

**SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1
WEST HILLS COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

Date: April 5, 2016

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

Subject: Annual Report to the Board of Trustees

As Co-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. 1 (SFID-1/ Measure Q) bond.

Once again, I would like to thank my fellow Committee members for their time and efforts in ensuring that the SFID-1/ Measure Q bond funds are being utilized as outlined in the general obligation bond 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 of the 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-1/ Measure Q bond revenues are spent appropriately and to keep the community informed on the progress of the projects that involve bond funds.

Respectfully submitted,

Craig Knight, Co-Chairperson
School Facilities Improvement District No. 1
Measure Q
West Hills Community College District
Citizens' Bond Oversight Committee

**SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1
WEST HILLS COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

Annual Report

July 1, 2014 – June 30, 2015

I. Description of School Facilities Improvement District No. 1:

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 \$11,800,000 in general obligation bonds. The School Facilities Improvement District No. 1 (SFID-1/ Measure Q) 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 North District Center (NDC).

II. Citizens' Bond Oversight Committee:

The following persons have held positions on the Citizens' Bond Oversight Committee (the Committee), since the previous annual report dated June 2, 2015 which were appointed by the WHCCD Board of Trustees:

Gilbert Coelho	Senior Citizen's Representative
Amarpreet Dhaliwal	Local Business Representative
Jose Ochoa	At-Large Representative
Marcia Sablan	At-Large Representative
Shirley Munguia	Student
Alfred Valdez	Community Member/At-Large
Juan Guzman	Business Representative
Craig Knight	Business Representative

The Committee does not make decisions regarding the use of SFID-1/ Measure Q 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-1/ Measure Q 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 XIII A, 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 April 5, 2016 at which time the following topics were discussed:

- Recruitment of new members
- Call for Officers
- Annual review of the By-Laws/ Membership
- Meeting schedule 2016-17
- Measure Q Website presentation
- Program and Audit Binder review
- California Public Education Facilities Bond Initiative
- WHCCD Audit Report
- Review of the Draft Annual Report
- WHCCD Board of Trustees presentation; Tuesday, April 19, 2016 NDC 10:00 am
- Measure Q/SFID-1 projects, Cash Flow, and Expenditure update
- Review NDC Center Expansion project plans and fly-over
- Q&A regarding proposed educational programing offered at new NDC Center

The Committee met on June 2, 2015 at the NDC facility in one of the available classrooms.

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 Committee elected to change the meeting dates to have one meeting in the spring (Annual Meeting) and one meeting in the fall until the Center Expansion project is funded, then the committee will then meet more frequently. The meetings for the upcoming year are scheduled to be held on November 8, 2016 and the annual meeting will be on February 2017.

All agendas and minutes are posted on the NDC office bulletin board and also on the Measure Q website ([www.Measure -q.org](http://www.Measure-q.org)). Meetings are held in accordance with the Ralph M. Brown Act (Open Meeting Laws).

IV. Activities of the Committee:

The following are activities that the Committee regularly participates in:

- Approval of minutes from prior Committee meetings

The Committee reviews budget, construction project analysis reports and reconciliation for SFID-1/ Measure Q revenues and expenditures as presented by Richard Treece, Planner with AP Architects and President Carole Goldsmith, WHCC.

The Capital Outlay Projects and Revenue Bond Construction Funds (Measure C, E, Q, and T) Financial and Performance Audits were presented by Richard Treece, Planner with AP Architects and President Carole Goldsmith, WHCC.

The Committee takes periodic tours of the construction projects to review the progress; although none were taken this past year. 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 will serve an initial two (2) year term with two (2) Committee Members to draw lots, to determine an additional one (1) year term assignment. The Committee Bylaws state that all members may serve a maximum of three consecutive terms.

