



BUDGET COMMITTEE MEETING

Wednesday, September 21, 2022

Location (Zoom)

<https://shastacollege-edu.zoom.us/j/88985983695>

2:00-3:30 p.m.

Approved: 10/05/22

ROLL CALL:

x	Jill Ault	x	Darren Gurney	x	Elsa Gomez	x	Student Rep. Ryder Yannello
x	Tim Johnston	x	Tom Masulis	x	Kathleen Littlepage		
x	Sam Osborne	x	Rob McCandles	x	Heidi Loftus		

Guests: Theresa Markword, Ioanna Iatridis, Taryn Roberts, and Angie Yannello

1. CALL TO ORDER: The meeting was called to order at 2:01p.m. By Committee Chair, Jill Ault.

2. APPROVAL OF MINUTES:

- August 31, 2022 – (Ryder Yannello) motioned to approve minutes, seconded (Tom Masulis), motion passed, no abstentions/objections.
- September 07, 2022 – (Ryder Yannello) motioned to approve minutes, seconded (Katie Littlepage), motion passed, no abstentions/objections.

3. PUBLIC COMMENTS: None

4. REPORTS: Measure H Bond Projects Update, presentation attached as **Exhibit A**

5. DISCUSSION/ACTION ITEMS:

A) Measure H Bond Projects Update: (Theresa Markword, Bond Program Manager)

PowerPoint Presentation shared with committee. Theresa Markword explained Measure H Bond, passed by the voters in 2016, with financial overview highlights. She explained how all the money comes in from six different counties and dispersed in three different issuances. Series A: issued in 2017 for \$50M. Series B: issued in 2019 for \$40M. Series C: issued in 2020 for \$30M. Advised that more detailed information, pertaining to the Measure H Bond Projects, can be found on the Shasta College Website under Bond Projects.

Theresa explained the current and upcoming Bond Projects that are underway. \$139M General Obligation Bond will be used to upgrade the interior & exterior of our campuses. A campus signage project is underway that will delineate different walkways and planting, you can get on the Shasta College (SC) website to view the direction we are currently moving in. Theresa explained the differences between “Taxable” and “Nontaxable” Bonds, the difference is the spending timeframe. Once we issue the bonds for “Nontaxable” we have 3 years to spend 85% of the money, with the “Taxable” Bond there is complete flexibility of when you can spend the money. Jill Ault explained how personal investing with Municipal Bonds works. Nontaxable municipal bonds earn less interest but are not taxable income, with Taxable municipal bonds you earn more but the earnings are taxable.

Theresa advised there is still \$19M remaining to issue. We are always looking for other funding sources to supplement the \$139M Bond. So far we have around \$28M extra from different sources. The largest contributor is the state funded projects and the HEERF Funds (Higher Education Emergency Relief Funds). We are around \$60M short of all the things we would like to do. We do have other state funding proposals that are currently in process but we are awaiting for a statewide new bond to be approved from the voters, this will not be happening at this general election.

Every month a financial overview report is prepared for the Board of Trustee's, and quarterly for the Citizen's Bond Oversight Committee. The Citizen's Bond Oversight Committee is a requirement with this bond, they are tasked with making sure the funds are spent correctly.

Theresa shared the Financial Overview Highlights Worksheet. All the financial overviews can be found in the Board Agenda every month or on the SC Measure H webpage. Today our average actual expenditures is at \$13.5M. Our current encumbrances (projects under contract) are a little over \$15M. The interest proceeds, for future allocations, is about \$2.6M, this interests sits in County Treasury and the money is put back in the budget to keep funding projects. The list of current projects for tax exempt and completed projects, outlining all the expenditures and encumbrances, are recorded and posted on the SC webpage.

