
LOS RIOS COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

July 24, 2008
Folsom Lake College
Aspen Hall, FL1-8
12:00 p.m.

Minutes

(Approved 12/4/08)

Members Present: Bob Blymyer, Marcia Fritz, Dan Lawrence, Janet Myles, Margaret Solie

Members Absent: Suzie Chock Hunt, Jerry Bernau, Martin Kennison, Matt Mahood, Chris Reeg

District

Representatives: Jon Sharpe, Deputy Chancellor
Theresa Matista, Associate Vice Chancellor, Finance
Vincent Montoya, Director, Facilities Management
Van T. Tran, Accountant, Grants & Contracts
Jennifer Delucchi, Deputy Chancellor's Executive Assistant

Guests: Kathleen Kirklin, Vice President Administration, Folsom Lake College

INTRODUCTIONS

In the absence of Vice Chair Suzie Cock Hunt, who called to inform the Committee she was delayed in route, Deputy Chancellor Jon Sharpe called the meeting to order at 12:17 p.m. All present members introduced themselves. Jon reminded the group that Joe Debbs, the Committee's Chair, has termed out. Jon introduced Kathleen Kirklin, Folsom Lake College's Vice President of Administration, who welcomed the Committee to the College. She provided an update on several exciting projects supported by Measure A funds, including the Visual and Performing Arts project.

APPROVAL OF MINUTES

Approval of the March 27, 2008 minutes was deferred to the next meeting since there was not a quorum.

REPORTS

Budget Update

Jon provided an update on the State Budget for the current year. A handout from the Community College League of California was provided. The Administration proposes to backfill a portion of the \$92 million property tax shortfall. In the Governor's May Revise, Growth funding is proposed at 1.67%, and enrollment fees would remain at \$20. Jon noted that this is particularly critical in the current economy as many people are returning to college. The Conference Committee included a COLA of 2.12% (down from the original proposal of 2.45%), though no COLA was included in the Governor's proposal. It should be noted that Statutory COLA should be 5.66%. Jon explained the District's X,Y,Z budget model. The District's current budget is

based on the Governor's proposal with no COLA. Jon also mentioned that it appears the state facilities bond measure will not go forward on the November 2008 ballot. The next opportunity for a higher education bond measure is 2010. Bob asked if Jon knew the cost of putting a bond on a ballot, and if it varies depending on whether it is a national or local election. Jon said that it depends on the election and how many items are on the ballot. Brice estimated about \$60,000, but it will be some time after the election before we know the actual amount.

Review of Expenditures

Theresa presented a summary of the Measure A Bond expenditures through May 31, 2008 and provided an update on bids awarded since the last meeting. Theresa directed the Committee to four pages that were revised subsequent to the report that was mailed out. It was reported that \$203 million in bond funds has been appropriated (this includes a portion of interest income) for projects and \$115.4 million has been expended. Encumbrances amount to \$18.4 million. The total change since the February meeting is \$5.4 million (in expenditures and encumbrances). Theresa also presented a summary of the financial activity by college location. The appropriations to date amount to 77% of the total Measure A authorization. The expenditures and encumbrances are at 50%. Approximately \$19 million of the \$70 million Series C issuance has been expended as of May 31, 2008. The total financial activity for all capital project funds, which include bond, State and other funding sources, was also presented to the Committee. The total appropriations for all funds as of May 31, 2008 are \$353.8 million. A detailed list of changes to existing projects and the addition of new projects was presented to the Committee. Theresa reported that thirty-one projects have been completed and four are under construction. A list of completed projects and new projects planned to bid through July 2009 was provided.

Project Updates

Vincent Montoya presented an update on all the active bond funded projects and provided color photos of each project in its current phase of construction. Jon shared the details of the FLC Visual and Performing Arts Project bid process, which was Construction Management - Multiple Prime. The project was broken into 15 separate trade bids.

West Sacramento Master Plan

Jon provided an update on the SCC – West Sacramento Center Master Plan. This project will have component of shared space with the City. The architect also designed West Sacramento's City Hall, so the building should have more of a Civic Center feel. In response to a question raised by Margaret Solie, Jon said Phase 3 is projected to be completed in 2017-18.

Annual Report

The 2007-08 Annual Report was mailed to the Committee for review prior to the meeting. Jon asked for any questions, comments, or suggestions by August 15th. The report will be presented to the Board in September.

UPDATE FROM THE CHANCELLOR

Chancellor Harris joined the Citizens' Bond Oversight Committee meeting to provide information on the Measure M facilities bond that will be on the November 4th ballot. He began his presentation by reminding the committee that the current bond, Measure A, passed in 2002 by 61%. Measure A generated \$265 million for new construction and modernization. Currently, more than 50% of the Measure A projects are completed or underway, and more than 75% are committed. The Chancellor spoke to the Committee about the District's increasing enrollment and the student demand in our region. He also explained the differences in the District's facilities Cap/Load Ratios with and without an additional bond. He informed the Committee that the

District's long range capital needs through 2019 amounts to \$743 million. In addition to State bonds and other resources, the unmet need is \$475 million. This amount would average approximately \$9.10 per \$100,000 of assessed valuation on citizens' annual property tax bills. The Chancellor then provided some history on the success rates of General Obligation Bond elections for California's Community Colleges, and some statistics from previous polling that has been conducted. The polling results indicate that our voters would support another Los Rios bond measure. Chancellor Harris answered questions from the Committee. Without a quorum, the Committee was unable to take action regarding endorsement of Measure M, as suggested by members. The members present indicated that they are supportive, and suggested electronic polling or a conference call to obtain the Committee's endorsement. Jon will check with the District's General Counsel regarding the Brown Act rules on these options and get back to the Committee.

FUTURE MEETINGS

District staff will poll the committee on the November/December meeting date.

ADJOURNMENT

Dan motioned for adjournment. Bob seconded. The meeting was adjourned 1:45 p.m.

jd

cc: Board of Trustees
Executive Staff