



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 17, 2014
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. **Call to Order**
2. **Public Comment**
Members of the audience wishing to address the Citizens' Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the committee.
3. **Introductions** INFORMATION
Incoming members who will be joining the committee in March will be introduced.
4. **Approval of August 4, 2014 Minutes** ACTION
5. **Accept Bills and Warrants Report** ACTION
The quarterly list of payments from bond funds expended through September 30, 2014 will be reviewed for acceptance by the committee.
6. **Bond Expenditure Status Report** INFORMATION
The September 30, 2014 bond expenditure status report will be reviewed with the committee.
7. **Annual Report for 2013-14** ACTION
The By-Laws state the committee shall present to the Board of Trustees, in public session, an annual written report to include a statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution and a summary of the committee's proceedings and activities for the preceding year. A draft annual report will be reviewed for approval and presentation to the Board of Trustees.

- 8. Monterey County Treasurer's Investment Report** INFORMATION
Series B and C bonds were issued by the district in 2008 and invested with the Monterey County Treasurer's office. The Treasurer's Report of Investments for the quarter ending June 30, 2014 provides the status of these investments.
- 9. Status of Facilities Bond Program** INFORMATION
A status report will be provided.
- 10. Committee Membership Update** INFORMATION
Committee membership will be reviewed by Dr. Tribley. Outgoing members, Mr. Fagan, Mr. Fuller, Vice Chair Mulford, and Mr. Reimers, will be recognized for their service on the committee.
- 11. Officers** ACTION
Mr. Panetta has been appointed Chair by Dr. Tribley. Committee members will indicate their interest in serving as vice-chair and a vote will be taken.
- 12. Meeting Schedule (PLEASE BRING CALENDARS)** INFORMATION/ACTION
The following meeting dates for 2015 are suggested for adoption:
Monday, March 2, 2015
Monday, June 15, 2015
Monday, August 10, 2015
Monday, November 2, 2015 (Annual Organizational Meeting)
- 13. Suggestions for Future Agenda Topics and Announcements**
- 14. Adjournment**

***RECEPTION following meeting to honor outgoing members and introduce incoming members.**

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure/citizen-s-bond-oversight-committee/meeting-agenda-minutes>, at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: November 12, 2014



MONTEREY PENINSULA
COLLEGE

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 4, 2014
2:00 PM – Committee Tour of College Facilities Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan
Mr. J. Fagan
Mr. Stewart Fuller
Mr. Birt Johnson, Jr., Chair
Mr. Bob Mulford, Vice Chair
Mr. James Panetta
Mr. Niels Reimers
Mr. Maury Vasquez

ABSENT: Dr. Sophal Ear
Mr. Rick Heuer

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Mr. Earl Davis, Vice President for Administrative Services
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribley, Superintendent/President

OTHERS PRESENT: Ms. Margaret-Anne Coppernoll
Mr. Joe Demko, Kitchell

The Committee convened at 2:00 PM for a tour with the District Board of Trustees of the completed Student Center, Art Studio, and Art Ceramics renovation projects at the Monterey campus.

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:00 PM by Chair Johnson.

2. Public Comment

There were no public comments. Chair Johnson acknowledged Trustee Coppernoll.

3. Approval of June 16, 2014 Minutes

A handout providing follow-up to questions recorded in the minutes of the June 16 meeting regarding the bills and warrants report was distributed and reviewed.

Motion made by Vice Chair Mulford, seconded by Mr. Cruzan, to approve the minutes of June 16, 2014 meeting, as amended by the follow-up document. Motion carried unanimously.

AYES: 8 MEMBERS: Cruzan, Fagan, Fuller, Johnson, Mulford, Panetta, Reimers, Vasquez
 NOES: 0 MEMBERS: None
 ABSENT: 2 MEMBERS: Ear, Heuer
 ABSTAIN: 0 MEMBERS: None

4. Accept Bills and Warrants Report

Chair Johnson indicated the June 30, 2014 report would be reviewed by page and invited questions from the committee.

On Page 1, Mr. Panetta asked about the expense for upholstering six seats in the Student Center at a cost of \$1000 each. It was explained the six seats made up a long high-backed banquette in the cafeteria lounge area.

There were no questions on pages 2-4. On page 5, under the furniture and equipment category, Chair Johnson noted two entries for Lincoln Equipment with one being \$657 for freight charges and the other for equipment at a cost of \$282. He questioned what the freight charges were for. Staff will verify and report back. Mr. Panetta followed with a request for a description of the projection system purchased from Medial Systems. Mr. Demko said the system included a projector and screen.

On page 6, Mr. Reimers asked about the media converter equipment purchased for the pool. Staff will research and report back.

Regarding page 7, there were questions regarding the tennis court related expenses under the swing space category. Mr. Fagan noted there was no tennis court renovation project. Mr. Demko explained portable trailers were located on the tennis courts to provide swing space for other projects. After the trailers were removed, the courts needed to be restored to their original condition.

On page 8, under the general institutional bond management category, Mr. Reimers asked how the Kitchell expense is differentiated by project. Mr. Demko explained his services are for overall bond program management, which includes providing reports to the Governing Board and CBOC, and monitoring the bond budget, while other Kitchell staff manage construction of specific bond projects. Construction management services provided by Kitchell are listed under each project category.

Regarding page 9, Chair Johnson noted an expense for inspection services from David Foord for March 2013 in the amount of \$300. He checked an earlier report and found an expense for the same month in the amount of \$5,175. Chair Johnson asked why the billing was so late and the reason for the expense. Mr. Demko said he would check if the \$300 was an adjustment. There was discussion about the college's policy for accepting invoices beyond a reasonable timeframe. Mr. Davis said it was a legal question whether there was a statute of limitations on liability for payment.

Noting a moving expense on page 9, Vice Chair Mulford asked about the disposition of old equipment. Mr. Reimers recalled a previous committee discussion where the surplus property disposal process was explained. Mr. Fagan asked if revenue from the disposal of

old equipment due to a bond project was tracked and applied back to the bond. Mr. Davis responded this approach would apply only if the equipment was purchased with bond funds.

There were no further questions on the remaining pages of the report.

It was moved by Vice Chair Mulford and seconded by Mr. Reimers to accept the June 30, 2014 bills and warrants report. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Fagan, Fuller, Johnson, Mulford, Panetta, Reimers, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Ear, Heuer
ABSTAIN:	0 MEMBERS:	None

5. Bond Expenditure Status Report and Cost Control Report

Mr. Demko reviewed the June 30, 2014 bond expenditure status report and the July cost control report. He reported the in process projects are winding down. The Music and Public Safety Training facilities are remaining future projects. Both projects have been submitted for state matching funds and currently, there are no state construction funds available. He explained that while the recently completed building are in use and the notices of completion have been filed, invoices will continue to trickle in for the next 90-120 days.

Mr. Demko reported on the status of the project budgets. He said the budget for the Arts project is tracking well. There is \$950,000 reserved in the budget for mechanical and roofing work on the Art-Dimensional building. Decisions remain regarding future plans for the building so the work is on hold. The Student Center project was over budget due to hazardous materials and lead paint remediation; however, change orders were under budget. He said the numbers would be close. The furniture and equipment expense are also being tracked closely. Mr. Demko stated his main goal has been to keep the bond program budget aligned with the approved total amount of \$149 million.

Chair Johnson asked about the status of the general contingency budget listed at \$1,667,699. Mr. Demko responded the current balance is zero, and the budget amount should be updated accordingly. He anticipated there would be savings from the Arts and Pool projects; college administration would determine whether those funds would go to contingency.

6. Tax Rate for Measure I Bond

Mr. Davis observed the assessed valuation of property in the District reached an all-time high in 2014. He explained the debt service on the bonds is compared to the assessed valuation and the result is the tax rate. The highest tax rate for the bond was in 2013 at \$23.67. He noted the current year tax rate is \$15.77. Mr. Davis referred to the District's refinancing of the bond that occurred in 2013. The savings generated from the difference in interest rates were used to reduce the amount of principal of the bond, benefiting the taxpayers. Mr. Davis commented the District's tax rate has never exceeded the amount set in Prop 39 regulations of \$25.00 per \$100,000 assessed valuation.

7. 2016-20 Five Year Construction Plan

Ms. Nakamura reported on the District's 2016-20 Five-Year Construction Plan, which was approved by the Governing Board in July. She provided a recap of the state capital outlay funding process. This year's plan is evidence of all of the renovation and construction work

accomplished in recent years, made possible by local bond funding. She stated there are two projects remaining in the plan, the second phase of the Public Safety Training facility and the Music building renovation. Both projects have been approved for state matching funds; however, a state bond measure will be required to provide a source of state funds. She indicated there is legislation, AB 2235, to place a facilities bond measure on the November ballot. Mr. Fagan requested the committee be informed if the measure makes it on the ballot.

8. Update on Facilities Projects, Timelines, and Schedules

Mr. Demko provided an update on the projects. Programs are being moved into the Student Center and Arts buildings in phases. With these two renovation projects completed, three of the rental trailers (two portables and the restroom trailer) will be removed and returned to the vendor. The food trailer is being moved from the parking area, awaiting a decision regarding its future use. Dr. Tribley indicated the college is considering relocating the trailer to the Marina Education Center to serve students there.

Mr. Demko said the Kitchell construction management contract will extend for the next 60-90 days to address any items that may arise from the Division of the State Architect's office or warranties.

Vice Chair Mulford asked about the cost of the proposed swimming pool cogeneration project. Mr. Demko responded the project is estimated at \$700,000 - \$800,000. Mr. Davis said the project may qualify for Prop 39 state energy efficiency funding, but there are many requirements to meet. Mr. Davis added there is not enough Prop 39 funding this year to cover the entire cost of the project. Mr. Mulford asked if any solar projects were planned for Prop 39 funding. Mr. Demko explained solar projects do not pencil out for the MPC campus as there is no air conditioning, lighting is already energy efficient, and extensive maintenance staff are required for solar. Chair Johnson advised the college to continue to consider solar as advancements are made in technology.

Committee members commented on the tour of the Student Center and Arts buildings and the quality of the renovation.

9. Meeting Schedule

Chair Johnson noted the next meeting, the annual organizational meeting, was scheduled for Monday, November 3, 2014.

10. Suggestions for Future Agenda Topics and Announcements

Dr. Tribley noted that Dr. Ear was resigning from the committee due to his upcoming move to southern California. He recognized Dr. Ear's service on the committee with a certificate of appreciation. Dr. Tribley also announced that Mr. Panetta has agreed to be the chair of the committee in 2015, succeeding Mr. Johnson.

Trustee Coppernoll expressed her appreciation for the committee's work.

11. Adjournment

Chair Johnson adjourned the meeting at 4:17 PM.

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
		<i>Total Expense at June 30, 2014</i>
Student Center		\$5,112,597.89
Axiom Engineers	Commissioning services for the period 5/18/14-6/14/14.	\$2,740.00
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #9.	\$53,343.35
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #10.	\$24,341.85
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #5.	\$15,521.20
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #6.	\$22,584.90
David Foord	Inspection services for the month of June 2014.	\$5,850.00
HGHB	Professional design services consisting of: construction documents. Service for June 2014.	\$6,898.50
Kitchell	Construction management services for the month of June 2014.	\$16,500.00
Kleinfelder	Special inspection services consisting of: administrative services, bolt testing, consulting services, and metal bend. Bill thru 6/15/14.	\$10,992.75
Otto Construction	Payment application #10.	\$462,495.15
Axiom Engineers	Commissioning services for the period 6/15/14-7/19/14.	\$2,740.00
Axiom Engineers	Commissioning services for the period 7/20/14-8/16/14.	\$1,370.00
Axiom Engineers	Commissioning services for the period 8/17/14-9/13/14.	\$685.00
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #11.	\$5,582.05
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #12.	\$9,621.20
Bank of Sacramento-Otto Const.	Retention payment deposited with the Bank of Sacramento for escrow account application #13.	\$558.30
Cardinale Moving & Storage	Provide moving services to move the Security, ASMPC, Veterans, and TRIO departments back into the Student Center. Invoice 37011.	\$545.00
Cardinale Moving & Storage	Provide moving services to move the Security, ASMPC, Veterans, and TRIO departments back into the Student Center. Invoice 37018.	\$835.00
Cardinale Moving & Storage	Provide moving services to move the Security, ASMPC, Veterans, and TRIO departments back into the Student Center. Invoice 36993.	\$2,787.75
Cardinale Moving & Storage	Provide moving services to the move the Food Service department back into the Student Center. Invoice 37121.	\$745.00
Cardinale Moving & Storage	Provide moving services to the move the Food Service department back into the Student Center. Invoice 37076.	\$967.60
Cardinale Moving & Storage	Provide moving services to the move the Food Service department back into the Student Center. Invoice 37054.	\$2,120.00
David Foord	Inspection services for the month of July 2014.	\$4,200.00
David Foord	Inspection services for the month of August 2014.	\$2,250.00
HGHB	Professional design services consisting of: construction documents. Service for July 2014.	\$4,927.50
KBA Docusys	Provide moving services to move the Canon copier back into the Student Center.	\$150.00
Kitchell	Construction management services for the month of July 2014.	\$16,500.00
Kitchell	Construction management services for the month of August 2014.	\$16,500.00
Kleinfelder	Special inspection services consisting of: consulting services, and bolt testing. Bill thru 7/13/14.	\$3,411.75
Otto Construction	Payment application #11.	\$106,058.95

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
Student Center (continued)		
Otto Construction	Professional services consisting of: installed a receptacle at the student center for the cart charging station.	\$499.00
Otto Construction	Professional services consisting of: install cabinets at the TRIO department.	\$995.00
Otto Construction	Payment application #12.	\$182,802.80
PSTS Inc	Professional services consisting of : pump grease trap for abandonment at the student center.	\$476.25
To Date Expense through September 30, 2014		<u>\$6,101,193.74</u>
Arts Complex		
<i>Total Expense at June 30, 2014</i>		<i>\$2,883,966.63</i>
Ausonio	Payment application #9.	\$222,338.00
Axiom	Commissioning services for the period 6/15/14-7/19/14.	\$2,560.00
Cardinale Moving	Provide moving services to return kilns from storage to the arts ceramics building. Invoice 36880.	\$2,010.00
Cardinale Moving	Provide moving services to return kilns from storage to the arts ceramics building. Invoice 36929.	\$2,405.10
Coast Counties Glass	Provide 5 "Cush stop" closure arms for the arts project.	\$975.00
GBMI	Inspection services for the month of June 2014.	\$5,550.00
HGHB	Professional design services consisting of: construction administration for the art dimensional mechanical and electrical improvements. Service for June 2014.	\$1,650.00
HGHB	Professional design services consisting of: construction administration for the renovation of the arts complex. Service for June 2014.	\$9,200.00
Kitchell	Construction management services for the month of June 2014.	\$8,800.00
Kleinfelder	Special testing and inspection services consisting of: consulting services and bolt testing. Bill thru 6/15/14.	\$2,579.50
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated arts studio building. Invoice 27308511.	\$213.40
PARC Environmental	Hazardous abatement services for the art department modernization buildings.	\$5,194.50
Ausonio	Payment application #10.	\$95,460.00
Ausonio	Payment application #11.	\$60,496.00
Axiom	Commissioning services for the period 8/17/14-9/13/14.	\$640.00
Axiom	Commissioning services for the period 7/20/14-8/16/14.	\$1,280.00
California Cleaning & Restoration	Post construction cleaning services for the arts complex.	\$6,824.00
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37043.	\$935.00
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37037.	\$2,845.50
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37130.	\$1,555.00
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37138.	\$2,390.00
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37140.	\$1,650.00

