

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2323 N. BROADWAY
SANTA ANA, CA 92706

BOND OVERSIGHT COMMITTEE

THURSDAY, JANUARY 19, 2012
DISTRICT BOARD ROOM

MINUTES

Members Present: Rachel Ann Bulosan
Carol Chaney
Philip Hummel
Robert Odle
Jasmine Ordaz
Ken Purcell
Dean Strenger
William E. Thornton

Members Absent: Steven Smith

District Staff Present: Raúl Rodríguez, Chancellor
Peter Hardash, Vice Chancellor, Business/Fiscal
Adam O'Connor, Interim Assistant Vice Chancellor, Fiscal Services
Darryl Odum, Director, District Construction and Support Services
Erlinda Martinez, President, Santa Ana College
Juan Vazquez, President, Santiago Canyon College

1. Call to Order and Introductions
Mr. Odle called the meeting to order at 6:05 p.m.

2. Annual Organizational Meeting

Election of Officers

The committee discussed the election of a new chair and co-chair.

After discussion, Mr. Hummel made a motion to elect Mr. Bob Odle as chair and Ms. Carol Chaney as co-chair. The motion was seconded by Mr. Strenger and approved unanimously by the committee.

Adoption of the 2012-13 Meeting Schedule

The committee discussed the proposed meeting dates for the 2012-13 calendar year.

After discussion, Mr. Odle asked for a motion to select May 24, 2012 at Santiago Canyon College, September 20, 2012 at Santa Ana College and January 17, 2013 at the District Office as the schedule for the 2012-13 meetings as presented. Mr. Purcell made a motion to adopt the schedule as discussed, seconded by Mr. Strenger and approved unanimously by the committee

Affirmation of the Citizens' Bond Oversight Committee Ethics/Conflict of Interest Policy Statement and the Bond Oversight Committee Bylaws

Mr. Odle reviewed with the committee and discussed the Citizens' Bond Oversight Committee Ethics Policy/Conflict of Interest Policy Statement and Bylaws. These documents have not changed from the previous year.

After review, Mr. Purcell made a motion to affirm the Ethics Policy/Conflict of Interest Policy and Bond Oversight Committee Bylaws as presented. The motion was seconded by Ms. Chaney and affirmed unanimously by the committee

3. Public Presentations

There were no public presentations.

4. Approval of Minutes – September 22, 2011

Mr. Strenger made a motion to approve the Minutes of the September 22, 2011 Bond Oversight Committee meeting. The motion was seconded by Mr. Purcell and approved by the committee.

5. Approval of the Measure E – June 30, 2011 Audits (Performance and Financial)

Mr. Hardash reviewed with the committee the Proposition 39 General Obligation Bonds – Measure E Bond Program Performance Audit for the year ended June 30, 2011 and the Proposition 39 General Obligation - Bonds Revenue Bond Construction Fund – Measure E Bond Program Financial Audit for the year ended June 30, 2011. Mr. Hardash informed the committee that the audits are clean, in the opinion of the independent auditors' report, the financial statements referred to present fairly, in all material respects, the financial position and results of operation for the Revenue Bond Construction Fund of the Rancho Santiago Community College District as of June 30, 2011, in conformity with accounting principles generally accepted by the USA.

A motion was made by Ms. Bulosan to approve the audits as presented. The motion was seconded by Mr. Purcell and approved unanimously by the committee.

Ms. Chaney added that the offices of Peter Hardash be commended for the wonderful job during these difficult financial times.

6. District Update – Dr. Raúl Rodríguez

Dr. Rodríguez thanked the committee members for their service to the District and attendance. The current budget situation is awful; the Governor just released his budget, continuing to shift funds away from education. The next few years may result in even more massive cuts. To make matters worse, our County has taken money from education as well from our property taxes, approximately \$48m. K-12 is protected by Prop 98 backfill, community colleges are not protected. We are currently in negotiations which may result in the state filing a lawsuit against the County of Orange to reclaim the funds. The four college districts in Orange County are working together with OCBC to produce an economic impact report to show our community what harm the state budget has caused.

7. Measure E Refunding

On December 15, 2011, we closed on \$10.3m worth of refunding; a refinanced portion of Series A which is a savings to the tax payers by buying down the rate. The net savings to the tax payers is approximately \$443k which is spread out over the life of the bond. This refunding did not affect our general fund in any way.

8. Bond Projects Update
Mr. Odum and Mr. Hardash reviewed the bond projects schedule with the committee.
9. Bond Budget Update
Mr. Hardash introduced Mr. Adam O'Connor, our Interim Assistant Vice Chancellor of Fiscal Services. Mr. O'Connor will present the bond budget update to this committee at future meetings. Mr. O'Connor reviewed the Measure E projects summary dated January 6, 2012. Santa Ana College projects are 79% complete; Santiago Canyon College is 93% complete and the District Operations Center projects are 96% complete. A total of \$315,446,307 of the \$363,152,334 (which includes original issuance, interest and refunding proceeds) has been spent.
10. Santiago Canyon College Update
Mr. Vazquez provided a report to the committee on the construction progress, enrollment and activities at Santiago Canyon College.

Santa Ana College Update
Dr. Martinez provided a report to the committee on the construction progress, enrollment and activities at Santa Ana College.
11. Other/Comments from the Members
Student representatives are excited to see the construction progress being made to provide students more access to.
12. Adjournment
A motion was made, seconded and passed to adjourn the meeting at 7:05 p.m.