



2018-19 | ANNUAL REPORT
Cerritos Community College District
Citizens' Bond Oversight Committee

Citizens' Bond Oversight Committee

Annual Report – 2018-2019

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Cerritos Community College District Citizens' Bond Oversight Committee Annual Report – Introduction

As outlined in Education Code Section 15278, the role of the Cerritos Community College District (CCCD) Citizens' Bond Oversight Committee is to “inform the public concerning the District’s expenditure of revenues received from the sale of bonds authorized by the voters.” Members are appointed for two years, with a three-term maximum. Members do not receive any compensation or benefits for their service. The committee meets a minimum of four times per year

As mandated by Proposition 39, the CCCD Board of Trustees is required to appoint an independent citizens' oversight committee of at least seven people. Each member must represent one of the following constituencies: a local business, a senior group, a bona fide taxpayer's association, an enrolled student active in a student group, and an active member of a college supporting organization, such as the foundation or a community advisory group. No district employee or official, vendor, contractor, or consultant may serve on the committee. The Citizen's Bond Oversight Committee met at least yearly for 2018-2019.

The following members serve on the Citizens' Bond Oversight Committee:

Pat Patnaik, (Chair) Community Member
Carmen Amarillas-Rivera, (Vice Chair) Community Member
Richard Fisler, Business Organization Member
Alan Gafford, Bona-Fide Taxpayers Association Member
Phil Herrera, Student Member
Paul Martinez, Support Organization
Parimal Shah, Business Member

Executive Summary

The charter of the Citizens' Bond Oversight Committee for the Cerritos Community College District is to inform the public concerning bond revenue expenditures and to actively "review and report" on the expenditure of these funds. Our committee comprises a cross section of the citizenry who have volunteered their time to represent various constituencies, and fulfill the responsibilities listed above.

During this year of existence, the committee has met on a regular basis; reviewing expenditures, touring campus renovations, asking questions, and expressing concerns and recommendations. This Annual Report of the Citizens' Bond Oversight Committee for the Cerritos Community College District documents the results of these activities and serves to fulfill the basic tenets of the charter.

Within this report is the independent financial and performance audits for the fiscal year ending June 30, 2019, performed by the firm of EideBailly. The committee examined and reviewed the audits on December 16, 2019, the results of which are contained herein.

A summary of Measure G Bond Expenditures for the Fiscal Year ending June 30, 2019:

Building & Site Improvements	\$	287,656
Bond Management	\$	1,934,053
Classrooms & Modernization	\$	32,551,856
Energy & Water Efficiency Improvements	\$	965,334
Health & Safety Improvements	\$	2,829,773
Information Technology & Equipment	\$	<u>290,373</u>
Total Expenditures	\$	38,859,045

Statement of Compliance

This Annual Report is submitted to the Board of Trustees by the Citizens' Bond Oversight Committee for the Cerritos Community College District.

This Committee advises that, to the best of its knowledge, the Cerritos Community College District complies with the requirements in Article XIII A, Section 1(b) (3) of the California Constitution. In particular, bond revenue has been expended only for the purposes so described in Measure CC and Measure G and no funds were used for any teacher or administrative salaries or other operating expenses as prohibited by Article XIII A, Section (b) (s) (a) of the California Constitution.

Respectfully submitted:
Pat Patnaik, Chair
Citizens' Bond Oversight Committee
Date: May 11, 2020

Citizens' Bond Oversight Committee Roster 2018-2019

Member	Representing	Beginning Term	Second Term	Final Term
Alan Gafford	Bona-Fide Taxpayers Association	March 2017 – March 2019	March 2019 – March 2021	March 2021 – March 2023
Richard Fidler	Business Organization	January 2018 – January 2020	January 2020 – January 2022	January 2022 – January 2024
Pat Patnaik	Community Member	January 2018 – January 2020	January 2020- January 2022	January 2022- January 2024
Carmen Amarillas-Rivera	Community Member	January 2018 – January 2020	January 2020 – January 2022	January 2022 – January 2024
Parimal Shah	Senior Citizens' Organization	March 2017 – March 2019	March 2019 – March 2021	March 2021 – March 2023
Paul Martinez	Support Organization	August 2013 – August 2015	January 2018 – January 2020	January 2020 – January 2022
Phillip Herrera	Student	January 2017- January 2019	January 2019 – January 2021	

Terms are based on date of appointment approved by the Board of Trustees.