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
<u>Arts Complex (continued)</u>		
Cardinale Moving	Provide moving services from the swing space to the arts ceramic building. Invoice 37156.	\$805.00
Clay People	Kiln setup and repairs. Invoice 45183.	\$1,017.75
Clay People	Additional kiln repairs. Invoice 45239.	\$1,149.21
Collins Electric Co	Lighting retrofit and controls project for replacing all the COBRA head parking lot lights to L.E.D. fixtures provided by the District.	\$141,808.00
Electrical Distributors	Purchase of flood lamps for art studio track lighting.	\$268.75
GBMI	Inspection services for the month of July 2014.	\$2,400.00
HGHB	Professional design services consisting of: post construction services. Service for July 2014.	\$2,760.00
HGHB	Professional design services consisting of: construction administration. Service for July 2014.	\$550.00
Kitchell	Construction management services for the month of July 2014.	\$8,800.00
Kitchell	Construction management services for the month of August 2014.	\$8,800.00
Kleinfelder	Special testing and inspection services consisting of: consulting services. Bill thru 7/13/14.	\$451.00
Kleinfelder	Special testing and inspection services consisting of: administrative services. Bill thru 8/10/14.	\$392.00
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27338127.	\$117.37
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27366382.	\$618.86
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27395691.	\$533.50
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27460559.	\$2,715.72
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27577745.	\$4,726.81
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27490177.	\$3,854.43
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27517878.	\$8,104.06
Manpower	Provide labor to pack up print making and painting labs for move back into the renovated art studio building. Invoice 27547122.	\$3,805.78
Otto Construction	Move and install shelving from the general classroom to the art studio building.	\$3,690.00
Epico Systems Inc.	Contractor provided the labor and material for the installation of 24 CAT6 CMR rated cables from nearest IDF closet to Room 106.	\$3,469.00

Monterey Peninsula College Bills & Warrants Report Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
<u>Arts Complex (continued)</u>		
Development Group	Purchase of technology equipment for the art department: Aironet 2.4 ghz 4dbi and 5ghz 7 dbi dual band OMNI Ant Connector, Catalyst 3850 48 port POE IP Base, 1000 Base T SFP, 100 AP adder lic for 550 Controller Edelivery, 10G Base LR SFP module, C6K 8 port 10GB Ethernet module with dfc3c, 12 TB raw, 8-16 TB usable, 320 GB flash Cache.	\$121,192.10
Epico Systems Inc	Provide labor and materials for the installation of 5 CAT 6 cables from nearest IDF cabinet to the drafting room.	\$1,570.00
To Date Expense through September 30, 2014		<u>\$3,645,116.97</u>
<u>Music Building</u>		
<i>Total Expense at June 30, 2014</i>		\$23,770.35
	No new expense this period.	\$0.00
To Date Expense through September 30, 2014		<u>\$23,770.35</u>
<u>PE Phase II (Gym/Locker Room Renovation)</u>		
<i>Total Expense at June 30, 2014</i>		\$3,810,035.95
	No new expense this period.	\$0.00
To Date Expense through September 30, 2014		<u>\$3,810,035.95</u>
<u>Pool Building</u>		
<i>Total Expense at June 30, 2014</i>		\$307,835.61
Kitchell	Construction management services for the month of June 2014.	\$9,757.00
David Foord	Inspection services for the month of August 2014.	\$225.00
HGHB	Professional design services consisting of: post construction services for the month of July 1, 2014 to August 31, 2014.	\$2,366.00
Kitchell	Construction management services for the month of July 2014.	\$9,757.00
Kitchell	Construction management services for the month of August 2014.	\$9,757.00
To Date Expense through September 30, 2014		<u>\$339,697.61</u>

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
		<i>Total Expense at June 30, 2014</i>
<u>Pool/Tennis Court Renovation</u>		<i>\$1,565,522.71</i>
Ausonio	Payment application #8.	\$35,424.00
Ausonio	Payment application #9.	\$94,733.00
Circle C Electric	Labor and materials to install additional grounding to light poles at pool.	\$310.78
Kleinfelder	Special inspection for the pool final reports. Invoice 1020571.	\$2,138.75
Kleinfelder	Special inspection for the pool final reports. Invoice 1025638.	\$3,368.75
Otto Construction	Relocate shed on tennis courts after portables were removed.	<u>\$920.00</u>
		To Date Expense through September 30, 2014
		<u>\$1,702,417.99</u>
		<i>Total Expense at June 30, 2014</i>
<u>Furniture/Equipment</u>		<i>\$4,770,302.59</i>
Development Group	Purchase of technology equipment for the student center consisting of: standard pole wall mount kit for ap 1530, Aironet 2.4 ghz 4dbi and 5ghz 7 dbi dual band OMNI Ant Connector, Aironet 11 AC CTLR AP 4x4 3 ss with clean air INT ANT A Reg Domain, Catalyst 3850 2x10 ge network module, IP Phones 7821 standard handset 2 line 3.5 display, 1000 base T SFP, 10G Base LR SFP module, Catalyst 3850 48 port POE IP Base, Oberon right angle wall bracket.	\$103,065.65
Apple Computer	Purchase 4 MacBook Pro 13-inch for the ceramics and digital art classrooms.	\$6,027.70
Apple Computer	Purchase 4 AppleCare protection plan for the ceramic and digital art classrooms.	\$732.00
Bailey Pottery Equipment	Purchase 4 glaze tables for the ceramics classroom.	\$3,670.00
CDW Government Inc	Purchase 4 computer drives for student center smart classrooms.	\$428.50
CDW Government Inc.	Purchase 4 INTEL D5425wyk1 NUC system for student center smart classrooms.	\$1,702.75
Clay Planet	Purchase 1 Peter Pugger Pugmill Model #VPM-30 vacuum power wedger to be used in the art complex building.	\$6,122.13
Contrax	Purchase furniture for the art complex building consisting of: guest chairs, mid-back conference chairs, flipper storage unit, desks, later files, rectangular tables, and tack boards.	\$45,427.91
Contrax	Purchase 4 round expandable picnic tables for the student center.	\$4,428.24
Contrax	Purchase 52 stools- all plastic for the student center.	\$10,797.72
Contrax	Purchase furniture for the student center consisting of: guest chairs, square bench, bulexi love seat, bulexi sofa, high tech compact chair, uxl stack chair, training/task table, desks, bookcases, flipper door storage unit, dual wall mounts, lateral files, task boards, and task lights.	\$152,281.41
Contrax	Purchase of: armless stack chairs for the student center.	\$617.92
Development Group	Purchase of: 1 wall/pole mount kit for outside access point at the student center.	\$215.93
Development Group	Purchase of: 1 Aironet low profile outdoor AP external antenna, and 1 CISCO smartnet 5508 controller.	\$5,305.31
Development Group	Purchase of: 1 spare wall mount kit for uc phone 7800 series.	\$1,312.16
Dong Vinh Inc.	Purchase of: 1 Fryer, gas, floor model, full pot, for the student center.	\$1,620.38

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
Furniture/Equipment (continued)		
Grainger	Purchase of: 1 electric air compressor, 4 Pad, anti vibration, and 1 air compressor oil for the ceramics classroom.	\$1,048.55
J. Ballard & Son Upholstery	Upholster 6 seats and seat backs of chairs in the student center.	\$3,519.00
Laguna Clay Co.	Purchase of 5 Brent Ware carts, cart shelves and plastic covers for the ceramics classroom.	\$3,502.63
Laguna Clay Co.	Purchase of 3 Brent Ware carts, cart shelves and plastic covers for the ceramics classroom.	\$2,083.31
Media Systems Group	Labor to install district purchased smart classroom equipment for the arts building.	\$10,400.00
Media Systems Group	Purchase of art smart classroom equipment consisting of: Sharp 70" 1080p LED display, Extron media presentation switcher, under desk mount kits, Media Link controller, JBL pro premium shielded monitor speakers, Toshiba dvr/dvd, cables, connectors, and adjustable mounting pole for ceiling mount.	\$42,214.61
Media Systems Group	Purchase of student center smart classroom equipment consisting of: Sharp 70" 1080p LED display, JBL pro premium shielded monitor speakers, cabling and connectors, Extron media presentation switcher with dtp, hdmi cables, and installation labor.	\$35,251.01
Monterey Signs Inc.	Provide interior directional signs and exterior parking signs for the student center.	\$1,896.38
Performance Tool Line Center	Purchase 1 deluxe 14" wood cutting bandsaw for the arts complex sculpture classroom.	\$1,503.93
Performance Tool Line Center	Purchase 1 deluxe 18" wood cutting bandsaw for the arts complex sculpture classroom.	\$3,223.93
Performance Tool Line Center	Purchase 1 Excalibur EX-30K 30in scroll saw, stand, foot switch for the art complex sculpture classroom.	\$1,106.18
Performance Tool Line Center	Purchase 1 General 75-915T M1 electronic variable speed drill press for the art complex sculpture classroom.	\$3,116.43
Performance Tool Line Center	Purchase 1 SawStop 3 hp, 10 inch, professional grade cabinet saw for the art complex sculpture classroom.	\$4,205.40
Resource Solutions	Purchase of custodial equipment for the student center consisting of: 1 carpet extractor, 2 HEPA upright vacuum, and 1 - 20" auto scrubber pad.	\$6,621.13
Resource Solutions	Purchase of: trash receptacles, runner floor mats and tray top receptacles for the student center building.	\$12,528.81
Sterling Machinery Exchange	Purchase of: 1 -20" Acra disc sander for the art complex-sculpture program.	\$1,881.25
Takach Press Corporation	Purchase of: 1 Roper Whitney bench shear model 125 for the art complex - 2-D studio.	\$1,906.00
Van Sant Enterprises	Purchase of: 1 Dake Cut 250 manual cold saw for the art complex-sculpture program.	\$2,585.28
US Bank-www.Grizzly.com	Purchase of: 1 Oscillating Spindler sander to be used for the art complex-sculpture program.	\$824.00
US Bank-FreightCenter.com	Freight charges for delivery of Acra disc sander for the art complex-sculpture program.	\$225.00
US Bank-Miller Welder Sales	Purchase of: 1 Miller Millermatic 180 MIG with cart and spoolmate 100 for the art complex -sculpture program.	\$1,250.00
US Bank-GoTorch	Purchase of: 1 Go Torch Model 2-2 Plasma Cutting System for the art complex - sculpture program.	\$3,125.00
US Bank-Cyber Weld	Purchase of: 1 Miller LMSW -52 Spot Welder for the art complex-sculpture program.	\$694.00
US Bank-www.wttool.com	Purchase of: 1 combination sander Shop Fox for the art complex - sculpture program.	\$817.00
US Bank-Home Depot	Purchase of: 1- 48 in. W x 24 in. D work bench model ub 400 for the art complex - ceramics program.	\$127.23
US Bank-Amazon.com	Purchase of: 1 HTC HOR=1038U folding 37-inch x 31 - inch table saw outfeed material support roller table for the art complex - sculpture program.	\$422.13

Monterey Peninsula College Bills & Warrants Report Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
Furniture/Equipment (continued)		
US Bank -McMaster-Carr	Purchase of: 1 Bench-Mount rod cutter, for the art complex - sculpture program.	\$535.07
US Bank -Laguna Clay Co.	Purchase of: 1 Paasche Sprayer kit for the art complex - ceramic program.	\$111.52
US Bank - Welding Supplies	Purchase of: 1 Hypertherm Powermax 65 Plasma cutter G4 with 25' hand torch for the art complex - sculpture program.	\$2,582.00
US Bank - Naab Sales Corp.	1 ELLIS drill press 9400 for the art complex - sculpture program.	\$3,860.00
US Bank - Sheffield Pottery Inc.	Purchase of: 1-Laguna Pro-X spray booth for the art complex - ceramic program.	<u>\$1,209.69</u>
To Date Expense through September 30, 2014		<u>\$5,268,434.77</u>
<i>Total Expense at June 30, 2014</i>		<i>\$5,737,490.70</i>
Swing Space		
Mobile Modular Mgmnt Corp	Rental of classroom trailer 49127. Rent from 5/31/14-6/29/14.	\$80.63
American Reprographics Co	Printing services. Invoice 1017572.	\$91.38
Cardinale Moving & Storage	Pick up of 1 SAM storage unit.	\$59.00
Cardinale Moving & Storage	Final pick up of 6 SAM storage units.	\$295.00
Collins Electric Co	Professional services consisting of: labor to remove power feed to the container and the lights in the container.	\$188.00
Mobile Modular Mgmnt Corp	Rental of classroom trailer 31638. Rent from 8/1/14-8/30/14.	\$588.03
Mobile Modular Mgmnt Corp	Rental and return of classroom trailer 49127. Rent from 6/30/14-7/29/14.	\$80.63
Mobile Modular Mgmnt Corp	Return fuel charge and return haulage for trailer 49127.	\$155.00
Mobile Modular Mgmnt Corp	Rental of classroom trailer 39581. Rent from 7/8/14-8/6/14.	\$420.00
Mobile Modular Mgmnt Corp	Rental of classroom trailer 31638. Rent from 7/2/14-7/31/14.	\$588.03
Mobile Modular Mgmnt Corp	Removal and return charge of classroom trailer 39581.	\$4,976.25
Mobile Modular Mgmnt Corp	Rental and prorated credit for final month of use of classroom trailer 39581. Charge for 8/7/14-9/5/14.	\$210.00
Mobile Modular Mgmnt Corp	Rental of classroom trailer 31638. Rent from 8/31/14-9/29/14.	\$588.03
Modular Solutions Inc.	Professional services consisting of: moving MPC owned modular building from Monterey campus to Marina Education Center.	\$914.00
Otto Construction	Professional services consisting of: disconnect electrical, fire, plumbing, and miscellaneous items from portable units for relocating to other locations.	\$11,670.00
Otto Construction	Professional services consisting of: demo skirt around bottom of trailers and haul off material, clean up debris under trailers.	\$1,169.00
Otto Construction	Repair concrete curb.	\$578.00
PSTS	Professional services consisting of: pump out the 10 gallon grease trap for removal from portable kitchen.	\$145.00
Williams Scotsman	Rental of ADA rental trailer. Rental from 7/20/14-8/19/14.	\$258.00
Williams Scotsman	Rental payment of unit AME-00440 for the period 7/29/14-8/28/14.	\$1,247.40
Williams Scotsman	Rental payment of unit CPX-62795 for the period 7/29/14-8/28/14.	\$409.20
Williams Scotsman	Rental payment of unit AME-00440 for the period 6/29/14-7/28/14.	\$1,247.40

Monterey Peninsula College Bills & Warrants Report Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
Swing Space (continued)		
Williams Scotsman	Rental of ADA rental trailer. Rental from 6/20/14-7/19/14.	\$258.00
Williams Scotsman	Rental payment of unit CPX-62795 for the period 6/29/14-7/28/14.	\$409.20
Williams Scotsman	Removal and knockdown of ADA rental trailer.	\$960.00
Williams Scotsman	Removal and knockdown of unit AME-00440.	\$5,948.52
Williams Scotsman	Removal and knockdown of unit CPX-62795.	\$3,788.22
American Lock & Key	Re-key 14 locks at swing space locations.	\$410.00
	To Date Expense through September 30, 2014	<u>\$5,775,222.62</u>
General Institutional Bond Mgmt.		
	<i>Total Expense at June 30, 2014</i>	<i>\$5,639,265.60</i>
American Reprographics	PlanWell monthly user fee. Invoice 1010194.	\$52.25
Kitchell	Program management services for June 2014.	\$14,440.00
American Reprographics	PlanWell monthly user fee. Invoice 1029025.	\$52.25
American Reprographics	Print mpc campus map.	\$91.38
American Reprographics	PlanWell retrieval Parking Lot B expansion. Invoice 1043386.	\$85.46
American Reprographics	PlanWell monthly user fee. Invoice 1047993.	\$52.25
C2G Civil Consultants	Division of State Architect fee for reopening Parking Lot B project.	\$500.00
Division of State Architect	Additional fee for close-out on baseball restroom project.	\$760.24
Kitchell	Project management services for the month of July 2014.	\$13,715.00
Kitchell	Project management services for the month of August 2014.	\$15,020.00
Division of State Architect	Re-opening fee for baseball backstop project.	\$500.00
Division of State Architect	Re-opening fee for physical science swing space project.	\$500.00
Division of State Architect	Re-opening fee for portable village swing space project.	\$500.00
Division of State Architect	Re-opening fee for gymnasium swing space project.	\$500.00
Division of State Architect	Re-opening fee for baseball restroom project.	\$500.00
Division of State Architect	Re-opening fee for life science swing space project.	\$500.00
	To Date Expense through September 30, 2014	<u>\$5,687,034.43</u>
Theater Building		
	<i>Total Expense at June 30, 2014</i>	<i>\$10,382,736.18</i>
	No new expense this period.	<u>\$0.00</u>
	To Date Expense through September 30, 2014	<u>\$10,382,736.18</u>

