



2023/24 Independent Citizens' Oversight Committee 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 Prop 39, an independent citizen's oversight committee (ICOC) was first established on September 26, 2006. It is now my pleasure to present the 2023-2024 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 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 2023-2024 fiscal year, the District made considerable progress on two of four remaining Prop M projects, the softball and football stadium at the San Marcos campus. The softball stadium opened in spring 2024 and the grand opening for the football stadium was held in early September. Both stadiums provide student athletes state-of-the-art venues to train and perform in their sport.

The District made significant progress on the design of the Athletic Fieldhouse. When built, this will be the final phase of the athletics complex. In addition, the District initiated the development of a permanent 40,000 square-foot building at Fallbrook Education Center building in late 2024.

The final Prop M funded project will address the need for a centralized location for student services at the San Marcos campus. This project remains in the design and development phase and will be prioritized during the 2025-26 fiscal year.

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



MD Building

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).



Athletics Complex

Proposition M Activities

The District continued to make significant progress on the construction of the football and softball stadiums at the San Marcos campus. Both projects broke ground in October 2022 and in the spring 2024, the Palomar Comet Softball team was able to host a late season game at the stadium. In September 2024, the grand opening celebration

of the football stadium was held and the first home season opener game in the history of Comet Football was hosted on September 7.

Throughout the year, the design and construction plan for the 40,000 square foot building at the Fallbrook Education Center has progressed. The initial phase of the development started in mid-December. Similar

progress was made for the athletics fieldhouse at the San Marcos campus, which is scheduled for the start of construction in 2025. Internal discussions continue regarding the last and final Prop M funded project, a relocation of student services. The District expects to initiate design and programming for this project in 2025.

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 pending Athletics

Fieldhouse project includes a photovoltaic (PV) panel system and passive solar design features such as operable windows and clerestory 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, but 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.



Rendering of the Fallbrook 40,000 square foot building



San Marcos Library and Learning Resource Center

2023 -2024 Committee Members

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

Tyler Collins, *Member of a Bona-Fide Taxpayers'
Association*

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

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

Kate Kovrig, *Member of the Community-at-large*

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

Governing Board

Jacqueline Kaiser

Judy Patacsil, Psy.D.

Michelle Rains

Roberto Rodriquez

Cassandra Schaeg

Reagan Barnum, *Student Trustee*

Superintendent/President

Star Rivera-Lacey, Ph.D

Committee Activity Summary

The first Independent Citizens' Oversight Committee 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.

2023 -2024 ICOC Meetings Held

September 29, 2023

December 15, 2023

January 19, 2024

March 15, 2024

June 21, 2024

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

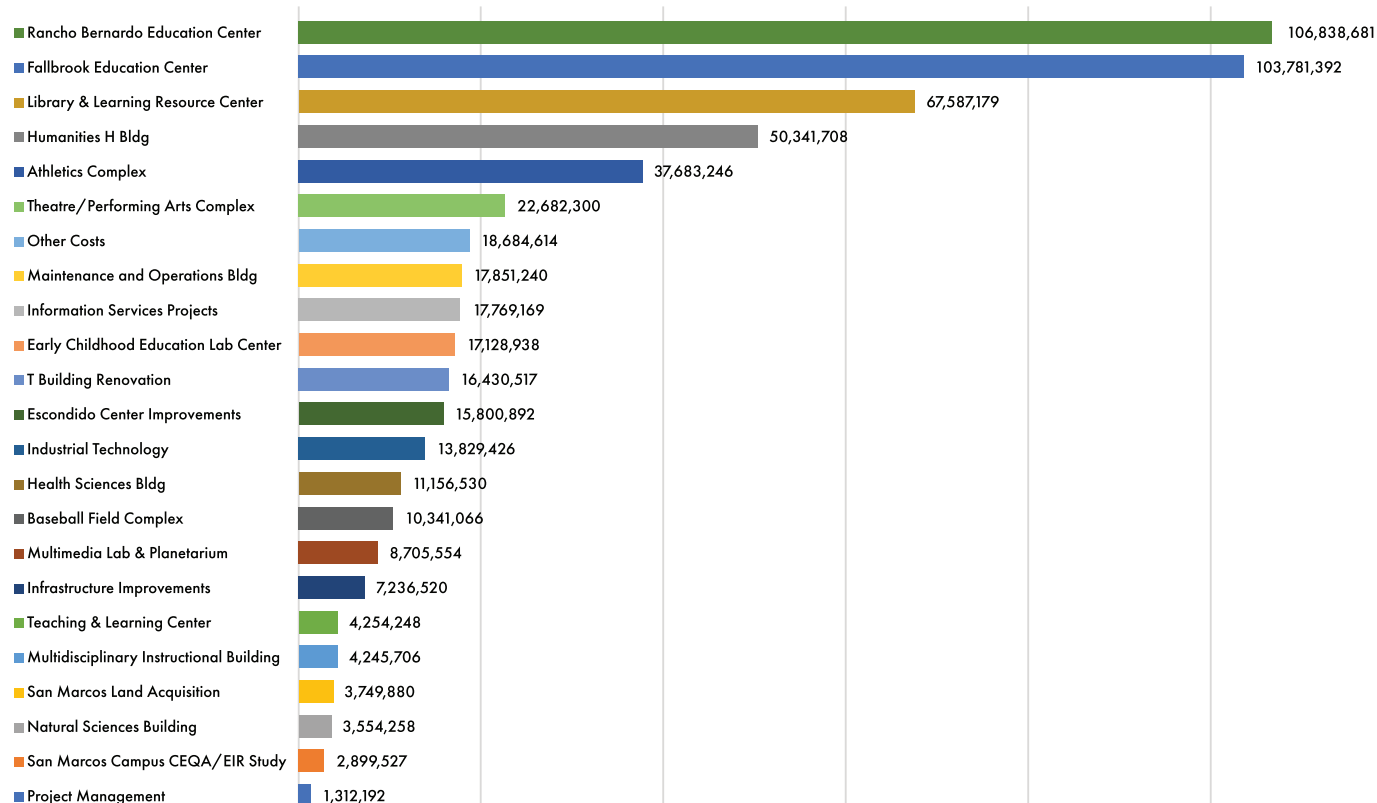
In April 2015, the Palomar Community College District issued Series C bonds in the amount of \$220 million in tax-exempt General Obligation Bonds.

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, 2024)

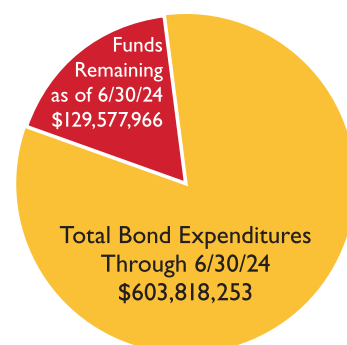
EXPENDITURE-TO-DATE



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, 2024, 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 the 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/propm/financial-and-performance-audits/>

Total Bond Monies Available,
Including Interest Through 6/30/24



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 78 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 29,000 students. Palomar College students can pursue over 250 associate degree and certificate programs, pursue transfer to a 4-year institution as well as train in a career in vibrant industries.

