



# SANTA ROSA JUNIOR COLLEGE

## BUDGET ADVISORY COMMITTEE

### Minutes

Tuesday, March 27, 2018

Library Room 4245

The meeting was called to order by Doug Roberts (Co-Chair).

**Members present:** Jackie De Lap, Junior N. Diarrassouba, Tina Dodson, Michael Henry, Lily Hunnemeder-Bergfelt, Kate Jolley, Bud Metzger, Cathy Prince, Doug Roberts, Kevin Sea, Sandy Sigala, Eric Thompson, Julie Thompson

**Also present:** Debbie Eakins, CeCe Jones, Debra Miller, Linda Close, Susan St. Clair

#### 1. Additional Agenda Items

Doug Roberts asked if the committee members had any additional agenda items, and there were none.

#### 2. Approval of Minutes

After a motion by Jackie De Lap, that was seconded by Eric Thompson, the committee unanimously approved the minutes from the February 27, 2018 meeting.

#### 3. Budget Update

#### 4. President's Reengineering Advisory Group Recommendations, Version 2010

#### 5. Budgetary Recommendations

Doug Roberts talked about Dr. Chong's budget email that went out to the campus community today that spoke to moving forward and asked for suggestions for decreasing expenses and/or increasing revenue.

Doug said that for the 2017/18 budget, \$4 million was cut from the budget--\$4 million in savings, all outside of the classroom. But he also said that last year's budget was built on \$2.6 million of one-time funding, so the District already had a budget gap going into 2018/19.

At this point, the District has a better idea of the increased expenditures for the coming fiscal year and those expenditure increases will add \$6.5 million to the budgetary gap, for a total of \$9.1 million. But if the District gets COLA, it would drop to \$6.5 million. However, the new funding formula has a one-year hold harmless provision that guarantees that the District would not receive any less in 2018/19 than it did for 2017/18; however that would be 2017/18 funding *without the benefit of the 2018/19 COLA*.

Under the new funding formula, the District would receive \$10 million less in funding than it would have under the old funding formula. However, a simulation was run allowing the “non-Chancellor approved” certificates to count, and would result in a \$90,000 improvement to the District’s funding. But that is not as much as the \$2.6 million COLA. It was noted that the District would have a \$6.5 million budget gap even if it did get COLA.

Doug Roberts said the request for fire relief was sent to the Chancellor’s office, but the District has not yet received written confirmation.

When Bud Metzger asked if it is likely that the new funding formula will be implemented, Doug replied that it is very likely, although we don’t know all of the details. He hopes that it will be phased-in, since that would allow the District to work on increasing Pell and BOG waiver recipients, as well as Promise Students.

Cathy Prince said that the income threshold on the BOG waiver is so low, \$19,000, that there are few students who could afford to live in this high-cost area on \$19,000 a year. She said the District is only at 21% financial aid. She is not optimistic that the District can increase the number of recipients.

During a discussion regarding the handout on the president’s reengineering advisory group recommendations, Eric Thompson expressed interest in item M1—that administrators periodically teach a class as part of their assignment, with no extra pay.

There was a suggestion about the possibility of a consolidation so that department chairs become deans and they retain one class.

Eric Thompson wondered how much as saved on item J5—restructuring the clusters and departments to be more effective.

Cathy Prince asked if classes were removed from Shone Farm, but the operation remained, would the District be subject to unrelated business income tax. Doug Roberts replied that it would not, as long as it is used for education purposes, and he reminded the committee that Shone Farm is considered a Center with the FTES generated, and as such, receives about \$300,000 annually in base funding as a “grandfathered” Center.

During a discussion about expanding Shone Farm into a cannabis-growing operation, Doug said Jeff Sessions would withhold Federal funds from entities that do not comply with Federal regulations. The District would lose Federal grants, student loans, etc.—the District would lose the ability to offer the students financial aid.

CeCe Jones talked about renting Shone Farm for weddings, and Doug said the District's facilities use is being expanded/increased. Jeff Rhoades is consolidating District oversight with the Event Management System software and procedures.

There was a brief discussion about erecting an electronic sign along the freeway to advertise classes and do outreach. Doug said CalTrans does not have an issue with that, but the City of Santa Rosa does. When CeCe Jones asked about the large wall of the Button Building, and using that to place banners, etc., Doug replied that the Button Building is such that holes get poked into it very easily.

When Cathy Prince asked about having a solar farm at the Shone Farm site, Doug said although the District already has solar panels at Shone Farm, with the new rules and regulations at PG&E, it doesn't pay to produce any more energy that we are going to use.

There was a conversation about going more paperless.

When asked about Golden Handshakes, Doug said it has been brought up before, and part of the issue is the District's ERO Program, where the District will pick-up the health benefits costs until the employee turns 65. The retiree might have ten years of district-paid benefits, and the replacement would probably be placed at Step C, but they would also get district-paid benefits which might cost more than that of the person they are replacing. There may be some savings for the first couple of years.

Doug talked about reorganizing and consolidating positions, and used the example of Police Chief Lorenzo Duenas who is retiring. The plan is to eliminate the lieutenant position entirely so that there would be a chief and three sergeants.

David Liebman is working on a project to use a natural flowing aquifer and build a cistern to capture the water.

## **6. Charge of the Budget Advisory Committee**

The committee discussed the charge of the BAC, and Eric Thompson said that, in general, the charge as written is not bad, but there isn't a mechanism to do certain functions, such as develop, vote on, and bring forward recommendations, as a group, recommendations to the president. Doug Roberts said the improvement could be in the process and in the calendaring to make it more formal. He said the presentation of *Where Does The Money Go?* is a lead-in to the process.

The meeting adjourned at 4:32 p.m.