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
		<i>Total Expense at June 30, 2014</i>
		<i>\$6,453,120.90</i>
Infrastructure Phase III		
Barco's Outdoor Products	Purchase 10 big bump end cap and hardware.	\$381.96
US Bank-SpeedBumpandHumps	Purchase of: 2 standard speed bumps and 3 standard speed bumps for Parking Lot E & F.	\$4,763.50
		To Date Expense through September 30, 2014
		\$6,458,266.36
		<i>Total Expense at June 30, 2014</i>
		<i>\$70,498.52</i>
PSTC Parker Flats		
	No new expense this period.	<u>\$0.00</u>
		To Date Expense through September 30, 2014
		\$70,498.52
		<i>Total Expense at June 30, 2014</i>
		<i>\$3,061,678.40</i>
Humanities, Bus-Humanities, Student Services		
Kitchell	Construction management services for the month of June 2014.	\$8,500.00
Otto Construction	Payment application #26.	\$452,569.00
Otto Construction	Contractor to install district provided speed bumps in Parking Lot E.	\$1,519.00
HGHB	Professional design services consisting of: post construction documents for July 2014.	\$7,197.20
Kitchell	Construction management services for the month of July 2014.	\$7,000.00
Kleinfelder	Special inspection and testing services. Service from 6/16/14-7/13/14.	\$1,724.00
Otto Construction	Contractor to repair feeder cable splice at the humanities building.	\$1,198.00
		To Date Expense through September 30, 2014
		\$3,541,385.60
		<i>Total Expense at June 30, 2014</i>
		<i>\$10,825,812.23</i>
Life Science & Physical Science		
HGHB	Professional design services consisting of: post construction services. Service for July 2014.	\$5,932.49
		To Date Expense through September 30, 2014
		\$10,831,744.72

Monterey Peninsula College		
Bills & Warrants Report		
Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
<u>Miscellaneous</u>		
	<i>Total Expense at June 30, 2014</i>	<i>\$0.00</i>
C2G Civil Consultants	Schematic design services for sidewalk improvements around lecture forum, lecture forum bridge, and sidewalk improvements at the Russell/Hansen Bridge and the business and computer science building. 90% complete.	\$19,800.00
C2G Civil Consultants	Schematic design services for sidewalk improvements around lecture forum, lecture forum bridge, and sidewalk improvements at the Russell/Hansen Bridge and the business and computer science building. 100% complete.	\$2,200.00
Otto Construction	Contractor to grind and patch sidewalks through out campus.	\$7,698.00
Fluid Networking Solutions	Project management and process analysis technology support. Service from 6/27/14-7/16/14.	\$2,280.00
Fluid Networking Solutions	Project management and process analysis technology support. Service from 7/17/14-7/31/14.	\$1,500.00
Matthew Lattanzio	Project management and process analysis technology support. Service from 7/17/14-7/31/14.	\$1,500.00
Matthew Lattanzio	Project management and process analysis technology support. Service from 8/1/14-8/17/14.	\$4,200.00
Matthew Lattanzio	Project management and process analysis technology support. Service from 8/18/14-8/28/14.	\$4,320.00
Matthew Lattanzio	Project management and process analysis technology support. Service from 9/2/14-9/14/14.	<u>\$4,200.00</u>
	To Date Expense through September 30, 2014	<u>\$47,698.00</u>
<u>Closed Projects</u>		
Old Library		\$21,279.52
Early Start - Walkway/Safety Improvements		\$225,630.18
Early Start -Telephone System Upgrades		\$599,414.48
Early Start - As Built Drawings		\$209,792.00
Early Start - Roof Repairs		\$480,255.64
Early Start - HVAC Repairs	Social Science/Computer Science buildings.	\$618,538.68
Early Start - Landscaping	Library technology area.	\$438,292.96
Early Start - Vehicles		\$187,070.27
Early Start - Master Signage Plan		\$53,890.42
Early Start - Auto Technology Bldg	HVAC replacement.	\$16,443.00
Drafting Bldg	Furnace replacement.	\$13,974.00
Early Start - New Plant Services Bldg	Costs over state funding for new building.	\$487,574.35
Early Start - Demolition of Old Plant Services Bldg		\$63,521.68
Environmental Impact Report - Campus		\$154,162.67
Business & Computer Science Bldg	Seismic design.	\$7,981.84
Humanities Bldg	Seismic design.	\$16,375.04

Monterey Peninsula College Bills & Warrants Report Through September 30, 2014		
Vendor Name	Description of service or purchase	Amount Paid
Closed Projects (continued)		
International Center Bldg	Blue Prints.	\$14.71
Physical Science Bldg	Architectural Services, for potential elevator replacement.	\$6,986.44
Life Science Bldg	Architectural Services, for potential elevator replacement.	\$7,793.83
Pool/Tennis Courts	Preliminary architectural services.	\$206.00
Physical Education Facility		\$1,488,294.29
PE Field/Track		\$14,848,446.67
Fitness Phase IB		\$899,827.93
College Center Renovation		\$23,608.41
Social Science Renovation		\$863,696.74
Music/Theater Building		\$22,732.50
Family and Consumer Science		\$67,671.12
Gymnasium Building	Floor/Seismic/Bleachers.	\$877,847.00
Lecture Forum Renovation		\$2,117,203.20
Child Development Center		\$1,029,198.71
Infrastructure/Parking		\$20,886,001.04
Infrastructure 2		\$2,481,606.93
New Administration/Old Library Building		\$4,712,191.10
Public Safety Training Center Renovation		\$7,478,201.30
Auto Technology Building Renovation		\$958,602.22
Business & Computer Science (includes Math)		\$2,215,417.93
New Student Services Building		\$9,681,388.03
New Education Center at Marina		\$8,159,654.52
	To Date Expense (closed projects) through September 30, 2014.	<u>\$82,420,787.35</u>
	Total Payments (Closed Projects, Under Construction, and Planned Projects)	<u><u>\$146,106,041.16</u></u>

BOND EXPENDITURE REPORT 9/30/14

Total Budget With Other Funds	Projects	A Total Bond Budget	B Total Bond Prior Year Expenses	C 2014-2015	A-B-C	(B+C)/A	
				Year to Date Bond Payments	Bond Budget Balance	% Bond Cost	% Construction Schedule
	In Process						
\$4,724,000	Arts Complex	\$4,724,000	\$3,262,984	\$382,133	\$1,078,883	77%	100%
\$5,952,000	College Center Renovation	\$5,952,000	\$5,715,128	\$386,065	(\$149,193)	103%	100%
\$4,000,000	Furniture & Equipment	\$5,685,000	\$4,873,368	\$395,066	\$416,566	93%	99%
\$7,690,000	Humanities, Bus-Hum, Student Services	\$3,296,000	\$3,524,268	\$17,119	(\$245,387)	107%	100%
\$6,466,000	Infrastructure - Phase III	\$6,466,000	\$6,450,503	\$7,763	\$7,734	100%	100%
\$10,750,000	Life Science/Physical Science	\$10,750,000	\$10,831,744	\$0	(\$81,744)	101%	100%
\$3,830,000	PE Phase II - Gym/Locker Room Renov.	\$3,830,000	\$3,804,104	\$5,932	\$19,964	99%	100%
\$2,640,519	Pool/Tennis Courts Renovation	\$2,640,519	\$2,013,583	\$28,533	\$598,403	77%	100%
\$4,600,000	Swing Space / Interim Housing	\$5,800,000	\$5,737,079	\$38,144	\$24,777	100%	99%
\$10,400,000	Theater	\$10,400,000	\$10,382,736	\$0	\$17,264	100%	100%
\$0	Miscellaneous	\$0	\$0	\$47,698			
\$1,667,699	General Contingency	\$0	\$0	\$0	\$0	0%	0%
\$62,720,218	Total in Process	\$59,543,519	\$56,595,497	\$1,308,453	\$1,687,267		
	Future						
\$1,200,000	Music	\$1,200,000	\$23,770	\$0	\$1,176,230	2%	0%
\$12,000,000	PSTC Parker Flats	\$6,000,000	\$70,500	\$0	\$5,929,500	1%	0%
\$13,200,000	Total Future	\$7,200,000	\$94,270	\$0	\$7,105,730		
	Completed						
\$1,057,576	Early Start/Completed-HVAC Repairs	\$618,539	\$618,539	\$0	\$0	100%	100%
\$2,965,574	Early Start/Completed-New Plant Serv Bldg	\$487,574	\$487,574	\$0	\$0	100%	100%
\$599,414	Early Start/Completed-Telephone System	\$599,414	\$599,414	\$0	(\$0)	100%	100%
\$67,671	Family Consumer Science	\$67,671	\$67,671	\$0	\$0	100%	100%
\$1,517,774	Gym - floor/seismic/bleachers	\$877,847	\$877,847	\$0	\$0	100%	100%
\$2,481,607	Infrastructure - Phase II	\$2,481,607	\$2,481,607	\$0	\$0	100%	100%
\$20,886,001	Infrastructure - Phase I	\$20,886,001	\$20,886,001	\$0	\$0	100%	100%
\$2,117,203	Lecture Forum Renovation	\$2,117,203	\$2,117,203	\$0	\$0	100%	100%
\$7,427,191	New Admin / Old Library Renovation	\$4,712,191	\$4,712,191	\$0	(\$0)	100%	100%
\$5,413,198	New Child Development Center Bldg	\$1,029,198	\$1,029,198	\$0	\$0	100%	100%
\$21,420,211	Other Early start / completed	\$1,950,012	\$1,950,012	\$0	\$0	100%	100%
\$17,336,569	PE Field Track, Fitness Building	\$17,236,569	\$17,236,569	\$0	\$0	100%	100%
\$863,697	Social Science Renovation (inc. Seismic)	\$863,697	\$863,697	\$0	\$0	100%	100%
\$7,478,201	Public Safety Training Center Renov.	\$7,478,201	\$7,478,201	\$0	\$0	100%	100%
\$1,000,000	Auto Technology Building	\$958,602	\$958,602	\$0	(\$0)	100%	100%
\$2,300,000	Business Computer Science	\$2,215,418	\$2,215,418	\$0	\$0	100%	100%
\$8,300,000	New Ed Center Building at Marina	\$8,300,000	\$8,159,654	\$0	\$0	98%	100%
\$9,700,000	New Student Services Building	\$9,700,000	\$9,681,388	\$0	\$0	100%	100%
\$112,931,887	Total Completed	\$82,579,744	\$82,420,787	\$0	(\$1)		
\$188,852,105	Total All Projects	\$149,323,263	\$139,110,554	\$1,308,453	\$8,792,996		
	General Institutional-Bond Management		\$5,635,768	\$51,266			
	Total Bond Funds Spent to Date		\$144,746,322	\$1,359,719			
			\$146,106,041				



Citizens' Bond Oversight Committee

ANNUAL REPORT

2013-2014

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November 4, 2013	
March 3, 2014	
June 16, 2014	
August 4, 2014	

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STATEMENT OF COMPLIANCE

This Annual Report is submitted to the Board of Trustees by the Monterey Peninsula Community College District Citizens' Bond Oversight Committee. The Committee advises that, to the best of its knowledge, the Monterey Peninsula Community College District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. In particular, bond revenue has been expended only for the purposes so described in Measure I. As prohibited by Article XIII A, Section 1(b)(3)(a) of the California Constitution, no funds were used for any teacher or administrative salaries or other operating expenses.

Respectfully Submitted By: _____

Birt Johnson, Jr., Chair
Citizens' Bond Oversight Committee

Date: November 17, 2014

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INTRODUCTION

At the election conducted on November 5, 2002, the Monterey Peninsula Community College District was successful in obtaining more than 55% voter approval for Measure I to issue and sell general obligation bonds in the amount of \$145,000,000 to fund specific facility projects. The bond election for Measure I was conducted under Proposition 39 regulations.

Pursuant to Education Code Section 15278, the Board of Trustees established the Citizens' Bond Oversight Committee (CBOC) at their meeting on February 25, 2003 to satisfy the accountability requirements of Proposition 39.

The Citizens' Bond Oversight Committee Bylaws, setting forth the duties and rights of the Committee, were also adopted by the Board at the February 25, 2003 meeting.

The three primary duties of the Citizens' Bond Oversight Committee are to inform the public concerning the District's expenditure of bond proceeds, review and report on the expenditure of taxpayers' monies, and advise the public on the District's compliance with Proposition 39.

To accomplish these duties and as required in the bylaws, the CBOC submits this annual report to the Board of Trustees. The CBOC expresses its appreciation to District staff for their support of the committee's work and activities.

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE

November 17, 2014

PHOTO OF COMMITTEE

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SUMMARY OF THE COMMITTEE'S PROCEEDINGS AND ACTIVITIES FOR 2013-2014

COMMITTEE MEMBERSHIP

The Bylaws require that the CBOC consist of a minimum of seven members representing students, the business community, senior citizens organization, taxpayers association, college support organization, and the community at large.

Committee members serve without compensation and may be appointed for no more than two consecutive two-year terms. Among those ineligible to serve are elected officials, employees, vendors, contractors, or consultants of the District.

Currently, the committee is composed of ten members, appointed by the Board of Trustees. In November 2013, five members (Wayne Cruzan, Dr. Sophal Ear, Rick Heuer, Birt Johnson, Jr., and James Panetta,) completed their first term on the committee and were reappointed by the Board of Trustees for a second term. Dr. Sophal Ear, community at-large member, subsequently resigned from the committee in August 2014 due to his relocation out of the area.

In accordance with the Bylaws, officers were selected at the annual organizational meeting on November 4, 2013. Dr. Tribley appointed Birt Johnson, Jr. to serve as Chair and Robert Mulford was elected by the committee to serve as Vice Chair.

The officers and members who served during the past year are as follows:

Wayne Cruzan	2-year second term, 11/2013 – 11/2015
Sophal Ear	2-year second term, 11/2013 – 11/2015
J. Alan Fagan	2-year second term, 11/2012 – 11/2014
J. Stewart Fuller	2-year second term, 11/2012 – 11/2014
Rick Heuer	2-year second term, 11/2013 – 11/2015
Birt Johnson, Jr., Chair	2-year second term, 11/2013 – 11/2015
Bob Mulford, Vice Chair	2-year second term, 11/2012 – 11/2014
James Panetta	2-year second term, 11/2013 – 11/2015
Niels Reimers	2-year second term, 11/2012 – 11/2014
Maury Vasquez	2-year initial term, 6/2013 – 11/2014

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MEETINGS AND ACTIVITIES OF THE CITIZENS' BOND OVERSIGHT COMMITTEE

The committee conducts its meetings in accordance with provisions of the Ralph M. Brown Public Meetings Act, Government Code Sections 54950 et seq. Meeting notices and agendas are sent to members of the committee within the required period of time, posted at the Monterey Peninsula College Administration Building, and sent to local media.

The college's bond website (<http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure>) includes a page specifically designated for the committee's activities where the meeting schedule, agendas, minutes, and annual reports are posted.

During 2013-14, the committee convened four quarterly meetings. The annual organizational meeting of the committee was held November 4, 2013, with subsequent meetings held on March 3, 2014, June 16, 2014, and August 4, 2014. The primary location for the meetings was the Sam Karas Room in the Library & Technology Center on the Monterey campus.

At the meetings held during 2013-14, the committee received status updates on bond projects and reviewed bond program expenditures. The November 2013 meeting included a tour of the renovated Physical Science building and approval of the committee's annual report. At the March meeting, the committee welcomed the District's new interim vice president, Mr. Earl Davis. The committee also reviewed the 2012-13 independent financial and performance audit reports for the District's bond funds. The June meeting began with a tour of renovation projects at the Monterey campus, including the Humanities building and refurbished swimming pool facilities. At the August meeting, the committee toured the Student Center, Art Studio, and Art Ceramics buildings, all recently completed renovation projects. The tax rate for the Measure I bond was reviewed and staff provided a report on the District's five year construction plan.

