



Letter from the Superintendent/President

Hello from Lake Tahoe Community College's campus, which is vastly improved thanks to our community's support of the Measure F general obligation bond. This past year saw some marked improvements I want to share with you that are enhancing our students' experience, beautifying our campus, and establishing LTCC as California's premier destination community college.

In 2018, bond monies were partially used to renovate three existing classrooms, bringing in modern technology, flexible-use furniture, and the latest teaching tools for our faculty and students. Feedback from all corners is being

collected, helping us understand what works best for our educators and students. We'll then replicate what's found to be most effective in all of our classrooms. The results are well worth checking out – come visit us and see what a modern college classroom can be.

This winter, our students are that much safer with heated sidewalks and parking lot improvements that Measure F made possible. A big thank you to our community for this – it is now easier and safer for pedestrians to access buildings on campus from the parking lots, even with all the snow we've seen this year.

Since Measure F passed in 2014, there have been changes at the state level that impact LTCC. First, California's years-old commitment to provide matching dollars for community college construction projects remains uncertain. Gov. Jerry Brown drastically cut back on that promise, and it's unknown what current Gov. Gavin Newsom will do. LTCC originally expected to leverage the \$55 million coming from Measure F into more dollars through matching funding. I have been in Sacramento often, aggressively advocating for matching state dollars so the important construction projects at LTCC and other colleges can continue. Another issue is skyrocketing construction costs in California, partly due to extensive fire damage we've seen in recent years. This has budgetary consequences for LTCC: our project costs are affected by significant construction cost increases each year.

These are challenging issues that LTCC is prepared to meet to realize the bond language we asked voters to support. LTCC's bond team continues to manage construction projects very carefully to keep rising costs in check, and continues to pursue grants to fill any funding gaps.

On behalf of LTCC's students, thank you for supporting our efforts to provide the best learning environment possible for our community.

Jeff DeFranco, Lake Tahoe Community College Superintendent/President

About the Bond

After 26 years of heavy use by students and the community, Lake Tahoe Community College's facilities had deteriorated significantly. Electrical, lighting, heating, ventilation, safety and security systems campus-wide were badly in need of replacement or repair. Outdated classrooms, labs, and technology were limiting instructional quality, learning, job training, and career advancement.

Thanks to South Lake Tahoe's voters, LTCC successfully passed a \$55 million bond measure in November 2014 to address these critical issues. Called Measure F, the bond is allowing the college to upgrade and modernize its technology, make necessary repairs to aging facilities and systems, and to improve educational programs and students' learning environment. The first series of bonds was issued in 2015 in the amount of \$19 million. A second issuance of \$15 million took place in February 2018. Future bond sales will result in another \$21 million.

By approving Measure F, voters authorized funding so LTCC can provide the high-quality education our students need and the job market demands.

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Measure F Bond

Annual Report to the Community
From the Citizens' Oversight Committee

2018



Citizens' Oversight Committee Members

- Matt Lucksinger, Committee Chair, Business Representative - Real Estate Professional
- Richard Fischer, At-Large Representative - El Dorado County School Board
- Gerry Tryhane, At-Large Representative
- Brooke Laine, Business Representative - Mayor of South Lake Tahoe
- Leon Malmel, Foundation Representative - LTCC Foundation Board
- Roberta Mason, Senior Representative - Retired LTCC Board of Trustees Member
- Brian Grajeda, Student Representative

Lake Tahoe Community College Board of Trustees

- Jeff Cowen, Board President
- Nancy Dalton, Board Clerk
- Kerry David
- Karen Borges
- Tony Sears
- Brian Grajeda, Student Trustee

LTCC Measure F Bond Management Team

- Jeff DeFranco, Superintendent/President
- Russi Egan, Vice President of Administrative Services
- Al Frangione, Bond Program Director
- Ami Chilton, Capital Projects Finance Manager

No Measure F Bond funding was used in making or printing this publication.
This report was printed on recycled paper.

A Complete List of Bond Projects, Plans, Studies, Surveys and Financial Statements is available at www.LTCC.edu/MeasureF
Este informe anual esta disponible en Espanol en www.LTCC.edu/MeasureF



Citizens' Oversight Committee Letter from the Committee Chair

As Chair of the Measure F bond Citizens' Oversight Committee (COC), I am excited to present our fourth annual report to the Board of Trustees of the Lake Tahoe Community College District and to our community. This committee was established in compliance with California Education Code Section 15278 and Proposition 39 after the passing of the bond in 2014. The COC has convened quarterly since our first meeting was held on April 16, 2015.

I appreciate the dedication and interest of the committee members towards review of Measure F bond funds use.

The staff at Lake Tahoe Community College routinely ensures a well-organized and informative meeting. The information presented and reviewed at each meeting includes the most recent financial reports, updated expenditure summaries, and updates on all bond-funded projects. LTCC staff and administrators are responsive to the COC with the most current information available, answers to committee members' questions, and great appreciation for transparency to the community. The committee enjoys viewing the progress of each project through completion as we have now entered the fifth year of the Measure F bond implementation.

It is our opinion, based on the COC's oversight activities and a review of the independent financial and performance audits, that the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. With the presentation of this annual report, the members of the COC can assure voters that bond expenditures have been properly made for projects that are consistent with those identified in the bond measure. We hope that you find this annual report informative and comprehensive.

