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LOS RIOS COMMUNITY COLLEGE DISTRICT  
**Citizens' Bond Oversight Committee**  
December 3, 2015  
Folsom Lake College, Aspen Hall, FL1-8  
12:00 p.m.  
Minutes  
(Approved 3/17/16)

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**Members Present:** Basim Elkarra, Robert Holderness, Katie Kelleher, Aliane Murphy-Hasan, John Orr, Jennifer Quinn, Diane Schachterle

**Members Absent:** Joe Debbs, Bill Heinicke, Marty Katz, Sharon Margetts, Nicholas Schroeder, Richard SooHoo

**District**

**Representatives:** Brian King, Chancellor  
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  
Val Voda, Accountant, Grants & Contracts  
Jody Ansell, Chancellor's Office, Confidential Staff Assistant

**Guests:** Rachel Rosenthal, President, Folsom Lake College  
Kathleen Kirklin, Vice President Administration, Folsom Lake College  
Peggy Vande Vooren, Gilbert Associates, Inc.

**1. INTRODUCTIONS**

Jennifer Quin called the meeting to order at 12:14 p.m. All members, staff and guests introduced themselves.

**2. PUBLIC COMMENTS**

There were no public comments.

**3. APPROVAL OF MINUTES**

A motion for approval was made by Aliane Murphy-Hasan and seconded by Robert Holderness to approve the July 30, 2015 minutes.

*Motion Carried, 7:0*

**4. REPORTS**

**Budget Update:**

Theresa reported that the Legislative Analyst's Office (LAO) expects state revenues to be ahead of forecast. A one-time increase of approximately \$250 million is expected to be allocated to the California Community Colleges. A smaller increase of ongoing funds is also expected. Since the last Citizen's Oversight Committee meeting, the District adopted a budget with some changes from the draft budget the committee received.

Enrollment is down at Los Rios, as it is at all Northern California community colleges districts and many in Southern California. The improved economy is one of the key factors affecting enrollment. There was discussion about strategies the District is engaged in to increase enrollment, including efforts such as the “Save Your Spot at Los Rios” Campaign, which is focused on retention. The Chancellor also is actively engaged with K-12 districts, UC and CSU and other regional leaders to develop better communication and coordination related to matriculation, career paths, college readiness, students’ expectations, and other key concerns.

### **Review of Expenditures**

Rose provided the financial activities of Measures A and M as of October 15, 2015. Hard copies of the PowerPoint presentation were provided to the Committee.

#### Measure A

To date, \$277.3 million in Measure A funds have been appropriated (this includes interest income as well as proceeds from the Series E) for projects and \$248.8 million has been expended. Encumbrances (construction contracts and purchase orders) total \$1.2 million. The total change in expenditures and encumbrances since the May 2015 report is \$1.1 million. A summary of the financial activity by college location also was presented and 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, 2015 are \$424.2 million. Total expenditures to-date are \$395.7 million and encumbrances are \$1.2 million. A list of changes and additions to existing project budgets was also presented to the Committee. An additional \$227,204 has been allocated since the July 2015 meeting. Rose reported 53 projects have been completed and three are under construction from Measure A.

#### Measure M

Series A of Measure M was issued on October 19, 2010 in the amount of \$130 million and Series B was issued on June 27, 2013 in the amount of \$60 million. Funds have been appropriated for 20 projects, totaling \$206.2 million. To date, \$12.3 million has been encumbered and \$157.9 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 May 2015 report is \$9 million. The list of projects planned to bid through July 2015 was also reviewed.

Members discussed the savings that appeared in the figures and learned that very competitive bidding from highly qualified contractors has driven the costs down. Theresa informed the committee that no more state bonds will be allocated now, but a new state bond measure is expected to qualify for the November 2016 ballot. If the bond passes, the District will be among the first to be funded.

### **Change Order Reports**

Rose reviewed the change order reports with the Committee. Pablo explained that an omission error at ARC due to utilities being left off of drawings would not occur with new buildings because construction details are tracked electronically. An error at SCC occurred because the Division of the State Architect’s, which has oversight over public construction, approved the original drawings, however, when that office’s field inspector reviewed the construction, he did

not agree and disallowed a feature. There is no loss to the district as the District's architect on the project, is absorbing the cost.

### **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 that will be starting soon.

### **Annual Audit**

Peggy Vande Vooren of Gilbert Associates presented the results of their external audit of the Measure A and Measure M General Obligation Bonds for the year ended June 30, 2015.

She noted the Financial Audit and Performance Audit are two separate reports the committee is required to review under Proposition 39. There were no findings for 2014-15. She also said the District's financial report was rated clean and unmodified with no adjustments.

### **5. FUTURE MEETINGS**

The next meeting will be on March 17, 2016 at Cosumnes River College.

### **6. ADJOURNMENT**

The meeting adjourned at 1:12 p.m.

*ja*

cc: Board of Trustees  
Executive Staff