

**SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2 (COALINGA AREA)
WEST HILLS COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

Date: March 7, 2013

To: Members of the Board of Trustees,
West Hills Community College District

Subject: Annual Report to the Board of Trustees

As chairperson of the West Hills Community College District Citizens' Bond Oversight committee I am pleased to submit this annual report to the Board of Trustees of the West Hills Community College District. As stated in the West Hills Community College District Citizens' Bond Oversight Committee Bylaws, Section 3.3. (a); this annual report states whether or not the West Hills Community College District (WHCCD) is in compliance with Article XIII A, Section 1(b) (3) of the California Constitution. It also summarizes the major topics dealt with by the Committee since the inception of the School Facilities Improvement District No. 2 (Coalinga Area) (SFID-2) bond.

Once again, I would like to thank my fellow committee members for their time and efforts in ensuring that Measure C bond funds are being utilized as outlined in the general obligation bond measure approved by the voters. I also wish to thank those staff members of the WHCCD who have continued to work with us to set up the processes to ensure that independent oversight bond project expenditures is possible.

As the voice of the committee, I would like to state that the committee looks forward to continuing its efforts to ensure that SFID-2 bond revenues are spent judiciously and to keep the community informed on the progress of facilities projects that involve bond funds.

Respectfully submitted,

Richard Hill, Chairperson
School Facilities Improvement District No. 2 (Coalinga Area)
West Hills Community College District
Citizens' Bond Oversight Committee

**SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2 (COALINGA AREA)
WEST HILLS COMMUNITY COLLEGE DISTRICT
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Annual Report

July 1, 2011 – June 30, 2012

I. Description of School Facilities Improvement District No. 2 (Coalinga Area):

In the November 4, 2008 general election, the West Hills Community College District (WHCCD) succeeded in obtaining authorization from the Coalinga area's voters to issue \$11,600,000 in general obligation bonds. The School Facilities Improvement District No. 2 (Coalinga Area) (SFID-2) was a facilities and equipment bond measure on the ballot. Proceeds from the sale of the bonds were to be used for financing the long-term construction and facilities improvement projects at West Hills College Coalinga (WHCC).

II. Citizens' Bond Oversight Committee:

The following persons held positions on the Citizens' Bond Oversight Committee (the Committee), since the inception, which were appointed by the WHCCD Board of Trustees:

Mike Isaac	Support of a Community College
Carol Kreamer	Senior Citizen's Representative
Dixie Welborn	Senior Citizen's Representative
Ralph Gorrill	Local Business Representative
James Yates	Local Business Representative
Ron Lander, Vice Chairperson	At-Large Representative
Richard Hill, Chairperson	At-Large Representative
Roger Campbell	At-Large Representative
Sylvia Chavez	At-Large Representative
Lisa Carrana	Student Representative
Gerald Butler	Student Representative
VACANT	Taxpayer's Organization

The Committee does not make decisions regarding the use of SFID-2 funds, but it does inform the public of bond revenue expenditures. To carry out its stated purpose, the following duties are set forth in the Committee Charter:

Inform the public concerning information regarding the WHCCD's expenditures of revenues received from the sale of SFID-2 approved bonds.

Review expenditures to ensure that the bond proceeds are expended only for purposes set forth in the ballot.

Ensure that no bond proceeds are used for teacher or administrative salaries or other operating expenses.

The Committee shall present to the WHCCD Board of Trustees an Annual Report in written format which shall include a statement indicating whether the WHCCD is in compliance with the requirements of Article XIIA, Section 1(b) 3 of the California Constitution; and a summary of the Committee's proceedings and activities of the preceding fiscal year.

III. Meetings:

The Committee held its annual organizational meeting on March 7, 2013 at which time Richard Hill was re-elected as the Chairperson and Gerald Butler was elected as the Vice Chairperson. The following issues were discussed:

- Approval of the October 9, 2012 meeting minutes
- Review and Approval of Annual Report to the Board of Trustees
- Review/ approve 2013 Meeting Schedule
- Review of Audit Report 2011/ 2012
- Review the Trustee Report – Facilities January 2013
- Annual Review of the Bylaws and third term revision
- Committee Re-elections
- SFID-2 Facility Project Completion Recap & Project Update
- Outreach/ Learning Centers Update

The Committee has met every four months at the West Hills College Coalinga (WHCC) campus. Project updates are provided at each meeting along with financial reports by WHCCD staff, along with performance presentations from WHCCD consultants on topics of project planning, execution and completion. Agendas are developed from Committee member's request for data and staff input. The 2013 meeting dates are scheduled to be:

- June 20, 2013
- October 24, 2013

All agendas and minutes are posted at the WHCC office bulletin board and also on the Measure C web site (www.measure-c.org). Meetings are held in accordance with the Ralph M. Brown Act (Open Meeting Laws).

