



GOVERNING BOARD MEETING MINUTES

South Bay Regional Public Safety Training Consortium

Thursday, June 20, 2024

10:00 a.m. – South Bay Regional Public Safety Training

Coyote Valley Campus Room D103 / Zoom Conference

I. Call to Order

Dr. Chris Dela Rosa called the meeting to order at 10:12 a.m.

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| Present: | Dr. Chris Dela Rosa Dr. Jon Knolle Dean Andreas Wolf Dr. Pedro Avila Mr. Graciano Mendoza Mr. Brad Deeds | Ohlone College Monterey Peninsula College College of San Mateo Gavilan College Hartnell College Lake Tahoe Community College |
| Staff | Mr. Kevin Jensen Mr. Edward Flores Mr. Ernie Smedlund Mr. Alan Soroka Mr. Mike Manning | SBRPSTC SBRPSTC SBRPSTC SBRPSTC SBRPSTC |
| Absent: | Dr. Andrew LaManque Ms. Judy Cutting Dr. Travaris Harris Mr. Paul Harvell Dr. Carla Grandy Dr. Ram Subramaniam Ms. Marilyn Morikang Mr. Jeff. DeFranco | Ohlone College Monterey Peninsula College Cabrillo College Cabrillo College College of San Mateo Hartnell College Gavilan College Lake Tahoe Community College |

II. Approval of Agenda (A)

Motion to Approve the Agenda

Motion: Mr. Brad Deeds 2nd: Dr. Jon Knolle

Motion passes unanimously

III. Consent Agenda

a. Approval of March 28, 2024 Board Minutes (A)

Motion: Dr. Jon Knolle

2nd: Mr. Brad Deeds

Motion passes unanimously

IV. Public Comment

N/A

V. Discussion/Information Item(s)

a. Financial and FTES Report Update

The Consortium provides updates on the organization's financial health/status and meeting FTES goals for member colleges on a regular basis. A financial report was provided to the Board to reflect income and expenses entered into the financial accounting system as of June 10, 2024.

Mr. Ernie Smedlund shared an overview with the Board. The report shows a current positive income of \$1.2 million. However, there are a few things that will affect that amount from now until the end of the fiscal year. This includes the calculations for apportionment for the last month, for each college. The Consortium also anticipates to be about \$700k under the full budgeted amount for Contract courses due to the overall reduction of those POST Contracts. Other highlights included:

- Interest and Testing income of about \$37k above budget
- Bookstore sales are underbudget by about \$125k (POST reducing the # of required books and materials for courses)
- Salaries and Wages are about \$600k under budget due to staff reduction and unfilled positions.
- It is expected that the Revenue Share will come in at about \$250k of increased expenses. This is not included in the report since these figures aren't calculated until the end of the fiscal year.
- Rental expenses of about \$100k include rental expenses for June and utilities for the 4th quarter
- There was a significant expense of about \$500k paid through the Operations Budget which included the purchase of several new fleet vehicles
- Overall the Consortium projects a surplus of about \$725k for the end of the fiscal year.

Mr. Ed Flores reviewed the FTES Allocations Report that was provided to the Board. The Consortium started with a base of 2380 FTES which has since increased to 2465. This was due to an increase of 100 FTES from Lake Tahoe College. Additionally, they received the following increases; 30 from MPC, 50 from Gavilan and another 60 from Lake Tahoe. The Consortium projects to end the year at 2517 FTES = 105% of the base and almost 99% of the maximum allocations.

Mr. Brad Deeds asked if there were any courses that had waitlists and/or are there any potential areas of growth that the colleges should anticipate for the next fiscal year. Mr. Flores shared that there has been a continued increase due to the return of Conferences, increase in FTP (Field Training Program), increase in the Fire Program courses and a new HPO (Health Protection Officer) Course that resulted through a partnership with Kaiser. However, year to year, this is also dependent on how our partnering agencies respond to our registration requirements. The most recent hurdle, as previously discussed, has been the college's requirement of ID.me. They continue to monitor any issues students are reporting with this new security measure.

Overall it is projected that the Consortium will meet their allocations. They foresee about a 1-2% adjustment after they close out courses for the fiscal year. Dr. Chris Dela Rosa reminded the Consortium that this is a very crucial time for the colleges to close out their books as well and final grades and hours should be turned in as soon as possible.

b. Strategic Planning Retreat

At the request of the Strategic Planning Facilitator, the meeting that was supposed to take place after today's meeting is being postponed. They requested the meeting take place following the next scheduled JPA meeting, September 19th. A poll will be sent out to check availability of the JPA Board for that date.

