In accordance with Education Code Section 15280, the following report is the fulfillment of the committee’s annual requirement.

Measure C was approved by voters on November 7, 2006. A Bond Resolution was adopted and signed by the Governing Board July 17, 2006, and is available on the COS website at www.cos.edu (click on Measure C Hanford Bond).

Measure C required the creation of a Citizens’ Oversight Committee. The principal purpose of the Citizens’ Oversight Committee, as set out in State law, is to inform the public concerning the expenditure of bond revenues. The Committee is charged with actively reviewing and reporting on the proper expenditure of taxpayers’ money for the school construction. Citizens’ Oversight Committee shall advise the public whether the community college district is in compliance with the requirements of Section 1 (b)(3)(C) of Article XIIA of the California Constitution. The
Citizens’ Bond Oversight Committee is required to issue at least one report annually as to its activities and findings.

The Committee met on the following dates and conducted business generally as follows:

July 22, 2008

Approved Meeting Notes of April 29, 2008
Received Financial Report
Received Updated Construction Schedule and Tentative Date for Groundbreaking, December 1, 2008
Approved Annual Report, July 1, 2008 through June 30, 2008

September 23, 2008

Approved Meeting Notes of July 22, 2008
Received Financial Report
Reviewed Plans of the Public Safety/Education Building
Received Updated Construction Schedule and Date for Groundbreaking, December 1, 2008

January 27, 2009

Approved Meeting Notes of September 23, 2008
Received Financial Report
Approved Payment Plan for Hanford Vocational Technical Building
Reviewed Terms of Membership

April 28, 2009

A quorum was not available; the meeting was cancelled.

July 21, 2009

A quorum was not available; the meeting was cancelled.

The Committee met on September 2, 2009 to review the Second Annual Report. Instruction was given for the Committee Chairman or his designee to submit this Annual Report to the Governing Board of the College of the Sequoias Community College District at the regularly scheduled September 14 meeting.

EXECUTIVE SUMMARY

The audit for the year ending June 30, 2008, was conducted by Vavrinek, Trine, Day & Co., LLP, Certified Public Accountants. The committee members were given a copy of all pages of
the 2008 audit report that refer to the Measure C (General Obligation Bonds 2006). Under Findings and Recommendations, none were related to the bond (no exceptions were found).

An annual audit for the year ending June 30, 2009, is currently being conducted by Vavrinek, Trine, Day & Co, LLP, Certified Public Accountants, and will be completed by December 2009.

A summary of Bond Expenditures for the fiscal year ending June 30, 2009 is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect-Engineer</td>
<td>$261,750.55</td>
</tr>
<tr>
<td>Advertisement Legal</td>
<td>$1,890.72</td>
</tr>
<tr>
<td>Planning</td>
<td>$537.00</td>
</tr>
<tr>
<td>Construction</td>
<td>$8,151,905.83</td>
</tr>
<tr>
<td>Tests</td>
<td>$56,142.00</td>
</tr>
<tr>
<td>Inspection</td>
<td>$74,118.00</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>$678,885.37</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$9,225,229.47</strong></td>
</tr>
</tbody>
</table>

Payment Plan for Hanford Vocational Technical Building (January 27, 2009 meeting).

As part of the development of the Hanford College Center, College of the Sequoias entered into an agreement with the City of Hanford to construct a Vocational Technical Building. The City obtained a federal grant of $3 million and directly contributed $1.5 million of City funds. The College’s contribution was $2,357,896.28. This amount was paid from Measure C funds on February 25, 2009. This payment assisted the College with cash flow and will be repaid when the College issues a Certificate of Participation (COP) or identifies other fiscal resources at the completion of the project.

The status of Construction as of July 13, 2009:

- The building is 40% complete and on schedule to open for classes in August 2010.
- Construction started November 2008.
- Earth moving and underground utilities are mostly complete.
- The foundation was poured for the public safety and education wing of the Hanford College Center and steel is currently being erected; rough plumbing and electrical are also being installed.
- The central plant, housing the Hanford College Center’s air conditioning and heating equipment, has a foundation poured and is currently being bricked.
- The warehouse and fire truck storage buildings have foundations poured and steel is being erected. The police vehicle yard is paved and the posts are erected for fencing.
- The project is within the original budget.
- There are no major negative issues to report.
FINDINGS

Based on this information, as of September 2, 2009, the Citizens’ Oversight Committee finds that the bond revenues were expended for the acquisition, construction, furnishing and equipping of District facilities constituting the authorized bond projects and verified that funds were not used for instructors, administrative salaries or other school operating expenses.

The meeting agendas, minutes and material distributed to the Committee are posted on the District’s web site and are available in hard copy from the President’s Office. A notice was sent to the local media prior to each meeting. The meeting materials are sent to the committee members, the members of the Governing Board and to those members of the public who have requested to be on the mailing list.

This year-end report will be posted on the Internet at: www.cos.edu. Copies are available to the public, either electronically or hard copy, by contacting any of the following:

Via U.S. Mail:
Superintendent/President’s Office
College of the Sequoias
915 South Mooney Boulevard
Visalia, CA 93277

In Person:
Superintendent/President’s Office
College of the Sequoias
915 South Mooney Boulevard
Sequoia Building Administration Office
Visalia, CA 93277

By Telephone:
(559) 730-3732

By FAX:
(559) 737-4869

By E-mail:
scrogginsb@cos.edu
Approved by the Citizens’ Oversight Committee
For Bond Measure C for the College of the Sequoias
Community College District on September 2, 2009

Submitted by,

[Signature]

Denis Eymil, Vice Chair
Citizens’ Oversight Committee for
Bond Measure C
for the College of the Sequoias
Community College District