



ACTION

MT. HOOD COMMUNITY COLLEGE DISTRICT BOARD OF EDUCATION

DATE: *May 19, 2021*

ITEM TITLE: 4.1a

CONTACT PERSON: *Laurie Popp, Executive Assistant to the Board of Education*

SUBJECT: APPROVAL OF MINUTES – April 7, 2021

Session 1030

A meeting of the Mt. Hood Community College District Board of Education was held on April 7, 2021, with a Budget Committee meeting at 6:00 pm, and a Board Work Session at 7:00 pm, both held via Zoom Meeting.

1.0 CONVENE BUDGET COMMITTEE / CALL TO ORDER / DECLARATION OF A QUORUM
Members present: Diane Noriega, board chair, Annette Mattson, board vice chair, Diane McKeel, Jim Zordich, Andrew Speer, LaVerne Lewis, Kenney Polson

Additional Attendees: Lisa Skari, president, Jennifer DeMent, chief operations officer, Ben Rowe, director of Financial and Auxiliary Services, Nicole Johnson-Moses, ASG President, Doctor Abio Ayeliya, director of Student Life and Civic Engagement, Rozina Lethe, Student Leadership and Engagement Coordinator

Diane Noriega called the Budget Committee meeting to order at 6:04 p.m.

2.0 BUSINESS / ACTION

2.1 Selection of Budget Committee Chair

Noriega opened up nominations for selection of the budget committee chair. Zordich motioned to nominate Andrew Speer. Polson seconded the motion. There was a roll call vote for Andrew Speer to serve as the budget committee chair and it passed unanimously.

3.0 REPORTS

3.1 President's Budget Message

Lisa Skari provided her annual budget message and spoke about the state economic forecast. The budget message was one of optimism for the Oregon economy, the conclusion of the



global pandemic, and a budget forecast for a steeper V-shaped decline and economic recovery. The proposed budget presented for 2021-2022 represented targeted strategic investments aligned with college goals, which are targeted in student success, equity, and marketing. The resources are aligned with the projected enrollment forecasts, which are the same as the current year. A copy of the complete President's Budget Message is included on pgs. 9 – 13 of the MHCC Proposed Budget for Fiscal Year 2021-22 located on the Budget Office website at <https://www.mhcc.edu/BudgetOffice/>.

3.2 Presentation of Proposed Budget for 2021-2022

Ben Rowe presented an overview of the proposed budget for 2021-2022, and highlighted the members of the budget committee, the district profile, college mission, vision, and values. He presented the budget summary by fund, function, and object, Full-Time Equivalent (FTE) positions, and personnel services. Rowe provided a summary of the general fund by service area, resources by object, and requirements by object and function. He stated over 70% of the general fund is for personnel services. The resources for 2021-22 include the following assumptions: no increase in tuition rates, flat enrollment increase over 2020-21 enrollment projections, 3% increase in property tax revenue, and 3% increase in state support over the 2020-21 adopted budget. (*Note: Please see pages 14 – 30 in the MHCC Proposed Budget for Fiscal Year 2021-22 at <https://www.mhcc.edu/BudgetOffice/> for more information.*)

Jennifer DeMent provided a summary for each of the general fund service areas, which include the President and Governing Board, Development District Communications, Instruction & Instructional Support, Student Development, and Administrative Services & Institutional Items (Debt Service, Grants in Aid, Contingency, Fund Balance, etc.) She provided a brief summary of other funds included in the budget, which include the Governmental Funds (fund numbers 01-16), Proprietary Funds (fund numbers 40, 42), Fiduciary Funds (fund numbers 50-52), Pension Bond Debt Service Fund, Physical Plant Maintenance Fund, Technology Project Fund, Student Aid Fund, Federal, State, and Special Projects Fund, Bookstore Fund, Aquatic Center Fund, Clubs Fund, Trusts Fund, and Associated Student Government (ASG) Fund. (*Note: Please see pages 31 – 75 in the MHCC Proposed Budget for Fiscal Year 2021-22 at <https://www.mhcc.edu/BudgetOffice/> for more information.*)

DeMent responded to several questions about the stimulus funds, pension bond debt service, impact on students of bookstore closing, infrastructure assessment on technology projects, and federal grants related to student aid, COVID and campus safety. DeMent will provide more information about the pension bond in the presentation at the work session. There was a suggestion to have a follow up presentation at a future date on what the impact of the online bookstore has had on our students.



Nicole Johnson-Moses provided an overview of the ASG and Co-Curricular Budgets for 2021-2022, which does not include fixed expenditures. The fund comes from student fees and includes the following categories: ASG admin, Student Programming Support Fund, Student Activities, Forensics, Advocate, Venture, Perception, KMHD2, Rho Theta, and Athletics. She provided a summary of the budget review process, and stated the recommendation this year was not to increase the student fee and to maintain the \$4.25 per credit student fee. They hosted two open forums for students to ask questions and learn more about the budget, and had an online form available for students to review the budget and submit questions. The major changes to the budget were to continue Forensics funding, reinstate KMHD2, and a Venture stipend was recommended. There was a question about the cuts from last year for Forensics and KMHD2, and the funds going into the contingency balance. Rowe responded that the funding for the ASG fund is based on a fee per credit hour, per student, per term. There were not as many activities this year, so with reduced spending on activities and events, there was an increase in the contingency fund balance.

4.0 ADJOURN BUDGET COMMITTEE

Noriega motioned to adjourn the budget committee meeting. Lewis seconded the motion and it passed unanimously. The meeting was adjourned at 7:08 p.m.