For the 2014 / 2015 fiscal year, terms for the current members and dates appointed by the WHCCD Board of Trustees were as follows:

Name of Committee Member	Date of Board Appointment	Representation	Committee First Term	Committee Second Term	Committee Third Term (effective 1/1/13)
Jose Ochoa	7/26/2011	Community Member/At-Large	7/26/11 – 7/25/13	7/26/13 – 7/25/15	7/26/15 – 7/25/17
Marcia Sablan	7/26/2011	Community Member/At-Large	7/26/11 – 7/25/13	7/26/13 – 7/25/15	7/26/15 – 7/25/17
Alfred Valdez	9/22/2014	Community Member/At-Large	9/23/14 – 9/22/16		
Juan Guzman	9/22/2014	Business Representative	9/23/14 – 9/22/16		
Craig Knight	9/22/2014	Business Representative	9/23/14 – 9/22/16		
VACANT		Senior Citizen Group Representative			
VACANT		Taxpayer Organization Member			
VACANT		College Support Organization Member			
VACANT		Student			

Past Member Terms

Name of Committee Member	Date of Board Appointment	Representation	Committee First Term	Committee Second Term	Committee Third Term (effective 1/1/13)
Miguel Arias	9/9/2008	Community Member/At-Large	9/9/08 – 9/8/10	9/9/10 – 9/8/12	9/9/12 – 9/8/14
Gilbert Coelho	9/9/2008	Senior Citizen Group Representative	9/9/08 – 9/8/10	9/9/10 – 9/8/12	9/9/12 – 9/8/14
Amarpreet Dhaliwal	12/16/2008	Business Representative	12/16/08 – 12/15/10	12/16/10 – 12/15/12	12/16/12 – 12/15/14
Rosa Elena Espinoza	9/9/2008	Student	9/9/08 – 9/8/10		
Vernon Gordon	9/23/2008	Community Member/At-Large	9/23/08 – 9/22/10	9/23/10 – 9/22/12	
Sean Howard	9/23/2008	Community Member/At-Large	9/23/08 – 9/22/09	9/23/09 – 9/22/11	
Jorge Lazo	8/24/2010	Student	8/24/10 – 8/23/12		
Bill Pucheu	9/23/2008	Community Member/At-Large	9/23/08 – 9/22/10	9/23/10 – 9/22/12	9/23/12 – 9/22/14
Jose Antonio Ramirez	9/9/2008	Business Representative	9/9/08 – 9/8/10	9/9/10 – 9/8/12	
Gilbert Rossette	9/23/2008	Community Member/At-Large	9/23/08 – 9/22/10	9/23/10 – 9/22/12	
Oscar Sablan	9/9/2008	College Support Organization Member	9/9/08 – 9/8/09	9/9/09 – 9/8/11	

VI. Projects:

There are currently 17 various capital improvement projects ranging from utility upgrades to new construction of campus facilities budgeted through SFID-1/ Measure Q funds. The Completion Recap and revisions reports can be found on the Measure Q website (www.Measure-q.org).

As of December 31, 2015 the following SFID-1/ Measure Q projects have been completed:

#410 Interior Remodel Ph. 1	#411 NDC Site Electrical
#412 NDC Video Surveillance	#413 Land Acquisition Ph. 1
#416 San Joaquin Center Ph. 1	#417 Maint / Parking Ph. 1
#418 NDC Restroom	#419 NDC HVAC Phase 1
#420 Switch Replacement	#423 Switch Maintenance
#431 Maint / Parking Ph. 2	#444 Land Acquisition Ph. 2

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

As of December 31, 2015 the following SFID-1/ Measure Q projects have been closed:

#443 Environmental Research	#445 Maint / Parking Ph. 3
#446 Utility Maintenance Phase 3	#456 Mendota Center Ph. 3
#457 Tranquillity Center Ph. 3	#458 San Joaquin Center Ph. 3
#459 Community Field Sports Ph 2	

VII. Audit:

As dictated by state law, the SFID-1/ Measure Q 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-1/ Measure Q bond program for the fiscal year 2014 / 2015 ending June 30, 2015.

The financial and performance audit report fiscal year 2014 / 2015 was presented to the Committee during its April 5, 2016 annual meeting and the financial and performance 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-1/ Measure Q bond fund in conformity with accounting principles and generally accepted accounting standards. There were no audit findings reported in the prior year's schedule of financial statement findings.

In regards to the performance audit, the auditor's report noted no instances of noncompliance with the terms of Prop 39 for SFID-1/ Measure Q. 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. There were no questioned cost and they were no audit findings reported in the prior year's schedule of financial statement findings.

VIII. Statement of Compliance:

Based on the information provided by WHCCD, the Committee finds that as of this reporting for SFID-1/ Measure Q from July 1, 2014 to June 30, 2015, 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,

Craig Knight, Co-Chairperson
School Facilities Improvement District No. 1
Measure Q
West Hills Community College District
Citizens' Bond Oversight Committee