

**Minutes of the Annual Retreat of the Board of Trustees
San Mateo County Community College District
February 1, 2014, Redwood City, CA**

The meeting was called to order at 9:10 a.m.

Board Members Present: President Karen Schwarz, Vice President Patricia Miljanich, Trustees Richard Holober, Dave Mandelkern and Tom Mohr, Student Trustee David Zay Latt

Others Present: Chancellor Ron Galatolo, Deputy Chancellor Jim Keller, Skyline College President Regina Stanback Stroud, College of San Mateo President Michael Claire, Cañada College President Larry Buckley, District Academic Senate President Diana Bennett

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

None

BUDGET UPDATE (14-2-1C)

Executive Vice Chancellor Blackwood distributed handouts related to her presentation on the budget; copies are attached to the official minutes of record. Her report included a review of the Governor's proposed budget and how it will affect the District. She stated that although the District has achieved community-supported status, it will receive funds for the Student Success and Support Program (SSSP), funds for Proposition 39 projects, and funds for scheduled maintenance and instructional equipment. Overall, the District would receive more than \$3 million in new categorical or restricted money for next year; however, there is a significant match requirement for these funds, with amounts varying by category.

Executive Vice Chancellor Blackwood discussed the three-year assumptions for the District. Regarding enrollment projections, she said that up to now, the direction from the Board has been to keep enrollment at or near the state-funded cap; staff is seeking direction about whether this will continue to be a goal and whether there are now other considerations. Property taxes are projected to increase by 4.0% to 4.4% per year. The "Excess Property Tax" projection (total revenues received from property taxes and student fees) will be determined based on enrollment projections and property tax projections. When this figure is determined, the Board can discuss all available resources, including an increase in SSSP funds and RDA funds, while accounting for the loss of Measure G funds. Executive Vice Chancellor Blackwood said it is important to keep in mind that existing compensation agreements require that a percentage of property tax increases will go to compensation schedules.

Executive Vice Chancellor Blackwood discussed enrollment projections based on the state-funded cap. There was extensive Board discussion about whether the state's 3% enrollment growth figure is appropriate for the District to follow. Areas of discussion included load and productivity; relationship to hiring of faculty; awareness of the possibility of reverting to revenue limit status; identifying and serving local community needs; maintaining efficiencies made during budget cuts and continuing to make adjustments when needed; and how to reach populations that traditionally have been underserved. It was noted that many of these issues will be discussed later under the items on Revised Core Values and Principles and Board Goals. Executive Vice Chancellor Blackwood said discussions should also include supplemental instruction, BA degrees, hybrid/community education classes, learning communities, and professional development. The Board briefly discussed professional development at the Colleges and requested that this be a topic at a future study session.

Executive Vice Chancellor Blackwood said property tax projections include RDA money. There was a substantial amount of one-time monies in 2012-13 and there will be more one-time payments as RDAs begin to sell off some of their assets; however, these payments are not included in the projections because the amounts and timing are not known. Revenue limit projections are based on the concept of the District achieving the highest possible state revenue limit. If this occurs, the District's excess property tax will range from \$13 to \$17 million in 2016-17, placing it very solidly into community-supported status.

Executive Vice Chancellor Blackwood said that as of last June, the Measure A fund balance was \$32 million. During the first six months of this year, \$3.6 million was spent and, as of December 31, another \$6 million was encumbered. An additional \$26 million is budgeted for projects but is not yet under contract, leaving a balance of \$2.3 million.

DISCUSSION OF REVISED CORE VALUES AND PRINCIPLES DOCUMENT (14-2-2C)

Chancellor Galatolo said the document maintains a focus on transfer education, career/technical training, and basic skills; however, there is an additional focus on restoration of contract education, not-for-credit and community education programs. The document also addresses more specific areas, such as: seeking out and serving underserved populations within the community; continuing efforts to expand online learning; concurrent enrollment programs; Middle college; international education; and unique programs that serve broad community needs. Chancellor Galatolo said staff is seeking clear direction from the Board about whether the focus should be on protecting the FTES base or on looking more at increasing efficiency and increasing the impact of the District.

Extensive Board discussion followed, including discussion of:

- Balance between single-minded focus on FTES and other considerations; being mindful of possibility of reverting to revenue limit status.
- Focus on success and completion and how to define and measure them; looking at how students in the District achieve their specific goals rather than using the state's method of measuring success.
- Continued focus on academic excellence, student equity and access.
- Focus on identifying and reaching underserved populations with the community, including foster youth, those in the criminal justice system, and students who do nothing after high school; how to address the needs of the whole student without duplicating responsibilities of other agencies; make sure that no populations are stigmatized.
- Utilizing community education programs to address the broader needs of the community; consider hybrid classes for low-enrolled courses.
- Connecting students with business opportunities in the community.
- Consideration of incentives to faculty as part of maintaining a competitive advantage; importance of full-time faculty.
- Minimizing contracting out of community college jobs.

