2025 Annual Report to the Community

Measure B Citizens Bond Oversight Committee

Imperial Community College District

Purpose; Executive Summary

This 2025 Annual Report is delivered in respect of the reporting requirements of the Measure B citizens' bond oversight committee (as used herein, "CBOC" or "Committee"), pursuant to California Proposition 39 (approved November 7, 2000) ("Prop 39") and California Education Code section 15278 et seq. Prop 39 reduced the vote threshold required to pass a measure authorizing a California school district to issue general obligation bonds from a two-thirds "supermajority" vote to a 55 percent vote, while adding certain transparency and accountability requirements. California Education Code Section 15728 furthers the Prop 39 Constitutional mandate by requiring an oversight committee to be established when bond measures are passed under Prop 39. The purposes and scope of responsibilities of the CBOC under Prop 39 and the Education Code are described in more detail below.

In summary, for Fiscal Year 2024-25, the CBOC members fulfilled all required responsibilities identified in Education Code Section 15278, and performed other authorized activities as identified in said Education Code.

Background on the District and Measure B

The Imperial Community College District ("District") consists of approximately 168 acres in an area of the southern-most region of California, encompassing all of the City of Imperial (the "City"), as well as unincorporated areas of Imperial County (the "County").
Measure B was approved by voters on November 8, 2022 to authorize $130 million in general obligation bonds to support the District with bond funds authorized under Prop 39, repayable from *ad valorem* taxes collected from taxpayers within the District, for the constructing and upgrading of District classrooms and school facilities.

The Measure B 77-word ballot statement reads:

"To improve Imperial Valley College with funds that cannot be taken by the State and spent elsewhere, shall Imperial Community College District's measure to expand fire, police, health and emergency responder training centers; upgrade science, technology, engineering and math labs; and develop local lithium technology programs be adopted, authorizing $130 million in bonds with legal interest rates, projected levies less than 3¢/ $100 of assessed valuation (raising $6.7 million/ year while bonds are outstanding), annual audits and independent citizen oversight?"

Prop 39 requires that the full ballot Measure B include a specific list of capital projects ("Bond Project List"), effectively limiting the scope of the bond projects to be funded by Measure B bond proceeds to only the projects contained on the Bond Project List ("Exhibit A").

Under the Measure B authorization, $50 million in principal amount of Series 2023A Bonds were issued by the District in July 2023. The proceeds of the Series 2023A Bonds have been, and continue to be, spent by the District on capital projects, described below.

In March 2024, the District issued $55 million in principal amount of its Series 2024B Bonds under the Measure B authorization to fund additional Measure B projects. The proceeds of the Series 2024B Bonds have not been spent but are earmarked for upcoming capital projects by the District, described below.

Of the $130 million in principal Measure B authorization, $25 million remains in authorized but unissued general obligation bonds.

Citizens Bond Oversight Committee and CBOC Activities

One of the legal requirements of Prop 39 and Measure B is the establishment of a CBOC comprised of at least seven members representing the business community (2), a senior citizens' organization, a taxpayers' association, student representative, and support organization. The CBOC actively reviews and reports on the expenditure of Measure B bond funds for school construction to ensure the bond funds are spent in accordance with the provisions of Prop 39 and Measure B. The CBOC is an independent committee accountable to the public and is not under the authority of the District's Governing Board. The CBOC's purpose is oversight of the Measure B bond program, providing transparency to, and communication with, the public about the District's Measure B bond expenditures. The CBOC does not have authority to choose, prioritize, or direct the District's bond projects.

The CBOC currently has eight members. Members of the CBOC, including officers, are listed below:

Browning, William
Horton, Benjamin
Jaime, Victor
Roben, Russell
Romero, Richard
Sturdevant, Jeff
Valdez, Elaine
Webster, Richard

The Committee's responsibilities are to inform the public concerning the expenditures of Measure B bond funds and to advise the public as to whether the District has: (1) spent Measure B bond funds only for construction, rehabilitation, or replacement of District facilities, including the furnishing and equipping of facilities or the acquisition or lease of real property as described in the Bond Project List, and (2) has not expended Measure B bond funds for administration salaries or other operating expenses. The Committee is required to issue to the District's Governing Board a report, at least annually, of the results of its activities.