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FINANCIAL REPORT OF THE CITIZENS' BOND OVERSIGHT COMMITTEE

The first bond issuance, Series A, was conducted on June 18, 2003. Total principal amount issued was \$40 million. The Series A bond was refinanced in December 2005, increasing the principal amount to \$44,240,052. The second and third series of bonds were issued in January 2008. In Series B, \$9,004,530 of taxable bonds were issued, with no time limit for expenditure. The principal amount of the Series C issuance was \$95,994,770 of tax exempt bond funds that were anticipated to be 85% expended within five years.

In June 2013, a portion of the 2005 refunding bonds and Series C bonds were refinanced, resulting in the issuance of \$19.2 million of tax-exempt bonds and \$14.5 million of taxable bonds at interest rates of 1.52% and 2.02% respectively. As the average interest rate of the bonds prior to the refunding was 4%, \$1.38 million in interest savings was generated for the District's taxpayers.

The bond funds have been invested in Monterey County's investment portfolio, with a portion of the funds placed in custom investments outside of the general pool to generate higher interest earnings. The college was notified that the last of the custom investments matured in January 2014. In 2013-14, interest earnings totaled \$342,187 through June 30, 2014. In addition, the college received \$39,742, an apparent recoupment of interest lost from the Lehman Brothers bankruptcy in 2008-09.

In 2002, a property tax rate of \$23.89 per \$100,000 of assessed value was projected when the District's bond measure was approved. The tax rate for Measure I in 2014 was \$15.77. Since the first bond issuance in 2003, the average tax rate has been \$21.06.

Expenditures and payments made from bond funds have been regularly reviewed and accepted by the committee during the course of the year. The annual expenditure report on the following pages shows expenditures for the report period of October 1, 2013 through September 30, 2014 and total expenditures since bond inception.

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MPC Bond Expenditure Report July 1, 2003 through September 30, 2014

Receipts:	Prior	10/1/2013- 09/30/2014	Total
Bond Principal – Series A	\$40,000,000	\$0	\$40,000,000
Refinancing - Series A	\$4,240,052	\$0	\$4,240,052
Bond Principal - Series B, taxable	\$9,004,530	\$0	\$9,004,530
Bond Principal - Series C, nontaxable	\$95,994,770	\$0	\$95,994,770
Interest Income*	\$8,844,929	\$342,187	\$9,187,116
Interest Write-off**	(\$1,878,835)	\$0	(\$1,878,835)
Interest Recovery**	\$665,149	\$39,742	\$704,891
Total Receipts	\$156,870,595	\$381,928	\$157,252,523

* Interest income is through June 30, 2014

** All bond funds are currently on deposit with the Monterey County Investment Pool. The interest write-off and recovery occurred due to the Lehman Brothers and Washington Mutual bankruptcy filings in 2008.

Expenditures:

Completed Projects:

As Built Drawings	\$209,792	\$0	\$209,792
Automotive Technology -- HVAC	\$16,443	\$0	\$16,443
Auto Technology Addition	\$958,602	\$0	\$958,602
Business Computer Science	\$2,215,418	\$0	\$2,215,418
Business Computer Science Building - Seismic Design	\$7,982	\$0	\$7,982
Child Development Center	\$1,029,199	\$0	\$1,029,199
College Center Renovation	\$23,608	\$0	\$23,608
Demolition of Old Plant Services	\$63,522	\$0	\$63,522
Drafting Building	\$13,974	\$0	\$13,974
Environmental Impact Report	\$154,163	\$0	\$154,163
Family and Consumer Science Renovation	\$67,671	\$0	\$67,671
Gym - Floor/Seismic/Bleachers	\$877,847	\$0	\$877,847
Humanities Building - Seismic Design	\$16,375	\$0	\$16,375
HVAC Repairs	\$618,539	\$0	\$618,539
Infrastructure I (main campus utilities, parking lot A)	\$20,886,001	\$0	\$20,886,001
Infrastructure II (parking lots D, E, & F)	\$2,481,607	\$0	\$2,481,607
Landscaping – Library & Technology Center	\$438,293	\$0	\$438,293
Lecture Forum Remodel	\$2,117,203	\$0	\$2,117,203
Life Science -- Elevator Evaluation	\$7,794	\$0	\$7,794
Master Signage Program	\$53,890	\$0	\$53,890
New Admin/Old Library Renovation	\$4,712,191	\$0	\$4,712,191
New Education Center Building at Marina	\$8,159,655	\$0	\$8,159,655
New Facilities Building	\$487,574	\$0	\$487,574
New Student Services Building	\$9,681,388	\$0	\$9,681,388
Old Library Renovation Analysis	\$21,280	\$0	\$21,280
Miscellaneous	\$221	\$0	\$221

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Physical Education (Stadium, Fitness Center, etc.)	\$17,236,568	\$0	\$17,236,568
Physical Science -- Elevator Evaluation	\$6,986	\$0	\$6,986
Public Safety Training Center	\$7,478,201	\$0	\$7,478,201
Roof Repairs	\$480,256	\$0	\$480,256
Social Science Remodel	\$863,697	\$0	\$863,697
Telephone System Upgrades	\$599,414	\$0	\$599,414
Theater Light Board	\$22,733	\$0	\$22,733
Vehicles	\$187,070	\$0	\$187,070
Walkway/Safety Improvements	\$225,630	\$0	\$225,630

Completed Projects	\$82,420,787	\$0	\$82,420,787
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In Process:

Arts Complex	\$424,934	\$3,220,183	\$3,645,117
Bond Program Management	\$5,529,229	\$157,805	\$5,687,034
Student Center	\$434,935	\$5,666,259	\$6,101,194
Furniture/Equipment	\$4,658,892	\$609,543	\$5,268,435
Humanities, Bus-Hum, Student Services	\$2,054,889	\$1,486,497	\$3,541,386
Infrastructure - Phase III	\$6,435,470	\$22,796	\$6,458,266
Life & Physical Science	\$10,183,484	\$648,261	\$10,831,745
Music Building	\$23,770	\$0	\$23,770
PE Phase II - Gym/Locker Room Renov.	\$3,810,036	\$0	\$3,810,036
Pool/Tennis Courts Renovation	\$320,624	\$1,721,491	\$2,042,115
PSTC Parker Flats	\$70,499	\$0	\$70,499
Swing Space/Interim Housing	\$5,618,221	\$157,002	\$5,775,223
Theater	\$10,347,968	\$34,768	\$10,382,736
General Contingency	\$0	\$0	\$0
Miscellaneous	\$0	\$47,698	\$47,698
Management Expense for Custom Investment Portfolio***	\$45,272	\$0	\$45,272

In Process	\$49,958,223	\$13,772,303	\$63,730,526
Total Expenditures	\$132,379,010	\$13,772,303	****\$146,151,313

*** The District requested the Monterey County Treasurer to manage and place custom investments for a portion of the funds on deposit with the Treasurer. These investments were outside the general pool and included GE corporate bonds which generate a higher rate of return. The District was notified by the Treasurer's Office that the last security matured on 1/7/2014. There were no further interest postings to segregated investments after this date.

**** Total expenditures of \$146,151,313 equate to 93% of Measure I bond proceeds of \$157,252,523 being spent through September 30, 2014 on District bond projects. In addition, the District has been successful in securing matching funds from the state and other sources to augment bond proceeds and further address District facility needs. These matching funds will supplement bond proceeds by an estimated 40,704,037, resulting in total projected expenditures of \$197,956,560 for facilities projects by the end of the bond program.

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CAMPUS RENOVATION/CONSTRUCTION PROJECTS COMPLETED, IN PROCESS, AND PLANNED FOR THE FUTURE

September 30, 2014

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Library & Technology Center	This new 65,000 sq. ft., 3-story building houses the college's book and media collections and includes computer labs, classrooms, multi-media rooms, group study rooms, teleconferencing capability and a faculty lounge. The \$19.9 million project was primarily funded by the state, with \$438,000 provided by MPC bond funds. The facility was completed in July 2003.	\$438,293	\$19,470,000	\$19,908,293
Facilities Building	The new 18,440 sq. ft. building consolidates the college's plant services, warehouse, building maintenance, and grounds operations within one building. Old structures formerly housing these operations were demolished. The state funded \$2.48 million of the total project cost of \$2.97 million and MPC bonds provided funding of \$488,000. This project was completed in fall 2003.	\$487,574	\$2,478,000	\$2,965,574

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COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Early Start & Miscellaneous Projects	This group of projects include walkway and safety improvements, new IP phone system, new roofs on Life Science, Physical Science, Business-Computer Science, and Art Dimensional buildings, rebuilding the HVAC systems in Art Dimensional, Social Science, Business-Computer Science buildings, completing required campus wide CEQA reports, campus as-built site drawings, purchase of new vans and street cleaner. Dollar amounts given represent actual MPC bond expenses to date. Most of these projects were completed by 2004, with the exception of the campus CEQA environmental report, completed in March, 2006.	\$2,729,672	\$439,037	\$3,168,709
Community Stadium	This project completely refurbished and modernized the existing campus football stadium, track, and softball fields. The upgrades include synthetic football/soccer and softball fields, an eight lane all weather track, new bleachers and support facilities. MPC bond funds covered most of the \$13.5 million cost, with \$100,000 received from a state waste tire grant program for the artificial turf installed on the football field. The project was completed in spring 2007.	\$13,406,672	\$100,000	\$13,506,672
Fitness Center	This new 12,750 sq. ft., two-story building provides classrooms, offices, and a weight room. The old structure was demolished. The project was completed August, 2007.	\$3,829,897		\$3,829,897

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COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Child Development Center	This new three-building, 9,900 sq. ft. complex provides a child care facility serving the campus and community. The facilities also include a classroom and observation rooms that make up an academic laboratory to provide practicum experience for Child Development Program courses. The state funded \$4.4 million of the project with \$1 million contributed from MPC bond funds. The project was completed in October, 2007.	\$1,029,198	\$4,384,000	\$5,413,198
Infrastructure - Phase I	All of the campus infrastructure (underground utilities, roads, walkways, bridges, etc.) will be rebuilt under the bond program. Phase I makes up 77% of the total infrastructure work on campus and was completed in September, 2008.	\$20,886,001		\$20,886,001
Lecture Forum	The existing 18,545 square foot instructional building was remodeled to upgrade technology and improve acoustics. The HVAC system was replaced, restrooms rebuilt, new seating and floor covering installed, and the building repainted. The majority of work was completed August 2007 with minor work completed in summer 2008.	\$2,117,203		\$2,117,203
Social Science	The existing 12,580 square foot instructional building was remodeled to meet current seismic and ADA standards. The bathrooms were rebuilt, the HVAC system replaced, and new furniture, paint, and floor coverings were added. The majority of the work was completed August 2007 with minor work completed in summer 2008.	\$863,697		\$863,697

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COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Infrastructure - Phase II	This phase includes the rebuilding and expansion of parking lots D, E, & F, addition of campus wide emergency alarms, and rebuilding of the baseball backstop. The parking lots and alarm installation were completed in August 2008; the backstop was completed in August 2009.	\$2,481,607		\$2,481,607
Family Consumer Science	The existing facility was remodeled to repair the roof and upgrade the classroom. The project was substantially completed January 2009.	\$67,671		\$67,671
Gym	The upper floor of the existing gym was rebuilt, including seismic upgrades and gym floor and bleacher replacement. The project was accomplished using a combination of state scheduled maintenance funding and MPC bond funds. The project was completed in January 2009.	\$877,847	\$600,000	\$1,477,847
Administration Building Renovation	The former library building, consisting of 19,040 square feet, was remodeled to house campus administrative offices. The state funded \$2.715 million of the total cost with \$4.56 million contributed from MPC bond funds. Office move-in was accomplished in April 2009.	\$4,712,191	\$2,715,000	\$7,427,191
Public Safety Training Center Renovation	Two existing former Army buildings on Colonel Durham Road in Seaside at the former Fort Ord were renovated to provide classrooms and offices for public safety training programs. Construction began in July, 2008. The project was substantially completed in December 2009. Site drainage issues were resolved in summer 2010.	\$7,478,201		\$7,478,201

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COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Auto Technology Addition	This project consisted of a remodel and addition to the existing facility. The project was substantially completed in September 2010.	\$958,602		\$958,602
Business, Math, Computer Science	The existing Business Computer Science building was completely renovated. Former fiscal services and information technology offices were converted into math classrooms and a math learning center. A Final Project Proposal for the Business, Math and Science Buildings project that included the renovation of the Business Computer Science Building was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was subsequently approved. However, as state bond funding for community college facility projects has been uncertain, the District determined this project would go forward using bond funds only. Construction began in June 2010. The project was completed in February 2011.	\$2,215,418		\$2,215,418
Student Services Building	A new 22,000 sq. ft. building was constructed adjacent to the current Student Center, allowing the consolidation of student services offices at one location on the Monterey campus. Construction began in August 2009 and was substantially completed by March 2011. Offices were moved in phases and accomplished by May 2011.	\$9,681,388		\$9,681,388
Education Center at Marina	Temporary facilities were installed on the Education Center site on Imjin Parkway and 3rd Avenue in Marina in 2007. Construction of the first permanent academic facilities began in February 2010 and was substantially complete by August 2011, in time for the start of the fall 2011 semester.	\$8,159,655		\$8,159,655
Totals for Completed Projects		\$82,420,787	\$30,186,037	\$112,606,824

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PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Arts Complex	The Final Project Proposal to rebuild the existing Art Studio, Art Ceramics, Art Dimensional, and International Center buildings, and demolish the existing Drafting building was re-submitted to the state Chancellor's Office in July 2009 to request 50% state funding support and was approved. However, with state bond funding for community college facility projects being uncertain, the District will complete this project with local bond funds only. The project has been reduced in scope. A complete renovation of the Art Studio and Art Ceramics buildings was accomplished. Construction began in September 2013, and completed in late summer 2014, in time for fall semester. The Art Dimensional building will be improved as the budget allows, to include replacement of mechanical and electrical systems, exterior painting, and roofing.	\$4,724,000		\$4,724,000
Student Center Renovation	The Student Center has been renovated and all building systems repaired. The interior space was redesigned to better serve student support functions, including food service, bookstore, TRIO, ASMPC, student activities, and security. Construction was underway in September 2013, and completed in August 2014.	\$5,952,000		\$5,952,000
Furniture & Equipment	New furniture has been installed in all lecture classrooms. Funds have been used to provide furniture and equipment for the Business, Math, Computer Science building, the Education Center at Marina, the Public Safety Training Center in Seaside, the new Student Services building, the Life Science and Physical Science buildings, the Theater, Student Center, and Art buildings.	\$5,685,000		\$5,685,000

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PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Humanities, Business Humanities, and Student Services	The existing Humanities and former Student Services buildings have been renovated and the existing Business Humanities building demolished. The Final Project Proposal was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was approved. The project was allocated state funds to proceed with drawings in August 2009. Funds for construction were included in the 2010-11 state budget and construction will proceed in phases. Renovation of the former Student Services building to provide offices for humanities faculty and supportive services classroom and lab began in June 2011. Construction was completed in March 2012. Renovation of the Humanities Building began in January 2013 and was completed for the fall 2013 semester. The demolition of the Business Humanities building occurred in October 2013 and the vacated site was renovated to provide additional parking and improved traffic circulation.	\$3,296,000	\$3,318,000	\$6,614,000
Infrastructure - Phase III	This phase includes new data cabling installed campus wide, the rebuilding of many sidewalks and parking lots B, C, & J, the installation of additional lighting and signage upgrades, an elevator at PE, additions to disaster notification systems, new greenhouses, a generator for the data center, and replacement of the kilns for the art ceramics program. Work will be completed in phases from May 2008 through September 2014.	\$6,466,000		\$6,466,000

