



Board of Trustees Finance Committee (BFC)

Meeting Minutes – January 14, 2021, 2:00 p.m.

Via Zoom: <https://cccconfer.zoom.us/j/549449972>

Members Present: Trustee Harrison, Chair; Trustee Houston

Members Absent: Trustee Singer

Other Board Members Present: Trustee Reyes

Staff Present: Interim Chancellor Torres; Presidents Horan and Rodriguez; Interim Vice Chancellor of Business & Fiscal Services Buysse, SBVC Vice President of Administrative Services Stark; Director of Fiscal Services Strong, Director of Facilities Planning, Construction and Emergency Management Farzaneh

I. WELCOME & INTRODUCTIONS

Chair Harrison called the meeting to order at 2:01 p.m.

II. PUBLIC COMMENT

There were no public comments.

III. APPROVAL OF MINUTES FOR NOVEMBER 12, 2020

Trustee Houston made a motion, which Trustee Harrison seconded, to approve the minutes of November 12, 2020. The minutes were approved by the following vote.

Ayes:	Harrison, Houston
Noes:	None
Abstentions:	None
Absent:	Singer

IV. CURRENT TOPICS

A. State Budget Presentation by Mark MacDonald of MGI Advocacy, Inc.

Interim Chancellor Torres introduced Mark MacDonald from MGI Advocacy, Inc. Mr. MacDonald made a presentation on the State budget released January 8. He commented that the State is in better shape than originally anticipated.

The proposed budget repays \$1.1 billion of the deferrals which, Mr. MacDonald clarified, would still occur but would be repaid in July 2021. Interim Chancellor Torres estimated that SBCCD would experience \$30 million in deferrals this year, with approximately \$20 million being repaid in July.

Trustee Houston confirmed that this will require cash flow manipulation. There are various cash sources that SBCCD is planning to tap into, including the PARS trust account. Trustee Harrison commented that the District would wind up losing interest on the PARS funds that are used.

Committee members discussed the COLA, which is ongoing funding. The California Community Colleges system (CCC) is scheduled to get its statutory split for 2021-22,

but the did not get one in 2020-21. CCCs will be receiving a lot of one-time money for financial aid but much more flexibility is needed.

Trustee Harrison mentioned the lack of funding for increased sanitization costs in preparation for reopening the campuses. Vice President Stark agreed that the cost of operating under COVID-19 pandemic conditions is an outstanding concern both in terms of budget and staffing.

B. SBCCD 2021-22 State Budget Priorities

Committee members discussed SBCCD 2021-22 State Budget Priorities presented for legislative advocacy. Interim Vice Chancellor Buysse agreed that the State budget picture now is more optimistic than originally anticipated. He advised that staff will continue to monitor anticipated funding. Hopefully, the State will not try to synchronize with federal funding, reducing its support accordingly. He mentioned that more information will be available at the January 20 Budget Workshop.

This is just the beginning of an unfolding process. SBCCD should advocate to make its priorities remain the State's priorities.

C. 2021-22 Prioritized Budget Directives

Interim Vice Chancellor Buysse advised that the Board considers the budget directives annually to inform the succeeding year's budget. He reviewed the four proposed directives. He also applauded SBCCD's reserve position, which is far ahead of other districts. This careful diligence will help weather the current storm.

After review and discussion of the draft directives presented, committee members advised that they wish to maintain the Unrestricted General Fund balance at 10-15% (as reflected in 2020-21 directive 3) rather than 6-10% (as indicated in draft 2021-22 directive 2). Trustee Houston moved to forward the directives to the full Board for approval on February 11 with this change. Trustee Harrison seconded the motion, which was approved by the following vote:

Ayes:	Harrison, Houston
Noes:	None
Abstentions:	None
Absent:	Singer

Trustee Harrison had to leave the meeting at 3 p.m.

D. 2021-22 Board of Trustees Budget

Trustee Harrison looked at the Board of Trustees budget for 2021-22 and had no comments. The budget will be submitted as presented.

V. UPDATES (as necessary)

A. COVID-19 Expenditures

This topic was not discussed.

B. Enrollment

Interim Vice Chancellor Buysse advised that SBCCD's P1 report will be submitted to the State this week. He discussed other enrollment submission due dates, including P2 in May and P3 in mid-July, with revisions allowed as late as mid-November. District staff will look forward to the P1 apportionment report that comes from the State in late February. He advised that the current BFC enrollment report is being updated to sync with these State processes.

Trustee Harrison mentioned that she was under the impression that enrollment was down about 8% from last year. Interim Vice Chancellor Buysse commented that SBCCD will be in a better place for discussing these figures next month and Trustee Harrison advised she will be looking forward to the P1 comparison at the February meeting.

C. PARS Report

The report was presented. Director of Fiscal Services Strong advised that SBCCD continues to get returns on the funding.

D. Measure CC Timeline & Org Chart

Director of Facilities Farzaneh reviewed the Measure CC timeline and org chart. Trustee Harrison mentioned that in the org chart, it was unclear who was reporting to Outreach Administrator Canela. Staff agreed with the observation, thanked Trustee Harrison, and advised the chart would be updated for next month's meeting.

E. Budget Revenue & Expenditure

Interim Vice Chancellor Buysse observed that SBCCD spending is somewhat reduced over this time last year.

F. 2019-20 Board of Trustees Budget

This topic was not discussed.

VI. FUTURE TOPICS

No further topics were discussed.

A. Trustee Suggestions

B. Deferred Maintenance

VII. ADJOURNMENT

The meeting was adjourned at 3:20 p.m. The next meeting of the Board Finance Committee is scheduled for Thursday, February 11, 2021, at 2 p.m. via Zoom.