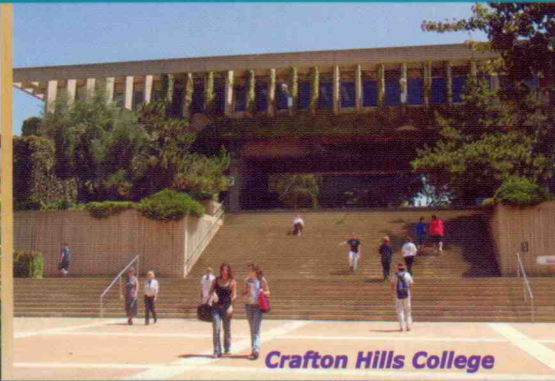




MEASURE P



San Bernardino Valley College



Crafton Hills College

2006-2007 Citizens' Oversight Committee Report To The Community



BACKGROUND ON MEASURE P

In 2002, the voters of the San Bernardino Community College District approved Measure P, a \$190 million bond measure designed to improve safety and infrastructure at San Bernardino Valley College and Crafton Hills College. Measure P also will construct new classroom buildings and training centers.

Because Measure P was an election under Proposition 39, the District was obliged to establish a Citizens' Oversight Committee in order to satisfy the accountability requirements of Prop. 39. Regulated by the Ralph M. Brown Public Meetings Act, the Committee reviews expenditures reports to ensure that a) bond proceeds are expended only for the purpose set forth in the ballot measure; and b) no bond proceeds are used for any teacher or administrative salaries or operating expenses.

OVERSIGHT COMMITTEE FORMED

Applications for the Citizens' Oversight Committee were made available to representative groups within the district, as well as to the public at large. A 12-member Citizens' Oversight Committee was formed, with representatives of businesses, senior citizens, taxpayers, district support groups and students. The committee reports to the District's Governing Board. District staff members or individuals in a financial relationship with the District may not serve on the Committee. Members serve one or two-year terms and receive no compensation.

In addition to reviewing bond expenditures, the Committee is responsible for informing the public concerning the District's expenditure of bond proceeds and for presenting to the Board, in public session, an annual report.

2006-07 OVERSIGHT COMMITTEE ACTIVITIES

The Oversight Committee met regularly during the year to review bond expenditures and get an update on bond projects. They met on July 18 for the annual organizational meeting, November 14 and again on March 27 at the District Office. Committee members were also invited to ribbon cuttings and grand openings.

BOND EXPENDITURE UPDATE

San Bernardino Valley College began an extensive construction program in 2002 because it was discovered that the San Jacinto fault line crosses diagonally through the campus, compromising the structural integrity of seven buildings. In an effort to rectify the problem, Valley College received federal and state funding to replace the structures located within a 200-foot wide fault zone. Five new buildings were constructed to replace the seven that needed to be demolished; this construction is referred to as the FEMA project.

Because federal and state funding was not adequate for this major construction project, almost all of the first issuance (\$50 million) of Measure P bond monies was allocated to SBVC projects. The first issuance was received on May 15, 2003.

The second issuance was for \$20 million and was received on February 26, 2004. Almost all of these funds are being used for Crafton Hills College, including major energy updates and developing a Master Plan.

The third issuance was received on September 13, 2006 for \$100 million. This issuance allowed the District to focus on the Master Plans developed for each college, with planning through 2025.

MEASURE P OVERSIGHT COMMITTEE MEMBERS

Winston Carl, Senior Citizen Organization Representative
Lois J. Carson, SBVC Foundation Representative
Pat Ferraris, Community-at-Large Representative
Graciano Gomez, Business Organization Representative
Dr. Elizabeth Harris, Community-at-Large Representative
Dr. Ronald O. Kibby, Community-at-Large Representative
Wilfrid C. Lemann, KVCR Foundation Representative
Lenore B. Manak, Tax Payer Organization Representative
Wesley C. McDaniel, Community-at-Large Representative
Dennis Partain II, Student Representative
David E. Raley, CHC Foundation Representative
Laurie Stalnaker, Business/Labor Organization Representative

LEVERAGING OF BOND FUNDS

The District makes every effort to leverage Measure P funds with state and federal funds in order to stretch the tax payers' dollars. Of the \$156 million spent to-date on district construction project, \$93 million was from bond funds and \$62 million was received from federal, state and local sources. This shared approach to funding resulted in 60 percent of project costs coming from the general obligation bond and 40 percent paid by the state and federal governments.

In fact, the District also is a partner in a Joint Powers Authority that received \$12 million in federal funds to build the Jerry Lewis Emergency Training Center. Crafton Hills College, working jointly with the San Bernardino County Fire Department, oversees the educational component of this program. The \$12 million are not reflected in our project expenditure report because the funds were not managed by the SBCCD.

The funding strategy used in these past projects will be utilized whenever possible for future capital construction

projects. This funding strategy demonstrates the efforts the District has made to maximize the use of local bond funds.

In addition, the District refinanced its general obligation bonds in 2004 to yield an additional \$7 million for construction projects. Due to an increase in the total assessed valuation of property in San Bernardino and Riverside Counties, and because the District has one of the highest ratings in San Bernardino County (AA-), the District was able to refinance its general obligation bonds totaling \$56 million. The refinance accomplished three objectives: a) reduce the number of years that taxpayers will be required to pay for the bonds; 2) reduce the total debt service on the bonds; and 3) provide additional funds to pay for vital projects. **Taxpayers will save over a million dollars by reducing their bond debt by five years.**

"It's a win-win situation for the taxpayers and the District," says Bob Temple, Vice Chancellor of Fiscal Services. "They save money and we end up with additional funds that will help us upgrade our facilities and programs for students."