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PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Life Science and Physical Science Buildings	The existing Physical Science and Life Science buildings have been rebuilt, to include modernizing and upgrading of all science laboratories. A Final Project Proposal for the Business, Math and Science Buildings project that included the renovation of these buildings was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was subsequently approved. However, as state bond funding for community college facility projects is uncertain, the District will complete this project with local bond funds only. Revised schematic drawings were completed by the architect and the Division of the State Architect approval received in May 2011. The project was completed in phases. The Life Science building renovation began construction in September 2011 and was completed in June 2012. Renovation of the Physical Science building began in September 2012 and was completed for fall semester 2013.	\$10,750,000		\$10,750,000
Physical Education Phase II: Gym - Showers/Locker Rooms	The first floor of the existing gym building has been renovated, including reconstruction of the shower and locker rooms, and demolition of the existing pool building. Division and faculty offices were reconfigured and relocated to the same area. The two multipurpose rooms were upgraded with technology enhancements. Construction began in January 2012 and was completed in November 2012.	\$3,830,000		\$3,830,000
Pool and Tennis Courts	The existing swimming pool was renovated to eliminate the existing diving well, creating a shallower pool bottom. A lift for disabled students was added. The pool locker room facility was demolished and a new pool equipment building constructed to house new filtration and heating equipment. The pool will be served by the gym locker rooms which were renovated and completed in December 2012. Construction began in August 2013 and the pool was completed in March 2014. The tennis courts will be renovated if additional funding becomes available.	\$2,640,519		\$2,640,519

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PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Swing Space/Interim Housing	Temporary space to house programs and services displaced by modernization projects is planned. Temporary modulars have been placed on campus and at the Education Center. The former administration building was renovated in 2009 to provide temporary classrooms and renamed the General Classrooms building. The facility was modified again in summer 2011 to provide space for labs to accommodate the Life Science and Physical Science programs. Additional modification occurred in summer 2013 to provide temporary space for the creative arts programs while the Art Studio and Art Ceramics buildings are being renovated.	\$5,800,000		\$5,800,000
Theater	The existing Theater building was renovated and modernized. A Final Project Proposal for the Music Theater project that included the renovation of the Theater Building has been submitted annually to the state Chancellor's Office since July 2006 to request 50% state funding support. As state bond funding for community college facility projects is uncertain, the District is proceeding with the theater renovation with bond funds only. Drawings were completed and Division of the State Architect approval received in May 2011. Construction began in September 2011 and was substantially completed in March 2013.	\$10,400,000		\$10,400,000
Totals for Projects In Process		\$59,543,519	\$3,318,000	\$62,861,519

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FUTURE PROJECTS:

Note: Changes to future projects are anticipated to accommodate probable changes in state funding. Cited dollar amounts are estimates and subject to change. Projects listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Music Facilities – Phase I	The existing Music facilities will be modernized. Two of the three music facility structures (the current recital hall and the music lab wing) will be renovated. The recital hall will be converted into two rehearsal rooms. The third structure (choral music room) will be demolished. The Final Project Proposal for phase I of renovation of the Music facilities was submitted to the state Chancellor's Office in July 2013 to request 50% state funding support and was approved. The project is proposed for completion in fall 2017. This timeline is contingent upon state bond funding being approved and allocated.	\$1,200,000	\$1,200,000	\$2,400,000
Public Safety Training Center - Phase II (Parker Flats)	New outdoor training facilities will be constructed at the Parker Flats and MOUT sites at the former Fort Ord, including an emergency vehicle driving course, a burn building for firefighter training, and a firing range. The Final Project Proposal for this project was submitted to the state Chancellor's Office in July 2009 for 50% state funding consideration and was approved. The projected completion date of summer 2016 is contingent upon state bond funding being approved and allocated.	\$6,000,000	\$6,000,000	\$12,000,000
Totals for Future Projects		\$7,200,000	\$7,200,000	\$14,400,000

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CONTINGENCY:

<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
	<u>Prop 39 Bond</u>	<u>State & Other</u>	
The contingency was established in August 2010 to provide contingent funding for projects as needed. Project cost estimates are subject to change due to the variable bid climate or from unexpected construction issues that may arise. Currently, the contingency is at \$0, reflecting allocations made to projects.	\$0		\$0
Grand Totals (Projects)	\$149,164,306	\$40,704,037	\$189,868,343

BOND PROGRAM MANAGEMENT:

<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
	<u>Prop 39 Bond</u>	<u>State & Other</u>	
An outside firm is being used to manage the overall bond construction program. Funds to pay for these services are generated from interest earnings on the bond funds on deposit with the Monterey County Treasurer (minus any management fees on the custom investment portfolio managed by the treasurer). Amounts in the columns to the right represent actual expenses to date.	\$5,687,034		\$5,687,034
Projected program management expense for the remaining years of the bond program.	\$2,401,183		\$2,401,183
Totals for Program Management	\$8,088,217		\$8,088,217
Overall Grand Totals	\$157,252,523	\$40,704,037	\$197,956,560

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APPENDIX

COMMITTEE ROSTER

COMMITTEE MEETING AGENDAS (NOT INCLUDED IN DRAFT)

November 4, 2013

March 3, 2014

June 16, 2014

August 4, 2014

COMMITTEE MEETING MINUTES (NOT INCLUDED IN DRAFT)

November 4, 2013

March 3, 2014

June 16, 2014

August 4, 2014

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MONTEREY PENINSULA COLLEGE

Citizens' Bond Oversight Committee Members

- Birt Johnson, Jr., Chair, *Community member*
- Bob Mulford, Vice Chair, *Monterey Peninsula Chamber of Commerce*
- Wayne Cruzan, *GENTRAIN Society*
- Sophal Ear, *Community member*
- J. Fagan, *Marina Chamber of Commerce*
- Stewart Fuller, *Monterey Peninsula College Foundation*
- Rick Heuer, *Monterey Peninsula Taxpayers Association*
- James Panetta, *Community member*
- Niels Reimers, *Carmel Foundation*
- Maury Vasquez, *Associated Students of Monterey Peninsula College*



Monterey County

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Upon motion of Supervisor Salinas, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

- a. Received and accepted the Treasurer's Report of Investments for the quarter ending June 30, 2014;
- b. Received and approved the Treasurer's Investment Policy for FY 2014-15;
- c. Received and approved the Treasury Oversight Committee's amended Charter; and
- d. Renewed the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

PASSED AND ADOPTED on this 29th day of July 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on July 29, 2014.

Dated: July 31, 2014
File Number: 14-814

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Donise Hancock
Deputy



Board Report

File #: 14-814, **Version:** 1

- a. Receive and Accept the Treasurer's Report of Investments for the quarter ending June 30, 2014;
- b. Receive and Approve the Treasurer's Investment Policy for FY 2014-15;
- c. Receive and Approve the Treasury Oversight Committee's amended Charter; and
- d. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive and Accept the Treasurer's Report of Investments for the quarter ending June 30, 2014.
- b. Receive and Approve the Treasurer's amended Investment Policy for FY 2014-15.
- c. Receive and Approve the Treasurer's amended Treasury Oversight Committee Charter.
- d. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

SUMMARY:

Government Code Section 53646 (b) (1) states the Treasurer may submit a quarterly report of investments. The attached exhibits provide a narrative portfolio review of economic and market conditions that support the investment activity during the April - June period, the investment portfolio position by investment type, a listing of historical Monterey County Treasury Pool yields versus benchmarks, the investment portfolio by maturity range, and an overview of the short term funds that the Treasurer invests in overnight, liquid assets.

The Treasurer has also amended the Monterey County Investment Policy to provide additional clarification and revise outdated language. The Treasury Oversight Committee Charter is included as it has been updated to reflect the amended meeting requirement. Annual Board approval of the Investment Policy and delegation of investment authority are prescribed by Government Code sections 53646 and 53607.

DISCUSSION:

During the April to June quarter, Treasury yields paused from their slow, upward climb and there was very little change in the yield of maturities of 5 years and under. In April, the first quarter U.S. Gross Domestic Product (Jan - March) had a reported growth rate of only 0.1%, which was far below the consensus estimate of 1.1%. In June, the rate was revised to -2.9%, which marked the first economic contraction in three years. When combined with other positive economic indicators such as increases in new and existing home sales in April, the economic news continued to reinforce a "wait and see" approach with investors. In June, the European Central bank cut its main interest rate to a record low of 0.15% and cut its interest rate on deposits to -0.1%, effectively charging the region's banks to hold their reserves. The combination of mixed economic indicators in the U.S. and increased efforts to lower interest rates in the European Union continues to make U.S. bonds attractive to all investors and kept rates low during the quarter under report.

On June 30, 2014, the Monterey County investment portfolio contained an amortized book value of \$987,543,563 spread among 73 separate securities and funds. The par value of those funds was \$986,408,421, with a market value of \$986,698,521 or 99.91% of amortized book value. The portfolio's net earned income yield for the period was 0.51%. The portfolio produced an estimated income of \$1,341,687 for the quarter

which will be distributed proportionally to all agencies participating in the Investment Pool. The investment portfolio had a weighted average maturity of 461 days.

The investment portfolio was in compliance with all applicable provisions of state law and the adopted Investment Policy, and contained sufficient liquidity to meet all projected outflows over the next six months. Market value pricings were obtained through Bloomberg LLP, Union Bank of California and included live-bid pricing of corporate securities.

OTHER AGENCY INVOLVEMENT:

A copy of this report will be distributed to all agencies participating in the County Investment Pool and the Treasury Oversight Committee. In addition, the report will be published on the County Treasurer's web site. A monthly report of investment transactions is provided to the Board of Supervisors as required by GC 53607.

FINANCING:

The investment portfolio contains sufficient liquidity to meet all projected expenditures over the next six months. We estimate that the investment earnings in the General Fund will be consistent with budgeted revenue, but at historically low levels, as the Federal Reserve is expected to continue keeping short term interest rates at the current rate of 0.00 - 0.25%.

Prepared by: Eamonn M. Mahar, Investment Officer, Ext 5490

Approved by: Mary A. Zeeb, Treasurer - Tax Collector, Ext 5015

Attachments:

Exhibit A - Investment Portfolio Review - 06.30.14
Exhibit B - Portfolio Management Report - 06.30.14
Exhibit C - Monterey County Historical Yields vs. Benchmarks
Exhibit D - Aging Report - 07.01.14
Exhibit E - Overnight (Liquid) Asset Distribution
Exhibit F - Monterey County Investment Policy - Red Line
Exhibit G - Monterey County Investment Policy - Final
Exhibit H - Treasury Oversight Committee Charter - Red Line
Exhibit I - Treasury Oversight Committee Charter - Final

cc:

County Administrative Office
County Counsel
Auditor-Controller - Internal Audit Section
All depositors
Treasury Oversight Committee

Exhibit A

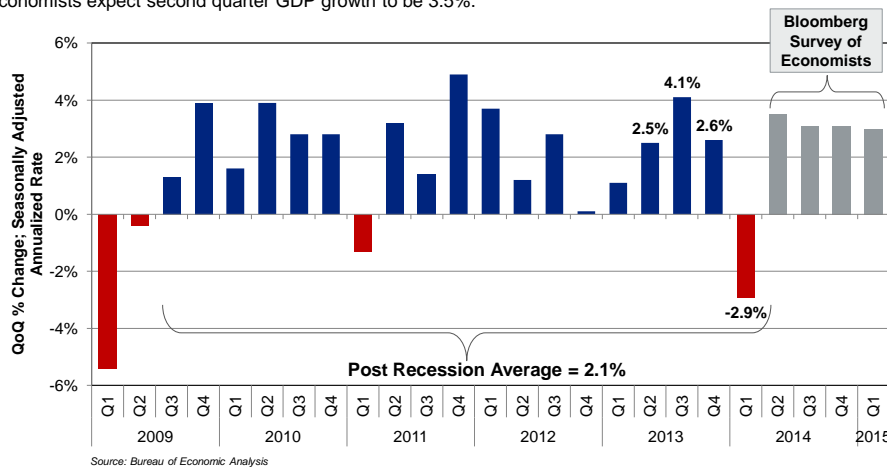
Investment Portfolio Review Quarter Ending June 30, 2014

OVERVIEW – April 1 – June 30, 2014

During the April to June quarter, Treasury yields paused from their slow, upward climb and there was very little change in the yield of maturities of 5 years and under. In April, the first quarter U.S. Gross Domestic Product (Jan – March) had a reported growth rate of only 0.1%, which was far below the consensus estimate of 1.1%. In June, the rate was revised to -2.9%, which marked the first economic contraction in three years. When combined with other positive economic indicators such as increases in new and existing home sales in April, the economic news continued to reinforce a “wait and see” approach with investors. In June, the European Central bank cut its main interest rate to a record low of 0.15% and cut its interest rate on deposits to -0.1%, effectively charging the region’s banks to hold their reserves. The combination of mixed economic indicators in the U.S. and increased efforts to lower interest rates in the European Union continues to make U.S. bonds attractive to all investors and kept rates low during the quarter under report.

Economy Contracted in First Quarter

- The economy declined at a 2.9% rate in the first quarter, the first quarter of negative growth in 3 years.
 - This decline reflects a combination of reduced business inventories, a weak pace of healthcare spending, and adverse weather conditions.
- Economists expect second quarter GDP growth to be 3.5%.



The County Treasury continued to outperform all of the portfolio benchmarks due to a consistent investment strategy that ladders short term debt to provide liquidity and takes advantage of available higher rates by buying small amounts of longer term corporate and non callable securities, while maintaining positions in currently held callable debt structures. The following indicators reflect key aspects of the County’s investment portfolio in light of the above noted conditions:

1. Market Access – The U.S. Treasury continues to issue substantial amounts of debt instruments. The continued large issuance is due to efforts to stimulate the economy by providing funding for financial institutions, social programs, and ongoing military funding requirements. Access to U.S. Treasuries and Agency debt has been plentiful, but yields have continued to remain low as investors seek safe havens from an uncertain world market. These issues have continued to keep yields low on Treasury bonds from April through June.

During the quarter, the majority of County investment purchases continue to be in U.S. Treasury and Agency markets with a continued small position in shorter term, highly rated (AA or better) Corporate bonds, Certificates of Deposits and highly rated (A1, P1), short term Commercial Paper. In addition, the Treasurer continues to keep a high level of overnight liquid assets, reflecting the need to maintain increased levels of available cash to ensure the ability to meet all cash flow needs.

2. Diversification - The Monterey County Treasurer’s portfolio consists of fixed income investments, all of which are authorized by the State of California Government Code 53601.

The portfolio asset spread is detailed in the table below:

Portfolio Asset Composition			
Corporate Assets	Overnight Liquid Assets	US Treasuries	Federal Agencies
5%	34%	7%	54%

3. Credit Risk – Approximately 95% of the investment portfolio is comprised of U.S. Treasuries, Federal Agency securities and other liquid funds. All assets have an investment grade rating. U.S. Treasuries are not specifically rated, but are considered the safest of all investments. The corporate debt (5%) is rated in the higher levels of investment grade. All federal agency securities have AA ratings, or are guaranteed by the U.S. Treasury.

The portfolio credit composition is detailed in the table below:

Portfolio Credit Composition					
AA+	AA-	A-1+ (Short Term)	Not Rated (LAIF/BlackRock)	AAAm	Amf/S1 (CalTrust)
63%	2%	1%	14%	10%	10%

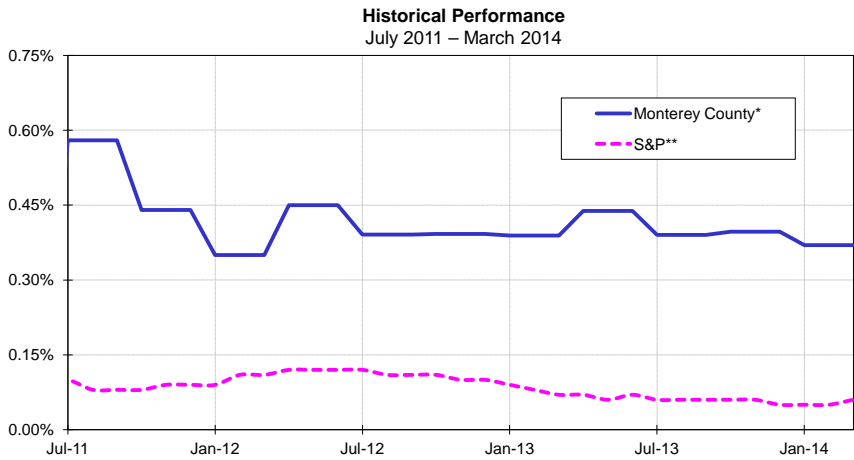
4. Liquidity Risk – Liquidity risk, as measured by the ability of the County’s Treasury to meet withdrawal demands on invested assets, was adequately managed during the April to June quarter. The portfolio’s average weighted maturity was 461 days, and large percentages (34%) of assets are held in immediately available funds.

