



# **PROPOSITION M**

## **Independent Citizens' Oversight Committee**



**2012 - 2013  
ANNUAL REPORT**

*Dear Community Member:*

It is with great pleasure that I present the 2012-2013 Prop M Annual Report. On November 7, 2006, the Palomar College District voters 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. An independent citizens' oversight committee (ICOC) formed under the rules of Prop 39 was first established on 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 this 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 faculty and administration salaries or other operating expenses.

The members of the ICOC look forward to continuing our work with the District staff. We thank you, the members of the District, for your continued support and confidence in Palomar College and the vision it has for the future of education.

*Sincerely,*

*Terry Ardinger, Chair*

*Independent Citizens' Oversight Committee*

## **2012-2013 COMMITTEE MEMBERS**

Terry L. Ardinger, *Chair, Member of the Community at Large*

Jesse Lyn Clark, *Palomar College Foundation*

Thomas Clark, *Member of the Community at Large*

Rod Jones, *Local Business Organization*

Johnathan Farmer, *Palomar College Associated  
Student Government Representative*

John Nabors, *Taxpayers' Association*

Glen Winn, *Senior Citizens' Organization*

## **GOVERNING BOARD**

Nancy C. Chadwick, M.S.W., M.P.A., *President*

Paul P. McNamara, B.A., *Vice President*

Mark Evilsizer, M.A., *Secretary*

John J. Halcón, Ph.D., *Trustee*

Nancy Ann Hensch, B.A., *Trustee*

Johnathan Farmer, *Student Trustee*

## **SUPERINTENDENT/PRESIDENT**

Robert P. Deegan



*February 2013 Humanities Building Construction*



## **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 60 years. Our San Marcos campus is supplemented by an educational center in Escondido, as well as additional sites located throughout inland North San Diego County. Palomar College offers over 300 associate degree and certificate programs and serves almost 30,000 students.





## **ABOUT PROPOSITION M**

On November 7, 2006, voters in the District's service area approved Proposition M, a \$694 million facilities bond measure, enabling 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 2012-2013. 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 2012-2013 Annual Report
- Reviewing staff financial reports
- Reviewing construction projects



## **COMMITTEE MEETINGS**

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

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

Meetings held or scheduled during the 2012-2013 and the 2013-2014 fiscal years include:

### ***HELD***

- September 7, 2012
- December 7, 2012
- March 1, 2013
- June 7, 2013

### ***SCHEDULED***

- September 6, 2013
- December 6, 2013
- March 7, 2014
- June 6, 2014

## **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 Christy White Associates, Certified Public Accountants conducted the financial and performance audit for proceeds and use of general obligation bonds for the fiscal year ending June 30, 2013, 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).



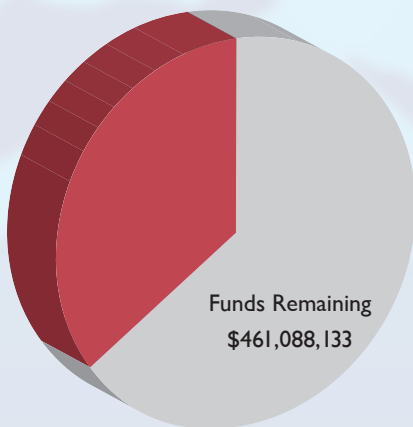
## **PROPOSITION M PROGRAM ACTIVITIES**

- Completed construction on the Escondido Center Re-Imaging project
- Completed construction on the Theatre Remodel and Expansion
- Completed construction on the Teaching & Learning Center
- Completed construction on Horse Ranch Creek Road
- Completed construction on the T Building remodel
- Continued construction on the Humanities Building
- Coordinated District design groups with architectural teams on the following projects: LRC (Library), Child Development Center, and South Education Center

