Background

Measure G is a $44,400,000 General Obligation Bond for the Sierra Joint Community College District, approved by voters within the Western Nevada County campus area on November 2, 2004. The election was conducted under Proposition 39, which requires the establishment of a Citizens’ Bond Oversight Committee. The Committee members are appointed by the Board of Trustees and represent various constituents of the community. The purpose of the Committee is to inform the public concerning the expenditure of bond revenues. The Committee reviews and reports on the proper expenditure of taxpayers’ money for school construction as approved by the voters and assures no funds are used for any other purpose, including teacher and administrator salaries and other school operating expenses.

On April 21, 2005, General Obligation Bonds, Series A of the School Facilities Improvement District No. 2 were issued in the principal amount of $18,000,000 of the $44,400,000 authorized. Series B bonds were issued on June 21, 2007 for the remaining authorized amount. During 2013, the Series B bonds were refinanced at a lower interest rate, saving $2,179,076 in bond costs. The County Treasurer of Placer County acts as the Measure G General Obligation Bond Fiscal Agent. The funds are maintained in a pooled investment fund and interest is earned monthly. The bond funds are to be used “to prepare Western Nevada County area students for jobs/four-year colleges, provide for lifelong learning, and accommodate increasing enrollment by acquiring, constructing, equipping, repairing buildings, sites, classrooms, labs, and libraries.”

Message from the Chair

With a significant slowing of projects and expenditures to review, the Committee agreed to just meet annually in April of each year until the funds are all expended. The Committee met on April 16, 2014 to review construction and financial activity. At that time, the Committee also received and reviewed the bond performance audit for the year ended June 30, 2013 prepared by Crowe Horwath LLP confirming this certification.

The Phase 2 building project was substantially completed in 2011. With a small surplus of remaining bond funds, a new unisex locker room in N11 was completed, as well as upgrades to the exhaust system in Buildings N9 and N10. In addition, emergency notification stations, additional lighting and signage were installed.

Projects will continue until all of the Bond funds (including accured interest) are expended. The Citizens’ Oversight Committee will continue to review and oversee the expenditure of the Bond funds as we have in the past.

Curtis Williams,
Committee Chairperson

Financial Summary

<table>
<thead>
<tr>
<th>Project Budget</th>
<th>As of 6/30/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$49,626,760</td>
</tr>
<tr>
<td>Project Management</td>
<td>1,681,568</td>
</tr>
<tr>
<td>Site Costs</td>
<td>10,583,752</td>
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<tr>
<td>Fees &amp; Permits</td>
<td>717,095</td>
</tr>
<tr>
<td>FF&amp;E</td>
<td>1,912,207</td>
</tr>
<tr>
<td>Construction Costs</td>
<td>$14,836,481</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$49,731,103</td>
</tr>
</tbody>
</table>

Certification

Based upon our review of the District’s financial records and the annual independent financial and performance audits of the Measure G bond proceeds, prepared by Crowe Horwath LLP, the Citizens’ Bond Oversight Committee believes that bond revenues were expended in compliance with the requirements of Article XIIIA Section 1(b)(3) of the California Constitution and consistent with the District’s approved Measure G local bond measure for the period of July 1, 2013 through June 30, 2014.

Performance Audit Conclusion

The required annual independent financial audit was performed and the auditor’s opinion states “the financial statements referred to above present fairly, in all material respects, the financial position of the Bond Fund of the District as of June 30, 2014, and the changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.”

Financial Audit Opinion

The auditors selected and tested transactions and records to determine the District expended funds for the year ended June 30, 2014 only for the specific projects developed by the District’s Governing Board and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIIIA of the California Constitution.
Citizens’ Bond Oversight Committee

Bond Oversight Committee meetings are open to the public. Information regarding future meetings can be found on the Sierra College website below or by contacting the Sierra College Facilities and Construction office at:

5000 Rocklin Road, Rocklin, CA 95677
(916) 660-7651
www.sierracollege.edu/about-us/admin-services/fiscal-services/purchasing/bond

Committee Members 2013/2014:

Curtis Williams,
Chairperson and Public Member

Vicki Downs,
Business Organization

Patti Foster, Public Member

Wayne Raley,
Senior Citizens Organization

Willard Drown, Public Member

Doug Hastings, Public Member

Julia Locatelli, Public Member

Gil Mathew, Public Member

Jacquie Wallach, Public Member

Measure G, SFID No. 2
Citizens’ Bond Oversight Committee
Western Nevada County
Campus Area

Annual Report
Fiscal Year 2013 – 2014

Presented to
Board of Trustees
Sierra Joint Community
College District
May 12, 2015

Measure G Bond Funds were not used in the production of this publication.