SCHEDULE OF BOND PROJECT EXPENDITURES & LEVERAGED FUNDS

San Bernardino Community College District Measure P Bond Construction Fund

Bond Projects	TOTAL PROJECT COST THROUGH JUNE 30, 2006	2007 ACTUAL COSTS *	TOTAL PROJECT COSTS THROUGH JUNE 30, 2007	LEVERAGED FUNDS		TOTAL LEVERAGED FUNDS	TOTAL PROJECT COSTS FROM ALL FUNDING SOURCES
				STATE AND LOCAL FUNDS	FEDERAL FUNDS		
SBVC Football Field Refurbishment	\$981,166.50	\$0.00	\$981,166.50			\$0.00	\$981,166.50
SBVC Retrofits & Modernization Projects	\$2,401,987.63	\$0.00	\$2,401,987.63	\$9,126,411.40		\$9,126,411.40	\$11,528,399.03
SBVC Student Health Services	\$255,215.81	\$310,642.00	\$565,857.81			\$0.00	\$565,857.81
SBVC Child Development Center	\$3,526,161.78	\$2,190,801.33	\$5,716,963.11	\$3,117,999.55		\$3,117,999.55	\$8,834,962.66
SBVC Infrastructure	\$8,902,501.19	\$1,707,897.50	\$10,610,398.69			\$0.00	\$10,610,398.69
SBVC FEMA Seismic Mitigation Project	\$35,619,252.47	\$6,251,469.21	\$41,870,721.68	\$14,121,961.31	\$34,114,352.00	\$48,236,313.31	\$90,107,034.99
SBVC FEMA Furniture	\$1,959,906.95	\$119,505.26	\$2,079,412.21			\$0.00	\$2,079,412.21
SBVC Demolition	\$1,987,748.53	\$1,727,138.01	\$3,714,886.54			\$0.00	\$3,714,886.54
SBVC Data Building	\$457,186.83	\$1,894.06	\$459,080.89			\$0.00	\$459,080.89
SBVC Campus Master Planning Services	\$1,027,110.89	\$557,586.00	\$1,584,696.89			\$0.00	\$1,584,696.89
SBVC North Hall Seismic Replacement	\$0.00	\$806,750.10	\$806,750.10			\$0.00	\$806,750.10
SBVC Maintenance & Operations Replacement	\$0.00	\$249,570.52	\$249,570.52			\$0.00	\$249,570.52
SBVC North Hall Media Communications Seismic Replacement	\$0.00	\$453,267.05	\$453,267.05			\$0.00	\$453,267.05
SBVC Chemistry/Physical Science Seismic Replacement	\$0.00	\$716,924.39	\$716,924.39			\$0.00	\$716,924.39
SBVC Program Management Fees	\$0.00	\$1,145,747.57	\$1,145,747.57			\$0.00	\$1,145,747.57
SBVC Program Support	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
CHC Fire Training Facility	\$150,000.00	\$0.00	\$150,000.00			\$0.00	\$150,000.00
CHC Administrative Services Remodel	\$2,337,542.36	\$41,154.52	\$2,378,696.88			\$0.00	\$2,378,696.88
CHC Energy Updates	\$6,365,613.99	\$0.00	\$6,365,613.99	\$115,900.00		\$115,900.00	\$6,481,513.99
CHC Infrastructure	\$894,726.79	\$0.00	\$894,726.79			\$0.00	\$894,726.79
CHC Project Management	\$1,521,818.75	\$2,050,493.00	\$3,572,311.75			\$0.00	\$3,572,311.75
CHC Seismic Fault Exploration	\$66,845.83	\$14,573.55	\$81,419.38			\$0.00	\$81,419.38
CHC Seismic Environmental Services	\$86,406.84	\$0.00	\$86,406.84			\$0.00	\$86,406.84
CHC Humanities Building	\$81,787.61	\$4,012.39	\$85,800.00			\$0.00	\$85,800.00
CHC Arts & Lecturers Building	\$130,100.00	\$0.00	\$130,100.00			\$0.00	\$130,100.00
CHC Community Pool	\$57,486.26	\$0.00	\$57,486.26			\$0.00	\$57,486.26
CHC Campus Master Planning Services	\$1,150,392.48	\$10,662.84	\$1,161,055.32			\$0.00	\$1,161,055.32
CHC Infrastructure 1-Communications Relocation	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
CHC Infrastructure 2-Utility Corridor	\$0.00	\$91,808.00	\$91,808.00			\$0.00	\$91,808.00
CHC Infrastructure 3-Peninsula Development	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
CHC Infrastructure 4-DSA Accessibility Components	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
CHC Infrastructure 5-Athletics & CRF Site Preparation	\$0.00	\$643,000.00	\$643,000.00			\$0.00	\$643,000.00
CHC Community Recreation Facility	\$0.00	\$645,913.74	\$645,913.74			\$0.00	\$645,913.74
CHC Learning Resource / Technology Center	\$0.00	\$643,000.00	\$643,000.00			\$0.00	\$643,000.00
CHC Program Support	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
District Applied Technology and Training Center	\$0.00	\$3,261,495.53	\$3,261,495.53		\$2,096,988.89	\$2,096,988.89	\$5,358,484.42
TOTALS	\$69,960,959.49	\$23,645,306.57	\$93,606,266.06	\$26,482,272.26	\$36,211,340.89	\$62,693,613.15	\$156,299,879.21

59.89%

40.11%

100%

* - Represents unaudited amounts. Conclusion: For every 60 cents spent of Measure P funds, the District has spent 40 cents of matching funds from federal, state and local sources.