5.0 CONVENE MHCCD BOARD / CALL TO ORDER

Members present: Diane Noriega, board chair, Annette Mattson, board vice chair, Diane McKeel, Jim Zordich, Andrew Speer, LaVerne Lewis, Kenney Polson

Additional Attendees: Lisa Skari, president, Traci Simmons, director of Diversity, Equity, and Inclusion, Jennifer DeMent, chief operations officer, Ben Rowe, director of Financial & Auxiliary Services, Linda Vigesaa, chief information officer, Al Sigala, executive director of Development & Communications

Noriega called the board work session to order at 7:10 p.m.

6.0 BUSINESS

6.1 Equity Lens Update

Traci Simmons provided an update on the Equity Lens Tool. She has received feedback from the Access and Diversity Council, and has shared the Equity Lens PowerPoint slides with the following groups: Racial Equity Group (part of Child Development & Family Services); Black Employees Affinity Group; Mt. Hood Equity Leadership team; and the Human Resources team. She is planning for an Equity Town Hall for students on April 14 to review the Equity Lens Tool, and thanked Doctor Abio Ayeliya, Rozina Lethe, and ASG student leadership for their assistance in organizing the student event. She has several other groups she is working to schedule meetings with, and will provide the student feedback and any additional feedback at her next update.



6.2 Community Statement Protocol

Lisa Skari presented the Community Statement Protocol for how the college will respond to events that are significant to our community.

WHAT:	College statements of significance to our community.
WHY:	It is appropriate for the college to have a voice on local/regional/national/global events of significance.
WHO:	The President or the President and Board of Education.
WHEN:	Timing of the communication will correlate with degree of significance of the event, and proximity to related messages.
HOW:	The college will prepare the communication, and distribute: to students and employees via distribute using email; and to the community electronically via the website and/or social media.

There was a brief discussion about the protocol, and a question was asked if there is a protocol for flying the flag at half-staff, and what the protocol is for the State Capitol. It was suggested to gather additional data on the protocols for this for a future discussion.

6.3 Strategic Planning Update

Linda Vigesaa provided an update on the Strategic Planning RFP Screening Committee, and stated the screening committee has member representation from each of the employee groups. There were 13 vendors that submitted a proposal to be considered for this work. Purchasing facilitated a deliberation and scoring process, and each committee member reviewed and scored all the proposal submissions. Vigesaa reviewed the review process and timeline for making a recommendation of the top candidates to move forward for consideration of this work. The goal is to have the final recommendations to Lisa Skari by May 3, and a final award decision by May 17. Lisa Skari referenced the samples of strategic plans from five different institutions that were sent to board members for review, and board members shared what they liked about the plans. A copy of the PowerPoint presentation is attached to the minutes.

6.4 Pension Bond Discussion

Jennifer DeMent provided an overview of the Pension Obligation Bonds (POB), and shared a PowerPoint presentation by Carol Samuels, managing director at Piper Sandler. She provided a summary of the Oregon History with POBs, with over 100 Oregon POBs being issued between 1999 – 2018. DeMent provided an overview of different scenarios with a risk vs reward analysis, and highlighted the determining factors for each. The presentation outlined three different scenarios to demonstrate the timing effects regarding the POBs, and a summary of the



results for each example. It provided a numerical analysis of MHCC valuations, and provided the payroll and payroll growth for three categories (System, SLGRP Pool, and MHCC) from 2007 thru 2019, and showed the projections from 2020 through 2028. The presentation provided an overview of the MHCC Projected Rate Credits and Pension Bond Savings from 2022 through 2040, and the steps and timeline for financing.

DeMent responded to a question about what was used to determine the market return rate of 7.2% shown in the presentation, and what is the state's current PERS indebtedness. There was a suggestion to have board members notify Diane Noriega with their feedback about the Pension Obligation Bond, and to let her know if they would like to request a meeting with Jennifer DeMent to answer questions they have. There was a question about a recommendation for the POB, and DeMent stated they are recommending that they move forward with this, but there are still some details to work out. A copy of the PowerPoint presentation is attached to the minutes.

6.5 Draft Board Resolution for Community College Awareness Month

Lisa Skari provided a copy of a draft Board Resolution for Community College Awareness Month for board members to review. A copy will be sent to board members for their review and feedback. The resolution will be on the agenda for board approval at the April 21 board meeting. A copy of the draft Board Resolution for Community College Awareness Month is attached to the minutes.

6.6 Capital Updates

Lisa Skari shared an update about a recent opportunity for the college. She referenced a document she had previously sent out about the Capital Construction Funding for Equity white paper. She stated that the college's inability to pass a bond has created an equity issue for our institution as we have had to use general operating funds that should go to Instruction, to pay for capital expenses. She was notified that it will be presented at the Community College Caucus this Friday. The original project match that was approved in 2013 was for the Maywood Center for \$8 million. If the college received the \$8 million match, and the original allocation from the state of \$8 million, for a total of \$16 million, it would not be enough money for the improvements needed for the Maywood project. She provided several other projects that the funds could be used for, such as the Dental Program Clinic, several deferred maintenance issues that need to be addressed, and ADA compliance issues in both parking lots and sidewalks. The due-diligence forms have been resubmitted to the Legislative Fiscal Office. Skari and Sigala are meeting with members from the Ways and Means Committee, and Sigala has been working to ensure students are involved and has lined up students to speak on this.

Skari shared about another possible capital funding opportunity from Congressman Blumenauer's Office regarding federal earmark requests. She stated a proposal has been



developed for funding of a permanent cover for the pool, and Sigala has received over 30 letters of support from businesses and community members in support of the proposal.

7.0 ADJOURN WORK SESSION

The board work session was adjourned at 8:39 pm.

Clerk

Board Chair

Minutes recorded by Laurie Popp, Executive Assistant to the Board of Education.