IV. Activities of the Committee:

The following are activities in which the Committee regularly participates

- Approval of minutes from prior Committee meetings

The Committee reviews budget, construction project analysis reports and reconciliation for SFID-2 revenues and expenditures as presented by Mr. Richard Treece, Planner AP Architects.

The financial reports for SFID-2 revenues are presented by Mr. Ken Stoppenbrink, Vice Chancellor Business/ Human Resources WHCCD

The Committee takes periodic tours of the construction projects to review the progress. Any questions or concerns can be discussed on the sites so that a full understanding of all projects is achieved

Any changes in the status or budgets of the projects are discussed openly and fully to the satisfaction of the Committee.

V. Establishment of Committee Member Terms:

Establishment of terms for Committee Members as well as voting for continuation of membership or replacement of members due to expiration of term or resignation of members is the duty of the WHCCD Board of Trustees. All original Committee Members drew lots to determine the initial terms of their membership; lots were for one (1) or two (2) year assignments. The Committee Bylaws state that all members may serve a maximum of three consecutive terms.

For the 2011 / 2012 fiscal year, terms for the current members and dates appointed by the WHCCD Board of Trustees were as follows:

Name of Committee Member	Representation	Committee First Term	Committee Second Term
Gerald Butler II	Student	4/26/11 – 4/25/13	
Roger Campbell	Community Member/At-Large	4/26/11 – 4/25/13	
Sylvia V. Chavez	Community Member/At-Large	5/17/11 – 5/16/13	
Ralph Gorrill	Business Representative	3/21/09 – 3/20/11	3/21/11 – 3/20/13
Richard Hill	Community Member/At-Large	3/21/09 – 3/20/11	3/21/11 – 3/20/13
Mike Isaac	College Support Organization	3/21/09 – 3/20/11	3/21/11 – 3/20/13
Ron Lander	Community Member/At-Large	3/21/09 – 3/20/10	3/21/10 – 3/20/12
VACANT	Senior Citizen Group Representative		
VACANT	Taxpayer Organization Member		

Past Member Terms

Name of Committee Member	Representation	Committee First Term	Committee Second Term
Carol Kreamer	Senior Citizen Group Representative	10/27/09-10/26/11	N/A
Lisa Carrana	Student	3/21/09 – 3/20/11	N/A
Dixie Welborn	Senior Citizen Group Representative	3/21/09 – 3/20/11	N/A
James Yates	Business Representative	3/21/09 – 3/20/10	N/A

VI. Projects

There are currently 13 various active capital improvement projects ranging from utility upgrades to new construction of campus facilities budgeted through SFID-2 funds.

As of December 31, 2012 the following SFID-2 projects have been completed:

- | | |
|----------------------------------|----------------------------|
| #310 Residence Halls Ph. 1 | #311 CDC Relocatables |
| #313 Switch Replacement | #314 CDC Expansion Payment |
| #315 City Soccer | #317 Switch Maintenance |
| #319 Technology | #329 Residence Hall Ph. 2 |
| #326 Initial Buildings Mod (RFE) | #342 Residence Hall Ph. 3 |
| #352 Health Careers | #356 Ag Sci Parking |
| #232-110 Scheduled Maint Ph. 1 | |

Due to the lack of state funding i.e. Scheduled Maintenance (SM), Capital Outlay (CO) funding and that some projects were combined with earlier projected phases, some projects were closed.

As of December 31, 2012 the following SFID-2 projects have been closed:

- | | |
|----------------------------------|---------------------|
| #316 Huron Ph. 1 | #340 Huron Ph. 3 |
| #341 Scheduled Maintenance Ph. 3 | #343 Health Careers |

VII. Audit:

As dictated by state law, the SFID-2 bond requires a financial and performance audit which examines the usage of the bond funds. The firm of Vavrinek, Trine, Day & Company, LLP audited the SFID-2 bond program for the fiscal year 2011 / 2012 ending June 30, 2012.

The audit report fiscal year 2011 / 2012 was presented to the Committee during its March 7, 2013 meeting and the audit was supportive of the program and its management.

The auditor’s report gave an unqualified opinion that the financial statements fairly presented, in all material respects, the financial position and changes of the SFID-2 bond

fund in conformity with accounting principles and generally accepted accounting standards.

In regards to the performance audit, the auditor's report noted no instances of noncompliance with the terms of Prop 39 for SFID-2. Nothing examined came to auditor's attention to indicate that WHCCD didn't implement appropriate management controls to ensure the bond proceeds are administered economically, efficiently and effectively.

VIII. Statement of Compliance:

Based on the information provided by WHCCD, the Committee finds that as of this reporting for SFID-2 from July 1, 2011 to June 30, 2012, that WHCCD is in compliance with the standards of Article XIII A Section 1(b) 3 of the California State Constitution and the terms of the original bond ballot.

Respectfully submitted,

Richard Hill, Chairperson
School Facilities Improvement District No. 2 (Coalinga Area)
West Hills Community College District
Citizens' Bond Oversight Committee