ANNUAL REPORT TO THE CITIZENS OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT ON THE DISBURSEMENT OF FUNDS UNDER THE REQUIREMENTS OF MEASURE H AND MEASURE C

April 2013 – April 2014

The Annual Report of the Citizens' Bond Oversight Committee (CBOC) is required by law in the language of Measure H, which was passed by the voters on November 2, 2004, and the language of Measure C, which was passed by the voters on June 5, 2012, both of which exceeded 55% of the votes cast.

On November 7, 2000, Proposition 39 (The Smaller Classes, Safer Schools & Financial Accountability Act) was approved by the voters, which allowed for a 55% majority vote for college districts to secure bonding for repair and upgrade of various campus structures and to support existing and new programs that are required of the District as part of its commitment to provide a college education at the community level.

Among the restrictions of Proposition 39, in addition to oversight by an appointed citizens' committee, is precluded prohibition against the use of bond monies for administrator salaries and expenses, among other things. The oversight committee must include representation from a bona fide taxpayers' association (1), a business organization (1), and a senior citizens' organization (1). Also included are representatives of the campus student body (2), a District/College Support Organization (2), and the Community-at-large (2). No District employees or vendors are allowed to serve on the CBOC. CBOC members' terms are two years, and they may re-apply for a second two-year term with approval of the Board of Trustees of the District.

Committee member Ms. Shirley Cantu, representing the Community-at-Large, will term out in April 2014. This is Ms. Cantu's second time serving on the CBOC. Her first term was April 2005 – April 2009, and her second term was June 2010 – April 2014. Mr. Shane Patrick Connolly (Taxpayers' Organization) is currently serving his second two-year term and will term-out in April 2015. Four members: Mr. Paul Cavagnolo (Senior Organization), Mr. Eric Henderson (MC Student Organization), Mr. Frank Jewett (District/College Support Organization), and Ms. Gail Long (Community-at-Large), are in their initial terms, which will expire in April 2015. It is anticipated that two new members, one representing the community-at-large and the other representing business organizations, will be welcomed to the committee in April 2014. The committee is actively seeking members to fill vacancies in the following areas: District/College Support Organization (1) and WVC Student Organization (1).

The CBOC is governed by the Brown Act of 1971 (The Open Meetings Act) and all meeting agendas are published and publicly placed at least 72 hours prior to any scheduled meeting where official business is to be transacted. The general public is invited to attend all meetings. There are no closed sessions of the CBOC.

ANNUAL REPORT

Concluding its ninth year, the CBOC continued with its program of oversight and review of Measure H expenditures. It is anticipated that Measure H funds will be fully expended by the end of year 2015. The CBOC also began oversight and review of Measure C expenditures, which is off to a good start. The compliance to Measure H and Measure C priorities and procedures by the District Staff and the CBOC were validated by the recent audit performed by Vavrinek, Trine, Day & Company LLP, which was presented to the CBOC on February 12, 2014. The auditors conducted a Measure H and Measure C Performance Audit to measure compliance with Proposition 39 and concluded that the District expended funds only for the specific projects approved by the voters. A separate Financial Audit was conducted and concluded that the Financial Statements of the Measure H and Measure C Funds accurately present its financial status.

Through regular meetings and a variety of reports that the CBOC helped draft, the oversight process was timely and consistent.

MEASURE H FUNDING

Sale of General Obligation Bonds
In November 2004, West Valley-Mission Community College District voters passed Measure H, a $235 million bond measure. On May 18, 2006, the District issued the first series of bonds in the aggregate principal amount of $100 million. The final series in the aggregate principal amount of $135 million was issued in May 2009. The District maintained a consistent bond rating from Moody's—Aa2.

Measure H—April 2013 through April 2014

The Language Arts & Social Sciences Renovation at West Valley College was completed in Summer 2013, with classes starting in the renovated facility in Fall 2013.

The Mission College Main Building Replacement, Phase I is slated to be completed in May 2014, with classes starting in the new facility in summer 2014.

