

Fiscal Resources Committee
Executive Conference Room – District Office
1:30 p.m. – 3:00 p.m.

Meeting Minutes for November 15, 2017

FRC Members Present: Morrie Barembaum, Steven Deeley, Ed Fosmire, Pilar Gutierrez-Lucero, Peter Hardash, Mary Mettler, Arleen Satele, Monica Zarske

Alternates/Guests Present: Esmeralda Abejar, Thao Nguyen, Leanna Nolan, Jose Vargas

1. Welcome: Mr. Hardash called the meeting to order at 1:34 p.m.
2. State/District Budget Update – Hardash
 - “California’s Fiscal Outlook” just released by the LAO
 - i. Separate report on Prop 98
 - ii. Fiscal outlook looks well, no indications of recession
 - iii. Prop 98 funding should be increased
 - iv. Minimum guarantee for 2017-2018 up \$651 Million for K-14
 1. estimated \$1.7 Million for RSCCD
 2. Not known how this would be broken down yet
 - v. Prop 98 minimum funding for 2018-2019 projected increase by \$2.6 billion
 1. \$7.1 million for RSCCD
 2. May be an additional \$7.4 million in one-time funding
 - Governor prefers one-time funding vs committing to ongoing funding
 - Cola for 2018-2019 will be 1.8%
 - Have requested funding for new categorical programs
 - Cola, growth, and restoration missing from Prop 98 funding request
 - Cost continue to increase over revenue
3. Continued Discussion of MYPs, Stabilization and Restoration of FTES – Hardash
 - Mr. Hardash gave a presentation to the District Council on November 6, 2017
 - i. Combination of Adopted Budget presentation and FRC agenda items
 - Governor’s proposal will be injected into MYPs when released.
 - State’s reserves are growing
4. BAM Language Review – Continued Discussion

The Chancellor’s response to the BAM language was read and discussed. The Chancellor offered to work with the FRC on BAM language changes. Ms. Mettler discussed the action and vote at District Council regarding the transfer of funds to SAC for stabilization. She reminded the committee of the upcoming PRT visit on December 6, 2017. It was recommended that the committee continue the discussion and examine the current model. The Chancellor had recommended waiting until after the PRT visit to make changes to the BAM.

Mr. Hardash gave the committee a brief update on the upcoming PRT visit.

Ms. Mettler moved that the BAM subcommittee meet before the end of the Fall semester to begin the discussion on BAM language changes and start process for the BAM language review, either in person or via email. Ms. Zarske seconded the motion, and approved with one opposed.

7. Standing Report from District Council – Mettler
 - Group is getting together for PRT Visit
 - SAC is building a new Science Center.
 - Board has awarded contract.
 - Board approved \$71 Million in Bond sales

8. Informational Handouts

The following handouts were distributed:

- District-Wide Expenditure Report
- Vacant Funded Position List as of November 2, 2017
- Measure “Q” Project Cost Summary October 31, 2017
- Monthly Cash Flow Summary as of October 31, 2017
- SAC Planning and Budget Committee Agendas and Minutes
- SCC Budget Committee Agendas and Minutes

9. Approval of FRC Minutes – October 18, 2017

Mr. Hardash called for a motion to approve the Fiscal Resources Committee Minutes of the October 18, 2017 meeting. A motion was made by Ms. Satele, seconded by Ms. Gutierrez-Lucero and approved with two abstentions.

10. Other

A reminder that the Governor’s budget is expected to be released January 10, 2018.

Next meeting reminder: Wednesday, January 24, 2018, 1:30 – 3:00 in the Executive Conference Room, District Office

The meeting was adjourned at 2:19 p.m.