MINUTES

SPECIAL MEETING AND STUDY SESSION OF THE BOARD OF TRUSTEES SANTA BARBARA COMMUNITY COLLEGE DISTRICT

Room A218C
Thursday, June 14, 2012
4:00 p.m.

MacDougall Administration Center
SBCC East Campus
Santa Barbara City College
721 Cliff Drive

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The District Office is located at 721 Cliff Drive, Santa Barbara, CA 93109. The Office of the Superintendent/President, Room A110 in the MacDougall Administration Center is the location where documents that are public records relating to any item under discussion on a Board agenda (including documents distributed with the agenda and those distributed to all or a majority of the members of the Board within 72 hours prior to a regular Board meeting or within 24 hours prior to a special meeting) are available for public inspection.

Board agendas and supporting documents are also posted on the College website at http://www.sbcc.edu/boardoftrustees/.

1. GENERAL FUNCTIONS AND ACTION ITEMS

1.1 CALL TO ORDER

President Haslund called the meeting to order.

1.2 ROLL CALL

Members present:
Marty Blum
Marsha Croninger
Peter Haslund, President
Morris Jurkowitz
Joan Livingston
Lisa Macker, Vice President
Luis Villegas
Joel Negroni, Student Trustee
Management present at this meeting:
Dr. Jack Friedlander, Acting Superintendent/President and Secretary Clerk to the Board of Trustees
Joe Sullivan, Vice President Business Services
Dr. Ofelia Arellano, Vice President Continuing Education.

1.3 WELCOME

President Haslund extended a cordial welcome to all.

1.4 HEARING OF CITIZENS

The speakers at this meeting were Rosanne Crawford and Cornelia Alsheimer.

2. BOARD OF TRUSTEES

(This item was moved to the end of the study session for approval.)

2.1 PUBLIC HEARING AND ADOPTION OF THE TENTATIVE 2012-2013 BUDGET

Upon motion by Trustee Macker, seconded by Trustee Croninger the Board approved moving into a public hearing.

Upon motion by Trustee Livingston, seconded by Trustee Jurkowitz the Board approved moving out of a public hearing.

Upon motion by Trustee Jurkowitz, seconded by Trustee Villegas, the Board moved to approve the 2012-13 Tentative Budget.

After discussion, Trustee Macker made a motion, seconded by Trustee Croninger, to amend the motion to approve the 2012-13 Tentative Budget for the fiscal year 2012-13 with acknowledgement of a specific waiver to Board Policy 6251 #3 as per Board discussion and action fiscal year 2011-12, when the Board agreed to use a three-year period to facilitate budget adjustments while expenses are reduced in the least disruptive manner. The Board approved the amendment to the motion. Trustee Livingston opposed the amendment.

The motion to approve the 2012-13 Tentative Budget, as amended, was approved by the Board. Trustee Livingston voted no.

3. BUSINESS SERVICES

3.1 BUSINESS SERVICES ACTION ITEM

a. RESOLUTION NO. 46 (2011-12) APPROVAL OF LONG-RANGE DEVELOPMENT AMENDMENT

Upon motion by Trustee Livingston, seconded by Trustee Jurkowitz, the Board approved Resolution No. 46 approval of Long-Range Development Amendment. The vote follows:
AYES: Trustee Blum, Trustee Croninger, Trustee Haslund, Trustee Jurkowitz, Trustee Livingston, Trustee Macker, Trustee Villegas

NOES: None

CONCUR: Trustee Negroni, Student Trustee

4. STUDY SESSION

THE FOLLOWING ITEMS WERE FOR DISCUSSION ONLY AND NO ACTION WAS TAKEN ON THEM AT THIS MEETING:

4.1 Review and analysis of the Governor’s proposed state budget for 2012-13.

Joe Sullivan imparted information from the Governor’s office regarding deferral buy down scenarios should the November ballot tax initiative pass or fail. He noted that if the tax initiative passes, the deferral buy down for the California Community Colleges decreases from $313 million to $213 million. If it fails, the base reduction increases to $338.6 million (7.5%) from $286.5 million (6.2%). Mr. Sullivan stated that the various scenarios are likely to change before the November vote.

Mr. Sullivan proceeded to provide a slide presentation of the 2012-13 Tentative Budget.

For clarification purposes, Mr. Sullivan agreed to pull from the presentation the bulleted point regarding the $7.6 million from the workers comp funds transfer to the general fund, and not show it as additional revenue in the 2012-13 Tentative Budget.

Mr. Sullivan concluded the presentation by indicating that, if the tax initiative passes, the college’s budget deficit would decrease from $2,861,122 to $531,332.

4.2 Review of College Budget Assumptions for 2012-13. (Attachment 1)

Mr. Sullivan reviewed the 2011-12 projected actuals with the tentative budget.

Notable revenue factors included:
- $4 million workload reduction which reduces revenue.
- The Continuing Education conversion of courses from state supported to fee based is projected to increase revenue based on a 50% class success rate.
- $1 million deficit factor.

Notable expenses included:
- $2.3 million in identified budget reductions.
- Elimination of over-cap FTES.
- The college’s responsibility for the CalPERS Board recommendation to increase employer contribution rates resulting in an additional cost of approximately $187,400 to the general fund.
- 50% reduction for short-term and substitute workers.
- No increase for wages or benefits.
Notable transfers include:
  • Approximately $825,000 from the general fund to offset state cuts in categorical programs.
  • Transfers to the Construction Fund and to the Equipment Fund to be made at year-end to
    conserve cash flow.

Mr. Sullivan clarified that the 2012-13 tentative budget incorporates the failure of the tax
initiative. If the tax initiative passes, the college will add back class sections to meet its FTES cap,
and deferrals will be smaller which will positively impact cash flow.

4.3 Actions that have been taken or will be implemented to achieve a balanced budget by the start of
the 2013-14 fiscal year.

Dr. Friedlander presented a document entitled “Recommendation for Converting Non-Enhanced
Non-Credit Classes to Fee-Based Offerings in 2012-13”. The proposal calls for converting 40%
of the non-enhanced, non-credit (NENC) fee-based courses to state supported courses in Fall
2012 and in Winter 2013 quarters, and 100% of the NENC to fee-based courses in Spring 2013.
Dr. Friedlander reviewed the estimated costs associated with the recommendations.

It was suggested to schedule a Special Meeting of the Board to further discuss the conversion of
NENC classes to fee-based.

4.4 Review of proposed changes to Board Policy 6251 Principles of Budget Development.
   (Attachment 2)

   This agenda item was deferred until the next meeting.

6. ADJOURNMENT

Upon motion by Trustee Jurkowitz, seconded by Trustee Macker the meeting was adjourned.

The next Regular Meeting of the Board of Trustees will be held on Thursday, June 28, 2012 at 4:00 p.m. in
Room A211.

APPROVED BY THE BOARD OF TRUSTEES ON March 13, 2014

President, Board of Trustees

Superintendent/President
Secretary/Clerk of the Board