



GOVERNING BOARD MEETING MINUTES

South Bay Regional Public Safety Training Consortium

**Thursday, September 19, 2019
10:00 a.m. – South Bay Regional Public Safety Training**

Room #D103

I. Call to Order

Dr. Gari Browning called the meeting to order at 10:01 a.m.

Present:	Dr. Gari Browning	Ohlone College
	Mr. Michael Renzi	Gavilan College
	Ms. Michelle Schneider	College of San Mateo
	Mr. David Martin	Monterey Peninsula College
	Dr. Jon Knolle	Monterey Peninsula College
	Dr. Kathleen Welch	Cabrillo College
	Mr. Jeff DeFranco	Lake Tahoe Community College
	Ms. Linda Vaughn	SBRPSTC
	Mr. Gregg Giusiana	SBRPSTC
	Mr. Ernie Smedlund	SBRPSTC
	Mr. Edward Flores	SBRPSTC
	Mr. Michael Manning	SBRPSTC

Absent:	Dr. Kathleen Rose	Gavilan College
	Dr. Michael Claire	College of San Mateo
	Ms. Gerlinde Brady	Cabrillo College
	Mr. Daniel Peck	Mission College
	Dr. Ghada Al-Masri	Ohlone College
	Mr. Brad Deeds	Lake Tahoe Community College
	Mr. Alfred Muñoz	Hartnell College

a. Approval of Agenda (A)

II. Approval of Minutes (A)

a. March 21, 2019

Mr. Jeff DeFranco requested the minutes to be amended to show him as being present at the last meeting. The minutes reflect him as both present and absent.

Motion: Ms. Michelle Schneider 2nd: Mr. Jeff DeFranco

Motion approved unanimously

III. Public Comment

No public members present.

IV. Business

a. MPC Alternate Board Member (A)

Monterey Peninsula College requests Dr. Jon Knolle, acting Vice President of Academic Affairs be approved as alternate representative to the JPA Board.

Motion: Mr. David Martin 2nd: Ms. Michelle Schneider

Motion approved unanimously

b. Gavilan College Alternate Board Member (A)

Gavilan College requests Mr. Michael Renzi, Vice President of Administrative Services be approved as alternate representative to the JPA Board.

Motion: Ms. Michelle Schneider 2nd: Mr. Jeff DeFranco

Motion approved unanimously

c. 2018-19 Annual Audit Report (A)

Ms. Linda Vaughn shared that we received our Final Audit report from the firm of Onisko & Scholz, LLP. Their review included interviews with the executive staff and staff members, as well. Ms. Vaughn shared the actual cost for the audit was approximately \$16k.

The audit firm was happy with the controls we had in place, but thought that our payroll practices may be an area of vulnerability, due to it being a department of one employee. They suggested moving the distribution of the payroll to another individual as a remedy.

Overall, we ended 2018-19 with an approximate \$301k gain. This includes the shortfall of our FTE's, some salary savings due to a couple of

staff vacancies, \$200k of additional contract revenue, and overall lower expenses.

Mr. Ernie Smedlund wanted to share a special thanks to the fiscal team for their hard work and patience while working with the auditors.

Motion: Mr. Jeff DeFranco 2nd: Mr. David Martin

Motion approved unanimously

d. Staff Salary Adjustment (A)

Ms. Vaughn shared with the board that any requests for salary increases will now be presented to the board as a separate item moving forward. In 2017-18, South Bay restored their employee's retirement match to their 457 retirement plans; however, no other benefits or salaries have been changed since. The staff members are not under any contract or part of a union.

The Executive Team provided an 11-year analysis of Consortium Salary adjustment percentages, Department of Labor statistics for Average California Wage Gain, and National Inflation Rates for the same time period. They also provided current Salary Comparisons for like employee classifications/positions: South Bay vs. Bay Region College salaries. Based upon this data the Executive team was proposing a 5% salary increase for all Consortium administration, staff and faculty.

Mr. Smedlund shared that no wage increases were given last year. If the salary increase is approved, this will not have a negative impact on our overall budget. The expense equates to approximately \$310k, reducing the proposed \$427K gain to a \$120k gain for 2019-20.

Ms. Vaughn recognizes that the COLA issued by the state for 2019-20 is 3.26%, however even with a 5% increase in salaries, are still below the Bay Region colleges average. She also reminded the Board that the staff is offered a 6% matching 457 plan for retirement and not a Pension Plan, such as STRS or PERS.

Mr. Ed Flores shared that our salaries are not competitive enough and this has affected our recruiting and retention of staff.

Mr. Michael Renzi asked "How will the salary increase be funded?" Ms. Vaughn assured the Board that this will not have any effect on the FTE allotments or the shared value from the colleges. We continue to add to the Consortium reserve funds, to assist in weathering economic changes and assist as we navigate impacts the new funding formula will have on the

organization. The budget does not reflect any proposed growth, it's only based on what we know and the contracts that we currently have in place.

Mr. Jeff DeFranco shared some comments and suggestions for future requests. There is a concern for the uncertainty of future funding from the supporting colleges. Another point made was that most colleges have not been made "whole" since the recession. Going forward, it's suggested that the Consortium request small increases maybe every 2 years as opposed to one big increase all at once. Dr. Browning, is in agreement with spreading out the salary increases.

It was suggested that the Consortium use averaged salaries and obtain actual salary figures from the Bay Region Colleges for future comparisons. Lastly, a few years ago, the Consortium Equipment Fund was established. Since then funding for equipment allocation to colleges has dramatically decreased. This may have a negative effect on revenue stream in the next 2-3 years.

Motion: Ms. Michelle Schneider 2nd: Dr. Kathleen Welch

Motion approved unanimously

e. Proposed Final Budget Report (A)

Ms. Vaughn reported that the Consortium annual budget has been updated with the audited financial records for 2018-19 and does not take into consideration any salary adjustments that may have been approved in Agenda Item D. The budget reflects a projected budget gain of \$427,324 and a year-end total fund balance of \$5,891,575. Implementation of the salary increase will negatively impact both of these figures by approximately \$310,000.

The budget is based on 2,558 FTE's from the colleges and currently executed contract income. 57% of our revenue is based on the apportionment. Approximately 59% of the budget is allotted for salaries and benefits.

Mr. Renzi requested that the final budget be updated to include the 5% salary increase and distributed to the Board.

Motion: Mr. David Martin 2nd: Mr. Jeff DeFranco

Motion approved unanimously

f. Financial Report (D)

Ms. Vaughn reviewed the Financial Report for 2019-20, that was provided to the board. This includes FTE's, income and expenses (actual vs. proposed budget) to date.

Mr. Flores shared that the numbers in the financial report were based on a conservative approach. We continue to track attendance based on a daily census and positive attendance (Basic Courses are daily census).

The AB720, Instructional Services Agreements Legislation, have been moved from suspension to held in committee for further discussion as of Monday, September 16th.

Mr. Smedlund reported on the monthly revenue sources and the fact that we offer very few contract services during July and August. The financial report currently reflects a loss, but it is not a concern at this time.

Ms. Vaughn advised that is the 2nd meeting that we provided the Board with this report. Would they like to see any additional materials or information provided differently?

Mr. Renzi suggested that we begin comparing our performance with the new funding matrix. A sample can be found on the Gavilan website. He also suggested posting our reports on the Consortium website.

V. Announcements

There were no announcements

VI. Adjournment

Meeting was adjourned at 10:57 a.m.

Next regular JPA Board meeting scheduled for November will be postponed till January 16, 2020 at 10:00 a.m.