Mr. Kevin Jensen shared with the Board that, meanwhile, the Consortium has completed a few exercises with the staff to help uncover any issues, comments and concerns they may have to bring to the attention of the JPA Board. Additionally, the Board will also receive a questionnaire to complete before the Retreat.

VI. Action Item(s)

a. FY2024-25 Preliminary Budget Presentation (A)

A Preliminary Budget is offered for the Board's review, input and approval. Formal authorization to continue business operations is also request. Mr. Kevin Jensen reviewed a few key points with the Board:

- There was an increase of about 85 FTES from FY23/24. This increased the minimum FTES of 2465 to 2540. This is inclusive of 60 FTES for rent. There was also a small increase to the SCFF = \$3705.80
- The Consortium may consider a reasonable increase to employee compensation dependent on what the Total Funds balance is in the Final Budget in September.
- Unknown Impacts to the Final Budget include; State Budgets, COVID, Fires and agency recruitment
- All Funds Balance has decreased from 5.5 million, in FY21/22, to about 2.6 million and projects solvency in FY25/26 if there are no positive impacts to the overall budget. Due to the lack of a contingency fund, the Consortium continues to spend very conservatively. They hope to revisit conversations with the JPA about the equipment fund which was \$100 per FTES. Mr. Jensen also shared that he's trying to market the fact that the

Consortium is non-profit. Many agencies have donated vehicles, radios, gas masks and other equipment that help and are crucial for training.

- Short-Term Budget outlook; sustained through the Reserve Fund via operations, ongoing assessment of the budget process, college partnerships to acquire funds from the Perkins Grant and the rent increase from \$740k to \$893k.
- Long-Term Budget outlook; maintain the existing SCFF at 70% (with the rental expenses and without the equipment funds, the Consortium will not be sustainable), potential future increase of FTES funding, and the growth of Contract Courses.

Mr. Jensen expressed to the Board that he's interested in working with the Colleges to help the Consortium take advantage of the funding provided by the Strong Workforce, and to achieve Center Status. This would help to alleviate many of the budget issues they are currently facing. He also thanked Hartnell, Lake Tahoe and Gavilan colleges for allowing the Consortium to use paper applications for registrations. This is very helpful for students attending conferences, which makes up for 10% of their registrations.

Mr. Mendoza asked the Consortium what their Target Reserve is? Mr. Jensen replied that he believes 20-25% = \$4.1 Million would be ideal along with a sustainably funded budget. Mr. Flores added that he did a study on where colleges stand with their reserves a couple of years ago. He found that the average reserve balance is between 13-19%. Mr. Jensen ended with since the Consortium is not as diversified as the Colleges, they are at a higher risk of becoming insolvent more quickly. He understands that the colleges have a need for FTES from the Consortium, how can we balance that need without dragging down the JPA. Mr. Dela Rosa suggests that the goal for the Fund Reserve Balance should be discussed further during the Strategic Planning Retreat.

Dr. Dela Rosa suggested for the Consortium to consider the following changes that the colleges are facing at the State level:

- "Student Standardized Attendance Accounting Method" Funding will be calculated at 1 unit = 17 hrs.of instruction, regardless if the course is 20 hrs. This should take into effect FY25/26.
- In FY25/26, funding for ISA's for public safety training will be calculated at the CDCP rate. This will result in an increase of potential revenue to the Consortium. However, the colleges will have to review their ISA's to make sure that their agreements are in compliance.

Motion: Dr. Jon Knolle

2nd: Mr. Graciano Mendoza

Motion passes unanimously

VII. Announcements

Dr. Chris Dela Rosa – requested for a preliminary report from the sub-committee for the rental agreement between the Consortium and Gavilan be added to the next meeting agenda (Discussion item)

Dr. Pedro Avila – Reported that Gavilan College has had double-digit enrollment growth in the last 2 years and they have even hit their enrollment FTES target 1 year earlier than anticipated. Financially, they have also maximized their revenue from the state under the new Budget. Unfortunately, the state will not fund the additional growth which may have an effect on the allocations to the Consortium. Mr. Mendoza shared that Hartnell is experiencing the same issue.

VIII. Adjournment

Meeting adjourned at 11:10 am

IX. Next meeting tentatively scheduled for September 19, 2024, pending date of Strategic Planning meeting