Expired terms: Members whose term have expired may continue to serve on the Committee until a successor has been appointed.

Year Sixteen Commentary

July 1, 2018 through June 30, 2019

Measure G Bond Overview

The Citizens' Bond Oversight Committee for the Cerritos Community College District (the District) is pleased to present this Annual Report as required by Proposition 39, the legislative authority of Measure CC and Measure G. It is the Committee's responsibility to represent the voters and to oversee the expenditures of bond funds to assure that bond proceeds are expended for the purposes set forth in the ballot measures

On March 2, 2004, the voters in the Cerritos Community College District approved Measure CC, a \$210 million General Obligation Bond for Cerritos College. One of the key elements of Measure CC was the establishment of a Bond Oversight Committee, composed of seven (7) interested community members appointed by the District's Board of Trustees. The committee represents a cross section of the Cerritos Community College District.

Eight years later on November 6, 2012, the voters in the Cerritos Community College District approved Measure G, a \$350 million General Obligation Bond for Cerritos College, providing funding for the continuing renovation of the nearly 60-year-old campus. In preparation of the final spending of Measure CC monies and the initial spending of Measure G monies, the District's Board of Trustees approved Resolution No. 13-05 on February 6, 2013, adopting Amended and Restated Bylaws that combined Measure CC and Measure G oversight responsibilities into the existing Citizens' Bond Oversight Committee.

In November 2014, the District issued its first Measure G General Obligation Bond Series 2014A in the amount of \$100 million. Concurrently, the District saved taxpayers \$10,995,122.91 by refinancing previously issued Measure CC bonds. In November 2017, the District issued its second Measure G General Obligation Series 2018B in the amount of \$75 million. In May 2019, the District issued its third Measure G General Obligation Bond Series 2019C in the amount of \$100 million.

The Health and Wellness Complex construction continues to progress with Phase I completed in January 2019. Phase I includes the Conference Center, a 120-person, multipurpose assembly area; the Dance Studios which includes two new studios; a Physical Education building that houses a group fitness room and physical therapy area; plus, the main Kinesiology building which includes division offices, adapted physical education room, weight room, fitness rooms, locker rooms, and six new general-purpose classrooms. Phase II includes a new Student Health Center and Team Locker room. This total project, both Phases, has an estimated project budget of \$68 million, with Phase II expected to be completed for fall 2020.

Several site improvement projects were completed in the last year. These projects include a new elevator on the exterior of the Social Science building, retrofit of the existing elevator inside the Social Science building, accessibility upgrades in the Multi-Purpose building restrooms, relocation and replacement of the campus main gas meter and the replacement of the field turf at the stadium.

The Shade Structures located at the Aquatics Center, Alondra Drop Off, North Walk, and South Garden are essentially complete pending a deferred approval of the top panel shading material. The Division of State Architects, the Architect of Record, and the manufacturer/contractor for the project have been working diligently towards approval.

The new Performing Arts Center is currently under construction. This 84,000 square foot building will house a 425-seat theater, performing arts instructional and support space, as well as music instructional and performance space, a 200-seat black box theater, a 100-seat lecture hall that doubles as a recital space, concessions and offices. The project is estimated to be completed in spring of 2022 with the total project cost at \$102 million.

Once the Performing Arts Center is built and operational, the Burnight Theatre, Public Affairs, and Bookstore will be demolished to make way for the new Student Services/Administration Building. This new building will house both Student Services and Administrative Offices, along with a Board of Trustees meeting room, and campus bookstore. The architects have been actively meeting with staff reviewing concepts, designs and receiving user feedback. The building is expected to break ground in summer 2022 with occupancy in 2024. The total budget for this building is \$88 million.

In July 2019, state funding was approved for disbursement for the Health Sciences Modernization project. The total amount of the project is approximately \$24 million, with \$12 million from the state and the balance funded with Measure G funds. This project is expected to break ground in summer 2022, with occupancy in 2024.

