

Fiscal Resources Committee

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

Meeting Minutes for October 16, 2019

FRC Members Present: Peter Hardash, Morrie Barembaum, Steven Deeley, Noemi Guzman, Bart Hoffman, Cristina Morones, Thao Nguyen, William Nguyen, Adam O'Connor, Arleen Satele, Roy Shahbazian, Michael Taylor, and Vanessa Urbina

Alternates/Guests Present: Erika Almaraz, Michael DeCarbo, James Kennedy, Jose Vargas and George Walters (CWP)

1. Welcome: Mr. Hardash called the meeting to order at 1:32 p.m.
2. State/District Budget Update
 - SSC Governor Newsom Signs \$15 Billion Statewide School Bond Legislation – Mr. Hardash stated the Statewide School Bond Legislation will provide \$2 billion for community colleges. PRC will discuss this topic in depth at a future meeting.
 - SSC – What Are the CalSTRS, CalPERS, Social Security, Medicare, and SUI Historical Rates? – Mr. Hardash referenced article with historical rates for STRS, PERS, etc. and confirmed that such data is also tracked in the RSCCD budget.
 - Status Update on Potential New Districtwide Bond – Mr. Hardash reported the Trustees have discussed this matter at three regular board meetings and continue to deliberate a potential bond and associated project lists. The Trustees want to hear more feedback and supporters are encouraged to attend the Board Meeting at SAC on October 28. The Chancellor requested the item move forward for approval and will be on the docket. A two-thirds vote by the Board is required to pass the resolution (that is 5 of 7 Trustees must be in favor). The Student Trustee is an advisory vote and has already verbalized his support. The Board has until November 18 to make a decision for placement of the Bond on the March 3, 2020 ballot. The deadline is December 6 prior to their regular December meeting.
 - SCFF – Mr. Hardash explained the SCFF is a train wreck, getting worse not better. Constraints and funding tactics confirm the lack of sufficient funds to support the intent of the formula. Funding for last year and even the current year may not be known until after February 2020. Many in the State are advocating to get rid of the formula and that is complicated because it is law. Bay Area 10 group is recommending they remain hold harmless which means money comes from the rest of the districts. The only real way to solve the SCFF issues is to infuse new dollars into the formula. Based on the formula, RSCCD should be a winner district but is not because of the value engineering to constrain the funding. Last year's recalculation was to be available in November, but now it is not going to be available until P1. Some of the changes being discussed will not help, but actually hurt RSCCD.
3. 2020-21 Draft Budget Calendar - ACTION
 - Mr. O'Connor referred to pages 8-9 of meeting materials. With no further feedback or comments, it was moved by Arleen Satele and seconded by Bart Hoffman to approve the 2020-21 Budget Calendar as presented. The motion passed unanimously.
4. Continued Discussion of SCFF and Review of BAM – Cambridge West Partnership Consultants
 - Mr. Walters referred to page 10 of meeting materials, the process and calendar for reviewing the RSCCD Budget Allocation Model (BAM). The recommended process is to

review the BAM in six sections as follows: 1) Introduction 2) Implementation 3) Responsibilities 4) Revenue Modifications 5) Other Modifications and 6) Definition of Terms. Each month FRC will address a particular section(s) based on the proposed schedule. Between each meeting, constituents will have opportunity to submit feedback and then final review in the spring. It is anticipated that the rules and data will be in place by March or April.

- Definition of Terms – Pages 13, 14, 15 and 16 of meeting materials were reviewed with suggestions received for edits, deletions and additions. This section will be revised and presented at the next meeting for approval.
- Introduction, pages 11 and 12 of meeting materials was reviewed with edits, deletions and additions provided. This section will be revised and presented at the next meeting for approval with the understanding the conversation will continue as the SCFF details become known.
- Assess/Identify Minimum Funding Necessary to Ensure Success to Program/Service (IEPI C.2.5) – Michael DeCarbo provided a briefing on the IEPI plan and requested clarification of how the action steps were met for “assess/identify minimum funding necessary to ensure success of program/service.” Mr. DeCarbo will provide copies of documents for discussion at the next meeting.
- A discussion followed regarding the economy of scale for the BAM and distribution of base allocation.

5. Standing Report from District Council - Shahbazian

Mr. Shahbazian briefly discussed two main items from District Council: 1) Mapping of Responsibilities and 2) Strategic Plan of which both were approved. Mr. Hardash noted it was at District Council that Mr. DeCarbo brought forward the IEPI Plan which is now being referred to FRC.

6. Informational Handouts

- Districtwide expenditures report link: <https://intranet.rscsd.edu>
- Vacant Funded Position List as of October 9, 2019
- Measure “Q” Project Cost Summary as of September 30, 2019
- Monthly Cash Flow Summary as of September 30, 2019
- SAC Planning and Budget Committee Agendas and Minutes
- SCC Budget Committee Agendas and Minutes
- Mr. Hardash announced the Citizens’ Bond Oversight Committee-Measure Q meeting tonight at 6:00 p.m. in Board Room to review draft Annual Report to the Community.

7. Approval of FRC Minutes – September 18, 2019

A motion was made by Arleen Satele, seconded by Michael Taylor to approve the minutes of September 18, 2019 as corrected to the spelling of Taylor and Shahbazian names. With no additional questions, comments or corrections the motion passed unanimously.

8. Other

Mr. Nguyen requested clarification of Vacant Funded Positions (page 17), specifically the last column. Ms. Thao Nguyen explained the totals by site (SAC, SCC and DO) and agreed to revise format for clarity. These estimated savings are due to funded vacant positions. This update is provided each month. However, these savings may not be available at year end because such savings are more often shuffled during the year and utilized as one time funds. The funded vacant positions list was created and used during layoffs years ago during the recession.

Next meeting reminder: Wednesday, November 20, 2019, 1:30 – 3:00 in the Executive Conference Room #114, District Office

This meeting adjourned at 2:48 p.m.