Yosemite Community College District

Measure E Citizens’ Bond Oversight Committee Meeting Minutes
Apricot Valley Elementary School – Multi-Purpose Room
April 5, 2006, 6:00 p.m.


Members Absent: Alfie Johnson, Rodney B. Lindsay Sr., Michelle Shelton, Roy W. Wasden

Others Present: James Williams, Maria L. Baker, Mark Newton, Matt Kennedy, Marie Otaya, Andrew Paffendorf, Nick Stavrianoudakis, Teresa Scott, Bill Scroggins, Jonathan Partridge, Graciela Molina (recorder)

1. Call to Order

Citizens’ Bond Oversight Committee (CBOC) Meeting was called to order by Luis Molina at 6:07 p.m. in the Apricot Valley Elementary School, Multi-Purpose Room.

2. Approval of Minutes of January 4, 2006 Meeting

The meeting minutes of January 4, 2006 were approved by the Citizens’ Bond Oversight Committee. A motion was made by Steve Madison and seconded by Betty Ann Prescott. The motion carried with a vote of 10-0.

3. Comments from the Public

No comments from the public.

4. Performance Audit Report

Executive Vice Chancellor Teresa Scott provided the committee members with a copy of the Performance Audit Report performed by Matson and Isom. She stated that the report covers a three months period. She explained that the performance audit is an independent auditors report. This report reviews the objectives, scopes of the audit, and provides background information regarding the Bond. It also details the procedures that were performed which included reviewing the Campus Master Plan Bond Project publicized list of intended projects, verifying that the District created the required debt service fund and capital outlay fund in order to account for the bond proceeds and expenditures, and determine that the Citizens’ Bond Oversight Committee has been appointed. Teresa Scott responded to a question regarding the legal determination of the District’s compliance with specific requirements related to the Bond and stated that Yosemite Community College District Bond Council is responsible for providing this information.

5. Financial Audit Report

Teresa Scott provided the Citizens’ Bond Oversight Committee the Financial Audit Report and stated that this report is the summary of the auditor’s report performed by Matson and Isom. She reviewed this report with committee members. She summarized the non-operating revenues (expenses) and stated that this includes fees and modest interest paid. She reported that the net proceeds from capital debt of $83,739,387 are the funds available for bond projects less the capital debts and cost of issuance. She explained that of the bonds that were issued most were non-taxable with the exception of 2.4 million. The report includes information regarding the budget and accounting system used by the District, cash and investments, long term debt, and advanced refunding. She informed committee members that Yosemite Community College District is part of a JPA, Joint Powers Association. She stated the auditors report is an
unqualified opinion and reported that unqualified is the best type of audit to receive. She stated that Yosemite Community College District has enjoyed a clean audit and hopes to continue this with the Bond Oversight Committee.

6. Bond Expenditure Report
Mark Newton, Project Manager for Kitchell, distributed the YCCD Measure E Bond Expenditure Report. He stated that the report is broken down by college and central services. This document details the current budget, previous fiscal years expenditures, current fiscal year expenditures, total expenditures as of June 24, 2006, encumbrances and unencumbered balance. Central Services has previous year expenditures of 14 million in capital outlay debt service. Current fiscal expenditure for MJC is $76,618. Columbia College’s current fiscal expense is $188,469, and has encumbered $751,185. Central Services previous year expenditures is $14,435. He noted that the General Fund Program Wide is holding account for fees until they are assigned to different projects. A question arose regarding scheduled maintenance and Mark Newton informed the committee that scheduled maintenance is divided up so that every three years is would be incurred. Betty Ann Prescott asked for clarification regarding the $1,485 expense for the Calaveras Center. Mr. Newton explained that the expense is part of the due diligence to go through the process of looking at a site.

7. Committee Membership – 1 Year Terms
Committee members serving a 1-year term were informed prior to the meeting that their term would be ending. Chair Luis Molina asked committee members concluding their initial 1-year term if they would be interested in serving a second term of 2-years. The six committee members serving a 1-year term were Richard Blunt (No), Michael Gianelli (Yes), John Keiter (Yes), and Stan Hodges (No). Roy Wasden and Rodney Lindsay were absent and unable to respond. YCCD Board of Trustees will address the involvement of students in the governing process. Luis Molina expressed interest in having two students serve on the Citizens’ Bond Oversight Committee. This will be addressed by the Chancellor to the Board of Trustees.

8. Comments from Committee Members
Debbie Paffendorf requested a status of the annual report. Luis Molina reported that a four member sub-committee has been working on the report. A template will be distributed to members for their review once a draft is completed.

David Geer asked what part of the Ag department will be moving and what will stay on east campus. It was reported that the greenhouse will be moving to the west campus and discussion is taking place on what will be done with the current Ag facility.

Michael Gianelli asked about the status of the auditorium cost overruns. Chancellor Williams reported on the protocol. The measure E committee has addressed it, a reprioritization will occur to determine how the costs will be covered. By mid-May we have to certify that the cost overruns will be covered by the District. Dr. Williams stated that the YCCD Board of Trustees has the final decision. Mr. Gianelli objected to the use of Measure E funds to pay the cost overruns on the Auditorium project.

It was requested that a review of the Project Management Plan be placed on the July meeting agenda.

Betty Ann Prescott asked about the status of the parking garage at MJC. It was reported that the Board of Trustees in February gave the directive to move forward with the
parking garage. Kitchell is looking at alternatives to build this project as soon as possible.

Chancellor Williams stated that he would notify the Board of Trustees to look at the vacancies and pool from the applications on file. The Board will make sure that the various constituencies that are represented.

David Geer asked if YCCD is putting forth another bond measure. Dr. Williams responded no to the question and reported that there is a state wide bond initiative which addresses funding for community colleges. Senator Scott and the State Chancellor have been pushing a state-wide bond initiative.

9. Adjournment

David Geer made a motion to adjourn the meeting and it was seconded by John Keiter. The Citizens’ Bond Oversight Committee meeting was adjourned at 6:49 p.m.

The next meeting of the Citizens’ Bond Oversight Committee will be held on Wednesday, July 5, 2006, at 6:00 p.m., in the Yosemite Community College District Board Room.