Theresa shared slides highlighting completed campus projects including:

- RPSTC classroom buildings
- Regional Public Safety Training Center – Props
- Veterans Support and Success Center
- Campus Safety Offices Remodel and Warehouse
- CTE building and covered storage
- Tehama Campus Student Services Building
- CIS Building
- Solar Array-East Parking Lot

Slides of current campus projects include:

- Roof repairs and patched areas for 2400-2500-2600 Buildings HVAC & Exterior Refresh and mechanical enclosures and vehicle exhaust system
- HSUC Roof Reseal
- 200 Building (Library) Renovation
- 2000 Building HVAC Replacement

The library renovation project is one of the last projects where the state will contribute 75%. Total projected cost for this overall project is \$20M (the state will be covering between \$15-\$16M on this project).

The 2000 Building HVAC Replacement project is to be completed this spring. This is a two phase project. Phase I is the Cafeteria and the Kitchen. Phase II is the other half of the building. All the staff, from the other half of the building, have been relocated and the student facing programs (Career Café, SCI*FI, Umoja) have been temporarily moved to other areas on campus.

The SC Community Leadership Center downtown project is under construction. This will house EWD, Community Education, Foster/Kinship, and North State Together (NST). The 5th floor will be a suite of executive offices and the Board Room. We are looking at completion dates for the 2nd, 3rd, and 4th

floors in January 2023, the 5th floor will follow a couple months later. Jill Ault advised of the unique funding source for this project called, New Market Tax Credit. The Federal Government makes these tax credits available to people who invest in economically underserved areas, SC benefited from \$3.7M, which funded most of the 5th floor. Theresa shared preliminary drawings of the Urban Park Design Studies. The back parking lot of the SC Leadership Center will be converted into an Urban Park, see Exhibit A, for concept drawings details.

More slides were shared regarding the Swing Space for Gateway to College Student Study Lounge. Theresa proceeded to highlight other current and upcoming projects including:

- SC Main Campus Electrical Substations
- SC Main Campus Keying & Access Control
- RPSTC Phase III
- 800 Building (Instructional Classrooms, 50/50 split with the state) Renovation
- 100 Building Renovation - Student Services One-Stop Shop
- SC Main Campus Fiber Project – Phases II & III optics project

B) Total Cost of Employment: (Jill Ault, Assistant Superintendent/VP of Admin. Services)

Jill explained how the Total Compensation Statement is broken down. An example was shared using a Classified Employee, with an approximate annual income of \$56K. Column one shows the employee share of costs, and column two has the breakdown for employer share of costs. The portion of Dental, Vision, and Medical paid by SC is 19.8% of this employee's salary. The Employer share of cost for PERS is 25.37%. In total, for the benefits and taxes portion, the District is paying 57.5% on top of the salary. Jill explained that there will be some fluctuations on the percentages depending on the salary. To view your own personal Total Compensation breakdown you can go to the SC Website and log into MyShasta> Employee>Total Compensation Statement. This information was shared today so everyone can know how to access their own information as well as understanding the Districts share of costs for employees.

Jill asked if there are any other parts of the budget or operations that would be of interest. She will be looking to have a future discussion on enrollment management reports. A big part of the funding formula is enrollment driven.

Jill advised that the budget went to the board last Wednesday, they approved the proposed use of the 21/22 surplus.

C) Requests for Future Agenda Items: None

6. **OTHER:** None
7. **ANNOUNCEMENTS:** None
8. **ADJOURNMENT:** 2:43p.m.
9. **NEXT MEETING:** October 5, 2022 - 2:00-3:30pm (Zoom)

Minutes Recorded By:
Angie Yannello
Sub Executive Assistant
Administrative Services