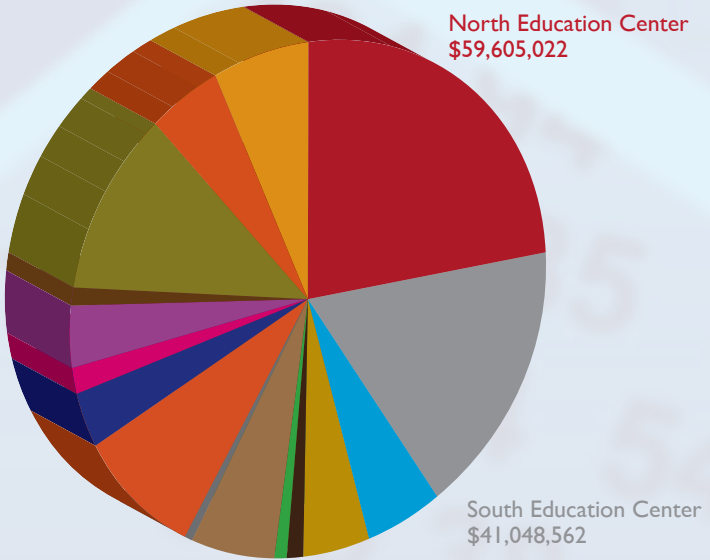
## **LEVERAGING OF THIS INVESTMENT**

- Installation of a complete photovoltaic electrical system on the Humanities Building project
- Participation in the San Diego Gas & Electric “Savings By Design” program for energy efficiency for all new projects
- Implementation of LEED standards on all buildings through sustainable design
- Recycling and sale of building materials no longer usable to the District

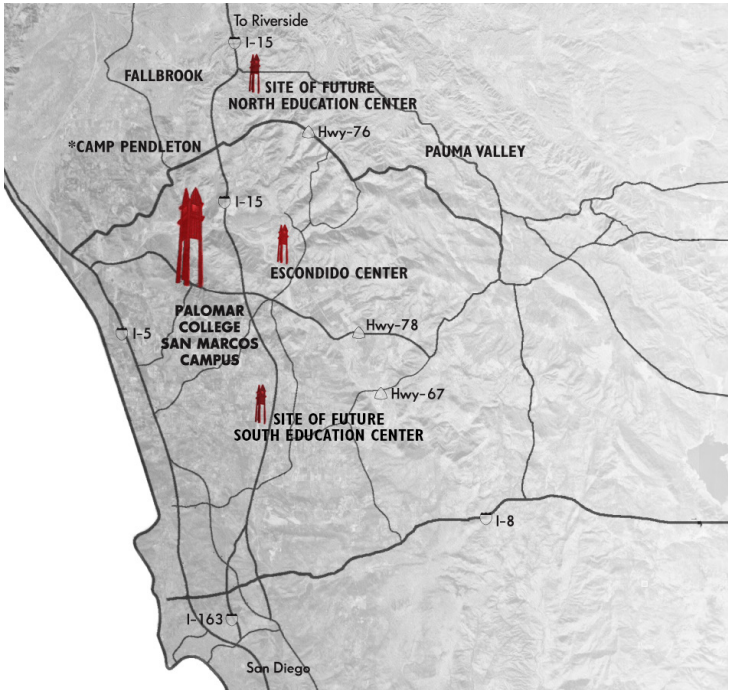
# Breakdown of Bond Expenditures through June 30, 2013



Expenditures for  
May 2, 2007- June 30, 2013  
\$246,185,455



- Other Costs \$15,242,466
- T Building \$11,971,611
- Humanities \$27,124,246
- San Marcos TLC \$2,884,594
- Escondido Center Improvements \$9,552,817
- Multidisciplinary Instructional Building \$4,245,706
- Multimedia Lab & Planetarium \$8,705,554
- Theatre Addition & Remodel \$21,618,958
- San Marcos CEQA/EIR Study \$1,906,755
- IT Building \$13,825,491
- Parking Improvement Projects \$2,038,000
- Natural Science Building \$2,892,940
- Health Sciences Building \$11,156,531
- IS Technology Projects \$12,366,202



## **PALOMAR COLLEGE**

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San Marcos, CA 92069

760-744-1150

[www.palomar.edu](http://www.palomar.edu)