MEASURE C FUNDING

Sale of General Obligation Bonds

In June 2012, Measure C, a $350 million General Obligation bond measure, was approved by the voters. On August 21, 2012, the District issued the first series of bonds in the aggregate principal amount of $100 million. The bond rating from Moody's was Aa2.

Measure C – April 2013 through April 2014

The working drawings for the Applied Arts & Sciences Building renovation at West Valley College were submitted to the Division of the State Architect (DSA) on June 26, 2013. This project is funded by both Measure H and Measure C. The project is tentatively expected to obtain DSA approval in March 2014.

The plans for the Underground Main Point of Entry replacement project were submitted to DSA in December 24, 2013. Construction start is targeted for Summer/Fall 2014.

These projects were approved by DSA and the bidding process is scheduled for March to April 2014:

- MC Wellness and Human Performance Center
- MC Facilities Replacement Building

These projects are in the working/construction drawings phase:

- MC Main Building Replacement Project Phase II
- District Facilities Building Replacement

These projects are in the Preliminary Design Phase:

- WV Student Services Center
- WV Planetarium Replacement Building

FINANCIALS

The CBOC reviewed the process that it and the Measure H and Measure C staff use to measure the performance level of reporting expenditures and to review the accuracy of the financial presentations. The CBOC uses established procedures as its guide to, as accurately as possible, review and report the staff's methods of reporting bond expenditures.

FINDINGS

The goal of the CBOC was to review its actions to assure that the expenditure of funds were consistent with the requirements of Measure H and Measure C and to prepare a statement to be included in the Annual Report of the CBOC for presentation to the Board of Trustees.

The CBOC finds that appropriate procedures to approve and report any and all movements of monies from contingency, and between delineated projects, are in place. Reports to identify time frames and critical path points are produced and reviewed at all CBOC meetings.

Those reports that allow for CBOC oversight of bond money expenditures are listed as follows:

A. MEASURE H AND CAPITAL OUTLAY PROGRAM and MEASURE C AND CAPITAL OUTLAY PROGRAM PROJECT PROGRESS REPORTS:

   Pre-Design Phase, Preliminary Design Phase, Working Drawings Phase, Bid and Award Phase, Construction Phase, and Construction Projects Completed.

B. UPDATE ON MEASURE H and MEASURE C EXPENSES BY PROJECT PHASE.

   West Valley Projects, Mission College Projects, Central Services Projects.

C. UPDATE ON MEASURE H and MEASURE C EXPENSES FOR ALL PROJECTS.

D. MEASURE H and MEASURE C VENDOR CONTRACTS WITH EXPENDITURES PER PROJECT.

E. MEASURE H and MEASURE C PROGRAM MASTER SCHEDULE

The CBOC finds that the District's provision of information to the committee, appropriate staffing to update said reports, and prompt response to CBOC requests results in accurate information and allows the CBOC to provide positive oversight of the expenditure of public monies. Going forward, the CBOC is recommending that it meet quarterly, rather than by-monthly, due to the established, consistent, and thorough reporting regimen.

The CBOC wishes to thank the Measure H and Measure C staff members for their commitment to being prompt and factual and for maintaining high standards of transparency. The CBOC is also grateful for the skilled administrative support provided by District staff during the past year.

Respectfully Submitted:

Shane Patrick Connolly, Chair

Attachment:

1. Annual CBOC Update on Measure H Bond Program; Expenditures through January 31, 2014, based on the June 21, 2011 Project Priority List for District Services, the April 16, 2013 Project Priority List for Mission College, and the November 19, 2013 Project Priority List for West Valley College.

2. Annual CBOC Update on Measure C Bond Program; Expenditures through January 31, 2014, based on the January 15, 2013 Project Priority List.

