

SAN JACINTO COLLEGE DISTRICT
Board of Trustees Strategic Planning Retreat Minutes
August 2, 2022

The Board of Trustees of the San Jacinto Community College District met at 3:00 p.m., Tuesday, August 2, 2022, in room A-2.203 of the Administration Building, 4620 Fairmont Parkway, Pasadena, Texas for a strategic planning retreat.

Members Present: Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Larry Wilson

Members Absent: Dr. Ruede Wheeler

Others Present: Brenda Hellyer, Sandra Ramirez, Mandi Reiland, Laurel Williamson, Teri Zamora, Micki Morris (attorney via conference call)

- I. The meeting was called to order at 3:04 p.m. by Chair Marie Flickinger.
 - II. Roll Call of Board Members

Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler (absent), Larry Wilson

- III. Discuss 2023 Budget Development and Strategic Finance Plan

 - A. Teri Zamora led the discussion on the 2023 budget development and strategic finance plan. She provided an overview of the unrestricted revenue projections for fiscal year 2023 with comparison to fiscal year 2022. She also reviewed the percentages for sources of funding for 2022 and 2023.
 - B. The group reviewed and discussed current fall enrollment and how that factors into the budget process. Brenda Hellyer added that one of the challenges when determining what percentage down or up we are, is what you compare it to. She looks at pre-covid enrollment numbers and comparisons to last year's enrollment.
 - C. Teri reviewed the revenue assumptions that guide the budget development process.
 - D. Teri provided an overview of the 3-year fall contact hours. She also reviewed the state allocation of funding. Brenda provided an update on the Community College Finance Commission which is working on legislative recommendations.
 - E. Teri reviewed the property tax data which included a history of taxable values. Brenda added that she is trying to understand more on why the industrial taxable values are decreasing. She will update the Board when she has more information.
 - F. Teri provided additional historical information on the College's tax rates from 2018 through the estimates for 2023.

- G. Teri explained that the prioritization of funding requests was guided by the FY2023 Annual Priorities, with priority increases of \$8,607,099. This increase will position the College to continue to serve students, maintain fiscal resiliency, retain qualified faculty and staff, and weather external influences. She reviewed each line item of the priority initiatives.
- H. The group discussed hiring and retention. The increased demand for remote work opportunities was also discussed. One idea that was suggested was the possibility of hiring people residing out-of-state. Sandra Ramirez clarified that there are issues with taxes and TRS when an employee resides outside of Texas. Teri added that she is reviewing options to see how other colleges handle this and if there are solutions for this issue.
- I. The group discussed the approximate data regarding online versus face-to-face retention, completion, etc.
- J. Erica asked if there is a way to incentivize retention for part-time faculty. Laurel said they discussed this in the department chair and dean academy, so they will be reviewing options. Also, they are looking at possible incentives for students who enroll early. The group discussed.
- K. Board members were interested in data on the effect of COVID on remedial courses. Laurel said she has not looked at that data recently, but there has been a significant increase in enrollment for remedial classes.
- L. Teri reviewed the history of performance-based salary increases. Erica asked for data on the average salary for faculty, staff, and administrators. Brenda replied that this will be provided to the Board. Teri reviewed the information regarding raises that she has from other Texas colleges.
- M. Teri provided additional information on increases in the budget which include additional faculty market stipends, a compensation study, and the positions that will be funded in this budget. The group discussed this information as well as dual credit enrollment. Brenda explained that they are looking at options for dual credit faculty and plan to have conversations with the independent school districts (ISDs) regarding faculty for dual credit courses. She added that they are relooking at dual credit models to determine next steps.
- N. Teri reviewed the total unrestricted expenses with salaries and benefits comprising 71.3 percent of the total.
- O. Teri reviewed the restricted revenues and expenses which reflect a 4.8 percent increase in debt service due to the new bond issued February 2022. Additionally, there is a 2.1 percent increase in financial aid and 56.8 decrease in grants due to a reduction in HEERF dollars.
- P. Teri reviewed the auxiliary budget which included an overview of revenues and expenses. She added that the Barnes and Noble contract term end date is approaching but with an option to renew. The plan is to renew for one year to allow time to roll out an RFP (request for proposals).
- Q. Teri reviewed the following next steps:
 - Enrollment
 - 1. Monitor and review enrollment
 - 2. Continue strong marketing and outreach campaign
 - 3. Some continuing Higher Education Emergency Relief Funds

(HEERF) grant initiatives (Fast Track) may increase enrollment

- Property Taxes

1. Harris County Tax Office provided estimated certified values on July 25 and will provide final certified values in mid-August.
2. Board meeting on August 29: (1) consideration of approval of 2022 proposed tax rate, (2) review of final No-New-Revenue and Voter-Approval tax rate calculations, and (3) approval of date to adopt tax rate.
3. Anticipated tax rate hearing and approval at the October Board meeting.

