

*Architect's rendering of remodeled Escondido Center*

## **PROPOSITION M**

### **Independent Citizens' Oversight Committee**

**2010-2011 ANNUAL REPORT**

## PALOMAR COLLEGE MISSION

Our mission is to provide an engaging teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. As a comprehensive college, we support and encourage students who are pursuing transfer-readiness, general education, basic skills, career and technical training, aesthetic and cultural enrichment, and lifelong education. We are committed to promoting the learning outcomes necessary for our students to contribute as individuals and global citizens living responsibly, effectively, and creatively in an interdependent and changing world.

## VISION

Learning for Success

## ABOUT THE DISTRICT

Palomar College has been providing quality education to its district's residents for over 65 years. Our San Marcos campus is supplemented by an educational center in Escondido, as well as five additional sites located throughout inland North San Diego County. Palomar College offers over 300 associate and certificate programs and serves almost 30,000 students each semester.



*Left to right: Palomar Governing Board Trustee Darrell L. McMullen; Rose Marie Dishman; Nancy C. Chadwick; Paul P. McNamara; and Palomar College President Robert P. Deegan*

## GOVERNING BOARD

Mark R. Evilsizer, *President*  
Darrell L. McMullen, *Vice President*  
Rose Marie Dishman, Ph.D., *Trustee*  
Nancy C. Chadwick, *Trustee*  
Paul P. McNamara, *Trustee*  
Channing Shattuck, *Student Trustee*

## SUPERINTENDENT/PRESIDENT

Robert P. Deegan

## 2010-2011 COMMITTEE MEMBERS

Terry L. Ardinger  
*Member of the Community at Large*  
Richard Borevitz  
*Palomar College President's Associates*  
Evelyn Lucero  
*Palomar College Associated Student Government Representative*

Ginny MacDonald, *Chair*  
*Member of the Community at Large*  
Michael McDowell  
*San Diego County Taxpayers' Association*  
George Weiner  
*Local Business Organization/San Marcos EDC*  
Glen Winn, *Co-Chair*  
*Senior Citizen Org./Escondido Senior Citizen's Counsel*

## A LETTER FROM THE COMMITTEE CHAIR

*Dear Community Member:*

It is my pleasure to present the 2010-2011 Annual Report on Proposition M. On November 7, 2006, voters in the Palomar Community College District approved a \$694 million facilities bond measure (Proposition M) under the rules established by Prop 39. This measure supports the District's Master Plan 2022, which was published in August 2003. More than 57% of the voters saw it as an investment in their community college. Under the rules of Prop 29, a Independent Citizens' Oversight Committee (ICOC) was first established September 26, 2006.

This Annual Report is available to District residents, in fulfillment of the role of the ICOC, as specified by law, and to provide a report on the investment activities accomplished during the past 12 months.

The ICOC is responsible for reviewing expenditures to ensure that bond proceeds are spent only for the purposes set forth in Proposition M. The Committee reports that, to the best of its knowledge, Palomar Community College District is in full compliance with the responsibilities as described in Article XIII A of the California State Constitution. With this report, the ICOC members assure the community that Proposition M bond expenditures have been issued properly, and only for projects identified in the bond measure and that no measures or monies were used unlawfully for teacher and administration salaries or other operating expenses.

I have thoroughly enjoyed serving as ICOC Chair and working closely with the committee and the district staff. We thank you for your ongoing support and confidence in Palomar Community College and we look forward to continuing the positive work your investment has provided.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Winn". The signature is fluid and cursive, with the first name "Glen" and last name "Winn" clearly distinguishable.

Glen Winn  
Chair  
Independent Citizens' Oversight Committee

# ABOUT PROPOSITION M

On November 7, 2006, voters in the District’s service area approved Proposition M, a \$694 million facilities bond measure, which enables the District to:

- Upgrade nursing and emergency medical career training labs
- Modernize outdated science, computer and job training labs/equipment
- Upgrade electrical and technology infrastructure
- Repair/replace deteriorated roofs, plumbing, lighting, heating and ventilation systems
- Improve energy efficiency
- Modernize/replace outdated classrooms and student support facilities
- Complete safety upgrades to College buildings and grounds

The Independent Citizens’ Oversight Committee monitors the expenditure of funds from the Proposition M General Obligation Bond to ensure that bond revenues are expended only for the purposes described and that no bond funds are used for any faculty or administrative salaries or other operating expenses. Proposition M was authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, and subdivision (b) of Section 18 of Article XVI of the California Constitution in accordance with the requirements of the Strict Accountability in Local School Construction Bond Act of 2000 (Prop 39).