Shasta College

Measure H Bond Projects Update

Presented to the
Budget Committee
9/21/2022

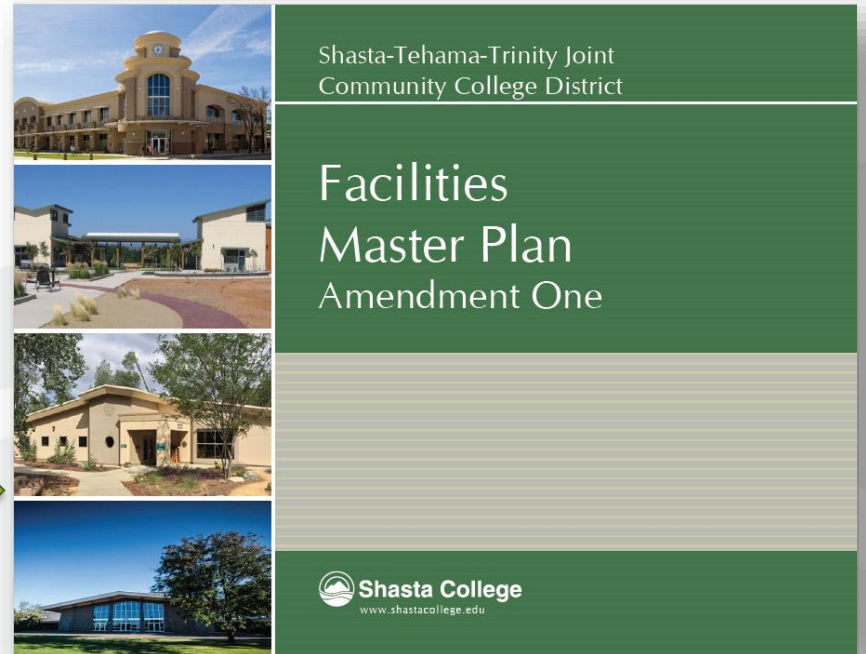


Measure H - Intent

\$139 Million General Obligation Bond

Upgrade both the interior and exterior of our campuses by creating vibrant, collaborative, and functional teaching and learning spaces.

Main SC web page (Search )



Measure H - Funding

Incremental Funding through Bond Issuances

Non-Taxable		Taxable	
DATE	AMOUNT	DATE	AMOUNT
2017	\$50,000,000		
2019	20,000,000	2019	\$20,000,000
2020	10,000,000	2020	20,000,000
TOTAL	\$80,000,000		\$40,000,000
\$19,000,000 remaining to issue			

Additional Funds from Other Sources:

(1) California Community Colleges Chancellor's Office - Veterans Resource Center (VRC) Funding	\$ 58,661
(2) Strong Workforce Program Funding in support of Career Technical Education Programs	633,112
(3) Fire Chief's Association Contribution	58,000
(4) Higher Education Emergency Relief Fund (HEERF) Offset	5,053,258
(5) State Funded Projects	20,796,000
(6) Scheduled Maintenance Funds	<u>1,926,600</u>
TOTAL ADDITIONAL FUNDS FROM OTHER SOURCES:	<u><u>\$ 28,525,630</u></u>



Financial Overview Highlights

Shasta-Tehama-Trinity Joint Community College District Measure H General Obligation Bonds

Cumulative Recap of Bond Activity
September 7, 2017 - August 31, 2022

Bond Income/Outflow

Tax Exempt Series		Taxable Series	
Bond Sales Series A (9/7/2017)	\$ 50,000,000	Bond Sales Series B-1 (10/3/2019)	\$ 20,000,000
Series A Net Issuance Costs	(208,359)	Series B-1 Issuance Costs	(188,882)
Bond Sales Series B (10/3/2019)	20,000,000	Bond Sales Series C-1 (12/9/2020)	\$ 20,000,000
Series B Issuance Costs	(119,820)	Series C-1 Issuance Costs	(186,450)
Bond Sales Series C (12/9/2020)	10,000,000	Net Available Funds for Projects	\$ 39,624,668
Series C Issuance Costs	(53,788)	Encumbrances	(11,347,209)
Refunded 2009A/2008A Bonds	(7,987,268)	Project Expenditures to Date	(6,287,759)
Additional Funds from Other Sources	28,525,630	Budget Remaining	(2,009,691)
Transfer of Interest for Expenses	0	Ending Available Funds for Projects	\$ 19,980,009
Net Available Funds for Projects	\$ 100,156,395		
Encumbrances	(3,844,861)		
Project Expenditures to Date	(61,357,927)		
Budget Remaining	(36,133,099)		
Ending Available Funds for Projects	\$ (1,179,492)		