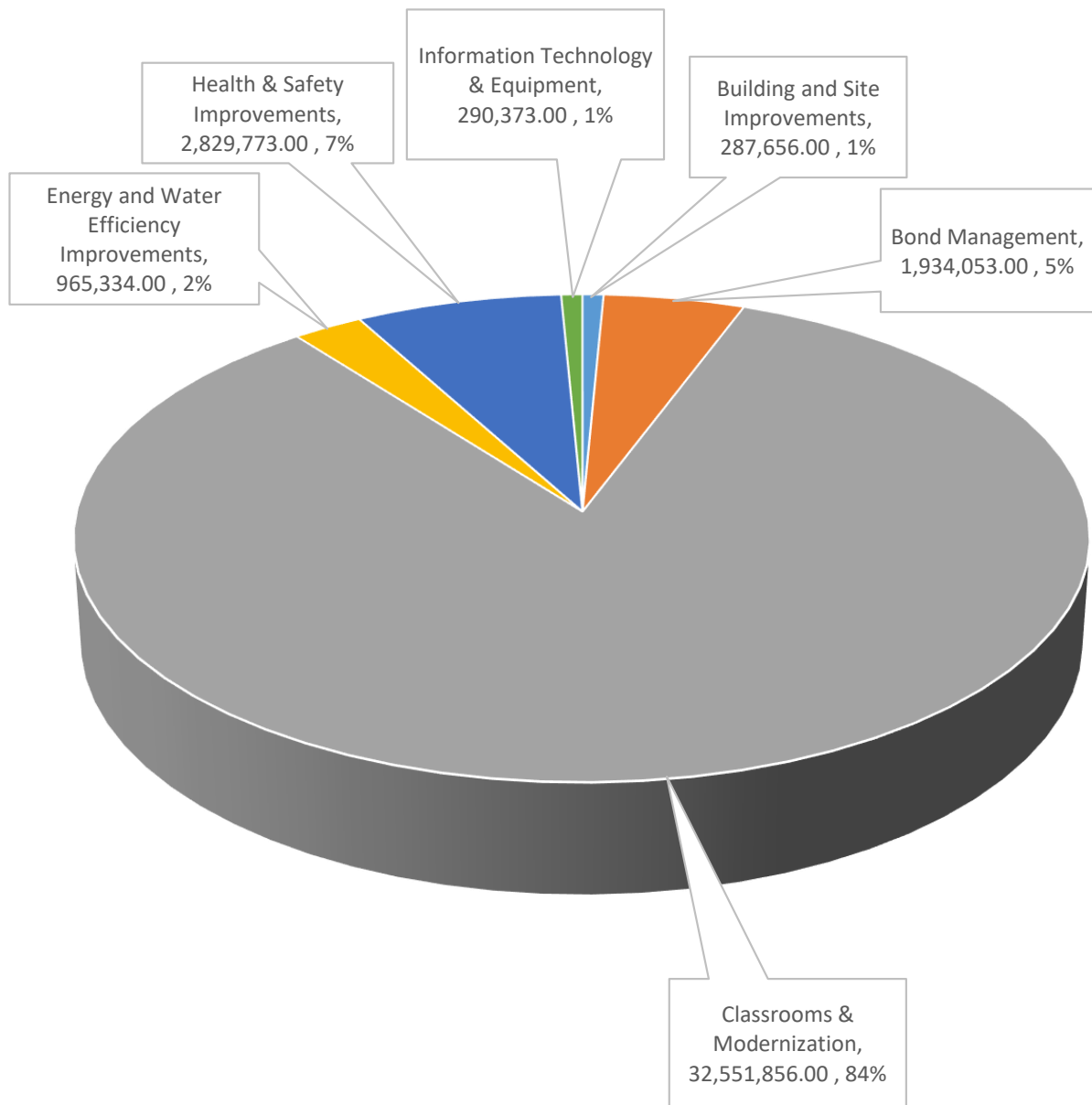
The 2019 Cerritos College Facilities Master Plan (FMP) was approved by the Board of Trustees in June 2019. This FMP builds upon our tradition of excellence in education by establishing a long-term vision for facilities development. This vision recognizes the need to accommodate growth and change while aligning with themes in the college's Educational Master Plan, including highlighting clear educational and career pathways for all students, strengthening partnerships with our community, fostering a collaborative culture, and raising awareness about who we are and conveying that message effectively.

