



DISTRICT BUDGET COMMITTEE (DBC)

Via Zoom: <https://cccconfer.zoom.us/j/360544163>

MEETING MINUTES
8/20/2020, 2 pm

Members Present: Amy Avelar, Brandi Bailes, Diana Rodriguez, Girija Raghavan, Jeremy Sims, Josh Robles, Kristina Hannon, Larry Strong, Laura Van Genderen, Rania Hamdy, Rosemarie Hansen, Scott Stark, Shari Blackwell, Sophia Zamora, Tony Papa

Members Absent: Cassie Thomas, Deanna Krehbiel, Jose Torres, Kevin Horan, Meridyth McLaren, Mike Strong, Steve Sutorus

Guests Present: Anthony Castro, Celia Huston, Delmy Spencer, Dina Humble, Jim Buysse, Joanna Oxendine, Keith Wurtz

A. Welcome & Introductions

Larry Strong started the meeting at 2:04 pm. He thanked everyone for attending. Self-introductions were made via roll call.

B. Approval of Minutes of 5/21/2020

Diana Rodriguez made a motion to approve the minutes of 5/21/2020 which Rosemarie Hansen seconded. The motion was unanimously approved.

C. Current Business

1. DBC Charge

Rania Hamdy read aloud the charge for the benefit of new members, and to remind existing ones, about the DBC's role in the District. There was no further discussion.

2. 2020-21 Final Budget

Larry discussed the State budget process and advised that the Board will be having an August 27 Final Budget Strategy Session. On September 10, the BOT will consider the final budget for adoption. DBC members were encouraged to attend both meetings. Staff will send the Zoom links to the committee.

He talked about the uncertainties of this fiscal year and shared the best, middle, and worst case Multi-Year Forecast (MYF) scenarios. SBCCD's final budget is based on the middle case. He referred to the COLA and Deficit Factor assumptions and explained that the deficit factor is based on the estimated amount of funding SBCCD is scheduled to receive, but will not receive, if there are State revenue shortfalls. The figure is an estimate and is subject to change as economic data emerges.

Larry discussed the State's schedule of cash deferrals. Amy Avelar requested confirmation that the deferrals would be paid back. Larry clarified that in the months of February through June the majority of SBCCD's apportionment is to be deferred, with repayment scheduled to start in July. However, as has happened in the past, it is possible that this repayment schedule will not go according to plan.

The Board has directed staff to keep the ending fund balance in the range of 10-15%. Larry pointed out how low the fund balance will go in the different scenarios. Amy asked if the BOT has considered lowering this during these difficult times. Larry highlighted the wisdom of the Board in maintaining this range, stating that SBCCD would be in very difficult shape right now without it. The deferrals will wipe out some districts.

Brandi Bailes asked about commercial property revenues and was advised that these funds are currently supporting the SBCCD Free College Promise Program. She went on to ask if there were some way that she could review the budget detail by object code. Amy felt it would be good to see expanded detail for the District and campuses as well. Rania suggested that District Fiscal Services reach out to the Academic Senate presidents using the Zoom screen share function to demonstrate available budget data and the methods available to access this information.

It was asked if the online savings from remote operations is reflected in the budget. Scott Stark remarked that SBVC is seeing a big operational savings in utilities costs and consumables such as toilet paper and potable water. These savings have been programmed into this budget. Amy asked about savings from the recent early retirement incentive, which Larry advised should be reflected in a reduced salary for those positions which are now vacant.

He thanked everyone for their input and asked people to email him if they have more questions from their constituent groups.

3. Cash Flow

The monthly Unrestricted General Fund Cash Flow board item was reviewed. Given the current environment, cash flow has become an important consideration. It is important for the constituent groups to understand. This monthly Board item tracks cash for unrestricted general fund as well as restricted general fund (grants). Larry highlighted the planned temporary borrowings.

D. Updates

There were no updates to discuss.

E. Future Business

This topic was not discussed.

F. Adjournment

The meeting was adjourned at 3:01pm. The next meeting of the committee is scheduled for 9/17/2020 at 2 pm via Zoom.