Interest Proceeds for Future Allocation			
Fiscal Year	Tax Exempt Series	Taxable Series	Total Int. Proceeds
2017-2018	\$391,254		
2018-2019	544,057		
2019-2020	532,899	\$265,308	
2020-2021	243,083	307,428	
2021-2022	99,643	263,117	(Through 6/30/22)
TOTAL	\$1,810,936	\$835,853	\$2,646,789

Average Annual Expenditures as of 8/31/22: \$13,500,000

Current Encumbrances as of 8/31/22: \$15,192,070



Financial Overview Highlights *(continued)*

TAX EXEMPT SERIES: Cumulative Recap of Project Budgets, Additional Revenues, Encumbrances and Expenditures

Active Projects	Current Bond Dollars Budgeted	Additional Funds from Other Sources	Source	Bond Project Reserve Allocation	Total Budget	Encumbered but not Expended	Expenditures to Date	Budget Remaining
Bond Project Reserve	1,000,000				0			
Measure H General Expenses	899,622				899,622	33,404	511,273	354,945
Information Technology Projects	2,870,000	204,040	(2)		3,074,040	4,557	2,872,781	196,703
Property Purchases	50,000				50,000	0	44,949	5,051
Furniture, Fixtures & Equipment	1,109,731	154,094	(2)		1,263,824	12,465	1,182,170	69,188
18-009 Campus Wide Infrastructure	7,928,548			200,000	8,128,548	730,862	6,635,252	762,434
18-010 SC Main Campus Keying & Access Control	1,709,375				1,709,375	178,216	1,054,723	476,436
18-015 CIS Building	7,306,226				7,306,226	0	7,306,226	0
18-017 Solar Project - East Lot	6,400,000			500,000	6,900,000	318,844	6,528,046	53,110
19-001 200 Building (Library) Renovation	5,319,100	15,589,000	(5)		20,908,100	185,344	1,581,383	19,141,373
20-001 SC Main Campus Fencing & Gates	179,718				179,718	3,925	152,016	23,777
20-003 800 Building Renovation	5,767,700	5,207,000	(5)		10,974,700	388,510	451,871	10,134,319
21-003 2400-2500-2600 Buildings HVAC & Exterior Refresh	2,303,146	1,224,000	(4)(6)		3,527,146	701,776	2,581,058	244,312
21-006 Regional Public Safety Training Center - Phase III	723,870	332,978	(2)(3)		1,056,848	235,142	164,910	656,796
21-007 100 Building Renovation (Student Svcs. One-Stop Shop)	100,000				100,000	0	69,627	30,373
22-006 2000 Building HVAC Replacement	751,400	5,248,600	(4)(6)		6,000,000	1,026,816	1,331,635	3,641,549
22-010 SC Main Campus Fiber Project - Phases II & III	375,000				375,000	25,000	7,266	342,734

TAXABLE SERIES: Cumulative Recap of Project Budgets, Additional Revenues, Encumbrances and Expenditures

Active Projects	Current Budget	Additional Funds from Other Sources	Source	Bond Project Reserve Allocation	Total Budget	Encumbered but not Expended	Expenditures to Date	Budget Remaining
Downtown Redding Office Building Purchase	19,190,500	0			19,190,500	10,997,209	6,207,931	1,985,360
20-004 1300 Building Renovation	354,159	0			354,159	350,000	4,159	0
21-002 1600 Building (Life Sciences) Renovation	100,000	0			100,000	0	75,669	24,331