These are some of the many positive changes that enables Cerritos College to continue to provide top tier educational opportunities for the citizens in our communities. Information on past and future meetings and the ongoing bond projects can be found at Cerritos College's website (<https://www.cerritos.edu/bond/>). This website provides detailed information about the current Facilities Master Plan and the projects in progress. We welcome all members of the public to attend our meetings.

Challenges:

A continuing challenge is minimizing the disruption to students, faculty and operations stemming from the growing number of construction activities. Other challenges include limited bond proceeds available to build out the updated Facilities Master Plan therefore, it is important to leverage bond proceeds with state capital outlay, along with the district looking into a potential bond measure in 2020.

Measure G Bond Fund Expenditures As of June 30, 2019



Cerritos Community College District
Measure G Bond Fund
Year 2012 - 2019

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Beginning Balance	-	-	(1,908,964)	(6,853,621)
Restatement	-			
Adjusted Beginning Balance	-	-	(1,908,964)	(6,853,621)
Revenues				
8860 Interest	-	-	-	340,149
8940 Proceeds	-	-	-	100,000,000
8980 Transfers In	-	-	-	-
	-	-	-	100,340,149
Expenditures				
1000 Certificated	-	-	-	-
2000 Classified	-	-	-	-
3000 Benefits	-	-	-	-
4000 Supplies/Materials	-	-	1,663	2,822
5000 Other Operating	-	-	-	478,189
6000 Capital Outlay	-	1,908,964	4,942,994	18,630,367
7000 Debt Service Principal	-	-	-	-
7000 Debt Service Interest	-	-	-	-
	-	1,908,964	4,944,657	19,111,378
7000 Other uses	-	-	-	-
Unadjusted Ending Fund Balance	-	(1,908,964)	(6,853,621)	74,375,150
Ending Fund Balance (Audited)	-	(1,908,964)	(6,853,621)	74,375,150

Cerritos Community College District
Measure G Bond Fund
Year 2012 - 2019

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
Beginning Balance	74,375,150	43,896,392	12,252,658	46,205,622	
Restatement					-
Adjusted Beginning Balance	<u>74,375,150</u>	<u>43,896,392</u>	<u>12,252,658</u>	<u>46,205,622</u>	<u>-</u>
Revenues					
8860 Interest	497,586	360,366	501,225	673,862	2,373,188
8940 Proceeds	-	-	75,000,000	100,314,700	275,314,700
8980 Transfers In	-	-	-	-	-
	<u>497,586</u>	<u>360,366</u>	<u>75,501,225</u>	<u>100,988,562</u>	<u>277,687,888</u>
Expenditures					
1000 Certificated	-	-	-	-	-
2000 Classified	-	-	-	-	-
3000 Benefits	-	-	-	-	-
4000 Supplies/Materials	1,757	2,819	1,132	680	10,873
5000 Other Operating	26,613	31,135	324,025	1,120,553	1,980,515
6000 Capital Outlay	30,947,974	31,970,146	41,223,104	37,737,812	167,361,361
7000 Debt Service Principal	-	-	-	-	-
7000 Debt Service Interest	-	-	-	-	-
	<u>30,976,344</u>	<u>32,004,100</u>	<u>41,548,261</u>	<u>38,859,045</u>	<u>169,352,749</u>
7000 Other uses	-	-	-	-	-
Unadjusted Ending Fund Balance	<u>43,896,392</u>	<u>12,252,658</u>	<u>46,205,622</u>	<u>108,335,139</u>	<u>108,335,139</u>
Ending Fund Balance (Audited)	<u><u>43,896,392</u></u>	<u><u>12,252,658</u></u>	<u><u>46,205,622</u></u>	<u><u>108,335,139</u></u>	<u><u>108,335,139</u></u>

Continuing Disclosure Certificate

The Continuing Disclosure Certificate is executed and delivered by the Cerritos Community College District in connection with issuance of \$37,325,000 General Obligation Bonds, Election of 2004, Series 2004A; \$38,845,000 General Obligation Bonds, Election of 2004, Series 2006B; \$55,000,000 General Obligation Bonds, Election 2004, Series 2009C; \$55,000,000 General Obligation Bonds, Election 2004, Series 2009C; \$82,825,515 General Obligation Bonds, Election 2004, Series 2012D; \$25,135,993 in General Obligation Refunding Bonds issued in 2005; \$80,395,000 in General Obligation Refunding Bonds Series A issued in 2014; \$17,975,000 in General Obligation Refunding Bonds Series B issued in 2014; \$100,000,000 in General Obligation Bonds, Election of 2012, Series 2014A and \$75,000,000 in General Obligation Bonds, Election of 2012, Series 2018A.

