



INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE



MD Building Courtyard

2020 – 2021
ANNUAL REPORT

A LETTER FROM THE COMMITTEE CHAIR

Dear Community Member,

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. Under the rules of Prop 39, an independent citizen's oversight committee (ICOC) was first established September 26, 2006. It is now my pleasure to present the 2020-2021 ICOC Annual Report. This Annual Report is made 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.

The District made significant progress on the design of several Prop M projects, including the new football and softball stadiums and athletics fieldhouse project at the San Marcos campus. Construction on the remodel of the existing pool on the San Marcos campus, was nearly completed. Construction was also completed on the Fallbrook photovoltaic project. Finally, there was substantial progress in the design phase of the new Fallbrook Education Center building, known as "Fallbrook 40".

In October 2020, the District completed a bond refunding process, saving taxpayers \$21.2 million in future debt payments. In the summer 2021, the District sought volunteers to fill two vacancies of the ICOC; one member active in a business organization representing the business community located in the District, and one member active in a senior citizens' organization. The District approved the volunteers to fill these vacancies at the September 2021 Governing Board meeting.

The ICOC is responsible for reviewing expenditures to ensure that bond proceeds are spent only for the purposes set forth in Proposition M. To the best of its knowledge, the Committee reports the 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.

The members of the ICOC look forward to continuing our work with District staff. We thank you for your ongoing support and confidence in the Palomar Community College District and the vision it has for the future of education in North San Diego County and the region.

Sincerely,
Glen Winn
Chair, Independent Citizens' Oversight Committee

2020 - 2021 COMMITTEE MEMBERS

Rachel Alazar, *Student Enrolled and Active in a Community College, Support Organization*
Rachel Beld, *Member in a Business Organization Representing the Business Community*
Vicki Betz, *Member in a Support Organization for Palomar College*
Michael Hunsaker, *Vice-Chair, Member of a Taxpayers' Association*
Mary Jurgensen, *Member Member of a Senior Citizens' Organization*
Sarah Rosenfield, *Member of the Community-at-Large*
Glen Winn, *Chair, Community Member-at-large*

GOVERNING BOARD JULY 2020 – DECEMBER 2020

Nina Deerfield
Mark Evilsizer
John J. Halcón, Ph.D.
Nancy Ann Hensch
Norma Miyamoto
Rachel Alazar

GOVERNING BOARD JANUARY 2021 – JUNE 2021

Mark Evilsizer
Christian Garcia
Norma Miyamoto
Brian Olson
Roberto Rodriguez
Rachel Alazar

INTERIM SUPERINTENDENT/PRESIDENT Jack Kahn, Ph.D.



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 first Independent Citizens' Oversight Committee was appointed by the Palomar College Governing Board on May 8, 2007, and met five times during the 2007-2008 fiscal year. At these initial meetings, the Committee appointed its first Chair, reviewed bylaws and the roles and responsibilities of the ICOC. During the first year, the ICOC website was established palomar.edu/propm/icoc was established, and construction projects and financial reports were reviewed.

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 palomar.edu/propm/icoc. All meetings are held on the San Marcos campus unless noted differently on the ICOC website.

Meetings held

July 10, 2020
September 4, 2020
March 21, 2021
June 25, 2021



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.

Series D Bond Issuance

In April 2017, the Palomar Community College District issued Series D bonds in the amount of \$139 million in tax-exempt General Obligation Bonds.

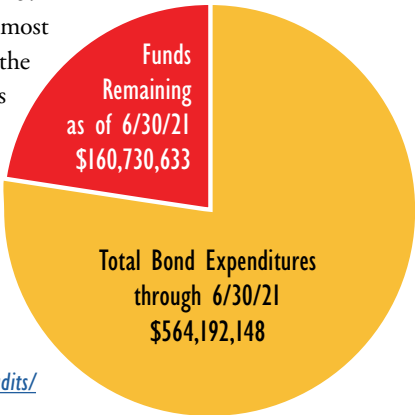
PALOMAR COMMUNITY COLLEGE DISTRICT 2020-21 PROP M FINANCIAL DATA

The firm of Eide Bailly LLP, Certified Public Accountants conducted the Financial and Performance Audits for proceeds and use of general obligation bonds for the fiscal year ending June 30, 2021, as required by Proposition 39. Palomar received an “unmodified opinion” – the topmost audit opinion an entity can receive. The results of the procedure performed indicated that financial statements are presented in accordance with applicable financial reporting framework. The results of our annual audit report emphasize the District’s efforts to remain transparent and validate the success of internal controls established by the Palomar College Finance and Administrative Services Department.

