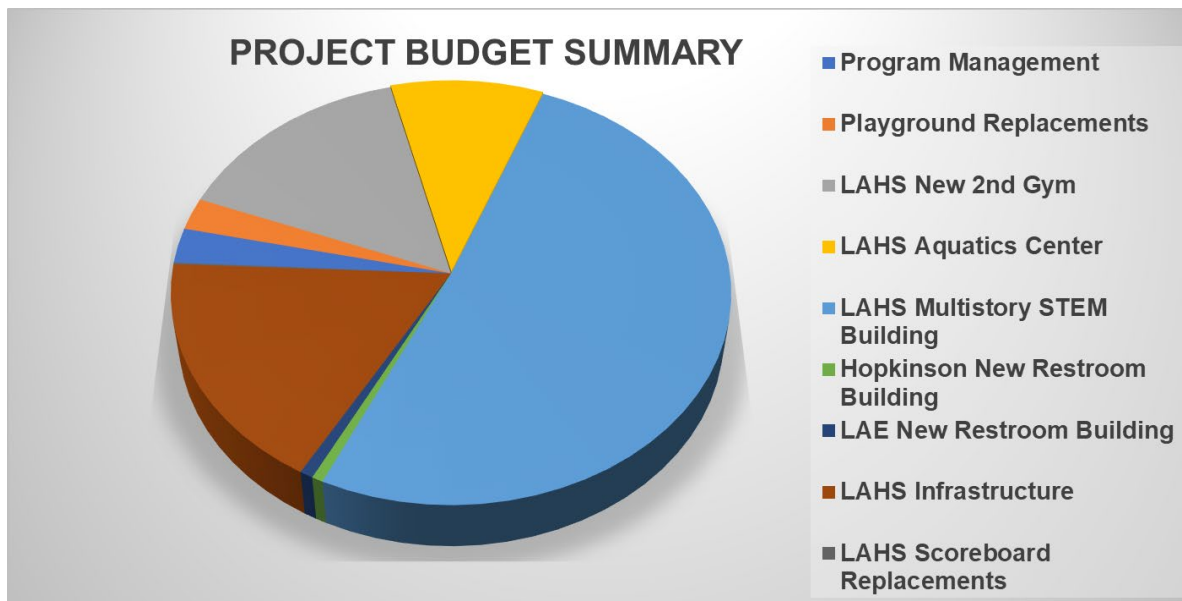
- January 20, 2021
- March 31, 2021
- October 6, 2021

It is planned that at the April 12, 2022 regular meeting of the Board of Education, the Committee will present the 2021 Annual Report of the Citizens’ Oversight Committee.

BUDGET

The following is a chart that represents the current budget expressed both by school and by project as they stand on October 31, 2021:

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PROJECTS		BUDGET		
SITE	PROJECT	D PRELIMINARY BUDGET	E MODIFICATIONS	F CURRENT BUDGET
All Projects	Program Management	\$ 3,500,000.00	\$ -	\$ 3,500,000.00
Hopkinson Elementary School	Playground Replacement- Kindergarten/Preschool	\$ 150,000.00	\$ -	\$ 150,000.00
Lee Elementary School	Playground Replacement- Secondary	\$ 150,000.00	\$ 100,000.00	\$ 250,000.00
Los Alamitos Elementary School	Playground Replacement- Secondary/Kinder	\$ 350,000.00	\$ -	\$ 350,000.00
Los Alamitos High School	New 2nd Gym	\$ 20,000,000.00	\$ -	\$ 20,000,000.00
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
Weaver Elementary School	Playground Replacement - Primary	\$ 200,000.00	\$ -	\$ 200,000.00
Hopkinson Elementary School	New Restroom Building	\$ 600,000.00	\$ 192,898.00	\$ 792,898.00
Lee Elementary School	Playground Replacement- Upper Primary	\$ 425,000.00	\$ (12,613.00)	\$ 412,387.00
Lee Elementary School	Playground Replacement- Pre- School/Kindergarten	\$ 425,000.00	\$ (71,132.00)	\$ 353,868.00
Los Alamitos Elementary School	New Restroom Building	\$ 600,000.00	\$ 341,483.00	\$ 941,483.00
Los Alamitos Elementary School	Playground Replacement- Primary	\$ 425,000.00	\$ (97,688.00)	\$ 327,312.00
Los Alamitos High School	Infrastructure	\$ 24,558,933.00	\$ (1,607,125.00)	\$ 22,951,808.00
Los Alamitos High School	Scoreboard Replacements	\$ 520,000.00	\$ (371,096.00)	\$ 148,904.00
McGaugh Elementary School	Playground Replacements- Primary and Secondary Grades	\$ 850,000.00	\$ (387,292.00)	\$ 462,708.00
Rossmoor Elementary School	Playground Replacement- Pre- School/Kindergarten	\$ 425,000.00	\$ (9,267.00)	\$ 415,733.00
Weaver Elementary School	Playground Replacement- Pre- School/Kindergarten	\$ 425,000.00	\$ (85,244.00)	\$ 339,756.00
		\$ 133,365,743.00	\$ (2,007,076.00)	\$ 131,358,667.00

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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, Capital Outlay Fund, 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.

