
LOS RIOS COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

December 1, 2016

Sacramento City College, Rodda Hall North, Room 258

12:00 p.m.

Minutes

(Approved 3/16/17)

Members Present: Richard SooHoo, Nick Schroeder, Joe Debbs, Diane Schachterle, Marty Katz, John Ellis, Mario Rodriguez, Jennifer Quinn, Katie Kelleher, Bill Heinike (arrived after minutes were approved and did not vote on that item)

Members Absent: Thomas Britting, Sharon Margetts, Aliane Murphy-Hasan

District

Representatives: Theresa Matista, Vice Chancellor, Finance and Administration
Rose Ramos, Associate Vice Chancellor, Finance
Pablo Manzo, Associate Vice Chancellor, Facilities Management
Carrie Bray, Director, Accounting Services
Irina Bachinsky, Accountant, Grants & Contracts
Laura Machado, Executive Assistant

Guests: Scott Battles, Margaret Lednický, Peggy Vande Vooren, Pam Freeman

1. INTRODUCTIONS

Joe Debbs called the meeting to order at 12:04pm.

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVAL OF MINUTES

A motion for approval was made by Nicholas Schroeder and seconded by Richard SooHoo to approve the July 28, 2016 minutes.

Motion Carried 4:0 with four abstentions (Diane Schachterle, Katie Kelleher, Mario Rodriguez, John Ellis, Jennifer Quinn)

4. REPORTS

Audit Review

Peggy Vande Vooren of Gilbert Associates presented the results of the District's external audit of the Measure A and Measure M General Obligation Bonds for the year ended June 30, 2016. She noted the Financial Audit and the Performance Audit are required under Proposition 39 to be reviewed by the Committee. She reported there were no findings for 2015-16 in either report.

She said that the District's financial statements also received an unmodified opinion with no adjustments. Richard SooHoo and Diane Schachterle commended staff and the Committee for a job well done and the many years of clean audits.

Review of Expenditures

Rose provided the financial activities of Measures A and M as of October 15, 2016. Hard copies of the PowerPoint presentation were provided to the Committee.

Measure A

To date, \$277.4 million in Measure A funds have been appropriated (this includes interest income as well as the future proceeds from the future Series F) for projects and \$249.9 million has been expended. Encumbrances (construction contracts and purchase orders) total \$69 thousand. The total change in expenditures and encumbrances since the December meeting is \$55 thousand. Rose also presented a summary of the financial activity by college location and reported the appropriations to-date amount to 100% of the total Measure A authorization. Expenditures and encumbrances are at 94.3%. Series A, B, C and D have all been fully expended. The total financial activity for all capital project funds supporting Measure A projects, which include bond, State, and other funding sources was also presented to the Committee. The total appropriations for all funds as of October 15, 2016 are \$426.8 million. Total expenditures to-date are \$396.8 million and encumbrances are \$69 thousand. A list of changes to existing project budgets was also presented to the Committee. \$10,603 has been reduced from the budgets since the July 2016 meeting. Rose reported 54 projects have been completed and two are in design from Measure A.

Measure M

Series A of Measure M was issued on October 19, 2010 in the amount of \$130 million. Series B of Measure M was issued on June 27, 2013 in the amount of \$60 million. It was reported that funds have been appropriated in the amount of \$229 million. To date, \$13.1 million has been encumbered and \$170.7 million has been expended. Rose summarized the financial activity by college location and presented the changes and additions since the July meeting. The total changes and additions since the July report is \$9.6 million.

Diane asked why there were so many changes. Pablo explained these changes represent both cost escalations and project savings. Initially, we set aside money at every campus for infrastructure. Many of the changes represent reallocation of those funds due to cost savings. We augmented some of the projects to address current infrastructure needs and created set-asides to deal with future growth. Pablo also noted that building code changes have increased costs. The District is able to absorb these cost increases, but this requires us to shift available funds. In the future, Pablo suggested staff may be able create an explanation when there is significant movement of funds.

Change Order Reports

The CRC infrastructure and underground loop change orders came in at 4.8%. The SCC Rodda Hall North 3rd floor remodel came in at 6.5%.

Project Updates

Pablo presented an update on all active bond-funded projects, including photos of each project in its current phase of construction. He also provided a list of projects bidding or starting construction soon. He shared that one of the focuses was to increase safety and security. That

change requires that all door handles be replaced so that faculty and staff can lock the door from the inside of the room in the event of an emergency. The SCC Emergency Generator is included in the update, but not a bond funded project. We wanted to include this in the update because SCC is an IT hub for the District and this is a critical piece of infrastructure.

Sustainability Report

Pablo presented the report on District sustainability efforts that he had presented to the Board of Trustees. The report touched on multiple areas both in our facilities program as well as in operations. We have incorporated sustainable methods as part of our normal business practices for the District and something we strive to maximize.

Other Matters

Theresa thanked Sharon Margetts, Nick Schroeder, and Jennifer Quinn for their service on the Citizens' Bond Oversight Committee. The Committee will be voting on a new Chair and Vice Chair at the next meeting.

5. FUTURE MEETINGS

The next meeting will be on March 16, 2017 at American River College.

6. ADJOURNMENT

The meeting adjourned at 1:34 p.m.

lm

cc: Board of Trustees
Executive Staff