



Board of Trustees Finance Committee (BFC)

Meeting Minutes – January 12, 2023, 2:30 p.m.

Members Present: Trustee Gonzales, Chair, Trustee Harrison and Trustee Houston

Members Absent: None

Other Board Members Present: Trustees Reyes, Viricel and Williams, and Student Trustee Alexander

Staff Present:

- President Kevin Horan
- Vice Chancellor of Educational & Student Support Services Nohemy Ornelas
- Vice Presidents of Administrative Services Mike Strong and Tenille Norris (Interim)
- Associate Vice Chancellor of Government Relations & Strategic Communication Angel Rodriguez
- Executive Vice Chancellor & Acting President Jose Torres
- Director of Fiscal Services Larry Strong

I. WELCOME & INTRODUCTIONS

Trustee Gonzales called the meeting to order at 2:30 p.m. Self-introductions were made.

II. PUBLIC COMMENT

There were no public comments.

III. APPROVAL OF MINUTES OF November 10, 2022

Trustee Harrison moved to approve the minutes of November 10, 2022, which Trustee Houston seconded. The motion was approved by the following vote.

Ayes: Trustees Gonzales, Harrison and Houston

Noes: None

Abstentions: None

Absent: None

IV. CURRENT TOPICS

A. Annual Affirmation of Chair and Charge

Executive Vice Chancellor Torres advised that this is an annual occurrence. Committee members reviewed the charge. Trustee Harrison commented that the final bullet addressing bond measures was somewhat duplicative of the first bullet. Trustee Houston made a motion to approve the charge with the addition of the language, "regarding all fiscal matters of the District," to the first bullet, and deleting the final bullet. This will resolve the duplication. Trustee Harrison seconded the motion, which was approved by the following vote.

*Ayes: Trustees Gonzales, Harrison and Houston
Noes: None
Abstentions: None
Absent: None*

The revised charge will be submitted to the full Board at its February 9 meeting for approval.

B. 2023 Legislative Priorities

Associate Vice Chancellor Rodriguez gave a presentation on the 2023 Legislative Priorities which are part of the full Board agenda for approval.

Trustee Reyes arrived at 2:52 p.m.

C. Proposed Board Item - Reaffirm Guiding Principles

Trustee Houston made a motion to move the draft Board item on Reaffirmation of Guiding Principles for the FCC Auction Proceeds to the February 9 full Board as recommended by staff. Trustee Harrison seconded the motion, which was approved by the following vote.

*Ayes: Trustees Gonzales, Harrison and Houston
Noes: None
Abstentions: None
Absent: None*

V. UPDATES

A. State Budget Update

The members of the BFC received a verbal update regarding the Governor's proposed budget which was released on Tuesday. The proposal provides an 8.13% "cost-of-doing business" increase and another round of investments in strategies to increase student retention and enrollment rates. The following points were made.

- *8.13% applies to COLA for apportionments and categorical programs*
 - *This COLA is significantly higher than anticipated.*
 - *Such a high number most likely will result in a deficit factor and deferred apportionment payments .*
 - *What this means is that SBCCCD will not receive the 8.13%.*
- *The State is including 0.5% ongoing funding for growth.*
- *There is \$200 million in one-time support for outreach and retention.*
- *Scheduled maintenance is decreasing by \$213 million.*
- *The State is encouraging dual enrollment agreements and one-unit, service-learning courses for high school seniors.*
- *California Community Colleges are down 16% in enrollment systemwide. The budget is centered on bring students back.*

B. Enrollment

Vice Chancellor Ornelas advised that there was no written update at this month's BFC, however, there will be an update to the State and the full Board in February.

Trustee Williams arrived at 3:09 p.m.

C. PARS Pension Rate Stabilization Trust Snapshot & Statement

Executive Vice Chancellor Torres informed the members of the BFC that the current format for this report did not depict a clear picture of the investment. The layout will be updated for the February meeting.

D. Measure CC Timeline & Org Chart

The BFC reviewed this report. Committee members discussed Measure CC apprenticeship opportunities and BP 6610 on local hire. This should be reviewed going forward to find ways to keep bond measure funds local. Trustee Gonzales highlighted the three items below.

- *Ensuring SBCCD contracts with local people and companies.*
- *Examining the ethnic makeup of contractor employees to determine if they are reflective of the region.*
- *Determining the role our colleges play in making sure we're training the kind of workers we want to hire.*

E. Budget Revenue & Expenditure Report

This item was not discussed

F. 2022-23 Board of Trustees Budget

This item was not discussed.

VI. FUTURE TOPICS

A. Trustee Suggestions

Trustee Harrison would like the finance committee receive a quarterly report with context and timelines. Executive Vice Chancellor Torres clarified that this would be a quarterly report outlining the work of the BFC.

VII. NEXT MEETING DATE & ADJOURNMENT

The BFC agreed to change the meeting start time to 2:30 p.m. Therefore, the next meeting of the Board Finance Committee is scheduled for Thursday, February 9, 2023, at 2:30 p.m. in the Boardroom Extension. The meeting adjourned at 3:43 p.m.