PORTFOLIO CHARACTERISTICS

	<u>March 31, 2014</u>	<u>June 30, 2014</u>
Total Assets	\$1,013,345,699	\$987,543,563
Market Value	\$1,010,766,674	\$986,698,521
Days to Maturity	485	461
Yield	0.47%	0.51%
Estimated Earnings	\$1,190,018	\$1,341,687

Portfolio Performance

- The County Pool yield has historically been higher than the yield of the S&P Government Investment Pool Index.



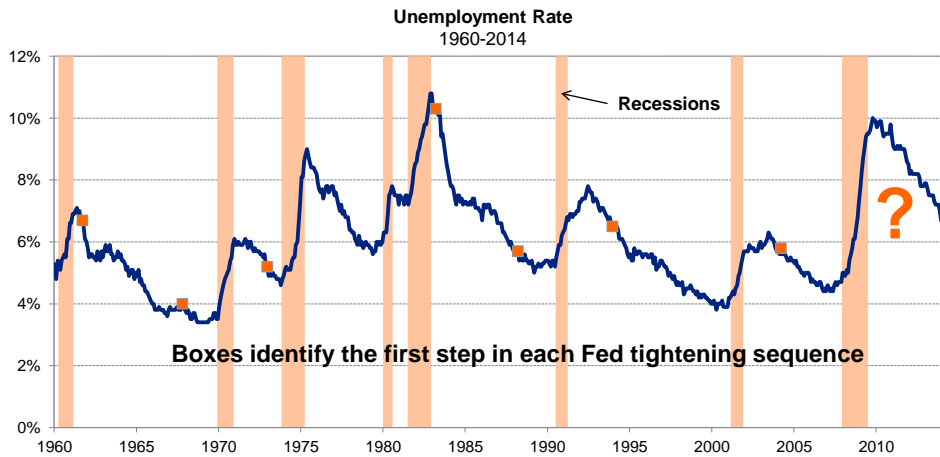
* Quarterly Apportionment Rate provided by the County. Data is presented on a three month lag due to 3/31/14 data being unavailable as of the completion of this report.
**Benchmark source: S&P Rated Government Investment Pool Index/Prime; Bloomberg
Note: Historical net yield performance provided for informational purposes only. The net yields of each portfolio are not necessarily comparable due to potential differences including permitted investments and additional investment guidelines or restrictions.

FUTURE STRATEGY

The U.S. Treasury will continue a policy of heavy borrowing for stimulus programs, and other additional needs. The continued improvement in our economy has given the Federal Reserve an opportunity to continue to taper their Quantitative Easing program by \$10 billion a month, which may make securities easier to obtain, but will have little effect on short term rates in the near term. The consistent improvement has also ensured that investors will continue to prefer the safety of U.S. debt to other investment options.

When Will Fed Respond to Falling Unemployment?

- In previous recessions, the FOMC began tightening monetary policy as the unemployment rate showed signs of recovery.
- While significant strides have been made, the Fed Funds rate remains at a targeted range of 0-0.25%.



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As long as the Federal Treasury remains actively engaged in the fixed income markets, and continues to target short term rates at 0%-0.25%, the returns on the investments in the County's pool will remain historically low. If the rate environment continues its trend, the portfolio is adequately positioned to take advantage of the changing market conditions.

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Money Market Accts-GC 53601(k)(2)												
SYS11672	11672	BlackRock			89,197,480.97	89,197,480.97	89,197,480.97	0.064			1	
SYS11801	11801	CalTrust			100,000,000.00	100,000,000.00	100,000,000.00	0.401	Aaa	AAA	1	
SYS11830	11830	Federated		07/01/2013	0.00	0.00	0.00	0.101	Aaa	AAA	1	
SYS11578	11578	Fidelity Investments			32,532,312.88	32,532,312.88	32,532,312.88	0.064	Aaa	AAA	1	
Subtotal and Average			227,306,917.55		221,729,793.85	221,729,793.85	221,729,793.85				1	
State Pool-GC 53601(p)												
SYS11361	11361	LAIF			50,000,000.00	50,000,000.00	50,000,000.00	0.230			1	
Subtotal and Average			50,000,000.00		50,000,000.00	50,000,000.00	50,000,000.00				1	
CAMP-GC 56301(p)												
SYS10379	10379	Calif. Asset Mgmt			64,300,000.00	64,300,000.00	64,300,000.00	0.061		AAA	1	
SYS11526	11526	Calif. Asset Mgmt			0.00	0.00	0.00	0.071		AAA	1	
SYS11961	11961	Calif. Asset Mgmt		03/10/2014	378,627.29	378,627.29	378,627.29	0.064		AAA	1	
Subtotal and Average			56,341,264.65		64,678,627.29	64,678,627.29	64,678,627.29				1	
Negotiable CDs - GC 53601 (i)												
78009NGU4	11863	RBC Capital Markets		06/25/2012	10,000,000.00	10,005,000.00	10,000,000.00	0.333	Aa	AA	359	06/25/2015
Subtotal and Average			10,000,000.00		10,000,000.00	10,005,000.00	10,000,000.00				359	
Medium Term Notes - GC 53601(k)												
36962G4N1	11701	General Electric		08/11/2010	10,000,000.00	10,075,000.00	10,000,000.00	1.000	A	AA	406	08/11/2015
36962G5W0	11855	General Electric		04/27/2012	5,000,000.00	5,162,500.00	4,996,302.89	2.300	A	AA	1,031	04/27/2017
36962G5W0	11856	General Electric		04/27/2012	5,000,000.00	5,162,500.00	5,004,233.33	2.300	A	AA	1,031	04/27/2017
89233P5S1	11839	Toyota Motor Corporation		02/29/2012	5,000,000.00	5,131,250.00	5,056,982.97	2.050	Aa	AA	926	01/12/2017
89233P5Z5	11840	Toyota Motor Corporation		02/29/2012	5,000,000.00	5,025,000.00	5,003,861.89	1.000	Aa	AA	231	02/17/2015
Subtotal and Average			30,064,935.69		30,000,000.00	30,556,250.00	30,061,381.08				672	
Commercial Paper Disc.- GC 53601(h)												
89233HPT5	11978	Toyota Motor Corporation		06/04/2014	10,000,000.00	9,981,850.00	9,985,272.22	0.220	P-1	A-1	241	02/27/2015
Subtotal and Average			6,258,758.97		10,000,000.00	9,981,850.00	9,985,272.22				241	
Fed Agcy Coupon Sec - GC 53601(f)												
3133EAF86	11864	Federal Farm Credit Bank		08/07/2012	10,000,000.00	9,997,100.00	10,000,000.00	0.970	Aaa	AA	1,133	08/07/2017
3133ECHV9	11912	Federal Farm Credit Bank		04/02/2013	10,000,000.00	10,015,600.00	10,001,290.48	0.350	Aaa	AA	394	07/30/2015

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

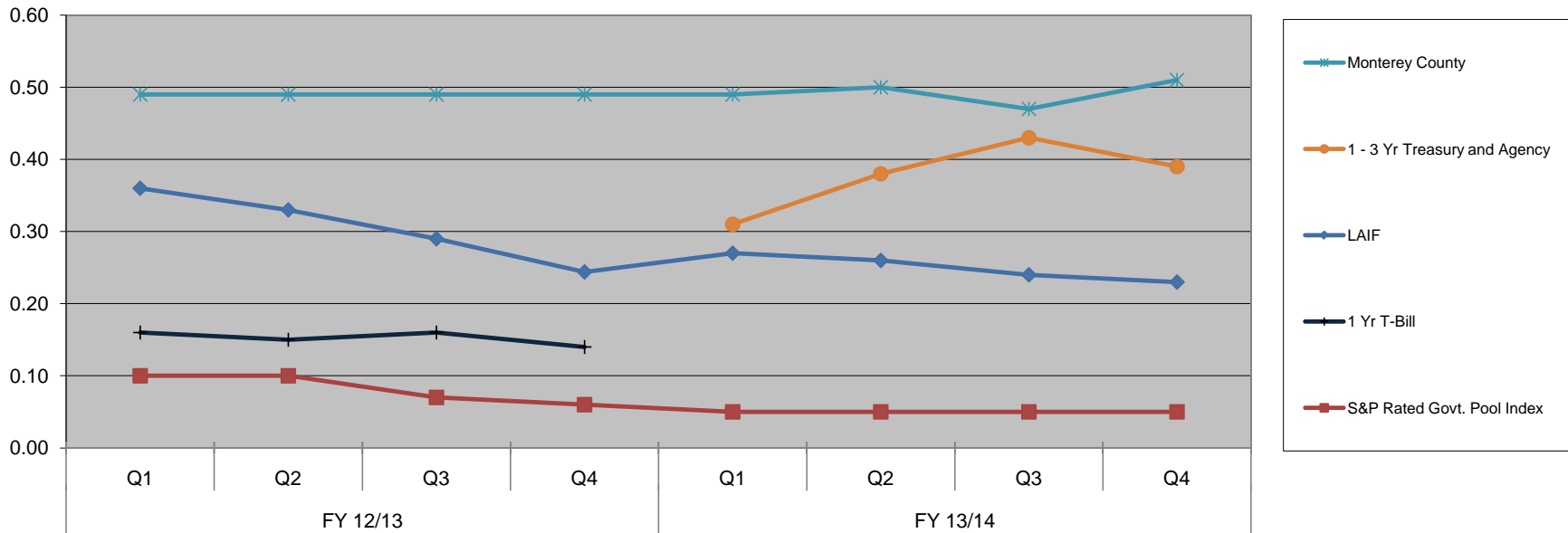
CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Fed Agcy Coupon Sec - GC 53601(f)												
3133ECFJ8	11914	Federal Farm Credit Bank		04/02/2013	10,000,000.00	10,007,500.00	10,000,127.05	0.250	Aaa	AA	213	01/30/2015
3133ECTM6	11931	Federal Farm Credit Bank		07/02/2013	10,000,000.00	10,269,700.00	10,037,466.00	1.900	Aaa	AA	1,462	07/02/2018
313380EC7	11878	Federal Home Loan Bank		09/17/2012	10,000,000.00	9,900,500.00	9,968,843.36	0.750	Aaa	AA	1,165	09/08/2017
313380XB8	11881	Federal Home Loan Bank		10/17/2012	10,000,000.00	9,989,900.00	9,998,279.17	0.625	Aaa	AA	839	10/17/2016
313370TW8	11888	Federal Home Loan Bank		12/05/2012	10,000,000.00	10,304,800.00	10,320,088.63	2.000	Aaa	AA	801	09/09/2016
313373SZ6	11913	Federal Home Loan Bank		04/02/2013	10,000,000.00	10,309,500.00	10,320,273.52	2.125	Aaa	AA	710	06/10/2016
313378A43	11925	Federal Home Loan Bank		05/02/2013	10,000,000.00	10,032,100.00	10,223,031.02	1.375	Aaa	AA	1,347	03/09/2018
313383A68	11928	Federal Home Loan Bank		06/13/2013	10,000,000.00	9,857,600.00	10,000,000.00	1.080	Aaa	AA	1,443	06/13/2018
313383SV4	11950	Federal Home Loan Bank		12/06/2013	10,000,000.00	10,000,700.00	10,000,290.95	0.170	Aaa	AA	27	07/28/2014
313383QF1	11951	Federal Home Loan Bank		12/06/2013	10,000,000.00	10,000,800.00	10,000,358.53	0.190	Aaa	AA	24	07/25/2014
313383YU9	11955	Federal Home Loan Bank		01/13/2014	10,000,000.00	10,000,100.00	10,001,048.28	0.170	Aaa	AA	66	09/05/2014
313383W56	11957	Federal Home Loan Bank		01/23/2014	10,000,000.00	10,001,500.00	10,000,976.08	0.170	Aaa	AA	52	08/22/2014
3130A1A57	11962	Federal Home Loan Bank		03/13/2014	10,000,000.00	10,000,200.00	9,999,762.01	0.080	Aaa	AA	73	09/12/2014
313378QK0	11966	Federal Home Loan Bank		04/04/2014	10,000,000.00	10,076,100.00	10,025,389.16	1.875	Aaa	AA	1,711	03/08/2019
313381H24	11967	Federal Home Loan Bank		04/04/2014	10,000,000.00	10,007,200.00	10,007,882.98	0.250	Aaa	AA	199	01/16/2015
3130A1KA5	11968	Federal Home Loan Bank		04/08/2014	10,000,000.00	10,000,400.00	10,000,678.74	0.120	Aaa	AA	191	01/08/2015
3130A1LZ9	11969	Federal Home Loan Bank		04/09/2014	10,000,000.00	9,999,800.00	10,000,000.00	0.110	Aaa	AA	192	01/09/2015
313381YP4	11972	Federal Home Loan Bank		04/09/2014	10,000,000.00	10,006,900.00	10,008,762.38	0.250	Aaa	AA	234	02/20/2015
3130A1PG7	11973	Federal Home Loan Bank		04/14/2014	10,000,000.00	9,995,900.00	9,999,449.72	0.125	Aaa	AA	287	04/14/2015
3130A1SK5	11976	Federal Home Loan Bank		04/23/2014	10,000,000.00	9,998,700.00	10,000,000.00	0.100	Aaa	AA	206	01/23/2015
3130A1C48	11977	Federal Home Loan Bank		05/01/2014	10,000,000.00	9,999,400.00	10,002,389.67	0.140	Aaa	AA	232	02/18/2015
3134G3H52	11871	Federal Home Loan Mtg Corp		09/12/2012	10,000,000.00	10,002,900.00	10,000,000.00	1.000	Aaa	AA	1,169	09/12/2017
3134G3K33	11875	Federal Home Loan Mtg Corp		09/27/2012	10,000,000.00	10,002,700.00	9,998,320.83	0.700	Aaa	AA	819	09/27/2016
3134G3S50	11887	Federal Home Loan Mtg Corp		11/30/2012	10,000,000.00	10,010,300.00	10,014,974.03	0.625	Aaa	AA	854	11/01/2016
3134G42M9	11916	Federal Home Loan Mtg Corp		04/25/2013	10,000,000.00	9,929,900.00	10,000,000.00	0.700	Aaa	AA	1,029	04/25/2017
3134G42G2	11917	Federal Home Loan Mtg Corp		04/30/2013	10,000,000.00	9,851,300.00	10,000,000.00	1.050	Aaa	AA	1,399	04/30/2018
3134G43F3	11920	Federal Home Loan Mtg Corp		04/30/2013	10,000,000.00	9,844,600.00	10,000,000.00	1.020	Aaa	AA	1,399	04/30/2018
3134G43V8	11923	Federal Home Loan Mtg Corp		05/15/2013	10,000,000.00	9,886,100.00	9,999,225.56	1.050	Aaa	AA	1,414	05/15/2018
3134G47M4	11930	Federal Home Loan Mtg Corp		06/26/2013	10,000,000.00	10,002,000.00	10,000,000.00	1.500	Aaa	AA	1,456	06/26/2018
3134G2UA8	11949	Federal Home Loan Mtg Corp		12/05/2013	10,000,000.00	10,012,200.00	10,011,809.96	1.000	Aaa	AA	50	08/20/2014
3137EACU1	11952	Federal Home Loan Mtg Corp		01/03/2014	10,000,000.00	10,007,200.00	10,006,998.53	1.000	Aaa	AA	29	07/30/2014
3134A4UU6	11953	Federal Home Loan Mtg Corp		01/03/2014	10,000,000.00	10,019,000.00	10,018,921.66	5.000	Aaa	AA	14	07/15/2014
3137EADJ5	11970	Federal Home Loan Mtg Corp		04/09/2014	10,000,000.00	10,006,100.00	9,990,968.97	1.000	Aaa	AA	1,123	07/28/2017
3137EACH0	11975	Federal Home Loan Mtg Corp		04/15/2014	10,000,000.00	10,167,500.00	10,167,170.41	2.875	Aaa	AA	223	02/09/2015
3136G0B26	11874	Federal National Mtg Assn		09/27/2012	10,000,000.00	9,958,100.00	10,000,000.00	1.000	Aaa	AA	1,184	09/27/2017
3135G0NH2	11876	Federal National Mtg Assn		09/13/2012	10,000,000.00	9,983,600.00	9,996,184.27	0.950	Aaa	AA	1,149	08/23/2017

