



# **PROPOSITION M**

## **Independent Citizens' Oversight Committee**



**2014-2015  
ANNUAL REPORT**

***Dear Community Member:***

It is my pleasure to present the 2014-2015 Proposition M Annual Report. This report is available to District residents, in fulfillment of the role of the Independent Citizens' Oversight Committee (ICOC), as specified by law, and to provide a report on the investment activities accomplished this past 12 months.

The Palomar Community College District voters approved Proposition M, a \$694 million facilities bond measure, on November 7, 2006 (under the rules established by Prop 39). Prop M supports the District's Master Plan 2022, which was published in August 2003.

Under the rules of Prop 39, an ICOC was established on September 6, 2006 and is responsible for reviewing expenditures to ensure that bond proceeds are spent only for the purposes set forth in Prop 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 residents that Prop 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 ICOC members thank you, the residents of the District, for your continued support and confidence in Palomar College.

***Sincerely,  
Jesse Lyn Clark, Chair  
Independent Citizens' Oversight Committee***

**2014-2015 COMMITTEE MEMBERS**

Jesse Lyn Clark, *Chair*

*Palomar College Foundation*

Glen Winn

*Senior Citizen Organization*

Terry L. Ardinger

*Member of the Community at Large*

Thomas Clark

*Member of the Community at Large*

Rod Jones

*Local Business Organization*

**GOVERNING BOARD**

John J. Halcón, Ph.D., *President*

Mark Evilsizer, M.A. *Vice President*

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

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

Paul P. McNamara, B.A., *Trustee*

Mario Gaspar, *Student Trustee*

**SUPERINTENDENT/PRESIDENT**

Robert P. Deegan



*Humanities Building Grand Opening (October 10, 2014)*

*From left, are Governing Board Student Trustee Jason Hosfield, Governing Board Trustees Nancy Chadwick and Mark Evilsizer, Governing Board Vice President Dr. John Halcón, and President Paul McNamara, and Palomar College Superintendent/President Robert P. Deegan.*



## **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 nearly 70 years. Our San Marcos campus is supplemented by an educational center in Escondido, as well as four additional sites located throughout inland North San Diego County. Palomar College offers over 250 associate and certificate programs and serves nearly 25,000 students each semester.





## 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 2014-2015. 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 2014-2015 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 meeting 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 2014-2015 and the 2015-2016 fiscal years include:

### HELD

- September 5, 2014
- December 5, 2014
- March 6, 2015
- June 5, 2015

### SCHEDULED

- September 4, 2015
- December 4, 2015
- March 4, 2016
- June 3, 2016

## 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.

## SERIES C BOND ISSUANCE



In April 2015, the Palomar Community College District issued Series C bonds in the amount of \$220 million in tax-exempt General Obligation Bonds.



## REVIEW OF EXPENDITURES

The firm of Vavrinek, Trine, Day & Co., Certified Public Accountants conducted the Financial and Performance Audit for proceeds and use of general obligation bonds for the fiscal year ending June 30, 2015, 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 new Baseball Field.
- Continued construction for the Early Childhood Education Lab School.
- Started construction for the Learning Resource Center.
- Completed design and obtained Division of State Architect approval for the South Education Center in Rancho Bernardo.
- Began design for the new Maintenance & Operations facility.
- Began design for the new Parking Structure and Campus Police facility.

## LEVERAGING OF THIS INVESTMENT

- Included a complete Photovoltaic Electrical system for the Learning Resource Center.
- Included a complete Photovoltaic Electrical system in the design for the Maintenance and Operations facility.
- Included a complete Photovoltaic Electrical system in the design for the Parking Structure and Campus Police facility.
- New projects have participated in the San Diego Gas & Electric "Savings by Design" program for energy efficiency.
- Continued to implement LEED standards on all buildings through sustainable design, and recycling and sale of materials no longer usable to the District.