To view the complete independent accountant’s report, please visit

<https://www2.palomar.edu/pages/propm/financial-and-performance-audits/>

**Total Bond monies
available, including
interest through
6/30/2021**



EXPENDITURES-TO-DATE

Rancho Bernardo Education Center	\$106,712,190	
Fallbrook Education Center	\$100,149,470	
Library & Learning Resource Center	\$65,750,258	
Humanities (H) Building	\$50,341,708	
Parking Structure and Improvement Projects	\$39,953,472	
Theatre/Performing Arts Complex	\$22,682,300	
Other Costs	\$22,463,820	
Maintenance and Operations Building	\$17,834,863	
Information Services Projects	\$17,734,413	
Early Childhood Education Lab Center	\$17,128,938	
T Building Renovation	\$16,430,517	
Escondido Center Improvements	\$15,800,892	
Industrial Technology	\$13,829,426	
Health Sciences Building	\$11,156,530	
Baseball Field Complex	\$10,341,066	
Multimedia Lab & Planetarium	\$8,705,554	
Infrastructure Improvements	\$7,236,520	
Teaching & Learning Center	\$4,254,248	
Multidisciplinary (MD) Building	\$4,245,706	
San Marcos Land Acquisition	\$3,749,880	
Natural Sciences Building	\$3,554,257	
San Marcos Campus CEQA/EIR Study	\$2,797,424	
Project Management	\$1,312,191	
Veterans Study Lounge Remodel	\$26,505	
GRAND TOTAL	\$564,192,148	

PROPOSITION M ACTIVITIES

- The design phase of the new football and softball stadiums and athletics fieldhouse project at the San Marcos campus remain in progress.
- The construction on the remodel of the existing pool on the San Marcos campus was nearly completed.
- The construction was completed on the Fallbrook photovoltaic project.
- The design phase of the new Fallbrook Education Center building, known as “Fallbrook 40” has steadily progressed.



LEVERAGING OF THIS INVESTMENT

- New projects continue to participate in the San Diego Gas & Electric “Savings By Design” program for energy efficiency. Buildings that are complete and operational are scheduled to receive rebates.
- The District continues to implement LEED and Living Building Challenge standards on all buildings through sustainable design including the plan to have all new buildings be Net Zero Energy.



PALOMAR COLLEGE MISSION

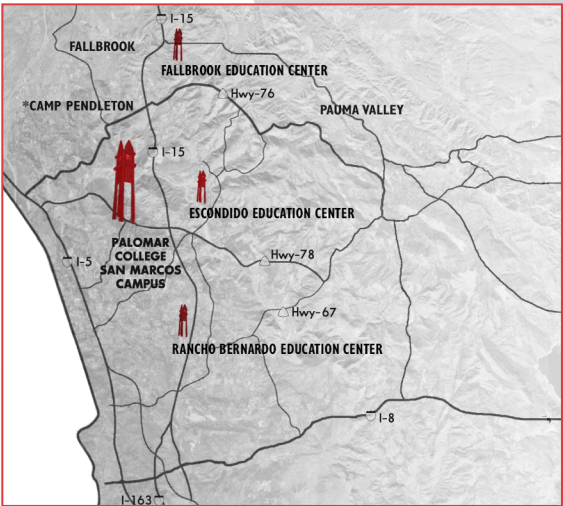
Our mission is to provide an engaging teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. As a comprehensive college, we support and encourage students who are pursuing transfer-readiness, general education, basic skills, career and technical training, 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 District’s residents for 75 years. Our San Marcos campus is supplemented by educational centers in Escondido, Fallbrook, and Rancho Bernardo as well as smaller sites within the 2,500 square mile District. Palomar College offers over 200 associate degree and certificate programs and serves more than 22,000 students each semester.



1140 West Mission Road, San Marcos, California 92069
760-744-1150 • www.palomar.edu



Main Campus