Financial Overview Highlights *(continued)*

Completed Projects	Budget Commitment	Additional Funds from Other Sources	Source	Bond Project Reserve Allocation	Total Budget	Encumbrances	Expenditures	Budget Remaining
2400 Building - Electrical Equipment Upgrade (#18-008A)	101,652	0			101,652	0	101,652	0
Athletic Fieldhouse Bldg w/Restrooms (#18-002)	1,137,625	0			1,137,625	0	1,137,625	0
CTE Building and Covered Storage (#18-008)	5,023,787	0			5,023,787	0	5,023,787	0
Dorms Upgrade Project (#20-006)	188,120	507,258	(4)		695,378	0	695,378	0
Farm Building 4500 Shade Structure (#19-008)	89,904	0			89,904	0	89,904	0
Gymnasium Air Conditioning (#18-007)	1,686,823	0			1,686,823	0	1,686,823	0
HSUC Folding Wall Replacement (#18-018)	180,042	0			180,042	0	180,042	0
HSUC Security Office Remodel (#20-002)	287,021	0			287,021	0	287,021	0
Interior/Exterior Lighting Project (#18-023)	49,789	0			49,789	0	49,789	0
Regional Public Safety Training Center - Phase I (#15-016)	2,569,310	0		300,000	2,869,310	0	2,869,310	0
RPSTC Classroom Buildings - Phase II (#18-004)	5,452,705	0			5,452,705	0	5,452,705	0
Security Dept. Relocation & Warehouse (#18-001)	2,876,074	0			2,876,074	0	2,876,074	0
Tehama Campus Student Services Bldg (#18-006)	5,878,576	2,531	(1)		5,881,107	0	5,881,107	0
Veterans Center Building (#18-003)	2,495,394	56,130	(1)		2,551,523	0	2,551,523	0

Complete Financial Overview documents can be found in each monthly Board Agenda:
<https://www.shastacollege.edu/about/leadership-organization/board-of-trustees/board-agendas-meeting-minutes/>

OR via the following Bond web page:
<https://www.shastacollege.edu/about/bond-projects/measure-h/financial-reports/>