In furtherance of its purpose, the CBOC may engage in any of the following activities:

- Receiving and reviewing copies of the required annual, independent performance audit for Measure B proceeds.
- Receiving and reviewing copies of the required annual, independent financial audit for Measure B proceeds.
- Inspecting college facilities and grounds to ensure that Measure B bond revenues are expended in compliance with the Division of State Architect.
- Reviewing efforts by the District to maximize Measure B bond revenues by implementing cost-saving measures.

The Committee had its initial meeting on April 9, 2024. Since its formation, the Committee has met at least once per year to review the progress and expenditures of the Measure B bond program. In furtherance of its role and responsibilities, the CBOC has engaged in the following activities:

- Appointment of Chairperson and Vice Chairperson
- Review of Financial and Performance Audits
- Review and Revision of Committee Bylaws
- Review of Prop 39, Measure B Ballot Language and the Bond Project List
- Review of Brown Act Requirements
- Review of Program Management Fees
- Review of Project Manager Status Reports
- Review of District's periodic Expenditure Reports to the Governing Board

As required by law, the CBOC is provided technical and administrative support by the District, including support from Cesar L. Vega, Vice President for Administrative Services, and the other members of the District's Administrative Services department. Such technical or administrative support to the CBOC is charged to the District's general fund and may not be paid from Measure B bond funds.

Current Status of Measure B Bond Projects

Based on information supplied by the District, the following capital projects are currently being implemented or planned, with funding derived from the proceeds of Measure B bonds:

Project Name	Measure B Total Project Costs	Measure B Funds Spent to Date	Measure B Fund Balance
Industrial Automation Building	$30,749,400	$40,443	$30,708,957
Public Safety Regional Training Facility (PSRTF)	$47,055,890	$1,818,084	$45,237,806
M&O Warehouse	$15,696,394	$569,706	$15,126,688
One-Stop Student Services Building	$11,108,316	$0	$11,108,316
Contingency	$1,096,948	$29,639	$1,067,309

Summary of Bond Fund Expenditures; Performance and Financial Audit Review

The 2024-25 fiscal year runs from July 1, 2024, through June 30, 2025. During the 2024-25 Fiscal Year, $2,373,256 in Measure B bond funds were spent on bond projects. The table below shows the major categories of spending during the fiscal year.

Summary of Measure B Financial Statement Fiscal Year 2024-2025	
Beginning Fund Balance as of 7/1/2024:	$106,458,124
Income:	$0
Interest Income:	$3,946,625
Other Income:	$0
Total Funds Available:	$110,404,749
Expenditures During Fiscal Year:	
Architect, Engineering and Design Fees:	$1,944,887
Main Construction:	$0
Inspections/Consultants/Legal:	$428,369
All Other Expenditures:	$0
Total Expenditures:	$2,373,256
Adjustment for Restatement:	$0
Ending Fund (balance at 6/30/2025):	$108,031,493

Audited financials, including the required performance and financial audits for the fiscal year ended June 30, 2025, are available on the District's website via the following link: https://www.imperial.edu/faculty-and-staff/campus-committees/advisory-and-mandated-committees/citizens-bond-oversight/measure-b/audit-reports.html

The District will provide the CBOC copies of the Fiscal Year 2024-25 Performance and Financial Audits, on or by March 30, 2026.

PERFORMANCE AUDIT SUMMARY

CWDL Certified Public Accountants, the District's independent auditors, will submit a performance audit of Measure B General Obligation Bonds for 2024-25 on April 15, 2026, to the District's Governing Board. This audit is mandated under the requirements of Prop 39.

The scope of the audit was based on a list of all identified Measure B project expenditures for Fiscal Year 2024-25, which totaled $2,373,256. The methodology used by the auditing firm included verifying the mathematical accuracy of the expenditure list and reconciling it to those reported by the District in its audited Measure B Bonds financial statements for Fiscal Year 2024-25. The auditor based its results on a selected sample of expenditures totaling $2,335,886. This data set was selected to provide a representation of data across a range of expenditures on construction projects and vendors and covered 98% of the fiscal year's total spending of Measure B bond funds.