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Fed Agcy Coupon Sec - GC 53601(f)												
3136G04Q1	11884	Federal National Mtg Assn		11/20/2012	10,000,000.00	10,044,700.00	10,134,564.06	1.500	Aaa	AA	1,238	11/20/2017
3136G06Z9	11885	Federal National Mtg Assn		12/13/2012	10,000,000.00	9,955,300.00	10,000,000.00	0.650	Aaa	AA	896	12/13/2016
3136G14N6	11890	Federal National Mtg Assn		01/02/2013	10,000,000.00	9,926,900.00	9,995,001.55	0.750	Aaa	AA	1,093	06/28/2017
3135G0PP2	11903	Federal National Mtg Assn		01/18/2013	10,000,000.00	9,973,500.00	10,022,739.00	1.000	Aaa	AA	1,177	09/20/2017
3135G0UH4	11906	Federal National Mtg Assn		02/22/2013	10,000,000.00	9,946,300.00	10,000,000.00	1.200	Aaa	AA	1,332	02/22/2018
3135G0XA6	11924	Federal National Mtg Assn		05/21/2013	10,000,000.00	9,831,800.00	10,000,000.00	1.030	Aaa	AA	1,420	05/21/2018
3135G0XK4	11927	Federal National Mtg Assn		05/30/2013	10,000,000.00	9,879,000.00	10,000,000.00	1.050	Aaa	AA	1,424	05/25/2018
3135G0WJ8	11929	Federal National Mtg Assn		05/28/2013	10,000,000.00	9,832,200.00	9,935,738.98	0.875	Aaa	AA	1,420	05/21/2018
3135G0PQ0	11948	Federal National Mtg Assn		12/04/2013	10,000,000.00	9,926,600.00	9,939,985.77	0.875	Aaa	AA	1,213	10/26/2017
3135G0BY8	11954	Federal National Mtg Assn		01/06/2014	10,000,000.00	10,012,300.00	10,011,610.04	0.875	Aaa	AA	58	08/28/2014
3135G0MZ3	11971	Federal National Mtg Assn		04/09/2014	10,000,000.00	9,944,500.00	9,931,910.58	0.875	Aaa	AA	1,154	08/28/2017
3135G0HG1	11974	Federal National Mtg Assn		04/15/2014	10,000,000.00	10,017,100.00	10,017,873.11	0.375	Aaa	AA	258	03/16/2015
Subtotal and Average			567,519,597.22		500,000,000.00	499,745,700.00	501,110,385.04				780	
Federal Agency Disc.-GC 53601(f)												
313589G98	11965	FNMA Discount Note		04/01/2014	10,000,000.00	9,999,100.00	9,998,288.20	0.073	Aaa	AA	85	09/24/2014
Subtotal and Average			16,150,664.00		10,000,000.00	9,999,100.00	9,998,288.20				85	
US Treasury Note-GC 53601(b)												
912828VR8	11940	U.S. Treasury		08/29/2013	10,000,000.00	10,024,200.00	9,967,502.31	0.625	Aaa	AA	776	08/15/2016
912828RB8	11956	U.S. Treasury		01/14/2014	10,000,000.00	10,004,700.00	10,004,951.58	0.500	Aaa	AA	45	08/15/2014
912828TL4	11958	U.S. Treasury		01/30/2014	20,000,000.00	20,005,400.00	20,004,977.37	0.250	Aaa	AA	61	08/31/2014
912828TQ3	11959	U.S. Treasury		01/30/2014	20,000,000.00	20,009,400.00	20,007,314.17	0.250	Aaa	AA	91	09/30/2014
Subtotal and Average			59,995,101.22		60,000,000.00	60,043,700.00	59,984,745.43				187	
US Treasury Bill-GC 53061(b)												
912796DV8	11963	US Treasury - Bills		03/13/2014	10,000,000.00	9,999,600.00	9,998,500.00	0.075	Aaa	AA	72	09/11/2014
Subtotal and Average			9,997,562.50		10,000,000.00	9,999,600.00	9,998,500.00				72	
Federal Agency Step Up-GC 53601(f)												
3134G4NB0	11946	Federal Home Loan Mtg Corp		12/19/2013	10,000,000.00	10,011,800.00	10,000,000.00	0.625	Aaa	AA	1,267	12/19/2017
3136G07K1	11886	Federal National Mtg Assn		12/06/2012	10,000,000.00	9,947,100.00	9,996,569.44	0.700	Aaa	AA	1,254	12/06/2017
Subtotal and Average			19,996,446.28		20,000,000.00	19,958,900.00	19,996,569.44				1,261	
Total and Average			1,053,631,248.08		986,408,421.14	986,698,521.14	987,543,562.55				461	

Exhibit C Monterey County Historical Yields vs. Benchmarks



Quarterly Yield	FY 12/13				FY 13/14			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monterey County	0.49	0.49	0.49	0.49	0.49	0.50	0.47	0.51
1 - 3 Yr Treasury and Agency					0.31	0.38	0.43	0.39
LAIF	0.36	0.33	0.29	0.24	0.27	0.26	0.24	0.23
1 Yr T-Bill	0.16	0.15	0.16	0.14				
S&P Rated Govt. Pool Index	0.10	0.10	0.07	0.06	0.05	0.05	0.05	0.05

The S&P Index yields are obtained from Bloomberg

The 1-3 Yr Treas and Agy benchmark has replaced the 1 Yr T-Bill , as it more accurately reflects the current composition and weighted average maturity of the County's portfolio.

The 1-3 Yr Treas and Agy yields are obtained from the B of A Merrill Lynch Global Bond Indices/Bloomberg



Exhibit D Monterey County Aging Report By Maturity Date As of July 1, 2014

			Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	(07/01/2014 - 07/01/2014)	336,408,421.14	34.10%	336,408,421.14	336,408,421.14
Aging Interval:	1 - 90 days	(07/02/2014 - 09/29/2014)	140,000,000.00	14.19%	140,058,493.19	140,062,800.00
Aging Interval:	91 - 365 days	(09/30/2014 - 07/01/2015)	145,000,000.00	14.70%	145,200,782.34	145,221,650.00
Aging Interval:	366 - 730 days	(07/02/2015 - 06/30/2016)	30,000,000.00	3.04%	30,321,564.00	30,400,100.00
Aging Interval:	731 - 1095 days	(07/01/2016 - 06/30/2017)	95,000,000.00	9.63%	95,351,685.71	95,600,250.00
Aging Interval:	1096 - 1460 days	(07/01/2017 - 07/01/2018)	220,000,000.00	22.30%	220,139,761.01	218,659,500.00
Aging Interval:	1461 days and after	(07/01/2018 -)	20,000,000.00	2.03%	20,062,855.16	20,345,800.00
Total for 73 Investments				100.00%	987,543,562.55	986,698,521.14

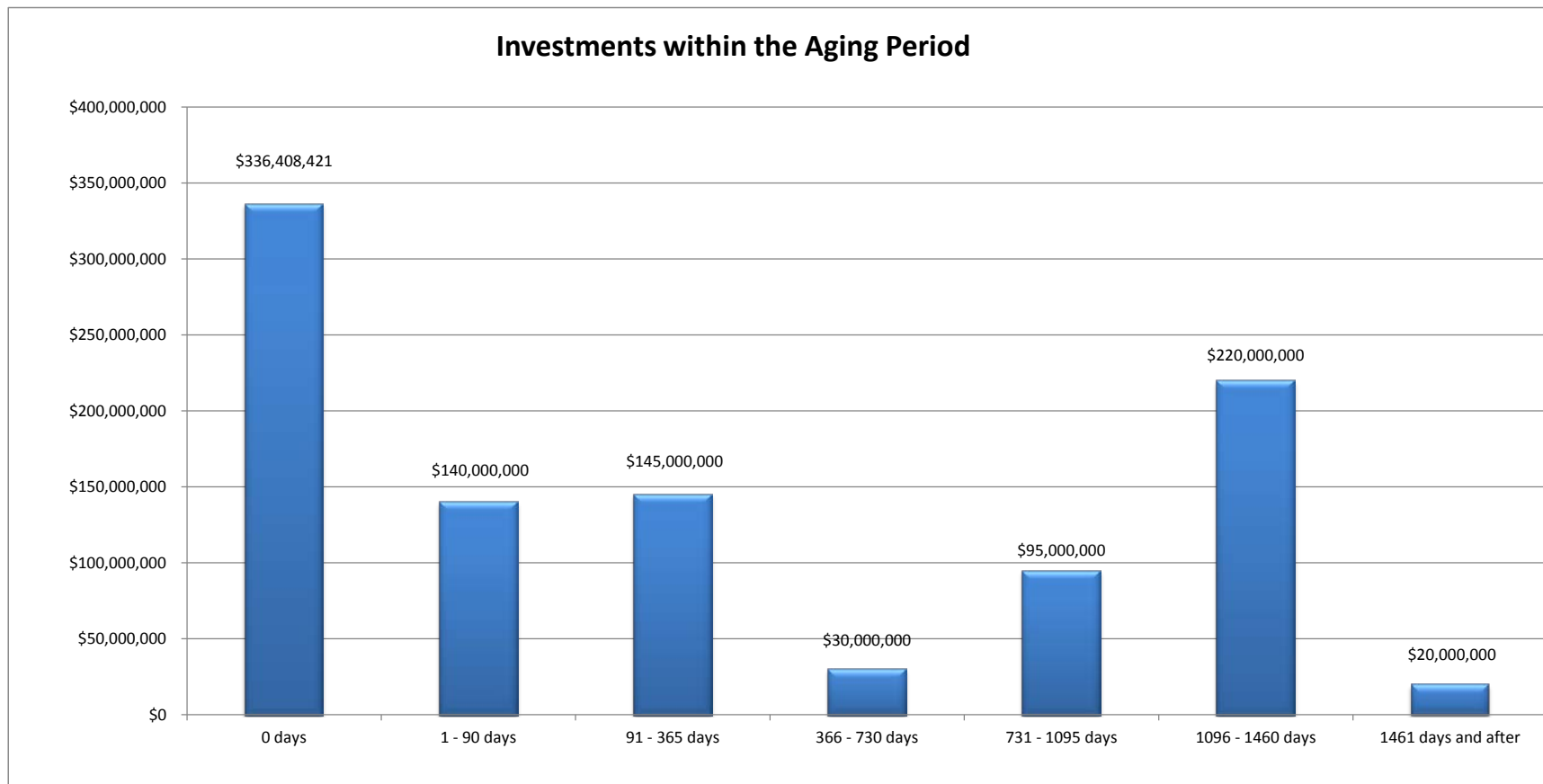
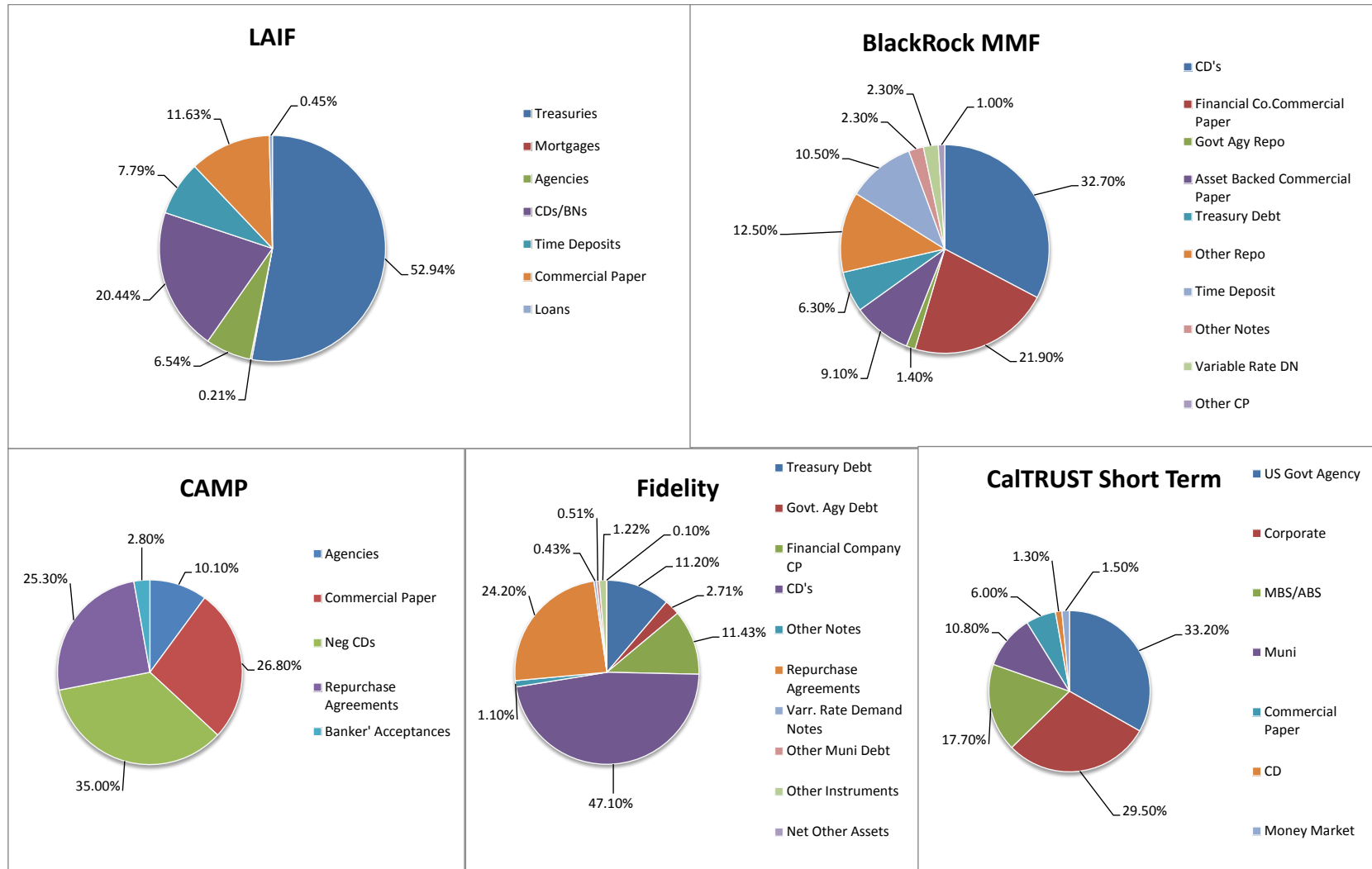


Exhibit E Overnight (Liquid) Asset Distribution



* Percent total may not equal 100 due to rounding

* Net Other Assets may include cash and receivables and payables related to open security or capital stock trades

	LAIF	CAMP	Fidelity MMF	BlackRock	CalTRUST Short-Term
Credit Rating	NR	AAAm	AAAm	NR	Amf/S1
Fund Assets	\$60.2 Billion	\$1.79 Billion	\$39.22 Billion	\$6.28 Billion	\$740 Million
WAM	220 days	51 days	43 days	48 days	518 days
Percent of Portfolio Invested in Fund	5.07%	6.56%	3.30%	9.04%	10.14%
Fund Quarterly Return	0.23%	0.06%	0.06%	0.06%	0.39%

Exhibit G
TREASURER-TAX COLLECTOR
County of Monterey Investment Policy
Final Version

TREASURER-TAX COLLECTOR

County of Monterey Investment Policy

1.0 Policy

It is the policy of the Treasurer-Tax Collector of Monterey County to invest public funds in a manner which provides for the safety of the funds on deposit, the cash flow demands, or liquidity needs of the treasury pool participants, and the highest possible yield after first considering the first two objectives of safety and liquidity. In addition, it is the Treasurer-Tax Collector's policy to invest all funds in strict conformance with all state statutes governing the investment of public monies.

2.0 Scope

This Investment Policy applies to all financial assets of the treasury pool participants. The Policy does not apply to bond proceeds, which are governed by their respective bond documents. These funds are accounted for in the annual Financial Reports of the County and each of the treasury pool's participating agencies.

2.1 Participating Agencies. Participants in the Treasurer's Investment Pool shall be limited to the County of Monterey, School Districts within Monterey County and those Special Districts, which, by statute, maintain depository authority with the County Treasurer.

2.2 Outside Agency Participation. It is the Treasurer's Policy to prohibit any voluntary agency participation in the treasury pool.

