SANTA CLARITA COMMUNITY COLLEGE DISTRICT Independent Citizens' Bond Oversight Committee

January 16th, 2018 MINUTES

(Approved September 18,2018)

The Santa Clarita Community College District Independent Citizens' Bond Oversight Committee Meeting was held on January 16th, 2018

In

Canyons Hall Room 201
College of the Canyons

26455 Rockwell Canyon Road, Santa Clarita, California 91355

Members Present: Mr. Nicholas Lentini, Chair

Ms. Barbara S. Cochran

Mr. Alan Difatta
Mr. Michael Hogan
Mr. Kevin Holmes
Mr. Don Kimball
Mr. Spencer Leafdale
Ms. Katherine Martinez

Members Absent: Mr. Calvin Hedman

Mr. Michael Lebecki Ms. Ruthann Levison

Others Present: Dr. Dianne Van Hook, Chancellor

Dr. Barry Gribbons, Deputy Chancellor

Dr. Jerry Buckley, Asst. Superintendent/VP, Instruction

Ms. Sharlene Coleal, Asst. Superintendent/VP, Business Services

Mr. Eric Harnish, Vice President, Public Information, Advocacy & External

Relations

Dr. Ryan Theule, VP, Canyon Country Campus and Grants Development

Ms. Chris Chitlik, Vavrinek, Trine, Day and Co., LLP

Mr. Jason Hinkle, Controller

Ms. Balbir Chandi, Director, Fiscal Services Mr. Will Karrat, Director, Facilities Projects Ms. Mary Khair, Accountant, Fiscal Services Ms. Stephanie Corral, PIO New Media Journalist Mr. Jon Young, Business Services Technician

1. PRELIMINARY FUNCTIONS

A quorum was declared and the meeting called to order by the Chair of the Oversight Committee, Mr. Lentini.

Quorum Established

(1.1)

The Committee moved approval of meeting agenda.

Motion: Mr. Hogan

Second: Mr. Kimball

Record of Vote: 8 – 0

Agenda

(3 Members Absent) (1.2)

The Committee moved approval of the January 24th, 2017 meeting minutes.

Approval of Motion: Mr. Hogan

Second: Mr. Holmes

Record of Vote: 8 – 0

Minutes

(3 Member Absent)

The Committee Chair, Mr. Lentini, welcomed guests.

Welcome

Guests (1.4)

(1.3)

2. FINANCIAL

Acceptance of Measure M General Obligation Bond Financial Audit and Performance (2.1) Audit for the Fiscal Year ending June 30, 2017

Mr. Lentini introduced the committee to the District's external auditor from Vavrinek, Trine, Day and Co., Ms. Chris Chitlik.

Ms. Coleal explained that the audit was being presented to the Oversight Committee for approval at this meeting and that Mr. Nick Lentini will attend the District Board meeting and present the Board President with a letter indicating that the Oversight Committee passed a Resolution affirming compliance with GO Bond Regulation (2.9).

Ms. Chitlik provided an overview of the Measure M audit report. She indicated there are two reports contained in the document: the Financial Statement Audit and the Performance Audit.

- The Auditor's Opinion, found on page three, is "Not Modified" the cleanest opinion/highest rating possible.
- Among the Procedures Performed, the auditors selected and reviewed 67% of all expenditures and 100% of the one employee charged to the Measure M General Obligation Bond Funds.
- The Conclusion found that the District has properly accounted for the expenditure and that all funds used for salaries of administrators were only to the extent the administrator performed administrative oversight work on construction projects.
- There were no issues or findings.
- Ms. Coleal noted that all of the \$160 million in Measure M Bonds have been issued. These bonds were originally authorized by the voters in 2006.

Mr. Lentini called for a vote, and the Committee moved approval of Measure M General Obligation Bonds Financial Audit and Performance Audit for the Fiscal Year Ending June 30, 2017.

Motion: Mr. Hogan Second: Mr. Holmes Record of Vote: 8-0

(3 Members Absent)

Acceptance of Measure E General Obligation Bond Financial Audit and Performance (2.2) Audit for the Fiscal Year ending June 30, 2017

Ms. Chitlik provided an overview of the Measure E audit report. She indicated there are two reports contained in the document: the Financial Statement Audit and the Performance Audit.

• The Auditor's Opinion, found on page three, is "Not Modified" – the cleanest opinion/highest rating possible.

- Because this is a new General Obligation Bond, 100% of expenditures were selected and reviewed, including salary and benefit expenditures for the one employee charged to the Measure E General Obligation Bond Funds.
- The Conclusion found that the District has properly accounted for the expenditures, and all funds used for the one administrator were only to the extent the administrator performed administrative oversight work on construction projects.
- There were no issues or findings.

