



City College of San Francisco

50 PHELAN AVENUE • SAN FRANCISCO, CA 94112 • (415) 239-3000

CITIZENS' BOND OVERSIGHT COMMITTEE

MINUTES

FRIDAY, OCTOBER 13, 2017

OCEAN CAMPUS

MULTI-USE BUILDING, ROOM 140

50 PHELAN AVENUE, SAN FRANCISCO

Members Present: Faruq Ahmad, Anni Chung, Christine Hanson, Rafael Musni, Karen Waltz, Daniel Weaver

Members Absent: Bradley Hook, Kenneth Laslavic

Staff: David Martin

1. **Call to order and Roll Call:** Rafael Musni, Chair called the meeting to order at 9:30 AM.
2. **Chair Report and Update**
 - a. Committee Chair Musni announced Committee Member Faruq Ahmad's resignation from the CBOC effective today. Committee Member Ahmad read aloud written remarks to the Committee. Committee Chair Musni thanked Committee Member Ahmad for his service.
 - b. Committee Chair Musni provided a brief update on the activities of the Annual Report Subcommittee. The Annual Report Subcommittee met on various occasions working on creating a draft report and a postcard that will be mailed out.
3. **CBOC Draft 2017 Annual Report for Fiscal Year 2015-16**
 - a. The Committee reviewed and provided comments on the draft report. Discussion that occurred:
 - i. Committee Member Hanson noted that a reconciliation to the audit did not make it into the draft report. She will email it to District staff for inclusion. *The figures in the chart were authored by David Martin.*
 - ii. It was noted that the draft is to be approved by November and issued by the end of the year in December.
 - iii. Committee Member Weaver commented to clarify in the document that the report summarized activities that occurred in the 2015-16 fiscal year, July 2015 to June 2016.
 - iv. Committee Vice Chair Waltz suggested to condense and combine content in the CBOC Roles and Responsibilities, Background and Activities sections. Committee Member Ahmad supported inclusion of the activity detail in the report and Committee Member Hanson added that under Proposition 39 the

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- Committee is to report on activities to the public. Committee Member Weaver suggested a report with high level details.
- v. David Martin provided clarification that the audit procedures performed by the external auditors are set by government auditing standards and not by the District. The auditor was selected through a formal RFP process and approved by the Board of Trustees.
 - vi. Committee Chair Musni noted that the Annual Report Subcommittee is working on a postcard design for mail distribution that will have 3 to 4 images of completed projects on one side and on the reverse side two pie charts illustrating Proposition A 2001 and 2005 funds, a link to the report, and FAQ (Frequently Asked Questions). The Annual Report Subcommittee will work on a draft postcard for review at the next CBOC meeting.
 - vii. Committee Member Hanson inquired on the status of reconciling the audits from last year and this year. David Martin responded that the reconciliation should be available by the end of next week. Committee Member Ahmad suggested placing the audit reconciliation data as an exhibit to the report.
 - viii. Committee Member Chung suggested clarifying the available and needed funds for the completion of the Performing Arts Education Center. Committee Members Weaver and Hanson suggested referring readers in the report to a website link regarding future City College physical plans.
 - ix. Committee Member Chung questioned if the report should include Leveraging Local Bond Funds since it speaks to the future and this report is for the fiscal year ending 2016. Committee Member Hanson believes that under Prop 39 it is the Committee's mandate to report when there are State matching funds.
 - x. Committee Member Ahmad suggested to have the CBOC's Statement to the Community at the beginning of the report instead of at the end. Before his departure, he thanked the Committee and Administration.
 - xi. Committee Chair Musni read aloud his draft proposed CBOC Statement to the Community.
 - xii. Committee Member Hanson questioned if the Police and Deans, Facilities Master Plan, Relocation of Gough Street, and Civic Center Projects fits the description of ADA and renovation. Further discussion occurred about these projects. David Martin added that he can bring documents and requested information to a future meeting for further discussion. Committee Chair Musni suggested to strike the paragraph at the bottom of Page 3.
 - xiii. Committee Member Hanson requested to add to FAQ a question about when the Performing Arts Center will be built. Committee Vice Chair Waltz commented that the answer is not under this Committee's purview but to address the question and make clear that the Committee is not involved in those activities. David Martin noted that Prop 39 language prohibits oversight committees to be involved in overseeing actual construction and procuring contracts and services. Committee Member Hanson commented on the impending development in the lower reservoir will impact the planning for the Performing Arts Center.
 - xiv. Committee Chair Musni asked for member interest in serving on the Annual Report Subcommittee as a replacement for Committee Member Ahmad. Committee Member Weaver expressed interest.

- xv. Committee Member Weaver would like to acknowledge Faruq Ahmad's name in the report and identify his departure date from the Committee.
 - xvi. Committee Member Weaver had questions on what is happening with the Master Plan development process. David Martin informed the Committee that a formal presentation encompassing a District-wide facilities update and plan will be given at the Board of Trustees at their October 26, 2017 meeting.
 - xvii. Committee Member Hanson provided an example of a CBOC statement on the auditor's opinion.
 - xviii. Committee Members Weaver and Hanson requested draft minutes from the July 20, 2017 and April 21, 2017 meetings for review.
 - xix. Committee Member Hanson read an excerpt from a 2013 City Currents document and inquired which referenced Bond Counsel had provided legal opinion.
 - xx. Committee Chair Musni requested information about the term of the bond refinancing.
- b. Public Comments:
- i. Harry Bernstein provided suggested edits to typos in the draft annual report.
 - ii. Harry Bernstein questioned the reference to seed money in the report. Committee Member Hanson suggested removing the sentence.
 - iii. Harry Bernstein questioned if expenditures for the Gough Street Relocation project will be returned to the Bond fund and inquired if the Committee is evaluating the expenditures as being allowable under the Bond language.
 - iv. Michael Adams commented that the Subcommittee's request for more information in the report to verify project expenditures conflicts with the Auditor's unmitigated approval. He also inquired about the Committee's ability to enforce the timely utilization of Bond monies.
 - v. Harry Bernstein inquired of the firm that provided the underwriting and the transaction cost for the bond refinancing.
 - vi. Harry Bernstein commented on the Auditor's Report, the reference to the subterranean infrastructure of the MUB, and the placeholder CBOC Statement to the Community. David Martin clarified that the audit opinion is only limited to what was tested in the audit report and that the auditors are not responsible for compliance which is the responsibility of the District.
 - vii. Michael Adams inquired if the audit team had full access to all Bond Fund expenditures. David Martin explained that the District provided the ledger of every dollar spent to the auditor and the auditor randomly sampled 81% of expenses based on government auditing standards.

4. Public Comment – No comments on items not on agenda

5. Calendar Upcoming Meetings

- a. October 27, 2017 at 3:00 PM - Annual Report Subcommittee Meeting
- b. November 17, 2017 at 9:30 AM - CBOC Regular Meeting

6. Adjournment - Meeting adjourned at 11:48 AM.