



HARTNELL COLLEGE

Citizens' Bond Oversight Committee for Measure T Minutes

DATE: MAY 28, 2025, 3 p.m.

Location: 411 Central Avenue, Building E, Room 112, Salinas, CA 93901

MEMBERS

Name	Member Category	Present	Absent
1. Willard Lewallen	College Support Organization	x	
2. Lupe Kinnear	Senior Citizens' Organization	x	
3. Colleen Stanley	At-Large	x	
4. Norma Aguilar	At-Large	x	
5. Paul Farmer – Co Chair	Business Organization	x	
6. Sonia Jaramillo, Chair	Business Organization		X
7. Brian Resendiz	Student Representative		X
8. Vacant	Taxpayer Organization	x	

Others

Name	Title or Representing	Present	Absent
Michael Gutierrez	Superintendent/President, Hartnell College	X	
Graciano Mendoza	VP, Administrative Services, Hartnell College	X	
Joseph Reyes	Executive Director, Facilities Planning and Construction Management, Hartnell College	X	
David Techaira	Controller - HCCD	X	

CALL TO ORDER & INTRODUCTIONS

The meeting called to order at 3:02 P.M.

Paul Farmer

ADOPTION OF THE AGENDA

Motion: C. Stanley

2nd: L. Kinnear

MOTION Carried

Paul Farmer

PUBLIC COMMENTS

NONE

ACTION ITEMS

1. Consider: Adoption of previous meeting(s) minutes – January 15, 2025

Motion: N. Aguilar

2nd: C. Stanley

MOTION Carried

Paul Farmer

Hartnell College Vision Statement: Hartnell College will be nationally recognized for the success of our students by developing leaders who will contribute to the social, cultural, and economic vitality of our region and the global community.

Hartnell College Mission Statement: Focusing on the needs of the Salinas Valley, Hartnell College provides educational opportunities for students to reach academic goals in an environment committed to student learning, achievement and success.

INFORMATION/DISCUSSION/PRESENTATIONS

1. **Presentation of the CDDL Independent Audit of Measure T Bond**

Ben Leavitt

[Presented via ZOOM] Two reports are done each audit for a fiscal year. They are the Financial and Performance audits.

Financial Audit:

The opinion registered in the financial audit is a thumb up or down. A high opinion is one that is unmodified. This section provides the basis for the opinion(s), the responsibilities of management for the financial statements, and the auditors' responsibilities. The next part of the financial report is a balance sheet. The balance sheet on page 4 of the report is for Measure T bond funds only and do not contain any other funds of the college or foundation. Following this is the statement of revenues, expenditures and changed in fund balance for the fiscal year in review.

The report continues with five (5) notes. These are: 1) Summary of significant accounting Policies, 2) Accounts Receivable, 3) fund Balance Classification, 4) purpose of Bond Issuance and last 5) G.O. Bond Issuances.

Note 1 – reviews accounting policies and defines some of the line items of the balance sheet and statement. Note 2 identifies accounts receivable which in the case of the bond is relegated to interest income. Note 3 Fund balance classification identifies the fund report codes and constraints on the fund. Note 4 recaps the ballot measure for the bond (Measure T). Note 5 identifies the G.O. issuances which in this case was August 2017 for \$70M, (Series A) and matures August 1, 2018 through August 1, 2047. July 2020 Series B was issued also for \$70M, (Series B) which matures August 1, 2021 through August 1, 2049.

Next section Report speaks to the control environment. Describes the scope of their testing of the internal control and compliance. It is not an opinion of effectiveness.

Last is the findings and Responses – No financial statement findings were noted for this fiscal year (2023-24). This was the same finding for the two previous years as well.

Performance Audit:

This report speaks to a single question. Are there any expenditures that have been spent wrong.

This goes to the working procedures and methodology which includes material and personnel.

History: Prop 39 opened door to the bonds which amended the California Constitution to provide for issuance of general obligation bonds. Next the language of the bond is given and the series issuances.

In the auditors' work they were extremely picky. Samples reflected \$10.281 million dollars of a total \$12.058 million dollars. 85.2% raw samples were reviewed and not a single item was spent incorrectly.

This was an entirely clean audit.

Q: Why is percentage so succinct? Why not round up?

A: shooting to cover every single type of disbursement to every type of vendor. Making sure that goal is covered ends up with a very definitive percentage.

2. **Project(s) Status**

Joseph Reyes

Building J will be back to operational status for the Fall semester.

Soledad CTE is still currently in DSA and it is budgeted at \$13M

F, G, and H is in waiting mode to hear from the state for the okay for matching funds. Actually we are in line to receive \$19.25M. Just slightly more than the budgeted figure.

Building N (Merrill Hall) is also being approached for matching state funds. Final documentation has been sent to the chancellor's office and next step is waiting for their review.

Series C our last issuance of the bond for \$27M is in the works. Should see proceeds end of July 2025. Board has approved of the resolution, there is a meeting going forward to determine tax rate and the meeting with Moody's has been done to confirm credit ratings.

Going forward for the projects remaining is a question of what and how the current and future tariffs will affect the projects.

Non-Measure T projects include the baseball and softball fields with new turf going in. The same company that supplied materials for the football field is engaged to do these two fields. King city the old wing is being repainted on the interior

3. **President's Report**

Michael Gutierrez

On Friday May 23 800 student received associate's degrees or certificates. That is 300+ over last year. The graduation has outgrown Rabo and for the 2026 graduation ceremonies they will be held at the Salinas Sports Complex (Rodeo). There will not be a limitation on tickets for the graduating student.

Q: Why is HCCD graduation up? Not seeing this when comparing to other districts

A: What helps HCCD is partially two programs. Panther Prep with a three-day enrollment period at all locations has enrolled 1200 students. The Salinas Valley Promise Program gives full time students a persistent rate of 90% and that keeps our students here.

The district is also going to year long registration which will help the students see their path clearer and make it be more achievable.

NEXT MEETING(S)

July 16, 2025 3:00 pm

October 15, 2025 3:00 pm

January 15, 2026 3:00 pm

April 15, 2026 3:00 pm

ADJOURNMENT

Paul Farmer

The meeting adjourned at 3:44PM