Expenditures through Jan 31, 2014

ANNUAL CBOC UPDATE ON MEASURE H BOND PROGRAM

		All Funds	Capital Outlay	Bond Interest	Land Corp/Other	Measure H Funds			
Project Number	Description	Total Project Budget	State Funds	Bond Interest Funds	Land Corp/ Other Funds	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
	Measure H Bond & Capital Outlay Program								
1	Total Construction Projects	$ 301,080,287	$ 56,273,152		$ 9,807,135	$ 235,000,000	$ 213,144,016	$ 21,855,984	91%
2	Bond Interest	$ 6,900,000		$ 6,900,000					
3	Construction Program Totals	$ 307,980,287	$ 56,273,152	$ 6,900,000	$ 9,807,135	$ 235,000,000	$ 213,144,016	$ 21,855,984	
4	**West Valley College Projects**	$ 151,832,262	$ 47,188,615	$ 2,518,251	$ 5,125,397	$ 97,000,000	$ 83,654,228	$ 13,345,771	86%
5	Program Management	$ 3,543,544	$ -			$ 3,543,544	$ 3,543,543	$ 0	100%
6	Program Contingency	$ -	$ -			$ -		$ -	
7	Operation Expenses	$ 993,353	$ -			$ 993,353	$ 983,362	$ 9,991	99%
8	Educational Master Facilities Plan	$ 159,565	$ -			$ 159,565	$ 159,565	$ -	100%
9	Environmental Impact Report	$ 146,536	$ -			$ 146,536	$ 146,536	$ -	100%
10	Aquatic Center Project	$ 7,730,329	$ -			$ 7,730,329	$ 7,709,402	$ 20,927	100%
11	Campus Technology Center	$ 21,643,540	$ 16,696,460			$ 4,947,080	$ 4,919,365	$ 27,715	99%
12	Science and Math Replacement/Addition	$ 7,756,353	$ 5,628,806		$ 63,935	$ 2,063,612	$ 2,063,612	$ -	100%
13	Science and Math Building Renovation	$ 20,139,105	$ 15,845,039			$ 4,294,066	$ 4,254,197	$ 39,869	99%
14	ADA Barrier Removal Plan	$ 2,042,733	$ -			$ 2,042,733	$ 1,973,717	$ 69,016	97%
15	Utility Infrastructure Modernization	$ 6,547,051	$ -			$ 6,547,051	$ 6,523,151	$ 23,900	100%
16	Surface Improvements	$ 8,818,240	$ -			$ 8,818,240	$ 8,043,162	$ 775,078	91%
17	Infrastructure Modernization - Projects	$ 173,304	$ -			$ 173,304	$ 173,000	$ 304	100%
18	Interim Housing/Swing Space/Wet Labs	$ 6,194,941	$ -			$ 6,194,941	$ 6,194,940	$ 0	100%
19	Campus Center Building Renovation Phase I	$ 14,239,132	$ -			$ 14,239,132	$ 14,060,296	$ 178,836	99%
20	Language Arts and Social Science Recon	$ 18,639,541	$ -			$ 18,639,541	$ 18,296,770	$ 342,771	98%
21	Classroom & Student Services Fac. Upgrd	$ 1,390,909	$ -			$ 1,390,909	$ 1,390,909	$ -	100%
22	Solar Photo Voltaic System Project	$ 7,579,713	$ -	$ 2,518,251	$ 5,061,462	$ -	$ -	$ -	
23	Applied Arts and Science Remodel	$ 24,094,374	$ 9,018,310		$ -	$ 15,076,064	$ 3,218,700	$ 11,857,364	21%
24	Total West Valley College	$ 151,832,262	$ 47,188,615	$ 2,518,251	$ 5,125,397	$ 97,000,000	$ 83,654,228	$ 13,345,771	86%
25	West Valley Bond Funds Unallocated	$ 0				$ 0			