- 2023 Budget

1. Recommendation for the Board to adopt the budget on August 8 with effective date of September 1.

- R. Brenda led a discussion on strategic finance including a five-year planning model. Marie Flickinger suggested the possible need of forming a committee to review changes as a result of building usage due to online increase. Brenda said she will look at this.

IV. Review Proposal for Central Campus Gym

- A. Brenda provided an overview of the current condition, ongoing costs, and current uses of the Central Campus Anders Physical Education Building. She reviewed the recommendations and timeline for next steps. She explained that the maintenance costs of the building are no longer justified, the quad and sports fields are available to support rec sports and Early College High School (ECHS) activities, and therefore, based on all the information reviewed, demolition of the Anders Gym is recommended.
- B. Larry Wilson asked where all of the memorabilia from the gym will go. Teri Zamora's team is working on a plan and will provide an update on this to the Board at a future workshop.
- C. The Board was supportive of this recommendation.
- D. The group discussed a wellness program or other options for employees.
- E. Keith Sinor asked how old the student center at Central is. It is not an attractive building and needs to be looked at. Brenda will bring this back to Board at a later date.

V. Review Proposal for Central Campus West Classroom Building

- A. Brenda provided an overview of the status and condition of the Central Campus West Classroom Building. She reviewed the options, and the recommendation is option 5, which is capital renewal.
- B. Brenda reviewed the factors in the decision and recommendation. The recommendation is: to completely renovate the structure (except for the roof, with five years of life remaining) to act and feel like a new building with current standards of larger classrooms and student collaboration spaces; remove offices; and utilize C4 as needed during renovations and make decision at a later date regarding its future.

- C. Erica Davis Rouse asked if the estimates of the options presented are fairly accurate. Teri replied that these are strong estimates.
- D. John Moon, Jr. asked if the east has been assessed to determine which one should be redone. Brenda and Teri replied that this was reviewed, and the west was determined to be the best to update.
- E. Brenda asked the members to look at the C2 design presentation. She provided brief comments on the plans. The document displays the new conceptual drawings, as compared to the current condition of the same spaces.
- F. Members were supportive of going in this direction.
- G. Keith asked for a list of all buildings with dates of building construction and renovations. Larry asked for maps to go along with this list.

VI. Review Proposed Bond Budget Transfers

- A. Teri provided an overview of a report on active deferred maintenance projects, projected savings, and a requested transfer. She also explained that the complete list of the 2015 Bond Program pro forma as of July 31, 2022, was provided to the members.
- B. The members were supportive of the transfers.

VII. Review Designation of Funds for Future Deferred Maintenance

- A. Teri provided an overview of Policy 111.3001.B Finance Standards which addresses targeted days cash on hand. She explained that the targeted days cash on hand for unrestricted and auxiliary funds is between four months and six months of the current year's budget. We normally review and make recommendations based on the November 30th balance since it is the lowest balance during the year.
- B. A recommendation will be brought forward in December, but it will most likely recommend designating a portion of the excess for deferred maintenance.
- C. The members were supportive.

Laurel Williamson left the retreat.

VIII. Chair Flickinger adjourned to closed or executive session at 5:02 p.m. pursuant to Texas Government Code Section 551.071, 551.074, and 551.076 of the Texas Open Meetings Act, for the following purposes:

- A. Legal Matters - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.
Conference call with Attorney, Micki Morris.
- B. Personnel Matters - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.
- C. Security Matters - To consider the deployment, or specific occasions for implementation, of security personnel or devices.

IX. Reconvene in Open Meeting

- A. Chair Flickinger reconvened the retreat to open session at 6:15 p.m.

- X. Wrap-up with Summary for Follow-up
 - A. The current event and meeting calendar was reviewed with the Board members.
- XI. Adjournment
 - A. Chair Flickinger adjourned the retreat at 6:18 p.m.