RPSTC Classroom Buildings

Classroom Building



RPSTC Classroom Buildings *(continued)*

Agency Building



Regional Public Safety Training Center – Props



Rappelling Tower



Burn Tower



Veterans Support and Success Center



Campus Safety Offices Remodel and Warehouse



Campus Safety Offices Remodel and Warehouse



CTE Building and Covered Storage



CTE Building and Covered Storage



Tehama Campus Student Services Building



CIS Building



Solar Array – East Parking Lot



Project
Substantially
Complete



2400-2500-2600 Buildings HVAC & Exterior Refresh

Roof repairs & patched areas



HSUC Roof Reseal – SCHEDULED MAINTENANCE PROJECT



2400-2500-2600 Buildings HVAC & Exterior Refresh *(continued)*



Vehicle exhaust system

One of three
mechanical
enclosures



200 Building (Library) Renovation (STATE FUNDED)



Interior finish selections

Laser cut felt acoustical panels over walnut paneling



2000 Building HVAC Replacement



Air Handling Units above the Cafeteria kitchen area



SC Community Leadership Center

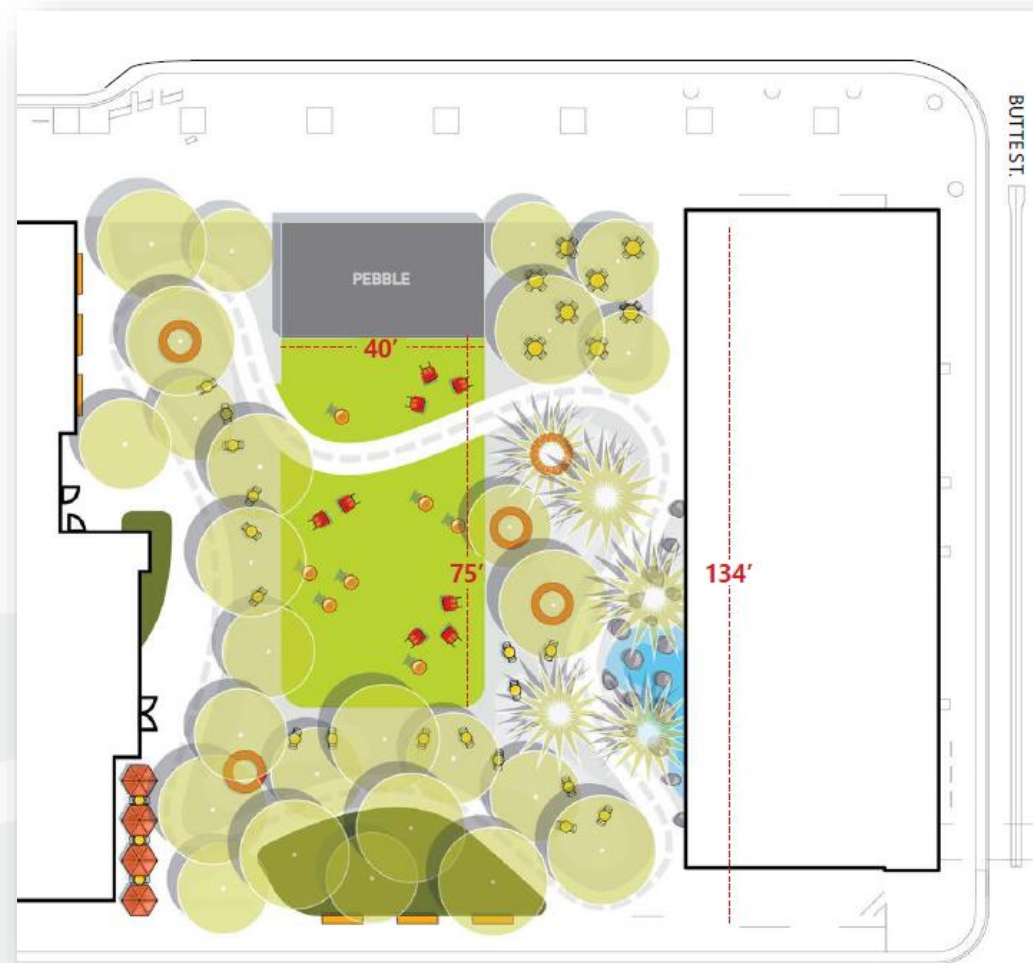


Estimated Building
Completion:
1/23 Floors 2-4
3/23 Floor 5



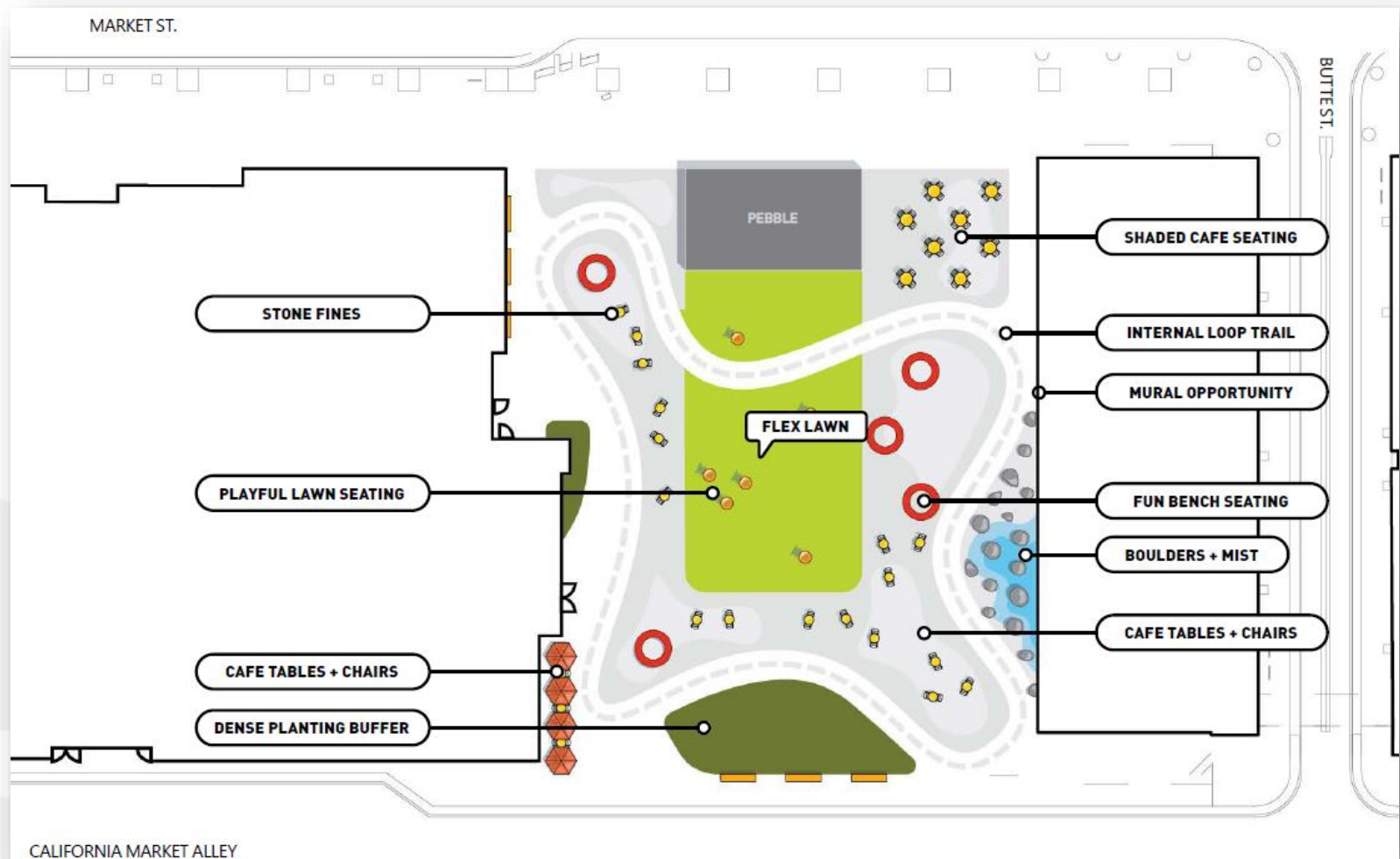
SC Community Leadership Center *(continued)*

**URBAN PARK
DESIGN STUDIES
SCHEMATIC DESIGN
7.12.22**



(Concept Drawings – NOT FINAL)

SC Community Leadership Center *(continued)*



(Concept Drawings – NOT FINAL)

Swing Space Projects



Gateway to College Student Study Lounge
Room 2202A



Swing Space Projects



Gateway to College Department Office