Expenditures through Jan 31, 2014

ANNUAL CBOC UPDATE ON MEASURE H BOND PROGRAM

Project Number	Description	All Funds: Total Project Budget	Capital Outlay: State Funds	Bond Interest: Bond Interest Funds	Land Corp/Other: Land Corp/ Other Funds	Measure H Funds: Bond Funds	Bond Funds Expended	Bond Balance	% Spent
26	**Mission College Projects**	$ 108,923,025	$ 4,559,537	$ 2,681,749	$ 4,681,739	$ 97,000,000	$ 88,746,953	$ 8,253,048	91%
27	Program Management	$ 3,543,543	$ -			$ 3,543,543	$ 3,543,543	$ 0	100%
28	Program Contingency	$ 184,513	$ -			$ 184,513	$ -	$ 184,513	0%
29	Operational Expenses	$ 1,043,353	$ -			$ 1,043,353	$ 1,032,860	$ 10,493	99%
30	Main Building Third Floor Reconstruction	$ 5,453,516	$ 4,559,537		$ 243,201	$ 650,778	$ 650,778	$ 0	100%
31	Master Plan	$ 532,844				$ 532,844	$ 532,844	$ -	100%
32	Initial Study for EIR	$ 217,432	$ -			$ 217,432	$ 203,560	$ 13,872	94%
33	Utility Survey (Infrastructure)	$ 176,055	$ -			$ 176,055	$ 140,771	$ 35,284	80%
34	Hospitality Management Reconstruction	$ 8,818,835	$ -			$ 8,818,835	$ 8,797,948	$ 20,887	100%
35	Infra Upgrade-Elec/Data/Tele/Sewer/Water	$ 9,937,212	$ -			$ 9,937,212	$ 9,881,155	$ 56,057	99%
36	Main Building Replacement Phase 1: Building 1E	$ 64,778,221	$ -			$ 64,778,221	$ 57,099,094	$ 7,679,127	88%
37	Childcare Replacement	$ 3,720,344	$ -			$ 3,720,344	$ 3,573,968	$ 146,376	96%
38	Main Bldg Fire Alarm Upgrade	$ 924,000	$ -			$ 924,000	$ 860,898	$ 63,102	93%
39	Solar Photo Voltaic System Project	$ 7,120,287	$ -	$ 2,681,749	$ 4,438,538	$ -	$ -	$ -	
40	Classroom and Student Services Upgrades	$ 2,472,870	$ -	$ -	$ -	$ 2,472,870	$ 2,429,534	$ 43,336	98%
41	Total Mission College	$ 108,923,025	$ 4,559,537	$ 2,681,749	$ 4,681,739	$ 97,000,000	$ 88,746,953	$ 8,253,048	91%
42	Mission Bond Funds Unallocated	$ -				$ -			
43	**Central Services Projects**	$ 47,225,000	$ 4,525,000	$ 1,700,000	$ -	$ 41,000,000	$ 40,742,835	$ 257,165	99%
44	Program Management	$ 1,497,785	$ -	$ -	$ -	$ 1,497,785	$ 1,497,785	$ (0)	100%
45	Debt Service Restructuring (*)	$ 16,449,757	$ -	$ -	$ -	$ 16,449,757	$ 16,449,757	$ -	100%
46	Program Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%
47	Operational Expenses	$ 243,318	$ -	$ -	$ -	$ 243,318	$ 240,871	$ 2,447	96%
48	Information Systems Building	$ 9,515,224	$ -	$ -	$ -	$ 9,515,224	$ 9,515,223	$ 1	100%
49	IS Interim Housing	$ 1,329,839	$ -	$ -	$ -	$ 1,329,839	$ 1,329,837	$ 2	100%
50	Server Replacement	$ 1,441,152	$ -	$ -	$ -	$ 1,441,152	$ 1,440,340	$ 812	100%
51	Data Network	$ 7,116,828	$ -	$ -	$ -	$ 7,116,828	$ 7,080,893	$ 35,935	99%
52	Master Plan - Central Services	$ 197,851	$ -	$ -	$ -	$ 197,851	$ 127,711	$ 70,140	65%
53	Fire Alarm System Replacement	$ 5,210,048	$ 4,525,000	$ -	$ -	$ 685,048	$ 545,587	$ 139,461	63%
54	Information Systems Support Facility	$ 3,698,498	$ -	$ 1,700,000	$ -	$ 1,998,498	$ 1,992,840	$ 5,658	100%
55	Police Building Renovation	$ 524,700	$ -	$ -	$ -	$ 524,700	$ 521,991	$ 2,709	99%
56	**Total Central Services**	$ 47,225,000	$ 4,525,000	$ 1,700,000	$ -	$ 41,000,000	$ 40,742,835	$ 257,165	99%
57	Central Services Bond Funds Unallocated	$ (0)				$ (0)			

