

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES
BOARD WORKSHOP

April 15, 2020

MEMBERS PRESENT:

Mr. Sam Garrison, Chairperson
Mr. Wendell Davis, Vice-Chairperson
Rev. Bobby Crum
Ms. Leslie Dougher
Mr. Brian Keith

MEMBERS ABSENT:

Ms. Jan Conrad – excused due to work obligations
Mr. Jim Reid – excused due to wife’s treatment of illness

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Mr. Ron Brown, Attorney for the Board

The workshop was held virtually via Blue Jeans for Trustees and live streamed via [youtube.com/sjrstate](https://www.youtube.com/sjrstate) for Public.

(File saved at link: <https://www.youtube.com/watch?v=1cww7U9p-d0>.)

Chairperson Garrison called the workshop to order at 1:00 p.m. Roll was called.

Dr. Powers overviewed budget related legislation. She stated the budget has not yet been given to the Governor due to his request because of COVID-19. She discussed the new tiered funding model. President Pickens explained the new 7-tiered model in more detail. He also explained compression at it relates to the funding formula and the special appropriation SJR State received. Dr. Powers then discussed other items including tuition/fees (no tuition increase), industry certifications, dual enrollment instructional materials, no PECO for SJR State or deferred maintenance funds for the College system, no funds from the State to cover FRS increases, no funds from the State to cover Consortium hurricane losses, Last Mile Scholarship Program not funded, and fund balance spending plans.

President Pickens explained that SJR State College secured a \$1.5M reoccurring special appropriation with the assistance of Senator Bradley. He explained that because the College prudently spent the Workforce appropriation and therefore carried forward money, the House insisted that our College’s budget be cut by part of the amount we carried forward, which is a \$300K non-reoccurring cut. SJR State will receive approximately \$480K from the new 7-tiered funding model.

President Pickens explained it would be better for the Colleges if the Governor signs the budget and calls the Legislature back into special session in the fall to reduce that budget. Otherwise, if the Governor does not sign the budget, the Legislature will have to start from scratch. SJR State College’s special \$1.5M appropriation may inevitably go away. The prediction is that Florida’s revenue shortfall may be \$8-9 billion. The budget stabilization fund is only a little over \$4M.

Dr. Powers then overviewed COVID-19 related budgetary impacts. These include effects on summer and fall enrollments, , budget reductions from the State, and Federal Stimulus funding.

President Pickens expressed his concerns that the College will be expected to use stimulus funding to cover cuts from the State. He is concerned that recovering from State cuts will be a long-term process relative to the economy.

President Pickens explained that half of the stimulus funding - \$1.5M – will be distributed to students; the other half will be used by the College for operational costs. He stated it is going to take cobbling together the non-reoccurring stimulus funding, use of reserves, and expenditure cuts in order to produce a balanced budget. He stated there is a call on Friday to receive guidance on how to distribute the stimulus money to the students and for what purposes; it will be a collaborative effort between Financial Aid and the Business Office. Dr. Powers noted there is only one year to use the stimulus money and none of it can be carried forward.

Dr. Powers overviewed the College's Budget Process. She noted the next Board Budget Workshop will be held at 1:00 p.m. on May 20, prior to the Board Meeting.

Dr. Powers overviewed the Budgetary Fund Groups and State Appropriations history. Next, she overviewed State Operational Funding to SJR State, Tuition and Fees (no increases), the 6-Year History of Operating Revenues, Operating Revenue Categories, Expenditure Comparisons, and Expenditures by Function.

Dr. Powers discussed budget impacts for FY 20-21, which include: projected 7% increase in Health Insurance in January 2021, rate increase and special assessment in Property Casualty Insurance, absorbing FRS increase, second year of HSA incentive, collective bargaining, COVID-19 impact to enrollment, and allocating the Federal Stimulus funds.

Dr. Powers overviewed the next steps, which include: finalize revenue projections, finalize departmental operating budgets and allocations, and make personnel decisions.

President Pickens discussed the possibility of a carry-forward budget.

The Trustees discussed the need for the College to be conservative in the budget planning since there are so many uncertainties at this time.

Trustee Garrison discussed the need to continue capital projects that are consistent with the mission and financial management.

The Workshop was adjourned at 1:50 p.m.