The Board agreed that the Statement of Core Values should be a high-level, broad statement of values and should not be confused with goals. It was agreed that the financial details included in the Preamble should be removed and replaced by a more general statement about the change in the District's financial situation. The Board offered suggestions for changes or additions to specific sections. These suggestions, along with general suggestions made during the discussion, will be incorporated into a revised document. Board members may also send suggestions to Barbara Christensen. The revised document will be brought to a Board meeting for further discussion.

PROPOSED NEW PROJECT: CAÑADA COLLEGE ATHLETIC COMPLEX AND FITNESS CENTER (14-2-3C)

Chancellor Galatolo said the San Mateo Athletic Center (SMAC) has exceeded expectations and currently has more than 5,000 members. In looking at capacities countywide, interesting data has been gathered regarding the areas around Cañada College and Skyline College. Vice Chancellor Tom Bauer said he and SMAC General Manager Diana Thomas work with Dave Cameron of Club Management Concepts, a company which does demographic surveys. Based on the surveys, Mr. Cameron reports that the five mile radius around Redwood City is currently dramatically underserved by the commercial club market and the level of competition is extraordinarily low. He also refers to the increasing demand for quality, educationally-based fitness. The report suggests that a facility based at Cañada College could have a membership of 4,620 within three to four years. With this membership, a club could generate a surplus in excess of \$1 million per year. Chancellor Galatolo said that with these analytics and the conceptual drawings provided in the board packet, the next step is to seek direction from the Board about they wish to pursue this possibility.

There was extensive Board discussion, which included the following items:

- Based on the success of SMAC, this is a concept that is worth considering; it would provide a service to the South County community and generate income.
- More information was requested, including background data and market studies, as well as satisfaction surveys and retention at SMAC.
- Reason for choosing to construct a new facility at Cañada College vs. Skyline College, and how it fits in with College needs and priorities.
- How SMAC is doing with regard to employment opportunities for District bargaining unit members; economic feasibility of weaning the facility away from contract employees.
- Being mindful that a fitness facility must be an education facility before it is a community-based facility; need more information about educational opportunities that would be offered.
- Construction costs and where funding would come from; discussion of possible COP.
- Review of contract and performance of current management company.

BROWN ACT (14-2-5C)

Greg Dannis, attorney with the law firm Dannis Woliver Kelley, presented a review of the Brown Act. He answered questions from Board members, particularly relating to closed session requirements.

FUTURE FUNDING NEEDS (14-2-4C)

Chancellor Galatolo briefly discussed future funding needs at the District and three Colleges. The Board then discussed whether to seek extension of the Measure G parcel tax and the possibility of a future general obligation bond measure. It was agreed that the issue of the parcel tax extension will be discussed further at the regular meeting of the Board on February 26.

STUDY SESSION TOPICS (14-2-6C)

As mentioned previously, it was requested that professional development be added as a study session topic. Board members also suggested that some proposed study session topics could be presented as information reports at regular meetings. In addition, it was suggested that study sessions could be added in months in which only one Board meeting is scheduled.

UPDATE ON BOARD GOALS FOR 2013-14 (14-2-7C)

The Board briefly reviewed the progress on the 2013-14 goals as shown on the board report included in the board packet. Chancellor Galatolo noted that each of the twelve goals has been addressed in an in-depth manner.

INITIAL DISCUSSION OF PROPOSED BOARD GOALS FOR 2014-15 (14-2-8C)

Board members requested the following revisions to the proposed goals:

- Add “continued focus on fiscal stability” under goal #1.
- Omit references to specific examples of innovative efforts under goal #3.
- Move goal #4 regarding student success to immediately follow goal #1. Within this goal, add program enhancements to enhance student success.
- Delete the reference to “no or low cost programs” in goal #2 until there is a clearer understanding of what these might be.
- Add language to goal #5 to note that fees from international students provide the ability to expand course offerings to local students.
- In goal #7, change “monitor state legislation” to “monitor and where necessary influence state legislation.”
- Under goal #9, the Board discussed the need for a staff presentation on the proposed project before accepting as a goal; the Board also discussed eliminating some specificity.
- Reinsert goal #12 from the 2013-14 goals, regarding local relationships.
- Add a goal dealing with hiring policies.

ADJUORNMENT

The meeting was adjourned by consensus at 2:30 p.m.

Submitted by

Ron Galatolo, Secretary

Approved and entered into the proceedings of the March 26, 2014 meeting.

Patricia Miljanich, Vice President-Clerk