PROJECTS		FUNDING SOURCE		
SITE	PROJECT	A MEASURE G	B MEASURE K	C OTHER FUNDS
All Projects	Program Management	\$ 3,500,000.00	\$ -	\$ -
Hopkinson Elementary School	Playground Replacement- Kindergarten/Preschool	\$ 150,000.00	\$ -	\$ -
Lee Elementary School	Playground Replacement- Secondary	\$ 250,000.00	\$ -	\$ -
Los Alamitos Elementary School	Playground Replacement- Secondary/Kinder	\$ 350,000.00	\$ -	\$ -
Los Alamitos High School	New 2nd Gym	\$ 11,000,000.00	\$ 2,000,000.00	\$ 7,000,000.00
Los Alamitos High School	Aquatics Center	\$ -	\$ 7,207,513.00	\$ 5,488,297.00
Los Alamitos High School	Multistory STEM Building	\$ 55,321,533.00	\$ 11,744,467.00	\$ -
Weaver Elementary School	Playground Replacement - Primary	\$ 200,000.00	\$ -	\$ -
Hopkinson Elementary School	New Restroom Building	\$ 792,898.00	\$ -	\$ -
Lee Elementary School	Playground Replacement- Upper Primary	\$ 412,387.00	\$ -	\$ -
Lee Elementary School	Playground Replacement- Pre-School/Kindergarten	\$ 353,868.00	\$ -	\$ -
Los Alamitos Elementary School	New Restroom Building	\$ 941,484.00	\$ -	\$ -
Los Alamitos Elementary School	Playground Replacement- Primary	\$ 312,262.00	\$ -	\$ 15,050.00
Los Alamitos High School	Infrastructure	\$ 21,792,875.00	\$ -	\$ 1,158,933.00
Los Alamitos High School	Scoreboard Replacements	\$ 137,965.00	\$ -	\$ 10,938.00
McGaugh Elementary School	Playground Replacements- Primary and Secondary Grades	\$ 462,708.00	\$ -	\$ -
Rossmoor Elementary School	Playground Replacement- Pre-School/Kindergarten	\$ 415,733.00	\$ -	\$ -
Weaver Elementary School	Playground Replacement- Pre-School/Kindergarten	\$ 339,756.00	\$ -	\$ -
		\$ 96,733,469.00	\$ 20,951,980.00	\$ 13,673,218.00
		Total Funding Sources		\$ 131,358,667.00

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REVENUE

The District sold bonds in 2020 and plans to sale additional bonds in 2022 and 2025. The revenue this year from interest is \$378,419.36.

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 2020-21 fiscal year for Measure K was \$403,632.43. The total amount expended during the 2020-21 fiscal year for Measure G was \$20,389,386.40. 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 Eide Bailly prepared the audit report, *Los Alamitos Unified School District, Building Fund (Measure K) and (Measure G), Financial Audit and Performance Audits, June 30, 2021.*

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 Multi-Story Building	July 2018	June 2019	February 2020	June 2022
Los Alamitos High School Gymnasium	Planning Phase			
Los Alamitos High School Classrooms Modernization	Planning Phase			
Los Alamitos Elementary School Restroom	Complete			
Hopkinson Elementary School Restroom	Complete			
Hopkinson Elementary Playground Replacement-Kindergarten/Preschool	Complete			
Lee Elementary School				

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Playground Replacement- Secondary	Complete
Lee Elementary School Playground Replacement- Pre-School/Kindergarten	Complete
Los Alamitos Elementary School Playground Replacement- Primary	Complete
Los Alamitos Elementary School Playground Replacement- Secondary/Kinder	Complete
Los Alamitos High School Infrastructure	Complete
Los Alamitos High School Aquatic Center	Complete
Los Alamitos High School Scoreboards	Complete
Weaver Elementary School Playground Replacement - Primary	Complete
McGaugh Elementary School Playground Replacements- Primary and Secondary Grades	Complete
Rossmoor Elementary School Playground Replacement- Pre-School/Kindergarten	Complete
Weaver Elementary School Playground Replacement- Pre-School/Kindergarten	Complete

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 Eide Bailly, 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

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Alamitos Unified School District at June 30, 2021 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.”

Eide Bailly also conducted a review of the expenditures for the period ending June 30, 2021, and their review did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds that were approved by the registered voters of the District on November 4, 2008 and November 6, 2018.

The audit report was presented by an accountant of Eide Bailly for review to the Citizens’ Bond Oversight Committee at its January 26, 2022 meeting. This report is 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.

The website can be found at the Los Alamitos Unified School District homepage at www.losal.org in the following manner:

- Click on “Menu”
- Hover over “Our District”
- Click on “Bond Measures”
- Click on “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
- 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 has met and reviewed the reports of the audit of bond expenditures conducted by Eide Bailly for the fiscal year ending June 30, 2021. 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.

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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