Mr. Lentini thanked Ms. Chitlik for her work and gave credit to Ms. Coleal and her staff for the clean reports. He explained to the Committee that the independent audits give peace of mind to the community and that the bond funds are being used appropriately for projects authorized in the ballot measure.

Mr. Lentini called for a vote, and the Committee moved approval of Measure E General Obligation Bonds Financial Audit and Performance Audit for the Fiscal Year Ending June 30, 2017.

Motion: Mr. Hogan

Second: Mr. Holmes

Record of Vote: 8-0

(3 Members Absent)

Review of Life-to-Date Expenses by Project Measure M as of June 30, 2017

(2.3)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure M as of June 30, 2017. Mr. Lentini explained to the Committee that these reports show what the funds are being used for and that all funds are monitored as they are expended.

Review of Life-to-Date Expenses by Project Measure M as of September 30, 2017

(2.4)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure M as of September 30, 2017.

Review of Life-to-Date Expenses by Project Measure M as of December 31, 2017

(2.5)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure M as of December 31, 2017.

Review of Life-to-Date Expenses by Project Measure E as of June 30, 2017

(2.6)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure E as of June 30, 2017.

Review of Life-to-Date Expenses by Project Measure E as of September 30, 2017

(2.7)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure E as of September 30, 2017.

Review of Life-to-Date Expenses by Project Measure E as of December 31, 2017

(2.8)

Ms. Coleal presented the Life-to-Date Expenses by Project for Measure E as of December 31, 2017.

Approval of Resolution 2017/18-01 – Affirming the Santa Clarita Community College District's Compliance with Requirements as Stated in the Law (Section 15278-15282)

(2.9)

The Committee moved approval of Resolution 2017/18-01 — Affirming the Santa Clarita Community College District's Compliance with Requirements as Stated in the Law (Section 15278-15282).

Motion: Mr. Hogan Second: Mr. Holmes Record of Vote: 8-0

3. FACILITIES

Construction Update (3.1)

Mr. Will Karrat gave a PowerPoint presentation, updating the Committee on current and future construction projects.

Master Plan – Canyon Country Campus:

 With current planned construction, there is 55,000 sq. ft. assignable to the campus, doubling the current size.

• Science Lecture Building:

- Contains four levels (building will be accessible at three different levels)
- Currently reviewing bids and will present them at the January 24, 2018 Board of Trustees meeting
- Started ground work; will take 20 to 24 months to complete

• Student Services/Learning Resources Building:

- Construction will begin during the construction of the Science Lecture Building
- A mirror image of the Science Lecture Building
- The 1st floor will contain a conference room, a shared area, student health offices, student services offices, and student rooms.
- The 2nd floor will contain a shared area, a lobby, conference rooms, student services offices, and a vault.
- o The 3rd floor will contain a Learning Center, assessment rooms, reprographics, et al.
- The 4th floor will contain staff and administrative offices, meeting rooms, break rooms, and student classrooms.

Construction for the Arts & Lecture Building:

- o Construction will commence after the Student Service Building.
- Building will include parking, a loading dock, will house a medium capacity theater, and a small gallery
- Funding will be included in the next bond issuance

Dr. Van Hook added that the Canyon Country Campus is designed around its environment – its nature and area's arts and culture. It has/will have wonderful venues for performance and arts, including a 275 seat theater. With the Science Lecture and Student Services Building, the campus is doubling in size, and will triple within the next eight years. A Central Plant is included in the Bond funds.

Dr. Van Hook explained the average enrollment for the District is 20,500 to 22,500, and the student population is expected to double in size, so we need double the capacity. Nationwide, the average community college FTES is 2,400; the Canyon Country Campus has around 2,500 with temporary facilities. CCC exceeded its five year enrollment target on the first day of enrollment by 32 students.

Ryan Theule gave a presentation on the student impact of the construction at CCC:

New Student Academic Pathways – STEAM/STEM academic options, including Biology,
 Chemistry, Physics, Environmental Science, Anatomy, Dance, Theater, and computer labs

- Student Services and Support access to on ground support and staff presence enhances student learning
- Student and Common Gathering Spaces rooftop gardens, group study rooms, library
- STEAM Laboratories

Valencia Campus Parking Structure:

- Adds 1,000 parking spaces, totaling 1,660 spaces for the campus
- Will be three stories the highest level will still be lower than Rockwell Canyon
- Estimating a Spring 2019 finish

4. **GENERAL**

Comments by Members of the Audience on Any Item NOT ON THE AGENDA

(4.1)

Mr. Lentini asked if anyone had additional comments. There were no comments.

5. ADJOURNMENT AND ANNOUNCEMENT OF NEXT MEETING

Adjournment (5.1)

The meeting was adjourned by Mr. Lentini. The next meeting's time and place will be determined at a later date.