
EL CAMINO COLLEGE
Planning & Budgeting Committee
Minutes
Date: March 1, 2012

MEMBERS PRESENT

- | | |
|--|---|
| <input type="checkbox"/> DeSanto, Michael – Campus Police | <input checked="" type="checkbox"/> Shenefield, Cheryl – Administrative Svcs. |
| <input checked="" type="checkbox"/> Natividad, Rory – Mgmt/Supervisors | <input checked="" type="checkbox"/> Spor, Arvid – Chair (non-voting) |
| <input checked="" type="checkbox"/> Patel, Dipte – Academic Affairs | <input checked="" type="checkbox"/> Tomoda, Kenji – ASO |
| <input type="checkbox"/> Quinones-Perez, Margaret – ECCFT | <input type="checkbox"/> Turner, Gary – ECCE |
| <input type="checkbox"/> Reid, Dawn – Student & Community Adv. | <input checked="" type="checkbox"/> Widman, Lance – Academic Senate |

OTHERS ATTENDING: Francisco Arce, Connie Fitzsimons, Katie Gleason, Alice Grigsby, Jo Ann Higdon, Kelsey Iino, Jeanie Nishime, Emily Rader, Michael Trevis, Will Warren

Handouts: Current Year State Revenue Shortfalls; Five-Year Budget Assumption & Projection Details Unrestricted General Fund (last updated 12-15-09)

The meeting was called to order at 1:05 p.m.

Approval of February 16, 2012 Minutes

1. No changes were made to the minutes.
2. It was mentioned that College Council discussed the Accreditation Commission's letter and linkage between ECC and CEC. Concerned CEC will negatively affect ECC's accreditation. Special Trustee from Compton, Tom Henry, is working with the Accreditation Commission. His relationship with the Commission will be critical in helping determine to what extent ECC is held accountable for the fiscal situation at Compton. Compton will not meet all eligibility standards, including fiscal, anytime soon. Will need clarification from the Commission. The letter seemed clear the Commission considers Compton a part of ECC. AB 318 outlining ECC and CEC's fiscal partnership comes from the state; accreditation follows the Department of Education's federal standards.

Current Year State Revenue Shortfalls

1. Cumulative affect of the impact of State actions on ECC: \$5.5 million initial reductions to the current fiscal year; January 'trigger' budget cuts of \$1.793 million; unanticipated February mid-year deficit of \$2.6 million. The February 'surprise' was due to lower revenue received from property taxes and student fees. Overall, ECC's revenue from the State was cut by \$9.9 million. Deferrals (cash flow issue) are not reflected in this information. ECC is fortunate to have budgeted for the majority of the 'surprise' in preparation for revenue shortfalls. \$655,000 of the 'surprise' was not budgeted.
2. Current shortfall projections: \$655,000 of the February 'surprise' mid-year state deficit was not budgeted; \$700,000 for election costs - haven't received bill for election costs but was told it was more than \$1.1 million (budgeted for \$400,000); FTES audit showed one Fire Tech course could not be claimed for State revenue – estimated pay back is \$450,000. Total estimated budget shortfall as of 2/26/12: \$1.8 million. This mid-year state deficit will change again. Next update in May or June.

3. Currently reviewing all line items in the budget. As mentioned in past meetings, there is a \$3 million -\$4 million difference between budget and actual ending balance every year. Will try to have full analysis of actual budget.

5-Year Budget Assumptions (handout)

1. Item #6 – election expense will increase to more than \$1.1 million; was budgeted for \$400,000. The increase is due to the cost of last November’s election of three board members. Comment was made the costs should have been planned and budgeted for the additional \$700,000. Handout from December 2009 will be updated and sent to PBC. Projection of future years not yet released by School Services. Rely on estimates from School Services, PERS and STRS.
2. The next forecast will begin in 2012-13 plus four additional years (may also include 2011-12). The forecast is required by the accrediting commission. This is a projection of the unrestricted general fund.
3. Backfill of Categorical note pertains to use of Fund 15 to backfill categorical programs. Fund 14 (\$1 million – summary of allocation on page 75 in budget book) and Fund 15 (\$3 million – allocation summary on page 76 in budget book) money comes from the State Chancellor’s office because of the Compton partnership.
4. Will table the discussion of the 5-year budget assumption percentages at future meeting when more information is known and J. Ely is present.

Budget Update (J. Higdon)

1. Orange County lawsuit – Orange County trying to prevent all their property tax revenues from going to the State. Impact to California community colleges is estimated at \$10 million (part of the February ‘surprise’ revenue cuts). Growing concern other counties will follow suit if Orange County wins which will dramatically impact K-12.
2. Much lower amount of personal income taxes collected than projected.
3. Republican Party supports Governor Brown’s pension reforms. Brown needs to get buy in from the Democrats.
4. How does property tax issue affect the bond? Some districts (i.e. Mt. SAC – Mount San Antonio College) have unique situation where voters vote on amount of their bond. Under prop 39 rule, they are limited to \$25 per \$100,000 valuation. Can’t sell authorized bonds because of assessed value issues. It would take money out of prop 98 calculation.
5. Pre-tax initiative and timeline to get on ballot in November is a concern.

Facilities Steering Committee Update (A. Spor)

1. Projects in pre-design/design:
 - a. STEM Center – being reviewed by Division of the State Architect (DSA). \$3.4 million budget funded from measure E. Projected construction start date at end of 2012. Occupancy scheduled April 2013.
 - b. Shops building replacement – \$31.9 million budget. Bidding slated for late Fall 2012 with start of construction soon after. Occupancy tentatively scheduled Fall 2014.
 - c. MCS building modernization conversion for Industry & Technology - \$37 million budget. Completion of DSA review expected in September 2012. Occupancy scheduled for Fall 2014. ITS location under discussion – looking for secondary location to avoid relocation challenges during construction and serve as a permanent emergency backup location.
 - d. Adult Education/Fitness Complex Project – new stadium incorporating running track and field for football and soccer, field house and separate practice field. Two phases with phase 1 projected completion date at the end of this year and phase 2 by the middle of

2014. Budget of \$40.22 million. Need to find commencement venue in 2013. Football stadium is not changing its current north-south direction/orientation.

2. Projects in bidding phase:
 - a. Accessibility renovation phase 2 – improve accessibility, functionality and appearance of selected restrooms on campus. \$1 million budget. Construction scheduled for later this spring; anticipated completion by fall.
3. Projects in construction:
 - a. Parking lot lighting and security upgrade throughout the campus. \$3 million budget. Still waiting to receive project schedule to approve. Improve parking lighting, lighting standards, installation of additional pole-mounted security cameras, bulb replacement of existing walkway lights, and installation of new emergency poles. Expected to be completed later this year. Will have total of 164 cameras on campus once project and MBA building is complete.
 - b. Electrical and data conversion – electrical substation project. \$11.6 million budget. Project almost complete, on-budget and on-time.
 - c. Bookstore renovation – almost complete. Concrete beams will be attended to during spring break.
 - d. Bookstore/cashiers and book buyback area - \$450,000 budget. Construction starts at end of this year. Cashiers projected move in date in April 2013.
 - e. MBA building - \$36.9 million budget. Move-in/completion hopefully by Fall 2012.
 - f. One of the original El Camino Real bells was donated to ECC – trying to find right location for it on campus, maybe near corner of Social Science building.
4. Student Services Building and parking structure remaining projects on the current bond.
5. Discussion followed about including input from end users in helping design projects and concerns about end users' needs being met. Suggestion was made for end users to contact VPs if they feel their input is being overlooked.

The next meeting is scheduled on March 15, 2012.

The meeting ended at 2:10 p.m.