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**GGUSD Trustees Authorize First Sale
of "Measure A" School Bonds**

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The Garden Grove Unified School District Board of Education has given the green light for the issuance of school bonds authorized through Measure A, the \$250-million school bond measure passed by GGUSD voters in June. The resolution authorizing the sale was adopted by trustees at their meeting of Tuesday, Aug. 17.

It is anticipated the bonds will be marketed and sold to investors next month, with the sale closing and proceeds delivered to the district in October.

This first issuance governs the sale of \$130 million in general obligation bonds for school modernization projects, while the Board-approved resolution limits the sale to \$134 million in the event of lower-than-expected interest rates. The Board's action came at the recommendation of the district's bond advisor, George K. Baum & Associates.

District representatives, including Supt. Laura Schwalm, are scheduled to meet with rating agency analysts later this month to secure credit ratings for the school district. With a strong record of prudent and conservative fiscal practices, the district is optimistic it will secure favorable ratings, thus helping save GGUSD taxpayers millions of dollars in bond interest and provide more funds to use for school improvements.

The upcoming bond sale reflects a combination of tax-exempt bonds (\$12.8 million) and Build America Bonds or BABs (\$117.2 million). Different from traditional tax-exempt bonds, BABs are a new financing tool from the federal American Recovery and Reinvestment Act of 2009.

BABs provide state and local government entities with funding at much lower borrowing costs, and the issuer receives a 35-percent rebate on each interest payment made.

Measure A bonds are paid by an assessment on property taxes within the district of approximately \$35 per \$100,000 of assessed valuation. The County of Orange is responsible for levying the bond assessment and collecting the revenue on behalf of the district.

Measure A, approved by 63.8 percent of district voters on June 8, authorizes \$250
(more)

million in bonds and enables the GGUSD to qualify for as much as \$200 million in matching state school bond funds for large-scale infrastructure repair and modernization projects.

Bond proceeds, coupled with state matching funds, will help finance such major improvements as renovating electrical circuitry, plumbing, lighting, roofing, intercom, and fire safety systems; improving energy efficiency; replacing doors, windows, and outdated heating and ventilation systems; updating playground safety matting; upgrading telecommunications systems to accommodate current technology; replacing restroom and drinking fountain fixtures; and retrofitting schools for better accessibility for the disabled.

Bond funds will be kept and monitored by the Orange County Treasurer, and will be subject to scrutiny by the new citizens' committee, with annual independent audits open for public inspection.

An information sheet with application for the Citizens' Bond Oversight Committee is available online from the district's website at www.ggusd.us or from the Public Information Office at (714) 663-6503. Completed applications must be received by the Public Information Office, Garden Grove Unified School District, 10331 Stanford Ave., Garden Grove 92840, or faxed to (714) 663-6100 no later than 4 p.m. on September 17, 2010. All committee members must be GGUSD residents.

Plans for Measure A modernization projects have been filed with the state Office of Public School Construction and the Division of the State Architect. Pending state approvals and funding, the bond projects are expected to begin next year.

For additional information, call the district's Public Information Office at (714) 663-6503, or go online to the 'Measure A' link from the GGUSD website, or navigate directly to www.ggusd.us/measurea.html. Measure A questions may also be directed by e-mail to askmeasurea@ggusd.us.

The Garden Grove Unified School District serves most of Garden Grove and portions of Santa Ana, Westminster, Fountain Valley, Cypress, Stanton, and Anaheim.