## COMMITTEE ACTIVITY SUMMARY

The Independent Citizens’ Oversight Committee was initially appointed by the Palomar College Governing Board on May 8, 2007. The Committee met four times in fiscal year 2010-2011. Proceedings of these meetings have included:

- Reviewing bylaws and roles and responsibilities of ICOC with the bond attorney;
- Updating of ICOC website -- <http://www.palomar.edu/propm/icoc/>;
- Developing the 2009-2010 Annual Report;
- Reviewing staff financial reports; and
- Reviewing construction projects.

## COMMITTEE MEETINGS

The Independent Citizens’ Oversight Committee meets on a quarterly basis. All meetings are open to the public.

Agendas and minutes from all committee meetings are available on the ICOC website at [www.palomar.edu/propm/icoc](http://www.palomar.edu/propm/icoc). All meetings are held on the San Marcos campus unless noted differently on the ICOC website.

Meetings held or scheduled during the 2010-2011 and the 2011-2012 fiscal years include:

### *Held*

- September 17, 2010
- December 10, 2010
- March 11, 2011
- June 10, 2011

### *Scheduled*

- September 23, 2011
- December 2, 2011
- March 2, 2012
- June 1, 2012

## PROPOSITION M PROGRAM ACTIVITIES

- Opened Health Sciences Building Fall 2010.
- Opened Multidisciplinary Building Spring 2011.
- Started construction January 2010 on Horse Ranch Creek Road.
- Continued construction on the Multimedia Lab and Planetarium Project.
- Continued construction on the Industrial Technology Building.
- Began implementation of Phase 2 12kV Electrical Infrastructure Upgrade.
- Completed the Escondido Center North Wing Retrofit Fall 2010.
- Coordinated District design groups with architectural teams on the following projects: landscape upgrades, fire alarm upgrade, and T-Building renovation.
- Developed “swing space” for the Performing Arts department, Health Services department, English department who were displaced with the start of construction for the Theatre, Humanities and TLC projects.
- Purchased three (3) acres adjacent to San Marcos campus.
- Submitted plans for Parking Lots 3 and 5 to Department of State Architects for approval.

## LEVERAGING OF THIS INVESTMENT

- Received a San Diego Gas & Electric “Savings By Design” award for energy efficiency for the Multidisciplinary (MD) Building for \$129,000.
- Continue to implement LEED standards on all buildings through sustainable design, and recycling and sale of materials no longer usable to the District.
- Salvaged approximately \$44,000 in reusable equipment, including ceiling tiles, ballasts, circuit breakers, outlets, motion sensors and cabinetry, for use in future projects.



## SERIES A BOND ISSUANCE

In May 2007, the Palomar Community College District issued Series A bonds in the amount of \$160 million. The bonds were sold with a qualified tax opinion and investors were restricted to approved institutional buyers.

## SERIES B BOND ISSUANCE

In November 2010, the Palomar Community College District issued Series B bonds in the amount of \$175 million. The bonds consisted of \$83.5 million in federally taxable Build America Bonds and \$91.5 million in tax-exempt General Obligation Bonds.

## REVIEW OF EXPENDITURES

The firm of Vicenti Lloyd & Stutzman LLP, Certified Public Accountants conducted the Financial and Performance Audit for proceeds and use of general obligation bonds for the fiscal year ending June 30, 2011, as required by Proposition 39. The results of the procedure indicated that expenditures were made for authorized bond projects.

The finding of *no discrepancies* validates the success of internal controls established by the Palomar College Finance and Administrative Services area and implemented by staff.

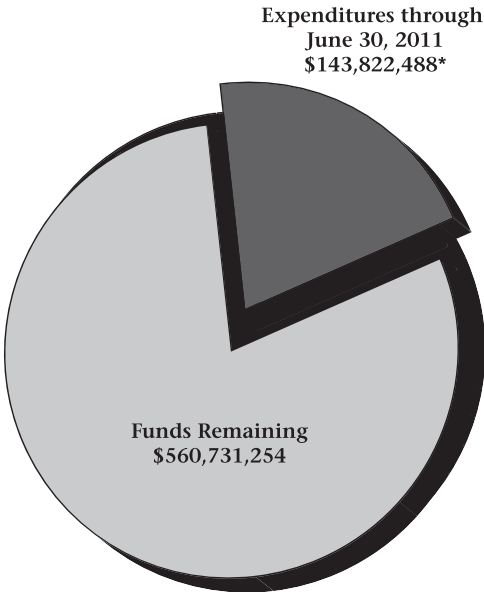
To view the complete independent accountant's report, please visit [www.palomar.edu/fiscal\\_services/LeftNav/Reports.html](http://www.palomar.edu/fiscal_services/LeftNav/Reports.html).



