

**EL CAMINO COLLEGE**  
**Planning & Budgeting Committee**  
**Minutes**  
**Date: August 24, 2016**

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**MEMBERS PRESENT**

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|---|---|
| <input checked="" type="checkbox"/> Amy Grant – Academic Affairs        | <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting)    |
| <input checked="" type="checkbox"/> William Garcia– Student & Comm Adv. | <input checked="" type="checkbox"/> Cheryl Shenefield–Administrative Services |
| <input checked="" type="checkbox"/> Ken Key - ECCFT                     | <input checked="" type="checkbox"/> Jackie Sims -Management/Supervisors       |
| <input type="checkbox"/> Araceli Rodriguez – ASO, Student Rep.          | <input type="checkbox"/> Dean Starkey – Campus Police                         |
| <input checked="" type="checkbox"/> David Mussaw – ECCE                 | <input checked="" type="checkbox"/> Lance Widman - Academic Senate            |

**Other Attendees: Members:** R. Russell, A. Sala, J. Troesh, S. Waterhouse, S. Prieto  
**Support:** B. Atane, L. Beam, J. Ely, I. Graff, J. Higdon, J. Nishime, J. Shankweiler  
**Guest:** W. Warren

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The meeting was called to order at 1:02 p.m.

**Approval of the August 18 Minutes**

1. The draft minutes from August 18 and today will be sent out for review as soon as they are completed.

**Final Budget** – J. Higdon (handout)

1. The final budget was distributed and reviewed as presented. Questions were asked for regarding any obligations of the listed funds. The details of these funds are presented as you go further back into the document.
2. The entire budget for the rest of the bonds is shown in the general obligation bond fund (fund 42). It was noted we are self-ensured on dental insurance. Fund 69 (Post-Employment Benefits Irrevocable Trust) pays out all of the retiree health benefits. The concept behind this fund is the monies in this account will draw enough income to fully fund the benefits of the retirees. Another actuarial study will be happening this forthcoming year. We have now moved to having the actuarial study every two years. Legally once you are fully funded and you find the benefits that need to be paid out is more, you could continue to pay this out of the irrevocable funds.
3. The funds for the Bookstore (fund 51) account is a little unknown at this point. The smoke damage from the fire next door to the Bookstore created substantial damage to the bookstore’s inventory. New inventory has to be purchased and insurance money collected.
4. J. Ely will prepare a spreadsheet for next time to better track the actual money changes to the various accounts. In June the accounts showed our “best guess” at what our anticipated figures would be. It was clarified the terms “Reserve for Contingencies” and “Total Committed Fund Balance” are terms which are one in the same. In the general fund you have to call it “Committed” but on the summary page you have to use a standard term all the way across, thus “Reserve for Contingencies”.
5. Discussion continued on the allocation given of \$28.00 per FTES in state funding for general maintenance. Footnote J on page seven shows the actual calculation. This number is contingent on our FTES allocation. Stabilization could affect this. D. Mussaw - Fund 11 - on behalf of the classified - page 6 - the reserves for potential liabilities and reserve for one-time expenditures. A question was raised as to the future use of the one-time expenditures. Those items were kept separate to show where the funds came from. Discussion will continue on the potential use of this money as it could be for future liabilities or unforeseen capital needs by the district that the bond fund cannot take

care of. It was indicated that these funds could also come out of the uncommitted funds. Page 5 - Staff benefits - discussion ensued about the funding of those increases. The slight bump in the base allowed the district to cover these increases.

6. It was noted we will be under stabilization for this year. Regarding CalSTRS/CalPERS liability, concern was expressed in looking at the large amount of funds being saved each year. The numbers are shown as annual and accumulative. It is up to the individual reading the numbers to understand it. Why hold all of the money when it can be utilized for other needed things (growth). If 2018-19 is our last year of stabilization, this would be the serious time to look at our pension and liability expenses.
7. There appears to be little money invested into programs which could help boost student enrollment. Recruiting has been done for international students. It was pointed out the cost is higher to educate an international and out-of-state student as opposed to the in-state student. If the state would revise the law and charge the out-of-state student the correct tuition rate instead of a reduced rate, then we could stay even. These students are only charged for the credit hour as opposed to the in-state student who is charged on contact hours. There is a significant difference in the amount paid for these. The out-state and international students should be recruited for the diverse cultural experience they provide our in-state students as opposed to recruiting them just for financial reasons.
8. It was mentioned that numerous items in the planning process will be funded from Instructional Equipment/Library Materials, \$2.4 million (3800).
9. First-Year Experience was increased to \$100,000 this year as well as the Emergency Equipment Replacement/Repair account also being increased from \$100,000 to \$200,000.
10. Questions regarding the budget were called for before calling for a final vote for approval. A statement was injected that it was unacceptable to receive an important document like the budget and be expected to vote on it a short time later. Before making a decision and forwarding the budget on to our governing body, members may want to read and digest the material before making a respectful decision. It was noted information on the budget is distributed as quickly as possible. Some of the information on fund 11 was distributed last week. It was pointed out the budget needs to be approved by September 15. The numbers are not received for the budget until August 4 which does create a short time span. Unfortunately the recommendation of the budget from the PBC needs to go to the President before the next board meeting which is slated for September 7. There will be a budget workshop on September 7 at 3 p.m. This workshop is open for anyone who would like to attend and provide additional information regarding the budget.

**Motion:** A motion was made by A. Grant recommending to approve the final budget as presented. The motion was seconded by D. Mussaw.

5 approved

2 opposed

0 abstentions

**Motion Approved.**

The final budget will be forwarded to President Maloney with the approval of the PBC.

### **Adjournment** – R. Natividad

1. The meeting adjourned at 1:38p.m. The next meeting will be held on **September 8, 2016 at 1:00 p.m.** in Library 202.