



District Committee on Budget & Finance

February 16, 2021

Zoom, 1:30 – 3:30 p.m.

Attendees: Bernata Slater, Eloisa Briones, Mary Chries Concha Thia, Sofia Fernandez Giorgi, Judy Hutchinson, Nick Kapp, Steven Lehigh, Vincent Li, Graciano Mendoza, Minn Thurei Naung, Micaela Ochoa, and Ludmila Prisecar

Absent: Tony Burolla, Anthony Frangos, Sam Haun, and Martin Partlan

Guests: Edgar Coronel, Peter Fitzsimmons, Daman Grewal, and Alice Zhang

Called to order at 1:41 p.m.

1. Introductions

Introductions were made.

2. Securing Infrastructure Working From Home

Grewal reviewed the presentation with the committee, which was emailed to the committee prior to the meeting. Slater asked about passwords and the amount of time to hack to which Daman responded that the recommendation is to have passwords of twelve or more characters and to have a mix of symbols, letters, and numbers. He provided the following link where folks can change their district password – <https://adselfservice.smccd.edu/showLogin.cc>.

A member asked via chat to provide the two factor suggestion for smartphones. Grewal stated that the District uses OneLogin and to reach out to IT if access is needed. He went on to recommend to use OneLogin for emails as well. The District is working on providing software to manage multiple passwords.

3. FY 2020-21 Mid-Year Report

Slater stated that the report is close to completion and is going to the Board of Trustees as an information item for their meeting of February 24, 2020. She reminded the committee that the report covers the 1st half of FY 2020-21 (July – December) and some information regarding the Governor's 2020-21 Proposed Budget. Once the document is completed, Fitzsimmons will send an electronic copy to the committee members.

Slater provided information regarding the financial Impact of COVID-19. She noted that the District and the Colleges are working through the allocation of HEERF II funds and stated that there is a possibility that a third package that is currently working its way through the federal government legislative process.

There is a likelihood that there will be carryover from FY 2020-21 to FY 2021-22 and that it appears that because of stock market returns, the District will likely receive interest earnings above the budget for FY 2020-21. The State's STRS On-Behalf Payment is budgeted based upon prior year while the

actual may be higher due to COLA but reminded the committee that this is a GASB entry (there is an offsetting expense, which means it is budget / actual neutral). Assessed valuation year-over-year increases have decreased; however, remain in positive territory. The District will likely use one scenario for the time being. Property taxes are projected to be 4.5% for FY 2021-22 and assessed valuation is currently at 3.67%.

4. Economic Update Presentation – School Services (from ACBO Budget Workshop)

Fitzsimmons emailed to the committee members prior to the meeting. Given time constraints this presentation was not reviewed with the committee. The committee decided to not place on the agenda for the next meeting. Fitzsimmons advised the committee that if they have any questions with regards to any of the slides to contact him.

5. FY 2021-22 Preliminary Resource Allocation Model

- FY 2021-22 Preliminary Budget Assumptions**

Fitzsimmons reminded the committee that these are preliminary numbers and will continue to be refined leading up to the Adopted Budget in September 2021. He also noted that the COLA (TCF) representative of district-wide and not for a specific unit and will continue to be refined leading up to July 2021 when the TCF per unit will be known. He also noted that this number will likely increase as County assessed valuation and property tax numbers continue to be provided to the District by the County.

	FY21-22				
	CSM	Canada	Skyline	District	
Resident FTES	1.52%	0.00%	4.00%	2.24%	
Out-of State FTES					Same as Prior Year
Apprenticeship FTES					Same as Prior Year
International FTES	12.55%	0.52%	3.56%	7.68%	
State Inflation Factor (COLA)				1.50%	
State Growth / Workload Reduction				0.50%	
California CPI				1.57%	
COLA (Total Compensation)				2.25%	
Property Tax Increase				3.66%	
Lottery per FTES				\$150	
Mandated Cost (Block Grant) per FTES				\$30.16	
Non-Resident Tuition per Unit				\$307	
Resident Tuition per Unit				\$46	

Lehigh inquired with regards to the 2% decrease to the self-assessment for retiree benefits (5% to 4% of payroll) and how this benefits the COLA (Total Compensation) to which Slater advised that the COLA Calculations consider year-over-year benefit changes. Lehigh requested a copy of the calculations to

which Fitzsimmons recommended that he reach out to Human Resources of the AFT Negotiating Team for a copy.

- **FY 2021-22 Preliminary Site Allocations**

Fitzsimmons reviewed the preliminary site allocations as of today's date. He noted that these numbers will continue to be refined leading up the Adopted Budget in September 2021 and that for illustrative purposes an assumption of 4.5% in property tax increases was made even though the current number is 3.67%.

	FY2020-21 Adopted	FY2021-22 Tentative	
Site Allocations			21-22 over 20-21 Point in Time
	\$	\$	\$
Canada College	31,737,063	32,527,414	790,351
College of San Mateo	48,441,438	50,298,533	1,857,095
			\$
Skyline College	51,525,669	52,847,332	1,321,663
			\$
District Office	21,549,988	21,568,727	18,739
			\$
Facilities	18,170,107	18,297,128	127,021
	\$	\$	\$
Subtotal	171,424,265	175,539,134	4,114,869

Slater illustrated the year-over-year increases for Central Services. In response to Concha Thia's inquiry, Fitzsimmons reviewed the components of the miscellaneous line item on the Resource Allocation Model. In response to Hutchinson's inquiry, Fitzsimmons concurred that the site allocation is adjusted in the following year to reflect actual International FTES vs. estimates and reminded the committee that the changes to the non-resident fee also impacts the site allocation. Slater reminded the committee that this revenue source is of a tremendous benefit to the colleges' site allocation. Lehigh inquired as to how to tie the Resource Allocation Model to the Budget Document. Fitzsimmons stated that this is very difficult because of (1) carry overs are included in the document but not the model and (2) much of the allocation to Central Services is moved to the sites throughout the year. Slater suggested that there is a possibility of moving some of the allocation from Central Services to the Colleges within the model. Fitzsimmons agreed; however, recommended that the District and Colleges meet because depending up the line item there are three "categories" – (1) very easy to do (e.g., college-generated revenue); (2) not difficult to do; however, a methodology would need to be agreed upon (e.g. office hours); and (3) next to impossible to do (e.g., salary commitments). Slater also provided a view of a document that FHDA uses to partially address Lehigh's inquiry. It was noted that the document was district-wide and Lehigh has an interest of breaking the data down to the site

level. There was a brief discussion amongst Slater and Briones for the benefit of the committee with regards to how the District allocated one-time dollars many years ago upon receipt of one-time mandated cost reimbursements, which funded one-time college initiatives.

6. Next Meeting: March 16, 2021

Meeting adjourned at 3:13 p.m.