



Board of Trustees Budget Committee (BBC)
SBCCD Board Room, 114 S. Del Rosa Drive, San Bernardino CA 92408

Meeting Minutes – February 22, 2018

Members Present – Gloria Macías Harrison, Joseph Williams

Members Absent – Donna Ferracone

Staff Present – Jose Torres, Larry Strong, Mike Strong, Scott Stark, Richard Galope, Diana Rodriguez

I. Welcome & Introductions

Gloria called the meeting to order at 10:02 a.m. She introduced herself and Joseph, and asked that the staff members introduce themselves, which they did. She advised that Donna would not be attending due to illness.

II. Public Comment

Gloria called for public comment at 10:04 a.m. but there was none.

III. Approval of Minutes

Approval of the February 8 minutes was postponed until the next meeting since Joseph had not attended on that date, and Donna was not in attendance today.

IV. Current Topics – Allocation of \$57 Million in FCC Auction Proceeds

Committee members turned to the handout entitled Proposal for Allotment of \$57 Million in FCC Auction Proceeds, which was presented for discussion purposes only. Jose mentioned that this document has been deliberated in several forums. It was discussed at the February 15 District Budget Committee meeting and presented to the February 21 Academic Senate meetings at both SBVC and CHC by Jose and Bruce, respectively. The top 16 items were those that staff felt could be ready for approval while the remaining items needed more research and discussion.

BBC members talked about the KVCR Transition & Modernization Budget handout. Jose stated that the UHF to VHF Transition portion of the project is mandated by the FCC auction and that the Technology Core Modernization is subsequent to the transition. He talked about the specialized nature of the transition, citing the recent tower bid results that came in at \$2.1 million. Although this is much higher than the initial estimate, the entire project's budget is still \$16 million and the goal remains to stay within this limit.

Joseph stated that there is not yet a plan in place that relates this project to students. Gloria agreed that this conversation needs to take place, however, SBCCD is required by law to complete the UHF to VHF Transition. An obligation to do so was entered into when the District accepted the proceeds. Joseph wants students to be the focus.

Richard commented that the modernization of equipment is not anticipated until July 2019. The design of the academy is to be based on the upgrade. Development of an academy must be

faculty driven. Students that have access to the academy will have access to state of the art equipment.

Gloria commented that a decision to leave the students out of the station had been made years ago when KVCR went to NPR and PBS. She stated that KVCR now provides programming as a service to the community and the Board of Trustees has to decide if it can afford to do this.

Committee members discussed the KVCR & KVCR Foundation Three-Year Forecast at length. Comments included the following.

- Jose mentioned that the projection does not factor in any change of operation at KVCR. Richard added that discussions he has had indicate that staffing will change. He commented that 20 professional experts were hired under the previous station manager who forecasted the station would make millions on new shows. He reasoned that KVCR does not need to keep so many professional experts on staff while it is not in a position to produce locally.
- PBS is a big portion of the Other Expenses & Services cost of \$481,749 in 2017-18, \$491,384 in, and \$501,212. Joseph asked why KVCR should keep PBS if it costs so much. Does the underwriting, contributions and gifts bring in enough? Richard advised that the underwriting is always a projection and the pledge drives require a great deal of work. Joseph clarified that the KVCR Foundation raises \$1.8 million but costs us \$1.9 million.
- Jose commented that one major concern for SBCCD is that KVCR receive approval to cover at least this year's cost of operations. KVCR cannot be in a deficit-spending scenario. This would greatly impact SBCCD's application for fiscal independence from the County. Gloria commented that if FCC Auction Proceeds are not approved to cover the 2017-18 deficit, it would have to come out of the fund balance.
- Joseph wants to see a business plan from KVCR.

BBC members discussed the One-Time Allotment to Colleges and the District Office. Jose advised that the DBC had discussed the original figures of \$5 million for each campus and had recommended using the existing resource allocation model instead.

Joseph asked about the college promise. Diana responded that she and Jose were working to develop this program. It is part of the \$80 million investment and is happening parallel to the conversations about allotment of the \$57 million. Gloria voiced concern over a one-time allotment to the District office.

In response to a question about the building investment items that are proposed for future consideration, Jose replied that this is a suggestion for maximizing these funds, meeting anticipated space needs, and providing a means for raising awareness of our colleges within the community.

VII. Adjournment

The meeting adjourned at 11:25 am. The next meeting is scheduled for March 8, 2018 at 10:00 a.m.