The Bonds are issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, Article XIII A of the California Constitution and pursuant to resolutions of the Board of Supervisors of Los Angeles County adopted in 2004 and 2012. The District Resolution and the County Resolution are heretofore referred to as the Resolution. The complete text for the Continuing Disclosure Certificate is available online at: <http://cms.cerritos.edu/bond/bond-oversight-committee/continuingdisclosureannualreport.htm>

In compliance with Section 4, Number 2 of the Certificate of Disclosure, here are specific answers relating to the period of July 1, 2018 through June 30, 2019.

- (A) *State funding received by the District for the last completed fiscal year (2018-2019)*
Combined General Fund unrestricted and restricted - \$101,141,064.
- (B) *Enrollment for the District for the last completed fiscal year (2018-2019)*
Full Time Equivalent Students – 15,675
- (C) *Outstanding District indebtedness*
The District had \$428,054,601 in general obligation bonds outstanding as of June 30, 2019.
- (D) *Assessed valuation for real property in the District for the last completed fiscal year (2018-2019)*
Assessed Valuation - \$47,688,600,386
- (E) *List of 10 largest taxpayers, together with their assessed valuation and their percentage of total assessed valuation for the District for the last completed fiscal year; to the extent such information is available from Los Angeles County.*
On file in the County Assessor's office.
- (F) *Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the fiscal year.*
Information contained in annual reports from the District is available through the Office of the Vice President of Business Services/Assistant Superintendent.

Appendix

Independent Auditor's Financial Audit

<https://www.cerritos.edu/bond/audit-reports/default.htm>

Independent Auditor's Performance Audit

<https://www.cerritos.edu/bond/audit-reports/default.htm>

Citizens' Bond Oversight Committee Agendas and Minutes

<https://www.cerritos.edu/bond/bond-oversight-committee/citizens-bond-oversight-committee-agendas-2019-2023.htm>

Citizens' Bond Oversight Committee Bylaws

<https://www.cerritos.edu/bond/bond-oversight-committee/committee-bylaws.htm>

Original Resolution 03-18 and Exhibit A & B

https://www.cerritos.edu/uploads/Bond/GO_Bond_Resolution_No._03-18_Approved_11-19-03.pdf

Resolution Authorizing 2004 General Obligation Bonds, Series 2006B

https://www.cerritos.edu/bond/includes/docs/Resolution_2006B_ua.pdf

Resolution Authorizing 2004 General Obligation Bonds, Series 2009C

https://www.cerritos.edu/bond/includes/docs/Resolution_2009C_ua.pdf

Resolution Authorizing 2004 General Obligation Bonds, Series 2012D

https://www.cerritos.edu/bond/Resolution_2012D.pdf

Resolution Authorizing 2004 General Obligation Bonds, 2014 Refunding, Series A & B

https://www.cerritos.edu/bond/Resolution_2014_GO_Refunding_Bonds.pdf

Resolution Authorizing 2012 General Obligation Bonds, Series 2014A

https://www.cerritos.edu/bond/Resolution_2014A.pdf

Resolution Authorizing 2012 General Obligation Bonds, Series 2018B

https://www.cerritos.edu/bond/Resolution_2018B.pdf

Resolution Authorizing 2012 General Obligation Bonds, Series 2019C

https://www.cerritos.edu/bond/Resolution_2019C.pdf



Elected Board Members

Marisa Perez, President
Martha Camacho-Rodriguez, Vice President
James Cody Birkey, Clerk
Carmen Avalos, Member
Zurich Lewis, Member
Dr. Shin Liu, Member
Dr. Sandra Salazar, Member
Valery Escobar, Student Member



<http://cms.cerritos.edu/bond/>