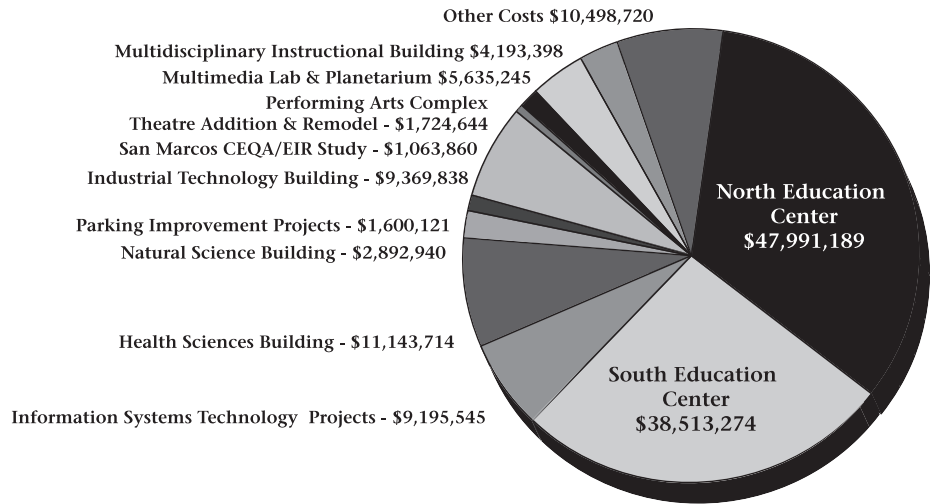
# PROP M PROGRAM

TOTAL BOND AUTHORIZATION - \$694,000.000

## Bond Expenditures

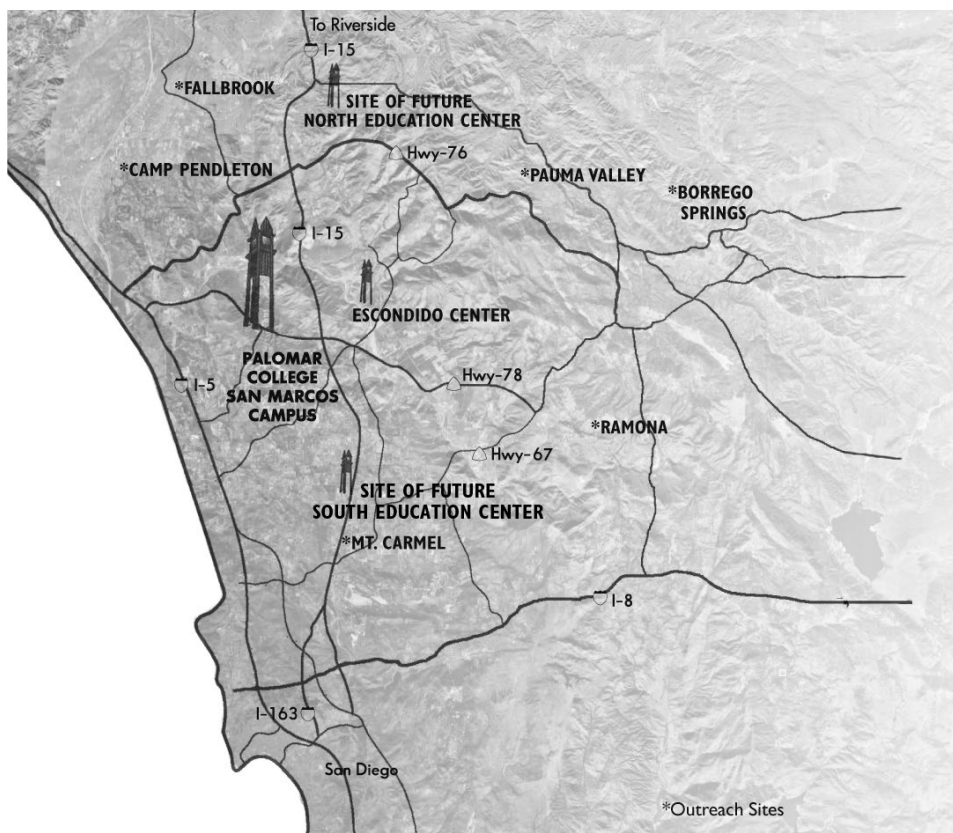


## Breakdown of Cumulative Bond Expenditures through June 30, 2011 \$143,822,488\*



\*Audited figures





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*Palomar Community College District is committed to reducing environmental impacts through increased use of recycled materials. This report was printed on recycled paper product.*