

San Jacinto College District - Board Workshop
August 8, 2011, 5:00 p.m.
District Administration Building, Suite 201

MINUTES

	Attendees:	<p>Board Members: Marie Flickinger, Brad Hance, Dan Mims, John Moon, Jr., Keith Sinor, Larry Wilson Absent: Dr. Ruede Wheeler Chancellor: Brenda Hellyer SLT: Ken Lynn, Steve Trncak Others: Clarence Grier, RBC Capital Markets SLT members joined after Item II: Teri Fowle, Allatia Harris, Neil Matkin, Maureen Murphy, Rob Stanicic, Laurel Williamson</p>
	Agenda Items:	<p>Discussion/Information 5:02 p.m. Workshop Began</p>
I	2011 Bond Sale	<p>Handout by Clarence Grier, RBC Capital Markets San Jacinto CCD – Final Pricing Results</p> <p>Reviewed:</p> <ol style="list-style-type: none"> 1. \$68,055,568 LT GO Bldg & Ref Bds, Series 2011 <ul style="list-style-type: none"> - Pricing Date – July 20, 2011 - Delivery Date – August 9, 2011 - All-In TIC – 4.457% - Final Maturity – 2/15/140 - Call Date – 2/15/21 - Average Life – 16.2 years 2. \$3,850,000 Mtc Tax Ref Bds, Series 2011 <ul style="list-style-type: none"> - Pricing Date – July 20, 2011 - Delivery Date – August 9, 2011 - All-In TIC – 3.095% - Final Maturity – 2/15/22 - Call Date – 2/15/21 - Average Life – 6.8 years 3. General Obligation Ratings Summary <ul style="list-style-type: none"> - Moody’s – Aa2 - Standard & Poor’s – AA+ 4. Historical Fixed Interest Rates <ul style="list-style-type: none"> - Series 2009 <ul style="list-style-type: none"> o GO Bds – 4.79%/15.6 years - Series 2008 <ul style="list-style-type: none"> o GO Bds – 5.09%/16.7 years o GO Ref Bds – 4.89%/13.9 years - Series 2011 <ul style="list-style-type: none"> o Mtc Tax Ref Bds – 3.09%/6.8 years o GO Bldg & Ref Bds – 4.46%/16.2 years <p>Discussion:</p> <ol style="list-style-type: none"> 1. Action item at Board Meeting will ratify the sale 2. Board approved to sell at 5% at June Board Meeting, stayed under by selling at an approximate 4.440% rate.

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II	Budget Review	<p>Presentation by Ken Lynn</p> <p>Reviewed:</p> <ol style="list-style-type: none"> 1. Highlights <ul style="list-style-type: none"> - State revenue reflects legislative \$839K decrease - Tuition and fee rates same as 2010-2011 - Taxable assessed value of property assumed “flat” - Property tax revenue budget – no change - Interest income budgeted at \$1.0 million reflecting continued low rates 2. Appropriation per Contact Hour <ul style="list-style-type: none"> - 21.8% decrease from 3.56 to 2.78 3. Budget Summary 2011-2012, Unrestricted Funds <ul style="list-style-type: none"> - Unrestricted Operating Revenue - \$135,499,797 - Unrestricted Operating Expenses - \$134,524,657 - Preliminary Net Operating Revenue - \$975,140 4. Next Steps <ul style="list-style-type: none"> - Special board meeting on August 29th <ul style="list-style-type: none"> o Comprehensive budget review o Preliminary tax rate calculations o Adopt 2011-2012 budget - Finance Committee on August 23rd - Adopt tax rate in October <p>Discussion:</p> <ol style="list-style-type: none"> 1. Have been operating as though the effective tax rate will be the same from last year. <ul style="list-style-type: none"> - Board is comfortable continuing to operate this way. 2. State appropriation <ul style="list-style-type: none"> - Over the biennium we had 17% growth that hasn’t been funded. Almost a 22% decrease which shows that we are absorbing that growth with the state not reimbursing. - Planning on them asking for more money January 2013. 3. Handout from TACC regarding TRS attempt to recover shortfall. <ul style="list-style-type: none"> - TACC considering options on behalf of all community colleges. - The Board agrees that San Jacinto College should participate. 4. Differentiated Compensation Pool <ul style="list-style-type: none"> - Steve Trncak reviewed how the differentiated percentages were calculated for this year. 5. Compensation Study 2011 <ul style="list-style-type: none"> - Will be releasing results after the Board reviews. - Goal is to have plan in November. 6. No funding set aside for Houston Symphony event.
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III	2011 – 2012 Annual Priorities	Handout by Brenda Hellyer <ol style="list-style-type: none"> 1. Board will review the annual priorities and make notes of any questions. 2. Will cover in more detail at the August 29th Special Board Meeting.
IV	Distance Learning Report	Tabled
V.	Dinner	
VI.	Calendar	<ol style="list-style-type: none"> 1. August 29th - Budget workshop/Special Board Meeting. 2. August 30th – Economic Alliance Conference <ul style="list-style-type: none"> - Attendees: John Moon, Jr., Larry Wilson 3. September 19th – Board meeting at central campus 4. September 22nd – 50th picture <ul style="list-style-type: none"> - Dan Mims will be out of town - Rescheduled for October 4th - Order SJC polos for the Board 5. October 3rd – Evaluate the Chancellor before Board meeting 6. October 12-15th - ACCT Leadership Conference, Dallas, Tx <ul style="list-style-type: none"> - Attendees: Larry Wilson, Ruede Wheeler, Marie Flickinger, Keith Sinor, John Moon, Jr., Dan Mims, Brenda Hellyer 7. November 3-4th - THECB Leadership Conference, Austin, Tx <ul style="list-style-type: none"> - Attendees on Friday afternoon: Keith Sinor, John Moon, Jr., Brad Hance 8. October 20th – Conflict with Andy Pettitte Golf Tournament and Southbelt Night of Cuisine 9. September 22nd - SJCD night at Pasadena livestock rodeo
VII	50 th Anniversary	Handout by Brenda Hellyer
VIII	General Discussion	Discussion: <ol style="list-style-type: none"> 1. Lori Barbay and Carol Schwing will cover Nicole Darland Haas while out on maternity leave. 2. Brenda Hellyer reviewed purchasing section of board book. 3. Update on PISD Career and Technical High School <ul style="list-style-type: none"> - Discussions with Kirk Lewis - At this point only outlining the efforts - Reviewing the revenue model
Dismissed - 6:55 p.m. Next Meeting: 8/29/2011 – Special Board Meeting		