	Measure H Bond Summary	**Total Bond Amount**	**Bond Funds Sold to Date**	**Bond funds Revenue**	**Bond funds Expended**	**Bond Fund Revenue Balance**	**% Spent**
58	Series A Bond funds issued in May 2006	$ 234,999,692	$ 100,000,000	$ 234,999,692	$ 213,144,016	$ 21,855,676	91%
59	Series B Bond funds issued in June 2009		$ 14,184,692				
60	Series C Bond funds issued in June 2009		$ 120,815,000				

Expenditures through Jan 31, 2014 ANNUAL CBOC UPDATE ON MEASURE C BOND PROGRAM Based on Jan. 15, 2013 Project Priority List

		All Funds	Capital Funds	Measure C Funds			
Project Number	Description	Total Project Budget	State/Others	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
	Measure C Bond & Capital Funds						
1	Total Construction Projects	$ 365,449,467	$ 15,449,467	$ 350,000,000	$ 6,818,324	$ 343,181,676	2%
						$ -	
2	**West Valley College Projects**	$ 170,649,466	$ 12,949,467	$ 157,700,000	$ 2,580,780	$ 155,119,219	2%
						$ -	
3	Program Contingency	$ 15,590,204	$ -	$ 15,590,204	$ -	$ 15,590,204	0%
4	Operation Expenses	$ 179,796	$ -	$ 179,796	$ 107,186	$ 72,610	60%
5	Swing Space for Building Projects	$ 5,400,000	$ -	$ 5,400,000	$ 614,495	$ 4,785,505	11%
6	Applied Arts and Science Renovation	$ 21,065,945	$ 12,949,467	$ 8,116,479	$ 45,585	$ 8,070,894	1%
7	Student Services Center Replacement Bldg	$ 21,403,800	$ -	$ 21,403,800	$ 106,558	$ 21,297,242	0%
8	Learning Resource Center Reconstruction	$ 29,458,800	$ -	$ 29,458,800	$ 29,540	$ 29,429,260	0%
9	Fine Arts Building - New Replacement Building	$ 11,110,797	$ -	$ 11,110,797	$ -	$ 11,110,797	0%
10	Business Division Renovation	$ 8,145,000	$ -	$ 8,145,000	$ -	$ 8,145,000	0%
11	Hum-Fine Arts Bldg Renovation	$ 15,069,645	$ -	$ 15,069,645	$ -	$ 15,069,645	0%
12	Admin of Justice Building Renovation	$ 2,286,000	$ -	$ 2,286,000	$ -	$ 2,286,000	0%
13	PE Department Building Renovation	$ 24,851,925	$ -	$ 24,851,925	$ 651,315	$ 24,200,610	3%
14	Technology System Refresh Projects	$ 1,350,000	$ -	$ 1,350,000	$ -	$ 1,350,000	0%
15	Vasona Creek Restoration and Green Belt Improv	$ 1,350,000	$ -	$ 1,350,000	$ 176,292	$ 1,173,708	13%
16	Parking Lot&Campus Walkway Resurface/Replacement	$ 5,400,985		$ 5,400,985	$ 820,006	$ 4,580,979	15%
17	Campus Center Bldg Renovation Phase II	$ 3,486,569	$ -	$ 3,486,569	$ -	$ 3,486,569	0%
18	Planetarium Upgrade	$ 1,350,000	$ -	$ 1,350,000	$ 29,802	$ 1,320,198	2%
19	Child Development Center or Guirlani House Renovation	$ 3,150,000	$ -	$ 3,150,000	$ -	$ 3,150,000	0%
						$ -	
20	**Total West Valley College**	$ 170,649,466	$ 12,949,467	$ 157,700,000	$ 2,580,780	$ 155,119,219	2%
						$ -	
21	West Valley Bond Funds Unallocated	$ -		$ -		$ -	