Based on the information provided, the auditing firm concluded that the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure B Bond Fund of Imperial Community College District as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

FINANCIAL AUDIT SUMMARY

To support the performance audit, the auditing firm also performed an audit of the District's financial statements of the "Balance Sheet" and "Statement of Revenues, Expenditures, and Change in Fund Balance" for the same period. This audit is mandated under the requirements of Prop 39. Per the audit, there were $108,053,236 in assets for the fiscal period, which reconciles with the liability and fund balance total of $108,053,236 (comprised of $21,743 in Accounts Payable and $108,031,493 in the Measure B Bond Fund balance).

There were no financial statement findings or questioned costs identified during fiscal year 2024-25.

Conclusions

To the best knowledge of the CBOC members, based upon the information provided to the CBOC and review of the same, the Committee finds that the Measure B bond funds were spent only for the specific capital projects developed by the District's Governing Board and approved by the voters per the Bond Project List, all as required by Prop 39. (California Constitution, Article 13A, Section 1(b)(3).) Except as permitted by California law (including relevant case law and opinion of the California Attorney General), no Measure B bond proceeds have been spent on administrator salaries or other operating costs.

Committee Meetings and Additional Information

The Committee invites community members to attend its meetings. All meetings are open to the public and comply with Brown Act meeting requirements. Meeting dates/times, Agendas, Minutes, Expenditure Reports, and Bond Audit Reports as well as a copy of this report are available to the public at the District Office and are posted on the District's web site.

Dated: March 30, 2026

MEASURE B CITIZENS BOND OVERSIGHT COMMITTEE
IMPERIAL, CALIFORNIA
By: Benjamin Horton, Chairperson, on behalf of the CBOC

"Exhibit A"

IMPERIAL COMMUNITY COLLEGE DISTRICT

Measure B Bond Program Reconciled Budget Summary Report

General Obligations Bonds, Election of 2022, Series 2023A & 2024B

As of June 30, 2025

INCOME ACTIVITY		2023-24	2024-25	TOTAL TO-DATE
Bond Series 2023A (Par)	July 12, 2023	$ 49,810,000	$ -	$ 49,810,000
*(Par $50,000,000 **Less** Cost of Issuance $190,000 = $49,810,000 Project Fund)*				
Bond Series 2024B (Par)	March 6, 2024	$ 54,800,000	$ -	$ 54,800,000
*(Par $55,000,000 **Less** Cost of Issuance $200,000 = $54,800,000 Project Fund)*				
Bond Interest (Received)		$ 1,932,640	$ 3,946,625.00	$ 5,879,265
Total:				**$ 110,489,265**

BUDGET/EXPENSE ACTIVITY	ORIGINAL BUDGET	REVISED BUDGET	Expenses for 2023-24	Expenses for 2024-25	EXPENDED TO-DATE	% EXPENDED
Available Program Contingency	$ 25,000	$ 1,096,948	$ 23,213	$ 6,326	$ 29,539	**0.58%**
Industrial Automation Building	$ 30,749,400	$ 30,749,400	$ 18,700	$ 21,743	$ 40,443	**0.07%**
Public Safety Regional Training Facility (PSRTF)	$ 47,055,890	$ 47,055,890	$ 21,302	$ 1,796,783	$ 1,818,085	**3.82%**
M&O Warehouse	$ 15,696,394	$ 15,696,394	$ 21,302	$ 548,404	$ 569,706	**3.49%**
One-Stop Student Services Building	$ 11,103,316	$ 11,103,816	$ -	$ -	$ -	**0.00%**
	$ 104,630,000	**$ 105,702,448**	**$ 84,517**	**$ 2,373,256**	**$ 2,457,773**	**2.25%**

BOND RECAP		SERIES REVENUES	INTEREST TO-DATE	TOTAL REVENUE TO-DATE	TOTAL EXPENDED TO-DATE	% EXPENDED
Bond Series 2023A (Par) *(Par $50,000,000 **Less** Cost of Issuance $190,000 = $49,810,000 Project Fund)*	July 12, 2023	$ 104,610,000	$ 5,879,265	**$ 110,489,265**	**$ 2,457,773**	**2.22%**
Bond Series 2024B (Par) *(Par $55,000,000 **Less** Cost of Issuance $200,000 = $54,800,000 Project Fund)*	March 6, 2024					