Room 2202B



Other Projects

Current/Upcoming Projects

- **SC Main Campus Electrical Substations**
 - **A & C Replacement** (SnL Group, Inc. is approximately 75% through construction on Phase 1 of installation [concrete pads, trenching, conduit])
 - **E & F Replacement** (Direct purchase by District through Rexel USA (Platt Electric); submittals process near completion)
- **SC Main Campus Keying & Access Control** (Phase III – Electronic access equipment (AMAG) purchase and installation by World Telecom continuing – backordered materials to arrive in mid-Fall)
- **RPSTC Phase III** (Bid preparation process has commenced)
- **800 Building (Instructional Classrooms) Renovation – STATE FUNDED** (Approval of Preliminary Plans by the California Public Works Board expected at their October meeting)



Other Projects *(continued)*

Current/Upcoming Projects *(continued)*

- **100 Building Renovation - Student Services One-Stop Shop** (Information for preparation of project proposal solicitation document provided by Student Services; architect selection process to begin upon receipt of RFP responses)
- **SC Main Campus Fiber Project – Phases II & III** (Project commenced with data installation at Athletic Fieldhouse and fiber run from Athletic Fieldhouse to stadium Press Box by World Telecom & Surveillance, Inc.; planning for next fiber run is in progress)



QUESTIONS



Theresa Markword,
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Manager

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Thank you!

