

Independent Citizens' Oversight Committee Annual Report

2022-2023



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 2022-2023 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 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 that 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.

In the 2022-2023 fiscal year, the District made considerable progress on the remaining Prop M projects. This includes the construction of football and softball stadiums, and an athletics fieldhouse at the San Marcos campus. The softball stadium is scheduled to open in the latter part of the spring academic term and the football stadium is set to open in summer 2024. Around the same time, the District will break ground on the athletic fieldhouse.

In addition, the District will break ground on the new Fallbrook Education Center building, known as "Fallbrook 40" in the early part of Summer 2024. The final project, which will address the need for a centralized location for student services at the San Marcos campus is in the final stage of internal discussions. A timeline for this project is expected by Fall 2024.

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,

Rachel Beld
Chair, Independent Citizen's Oversight Committee



The Clock Tower

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 I 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).



Topping Off Ceremony of Football and Softball Stadium

Proposition M Activities

The District continued to make progress on the design and construction phases of several Prop M projects in 2022-2023, including the football and softball stadiums at the San Marcos campus. This project broke ground in October 2022 and is projected to be complete in late summer

2024. Throughout the year, the design and construction plans for the 40,000 square foot building at the Fallbrook Education Center progressed. Similar progress was made for the athletics fieldhouse at the San Marcos campus. The groundbreaking for these two projects is projected to take

place in Summer 2024. Internal discussions continue regarding the last and final Prop M funded project, a relocation of student services at the San Marcos campus. The District expects to initiate design and programming for this project by Fall 2024.



Leveraging of this Investment

All Prop M projects continue to be designed with the current Cal Green building code and Title 24 requirements as well as LEED and/or Living Building Challenge standards and include features that will make the facilities net zero compliant. For instance, the Phase 2 – Athletics Fieldhouse project includes a photovoltaic (PV) panel system and passive solar design features such as operable windows and

clearstory windows that will make the facility net zero. The Fallbrook 40,000 square foot building project not only includes a PV system that will make it net zero, the facility will also include the District's first battery storage system that is sized to eliminate the peak demand load which will reduce operating costs by eliminating the highest electricity rates used during peak demand time frames.





San Marcos Library Resource Center

2022 - 2023 Committee Members

Rachel Beld, *Chair, Member in a Business Organization Representing the Business Community*

Tyler Collins, *Member of a Bona-Fide Taxpayers' Association (June 2023)*

Eric Flodine, *Member in a Support Organization for Palomar College*

Michael Frattali, *Member of a Bona-Fide Taxpayers' Association (Sept. 2022 – March 2023)*

Mary Jurgensen, *Member of a Senior Citizens' Organization*

Kathleen Thuner, *Member of the Community-at-large*

Glen Winn, *Community Member-at-large*

Governing Board

**July 2022
– December 2022**

Star Rivera-Lacey, Ph.D.
Superintendent/President

Mark Evilsizer

Christian Garcia

Norma Miyamoto

Kartik Raju

Roberto Rodriguez

Stephanie Wu (Xinyi)

**January 2023
– June 2023**

Star Rivera-Lacey, Ph.D.
Superintendent/President

Jacqueline Kaiser

Judy Patacsil, Psy.D.

Michelle Rains

Roberto Rodriguez

Cassandra Schaeg

Stephanie Wu (Xinyi)

Committee Activity Summary

The first Independent Citizens' Oversight Committee (ICOC) was appointed by the Palomar College Governing Board on May 8, 2007. 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 palomar.edu/propm/icoc was established, and construction projects and financial reports were reviewed. Since that time, the ICOC has monitored the expenditures of projects that have transformed the learning and training environments within the District, including the addition of the Fallbrook and Rancho Bernardo education centers in 2017-2018.

Committee Meetings

The Independent Citizens' Oversight Committee meets on a quarterly basis, unless otherwise determined by the Committee. 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.

2022-2023 ICOC Meetings Held

September 16, 2022

December 16, 2022

March 17, 2023

April 7, 2023

June 16, 2023

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.