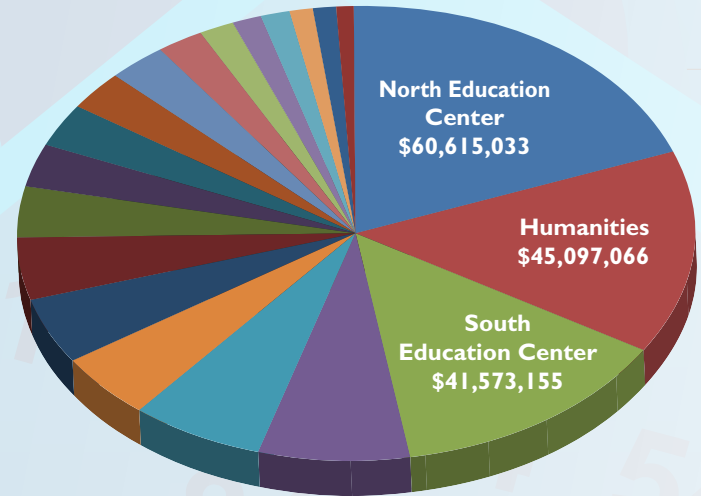
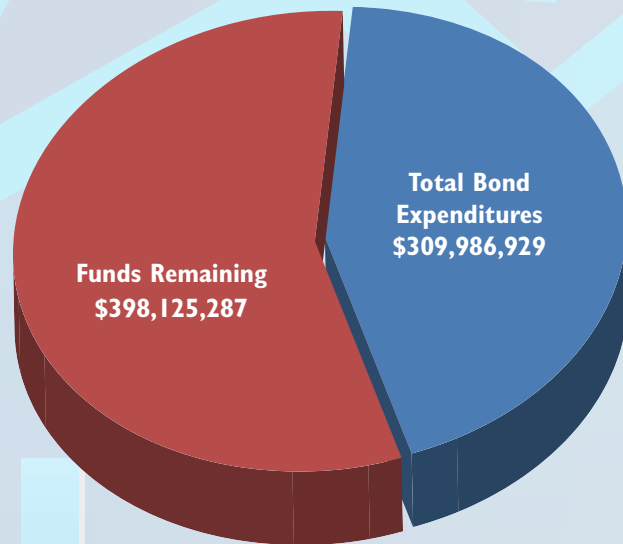
*Groundbreaking of New Library/Learning Resource Center  
(May 8, 2015)*

*Pictured are, from left, Governing Board Student Trustee Mario Gaspar, Governing Board President Dr. John Halcón, Palomar College Superintendent/President Robert P. Deegan, and Governing Board Vice President Mark Evilsizer.*

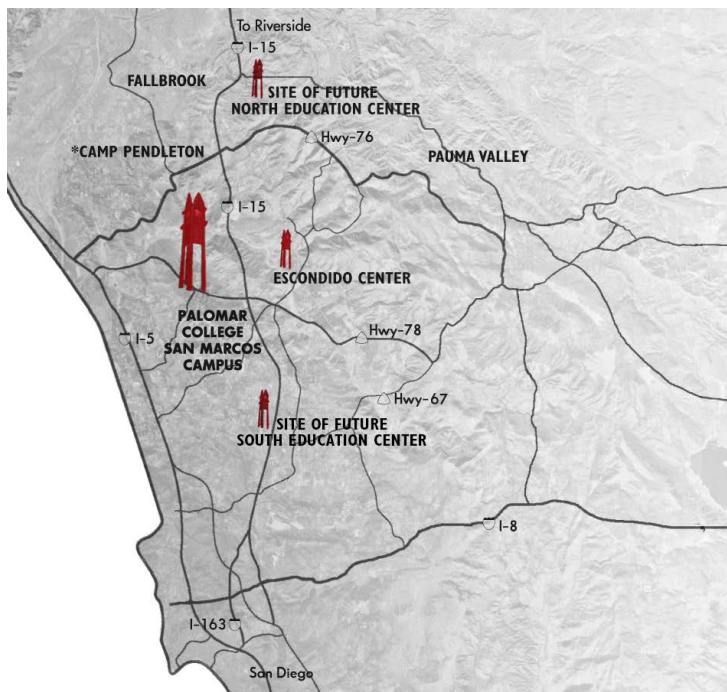
# Breakdown of Bond Expenditures through June 30, 2015

Total Bond monies available,  
including interest through  
6/30/15

**\$708,112,216**



San Marcos Campus CEQA/EIR Study \$2,123,183  
 Parking Improvements \$3,207,843  
 Natural Science \$3,554,258  
 San Marcos TLC \$4,210,468  
 Multidisciplinary Instructional Building \$4,245,706  
 Infrastructure Improvements \$5,093,398  
 Library and Learning Resource Center \$7,616,174  
 Early Childhood Education Lab Center \$8,578,314  
 Multimedia Lab and Planetarium \$8,705,554  
 Baseball Complex \$9,093,528  
 Other Costs \$9,758,929  
 Health Sciences \$11,156,530  
 Industrial Technology \$13,829,426  
 IS Technology Projects \$14,601,709  
 T Building \$14,767,734  
 Escondido Center Improvements \$19,476,622  
 Theatre Addition and Remodel \$22,682,300



## **PALOMAR COLLEGE**

1140 W. Mission Road  
San Marcos, CA 92069

760-744-1150

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