

**SANTA CLARITA COMMUNITY COLLEGE DISTRICT
Independent Citizens' Bond Oversight Committee**

**October 22, 2024
MINUTES
(APPROVED)**

**College of the Canyons
26455 Rockwell Canyon Road, Santa Clarita, California 91355
Canyons Hall 201**

Members

Present: Mr. Fred Arnold, Chair
Ms. Missy Cindrich
Mr. James DeBree
Mr. Dan Masnada
Mr. Martin Fox
Mr. Kevin MacDonald
Ms. Sara Wali, Associated Student Government Representative

Members

Absent: Mr. Brent Wright
Mr. Kenny Navarrete

Others Present: **District Administration**

Mr. David Andrus, Interim Superintendent President, College of the Canyons
Mr. Jason Hinkle, Interim Assistant Superintendent/VP, Business Services
Mr. Eric Harnish, VP, Public Information Office
Ms. Balbir Chandi, Director, Fiscal Services
Ms. Erin Tague, Assistant Superintendent/VP, Facilities

District Staff

Ms. Mary Khair, Accountant, Fiscal Services

1. PRELIMINARY FUNCTIONS

1.1 Call to Order/Establishment of a Quorum

Mr. Fred Arnold declared a quorum was established and called the meeting to order at 2:01pm on October 22, 2024.

1.2 Approval of Meeting Agenda

Mr. Arnold then stated the Committee would move on to agenda item 1.2 Approval of the Agenda. Mr. Arnold asked if there were any changes, if not, if there was a motion to approve the agenda.

Motion to Approve: James DeBree Second: Dan Masnada

Record of Votes: 7 – 0
(2 members absent)

1.3 Approval of Minutes

Mr. Arnold then stated the Committee would move on to agenda item 1.3 Approval of the Minutes from the Committee's meeting on January 10, 2024. He stated the minutes were comprehensive and asked if anyone would make a motion to approve.

Motion to Approve: Dan Masnada Second: James DeBree

Record of Votes: 7 – 0
(2 members absent)

1.4 Welcome Guests

Mr. Arnold welcomed all Committee Members, District staff, and all guests.

2. PUBLIC COMMENT

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

Mr. Arnold asked if there were any public comments and Mr. Jason Hinkle replied no, there were no public comments. However, there was a public comment that was emailed in and it was distributed to the committee.

3. INFORMATION

3.1 New Committee Members

Fred Arnold, Chair

▪ **Introduction of the New Committee Members.**

Fred Arnold and Jason Hinkle introduced the new Independent Citizens' Bond Oversight Committee Members, Brent Wright and Kenny Navarrete. They were not in attendance. They did, however, attend a training on the Citizens' Bond Oversight Committee the previous week. Jason announced that the position representing a business organization is still vacant and needs to be filled. There is an open application period with a deadline to apply of Friday, October 25th.

3.2 Facility Overview

Erin Tague, VP Facilities

- **Update on Facility projects as of October 2024**

Ms. Tague presented the active construction updates as of October 2024.

The committee received updates on ongoing construction projects across both campuses. Canyon Country Campus: The Canyon Country Campus Student Services Learning Resources Center is in the closeout phase, with a few remaining window issues to be resolved. It should be finished by December 2024. The Shade Structure project is complete as well.

Valencia Campus: The Boykin Hall modernization project, which upgraded classrooms and labs for STEM fields, was recently occupied in June 2024 and is awaiting DSA closeout. The ADA Transition Plan for phase 1 and phase 2 is complete. Phase 3 (restrooms) is next.

The Intercultural Center renovation, which repurposed the lower-level space for DEIA activities, is almost complete with the addition of a conference room. The Counseling Center remodel, aimed at enhancing privacy and accommodating department needs, has been completed. Different smaller modernization projects, such as signage replacements, food service upgrades, and classroom renovations, were also discussed.

David Andrus stated that the priority right now is the ATC's (Advanced Technology Center) permanent location and the size of the building. A decision will be made in the next couple of months.

3.3 Financial

Jason Hinkle, Business Services

- **Review of Life-to-Date Expenses by Project (Measure E) – As of June 30, 2024.**

Mr. Hinkle reviewed the report on Life-to-Date Expenses by Project (Measure E) – as of June 30, 2024.

Detailed financial reports were presented, outlining the expenditures to date from the \$230 million Measure E Bond funds, along with interest earnings.

As of June 30, 2023, \$136 million had been spent, leaving approximately \$108 million remaining. The reports broke down expenditures by project, highlighting the \$32 million initially budgeted for the ATC project, of which only \$218,000 had been spent on planning and legal costs. The committee discussed the bond issuance process, the \$25 per \$100,000 assessed value legal cap, and the district's commitment to keeping the tax rate below the promised \$15 per \$100,000 cap.

The Committee had questions about capitalization thresholds and the \$15 tax rate.

1. Capitalization Thresholds - Per Governmental Accounting Standards Board (GASB) our capitalization threshold for buildings is \$150,000, for equipment it is \$5,000. If items exceed those thresholds we will capitalize and depreciate on our accounting books. As for the purchase of items, some which will have a useful life shorter than the 25 years of the GO Bond payments, it was explained that when we sell the GO Bonds, they are sold with different maturity dates. This is done to not only spread out the financing, but so that we can purchase equipment and technology, knowing they have shorter useful lives than buildings, with GO Bond funding.
2. Tax Rates – When issuing General Obligation bonds, per Prop 39, an entity must keep the tax rate under \$25 per \$100,000 assessed value. When Measure E was voted on, it was promised by the District to have a cap of \$15 per \$100,000 home value. Currently, Measure E is at about \$13.60, so it is under the \$15 promise. When the colleges issues the remaining \$25 million, they will collaborate with their financial advisor to structure it in a way that different bonds will mature at different times, so it can keep within the \$15 promise.

Mr. Hinkle stated in order for bonds to be tax exempt, 85% of them should be spent within three years of issuance. If the 85% is not spent within three years of issuance, you just need to document the reason why.

Mr. Arnold asked if anyone would make a motion to approve.

Motion to Approve: Martin Fox Second: Kevin MacDonald

Record of Votes: 7 – 0
(2 members absent)

4. ADJOURNMENT AND ANNOUNCEMENT OF NEXT MEETING

Fred Arnold, Chair

4.1 Adjournment

Mr. Hinkle announced the next meeting will be held in January 2025. Mr. Arnold stated that since there were no other comments or questions, the meeting was adjourned at 3:21pm.

Motion to Approve: James DeBree

Second: Martin Fox

Record of Votes: 7 – 0
(2 members absent)