		All Funds	Capital Funds	Measure C Funds			
Project Number	Description	Total Project Budget	State/Others	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
						$ -	
22	**Mission College Projects**	$ 160,200,001	$ 2,500,000	$ 157,700,000	$ 1,828,168	$ 155,871,833	1%
						$ -	
23	Program Contingency	$ 15,588,098	$ -	$ 15,588,098	$ -	$ 15,588,098	0%
24	Operational Expenses	$ 181,902	$ -	$ 181,902	$ 108,443	$ 73,459	60%
25	Wellness and Human Performance Addition	$ 8,809,857	$ -	$ 8,809,857	$ 603,982	$ 8,205,875	7%
26	Mission College Main Building Replacement Phase II	$ 69,266,218	$ 2,500,000	$ 66,766,218	$ 1,023,814	$ 65,742,404	2%
27	Main Plaza Canopy.Landscaping	$ 3,678,439		$ 3,678,439	$ -	$ 3,678,439	0%
28	MT Portables Replacement Building	$ 20,831,400	$ -	$ 20,831,400	$ -	$ 20,831,400	0%
29	Performing Arts Building	$ 25,194,087	$ -	$ 25,194,087	$ -	$ 25,194,087	0%
30	Technology Institute Building	$ 15,300,000	$ -	$ 15,300,000	$ -	$ 15,300,000	0%
31	Technology System Refresh Projects	$ 1,350,000	$ -	$ 1,350,000	$ 91,929	$ 1,258,071	7%
				$ -		$ -	
32	**Total Mission College**	$ 160,200,001	$ 2,500,000	$ 157,700,000	$ 1,828,168	$ 155,871,833	1%
						$ -	
33	Mission Bond Funds Unallocated	$ -		$ -		$ -	
						$ -	
34	**Central Services Projects**	$ 34,600,000	$ -	$ 34,600,000	$ 2,409,377	$ 32,190,623	7%
						$ -	
35	Program Contingency	$ 3,332,698	$ -	$ 3,332,698	$ -	$ 3,332,698	0%
36	Operational Expenses	$ 127,302	$ -	$ 127,302	$ 75,892	$ 51,410	60%
37	District Facilities Building Replacement	$ 16,650,000	$ -	$ 16,650,000	$ 254,787	$ 16,395,213	2%
38	Datatel Infrastructure Project	$ 2,250,000	$ -	$ 2,250,000	$ 1,457,442	$ 792,558	65%
39	Underground MPOE Replacement	$ 2,700,000	$ -	$ 2,700,000	$ 307,820	$ 2,392,180	11%
40	HVAC and Lighting Energy Retrofit Projects	$ 4,050,644	$ -	$ 4,050,644	$ 247,453	$ 3,803,191	6%
41	Security, Safety and Monitoring	$ 3,029,656	$ -	$ 3,029,656	$ 44,147	$ 2,985,510	1%
42	Energy Management System Replacement	$ 2,459,700	$ -	$ 2,459,700	$ 21,837	$ 2,437,863	1%
						$ -	
43	**Total Central Services**	$ 34,600,000	$ -	$ 34,600,000	$ 2,409,377	$ 32,190,623	7%
44	Central Services Bond Funds Unallocated	$ -		$ -			
	Measure C Bond Summary	**Total Bond Amount**	**Bond Funds Sold to Date**	**Bond funds Revenue**	**Bond funds Expended**	**Bond Fund Revenue Balance**	**% Spent**
45	Series A Bond funds issued in August 2012	$ 100,000,000	$ 100,000,000	$ 100,000,000	$ 6,818,324	$ 93,181,676	7%