Sincerely,

Matt Lucksinger

Role of the Citizens' Oversight Committee (COC)

The COC is responsible for ensuring the proper expenditure of bond funding and informing the public concerning the expenditure of bond proceeds. Members are appointed by LTCC's Board of Trustees, and they represent various sectors of the community including businesses, a senior citizens' organization, taxpayers, students, and an advisory body or Foundation of the college. The COC is a requirement for schools and colleges with bonds governed by California Prop 39. The COC's activities are conducted pursuant to the Brown Act. All meetings are open to the public, and observers are welcome.

For more information about or to apply for the Citizens' Oversight Committee, contact the Superintendent/President's Office at (530) 541-4660 ext. 210. The COC is currently recruiting for a taxpayer association representative to join the committee.

UPCOMING COC MEETINGS:

The COC meets two more times in 2019, on June 4 and October 29. The public is welcome to attend. For more information about the Measure F bond, please visit www.LTCC.edu/MeasureF.

✓ Projects Completed in 2018

✓ Lisa Maloff University Center and North Site Improvements

Stand-alone center to house offices and classrooms, allowing bachelor's and master's degree options to come to the South Shore community. Building costs primarily covered by a private \$5.8 million donation. Bond funding will cover costs of additional site work, such as adjacent parking and heated connector pathways.



✓ University Center Parking Lot

Renovation of existing parking lot east of the University Center.

✓ Landscape Improvements

Designed for the library building plaza as required by TRPA for completion of the Soccer Field Renovation, Main Parking Lot, and South Mechanical Building projects.

✓ Educational Specifications for Non-Lab Classrooms

Development of Educational Specifications for non-lab classrooms and learning environments. Educational Specifications are interrelated statements that communicate to the architect, the public, and other interested parties what educators, support staff, and students believe is required of an educational facility to support a specific academic program.

✓ Emergency VHF Communication

Installation of an emergency VHF repeater on campus.

✓ Classroom Upgrades and Enhancements

Upgrades based on outcomes of an Educational Specifications process. These three classrooms will be monitored and evaluated, and lessons learned will be incorporated into the design of future classroom modernizations.

Continuing Projects (Projects started in 2018, different completion dates.)

Mobility Hub

A centralized mobility hub providing covered bicycle parking and connecting pathways to correlate with existing and/or new public transportation pick-up and drop-off locations.

Art Lab Air Quality Improvement Project

Alterations and ventilation equipment installation in Fine Arts rooms FI04B and FI05 to improve air quality.

HVAC/Energy Management System Upgrades (Phase 3)

HVAC and EMS upgrades in prioritized areas campus-wide including the Fine Arts wing and prioritized upstairs classrooms.

Access Control and Building Security Systems

Installation of an access control system to new construction and other prioritized areas.

Independent Auditor's Report

Under the provisions of California's Constitution as amended by Prop 39, the Measure F Bond Program must undergo annual audits by an independent auditing firm. Lake Tahoe Community College used the certified public accountant firm of Vavrinek, Trine, Day & Co., LLP, to perform the required financial and performance audits.

The auditor's Financial Audit Report stated, "In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of the Measure F General Obligation Bonds of the Lake Tahoe Community College District at June 30, 2018, and the results of its operations for the period then ended in conformity with accounting principles generally accepted in the United States of America."

The auditor's Performance Audit Report stated, "The results of our tests indicated that the District Measure F Building Fund expended Proposition 39 General Obligation Bond funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution." Full financial and performance audit reports can be found at www.LTCC.edu/MeasureF.

Upcoming Projects for 2019

Early Learning Center (Design Phase)

Construction of a new Early Learning Center (ELC) facility to house the Tahoe Parents Nursery School (TPNS) and associated educational programs. Project includes a two-classroom facility and site improvements for improved traffic flow and heated pathway access to the ELC and Child Development Center (CDC). Construction scheduled to begin in 2020.

Wireless System Upgrade (Phase 4)

Installation of wireless access points at prioritized exterior locations. Areas being assessed include the new Mobility Hub, the Demonstration Garden, and the south portion of the Main Parking Lot.

Learning Resource Center Reading Room Improvements

Improvements to enclose the existing reading room within the Library, including new interior glazing and doors.

Demonstration Garden Facility Evaluation

Perform an evaluation of the Demonstration Garden site and facilities to determine existing conditions of structures, garden pathways, and storm drainage system.

Campus-Wide Signage

Exterior way-finding signage in and around the main parking lot and in new construction areas.

Financial Overview Fiscal Year 2017/18

Statement of Cash Flows

• Annual Revenue

\$119,921 Total Interest & Other Revenue

• Annual Expenditures

\$4,612,888 Capital Outlay Expenses
 \$365,053 Services/Other operating costs (includes legal services, audit services, and master planning efforts)
 \$339,266 Salaries/Benefits (non-admin only) (Bond funding provides for several positions responsible for strictly bond-related work)
 \$1,232 Supplies

\$5,318,439 Total Expenditures

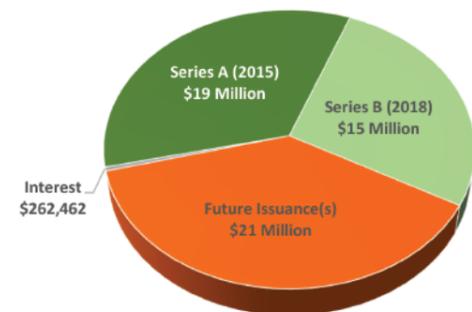
• Other Financing Sources

\$15,000,000 Series B Bond Issuance

• Balances

\$9,801,482 Net Change in Fund Balances
 \$5,844,832 Beginning Fund Balance (July 1, 2017)
 \$15,646,314 Ending Fund Balance (June 30, 2018)

Measure F Revenue



Measure F Expenditures