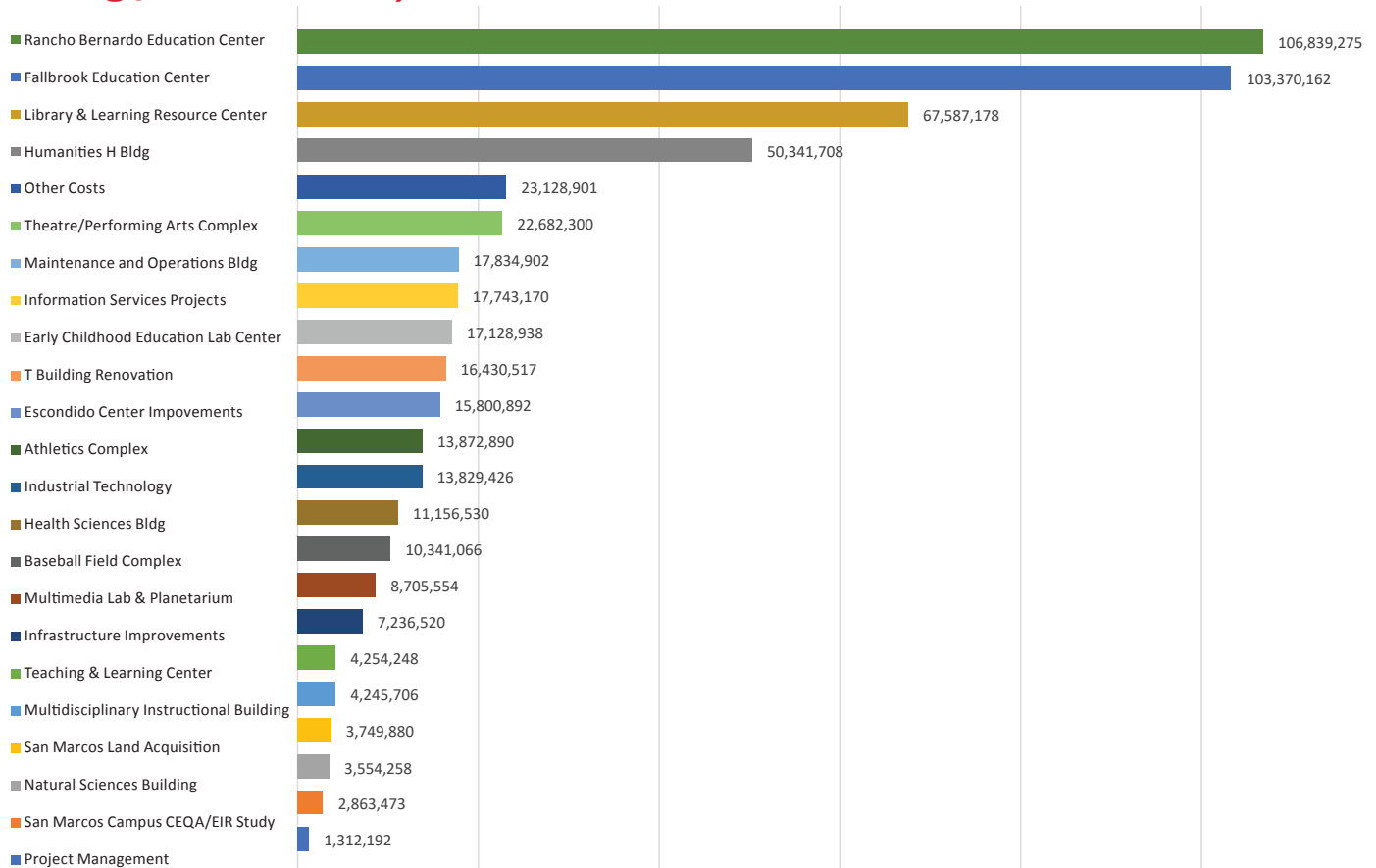
Series C Bond Issuance

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.

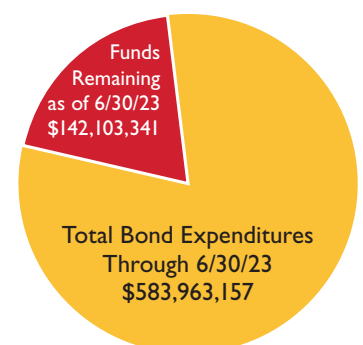
Palomar Community College District Prop M Expenditures-to-Date (Ending June 30, 2023)



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, 2023, 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 response 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://www.palomar.edu/fiscalservices/financial-reports/prop-m-financial-and-performance-audits/>

Total Bond Monies Available,
Including Interest Through 6/30/23



Palomar College Mission

Palomar College respects each of our students' experiences and supports them to achieve academic success. As a community college, we encourage our students to embrace the best version of themselves and prepare them to engage with our local and global communities.

Vision

Transforming lives for a better future

About The District

Palomar College has been providing quality education to the District's residents for over 77 years. The College is committed to serving students in all areas within the 2,500 square mile Palomar Community College District. With the main campus in San Marcos and education centers in Escondido, Fallbrook, and Rancho Bernardo; education sites at Camp Pendleton and Ramona, and a Public Safety Training Center, the College is able to serve the needs of more than 27,000 students. Palomar College students can pursue over 200 associate degree and certificate programs, as well as career training.