3.0 Prudence

The County Treasurer is a trustee and therefore a fiduciary subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the County Treasurer shall act with care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the county and the other depositors. Within the limitations of this section and considering individual investments as part of an overall investment strategy, a trustee is authorized to acquire investments as authorized by law. Nothing in this Chapter is intended to grant investment authority to any person or governing body except as provided in Sections 53601 and 53607 of the Government Code.

4.0 Objectives

The primary objectives, in priority order, of the County of Monterey's investment activities shall be:

4.1 Safety. Safety of principal. Investments of the County shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses do not exceed the income generated from the remainder of the portfolio.

4.2 Liquidity. The investment portfolio shall remain sufficiently liquid to enable all depositors to meet all expenditure requirements that might be reasonably anticipated. A minimum of 30% of the invested assets, including cash held in commercial bank accounts, shall be kept in overnight liquid assets. In the event that unforeseen cash-flow fluctuations temporarily cause the ratio of overnight liquid assets to decline below 30% of the portfolio balance, no new investments will be made until the minimum ratio is restored.

4.3 Return on Investment. The County's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the County's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 Delegation of Authority

Subject to amended delegation by the Board of Supervisors pursuant to Government Code Section 53607, the Treasurer-Tax Collector is authorized to manage the Monterey County investment program. The Treasurer- Tax Collector shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, master repurchase agreements, funds transfer agreements, collateral/ depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer-Tax Collector. The Treasurer- Tax Collector shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

6.0 Conflict of Interest

Pursuant to Article 2 (commencing with Section 87200) of Chapter 7 of Title 9 of the Government Code and the regulations of the Fair Political Practices Commission enacted pursuant thereto, the Treasurer-Tax Collector shall disclose his investments, interests in real properties, and any income received during the immediately preceding 12 months. Such disclosure shall be in writing, and shall be filed with the officer designated by law within the time periods specified by law.

6.1 Acceptance of Gifts. The Treasurer-Tax Collector and all deputized departmental staff are prohibited from accepting any monetary or in-kind gift from any broker, dealer, or firm doing business or seeking to do business with the Monterey County Treasurer.

7.0 Authorized Dealers and Institutions

The Treasurer-Tax Collector will maintain a list of broker/dealers and institutions authorized to provide investment services. Repurchase agreements and reverse repurchase agreements shall only be made with primary dealers designated by the Federal Reserve Bank. The Treasurer-Tax Collector may impose additional qualifications of brokers and their firms in order to ensure professionalism and suitability. At a minimum, all broker/dealers and/or financial institutions authorized to provide investment services to Monterey County shall meet the following criteria:

1. Commercial banks and saving institutions must be authorized as insured with the FDIC, SIPC, or NCUA (credit unions), as applicable.
2. Must hold an active corporate registered status with the Secretary of State (California), or an out-of-state counterpart agency.
3. Commercial banks and savings institutions used for deposits, must be a state or national bank, savings association or federal association, a state or federal credit union, or a federally insured industrial loan company in this state.
4. Must be an active member of the Financial Industry Regulatory Authority.

7.1 Limitations on Political Contributions. Pursuant to Government Code Section 27133 (c), the Treasurer-Tax Collector shall not select for business any broker, brokerage, dealer, or securities firm that has made a political contribution within the last four years in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, to the County Treasurer, any member of the Monterey County Board of Supervisors, or any candidate for those offices.

8.0 Authorized and Suitable Investments

The Treasurer-Tax Collector of Monterey County may invest in any security within the limits authorized by Section 53601 of the Government Code of the State of California, and within the limits of any other Government Code Statute that permits public agency investment in various securities or participation in investment trading techniques or strategies. Permissible investments are detailed in Appendix A.

8.1 Limitations. The Treasurer shall not invest in any security which, by its structure, term or other characteristics, has the possibility of returning a zero or negative yield or could be subject to a loss of principal at the time such security has attained its maturity date. Investments shall not be made in inverse floaters, range notes and interest-only strips.

8.2 Reverse Repurchase Agreements. Any reverse repurchase agreement shall have a maximum maturity of 92 days, and the proceeds shall not be invested beyond the expiration of the reverse repurchase agreement. The maximum amount of Reverse Repurchase Agreements shall be limited to 20% of the portfolio's book value on the date of the transaction.

8.3 Securities Lending. The Treasurer may engage in securities lending programs through nationally recognized counter parties, with a 20% restriction based on the portfolio's book value on the date of the transaction. Instruments involved in a securities lending program are restricted to U.S. Treasuries and Federal Agency securities as described in Government Code Section 53635 and the County Investment Policy. Notification of collateral substitution is required.

8.4 Maximum Credit Exposure. The Treasurer shall limit the investments in any single issuer, regardless of the combination of asset class, to no more than 10% of the portfolio's twelve month projected minimum size. Obligations of the United States Treasury and its Agencies are exempted from this restriction. Pooled funds such as LAIF, CAMP, CalTrust, and money market funds have other specific limitations as described in Appendix A.

8.5 Maximum Dollar Limits. The Treasurer shall limit investments to specific maximum dollar limits by issuer as detailed in Appendix A. In the case of investments outside the core portfolio, maximum dollar limits shall apply to each separate investment.

9.0 Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, shall be conducted on a delivery-versus-payment basis. Securities shall be held by a third-party custodian designated by the Treasurer-Tax Collector and evidenced by safekeeping receipts and tri-party master repurchase agreements. Securities acquired through reverse repurchase agreement transactions may be held as collateral by primary dealers acting as counter-parties.

10.0 Investments Outside Core Portfolio

The Treasurer will accept funds for investment outside of the core pooled portfolio (custom invested funds) from depository agencies who also deposit their operating fund in the core portfolio under the following criteria:

- a) the funds represent proceeds of bonds, other forms of indebtedness, or special purpose funds not required for normal operating expenses, and
- b) the funds represent new or additional assets of the agency that were not previously invested in the Monterey County Investment Pool, or under other conditions approved by the Treasurer, and
- c) the funds may be transferred to the core portfolio upon mutual agreement between the depository agency and the Monterey County Treasurer. Any such transfer will reflect the market value of any securities sold prior to their maturity, where the underlying funds cannot be transferred back to a custom investment outside the core portfolio unless approved by the Treasurer, and

- d) funds may be transferred to the Monterey County Treasurer's operating (checking) account for further disbursement provided the funds originate from: maturing securities; overnight liquid funds; sold securities subject to section 9.5(c) above, and associated earned income on those funds, and
- e) within 7 business days prior to the maturity of any security, the depository agency shall inform the Monterey County Treasurer of the desired disposition of such maturing assets to include; rollover to a new asset, transfer to the core portfolio, or transfer to the Monterey County Treasurer's operating account subject to the conditions 9.5 (a) through (f) inclusive, and
- f) any earned income on "custom invested funds" will be segregated from the core portfolio and deposited to an overnight liquid fund designated specifically for such income. Any liquidation or transfer of the underlying asset will invoke a corresponding transfer of the associated earned income.

11.0 Criteria for Withdrawal of Funds from the Treasury Investment Pool – Section 27136 and Section 27133 (h) - Government Code

An agency with funds on deposit in the County Treasury where such funds may statutorily be invested outside of the County Treasury may apply for a withdrawal of those funds. Pursuant to Government Code Sections 27133 (h) and 27136, the County Treasurer shall evaluate each proposal for withdrawal of funds. The Treasurer's evaluation shall assess the effect of a proposed withdrawal on the stability and predictability of the investments in the County treasury pool. In addition, and prior to any withdrawal, the Treasurer shall find that the proposed withdrawal will not adversely affect the interests of the other depositors in the treasury pool.

All applications for withdrawal must be submitted by a Resolution of the depository agency at least 30 days in advance of the anticipated date of withdrawal. Resolutions for withdrawal shall include:

- a) a statement of the purpose for withdrawal
- b) the date(s) and amount(s) of funds to be withdrawn
- c) a certification that funds withdrawn from the County pool shall be managed by the applicant agency and that withdrawn funds shall not be returned for future investment by the County Treasurer for a term of one year, and
- d) an acknowledgement that the value of any funds withdrawn from the County Treasury shall reflect their most recent quarterly asset valuation as reported by the Treasurer.

The Treasurer shall provide an applicant agency a written response within 15 days from receipt of the application. The Treasurer's determination shall be final.

12.0 Maximum Maturities

Any non-marketable investments, such as time deposits, should not exceed a two-year maturity. In addition, no specific investment shall have a term remaining to maturity in excess of five years except under the following circumstances, and subject to specific approval of the Board of Supervisors at least 90-days in advance of purchasing investments:

Other special purpose investments where the maturity term is not integral to short term cash flow needs.

12.1 Weighted Average Maturity. The weighted average maturity of the overall portfolio shall not exceed two years.

12.2 Money Market Fund. The maximum maturity of investments in a money market fund shall not exceed 397 days, and the weighted average maturity of the fund shall not exceed 60 days. A Money Market Fund shall not comprise more than 10% of the portfolio's book value on the date investments are made; maximum investment in all Money Market Funds, as described in Government Code Section 53635(k) shall not exceed 20% of the portfolio's book value on the date that investments are made.

13.0 Audits

The Monterey County investment portfolio shall be subject to a process of independent review by the Auditor-Controller's internal auditor. The County's external auditors shall review the investment portfolio in connection with the annual county audit and requirements of the Governmental Accounting Standards Board.

13.1 Compliance Audit Pursuant to Government Code Section 27134, the County Treasury Oversight Committee shall cause an annual audit to be conducted to determine the County Treasurer's compliance with Article 6, Chapter 5 of Division 2 of Title 3 of the Government Code.

14.0 Performance Standards

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the County's investment risk constraints and cash flow needs.

15.0 Investment Policy Adoption

The Treasurer-Tax Collector of Monterey County shall submit the Investment Policy to the Board of Supervisors for adoption at least annually.

15.1 Policy Amendments. As the California Government Code pertaining to investments is amended, this policy shall likewise become amended and adopted by the Board of Supervisors. Other amendments may be recommended periodically by the Treasurer-Tax Collector.

16.0 Reporting

Pursuant to Government Code Section 53646 (b) the Treasurer-Tax Collector may provide quarterly investment reports to the Board of Supervisors, Treasury Oversight Committee, and all pool participants. The report shall include a listing of all securities held in the portfolio. Such listing shall include investment description, maturity date, par value, amortized book value and market values, a risk measurement standard such as duration, along with a certification concerning the portfolio's available liquidity to meet expenditure requirements for the next succeeding reporting period, and disclosure of the method used to apportion investment interest.

17.0 Allocation of Investment Cost

The costs of investing, banking, and cash management as budgeted annually and applied quarterly shall be assessed to depositing agencies at the time of quarterly interest apportionment by the County Auditor-Controller, and in accordance with Government Code statutes. Depositing agencies will receive net revenue after pro rata application of costs that correspond to a basis point reduction to earned interest rates.

When actual annual costs of investing are determined, any differences from budgeted amounts shall be included in an adjusting interest allocation by the Auditor-Controller.

18.0 Treasury Oversight Committee

A Treasury Oversight Committee nominated by the County Treasurer and confirmed by the Board of Supervisors shall provide oversight through periodic review of the Investment Policy and compliance with such policy. The Treasury Oversight Committee, pursuant to Government Code Section 27130 et seq; shall consist of 6 members including: the Treasurer-Tax Collector, the County Administrative Officer or his/her designee: the County Superintendent of Schools, or his/her designee, a representative of the governing bodies of County School Districts, a representative of the legislative bodies of County Special Districts that are authorized depositors in the County Treasury, and a member of the public. The committee shall meet at least annually, or as needed, and shall review the Investment Policy and report on compliance with such policy.

18.1 Establishment of Treasury Oversight Committee. Pursuant to Section 27130 et seq; of the Government Code, the Monterey County Treasury Oversight Committee is established. The committee shall be subject to the provisions of the Political Reform Act of 1974, as amended (Government Code Sections 8100 et seq).

18.2 Brown Act Pursuant to Government Code Section 27132.4, Committee meetings shall be open to the public and subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of part 1 of Division 2 of Title 5).

18.3 Membership Prohibitions Pursuant to Government Code Section 27132.2, No member of the committee shall directly or indirectly raise money for a candidate for local Treasurer or a member of the governing board of any local agency that has deposited funds in the County Treasury while a member of the committee.

Pursuant to Government Code Section 27132.3, a member of the Treasury Oversight Committee may not secure employment with, or be employed by, bond underwriters, bond covered security brokers or dealers or financial services firms, with whom the Treasurer is doing business during the period that the person is a member of the Committee or for one year after leaving the Committee.

Appendix A
Authorized Investments County General Pool

<u>Instrument</u>	<u>Maximum Maturity</u>	<u>County Restriction</u>	<u>Max %/ Dollar Limit</u>
California State Treasurer's Local Agency Investment Fund	N/A	N/A	\$50,000,00 (per account or as approved by the State Treasurer for bond/note proceeds)
California Asset Management Program	N/A	N/A	20%
CalTRUST	N/A	N/A	20%
Bonds, including revenue bonds, issued by the County, it's Agencies, or authorities	5 Years	N/A	10% limit issuer (*)
U.S. Treasury Notes, bonds, bills, or certificates of indebtedness bearing a full faith and credit pledge	5 Years	N/A	N/A
Registered warrants, notes, and bonds, including revenue bonds, of the State of California and all other 49 States ⁽¹⁾	5 Years	N/A	10% limit issuer (*)
Bonds, notes, warrants and other evidences of indebtedness issued by any local agency within California, including revenue bonds. ⁽¹⁾	5 Years	N/A	10% limit issuer (*)
Obligations of federal agencies and United States government-sponsored enterprises	5 Years	N/A	N/A
Bankers acceptances ⁽²⁾	180 days	N/A	40% (*)
Prime commercial paper of domestic issuers with assets in excess of \$500 million ⁽²⁾	270 days	N/A	40% (*)
Negotiable certificates of deposit issued by domestic banks, associations, and state chartered branches of foreign banks ⁽¹⁾	5 Years	N/A	30% (*)
Reverse repurchase agreements and Securities Lending	92 days, matched maturities	N/A	N/A
Repurchase agreements	1 year	N/A	N/A
Medium term notes issued by domestic corporations and depository institutions rated "A" or higher at time of purchase	5 Years	No inverse floating rate instruments	30% (*)
Money market mutual funds	N/A	N/A	20% total all funds 10% any one fund
Collateralized deposits and investment contracts	5 Years	N/A	10% limit issuer (*)
Securitized pass through instruments rated "A" or higher, from an issuer rated "AA" or higher at time of purchase	5 Years	N/A	20% (*)
Overall portfolio weighted average maturity	2 years (*)		

*Total exposure of all asset classes to any single issuer shall not exceed 10% of the 12 month projected minimum size of the portfolio.

- (1) which are rated by a nationally recognized statistical rating organization (NRSRO) as "A" or better for securities longer than one year and A-1 or better for securities under one year.
- (2) which are rated by an NRSRO as A-1 or better

MONTEREY PENINSULA COLLEGE

Citizens' Bond Oversight Committee Members and Terms

NAME	MEMBERSHIP CRITERION	TERM
Wayne Cruzan	GENTRAIN Society (college support organization)	2nd term (11/2013 – 11/2015)
◆ J. Fagan	Marina Chamber of Commerce (business organization)	2 nd term (11/2012 – 11/2014)
◆ Stewart Fuller	Monterey Peninsula College Foundation (college support organization)	2nd term (11/2012 – 11/2014)
Rick Heuer	Monterey Peninsula Taxpayers Association	2nd term (11/2013 – 11/2015)
Birt Johnson, Jr.	Community at-large member	2nd term (11/2013 – 11/2015)
◆ Robert Mulford	Monterey Peninsula Chamber of Commerce (business organization)	2nd term (11/2012 – 11/2014)
James Panetta	Community at-large member	2nd term (11/2013 – 11/2015)
◆ Niels Reimers	Carmel Foundation (senior citizens' organization)	2nd term (11/2012 – 11/2014)
Maury Vasquez	Associated Students of Monterey Peninsula College (student government)	2nd term (11/2013 – 11/2015)

- ◆ - denotes those members who will complete their 2nd term on the committee in November 2014.