
EL CAMINO COLLEGE
Planning & Budgeting Committee
Minutes
Date: August 22, 2013

MEMBERS PRESENT

- | | |
|--|---|
| <input checked="" type="checkbox"/> Jan Caldwell – Campus Police | <input checked="" type="checkbox"/> Dipte Patel – Academic Affairs |
| <input type="checkbox"/> Sean Donnell – ECCFT | <input type="checkbox"/> Dawn Reid – Student & Community Adv. |
| <input checked="" type="checkbox"/> Alice Grigsby – Mgmt./Supervisors | <input checked="" type="checkbox"/> Cheryl Shenefield – Administrative Services |
| <input type="checkbox"/> Vacant – ASO | <input type="checkbox"/> Gary Turner – ECCE |
| <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting) | <input checked="" type="checkbox"/> Lance Widman – Academic Senate |

Other Attendees: Members - William Garcia, Ken Key / **Support** - Francisco Arce, Janice Ely, Tom Fallo, Christina Gold, Jo Ann Higdon, Jeanie Nishime, Regina Smith, Mike Trevis / **Guests** – Joyce Hopkins, Emily Radar, Luukia Smith, Nina Velasquez

The meeting was called to order at 3:04 P.M.

Correction of June 20, 2013 Minutes

The minutes were reviewed and approved with the following corrections:

1. Attendance correction, William Garcia was removed as supported and added as member for meeting attendance.

Approval of August 15, 2013 Minutes

The minutes were reviewed and approved with the following corrections:

1. Under budget Items, #7 **delete** STERS and replace with **STRS**
2. Under budget Items, #9 after that; **insert** daily.

Final Budget 2013-14 – T. Fallo

1. Dr. Fallo referenced the final budget as handed out. General information of State funding for community colleges was discussed. It was noted that funding is the most robust it has been in five years, as we have a 1.57% COLA and a growth opportunity of 1.63%. Admission fees will remain unchanged. The district works off of revenue limits as the totals in the RDA accounts, educational protection accounts and other apportionment items tend to fluctuate.
2. The district borrowed 465 FTES from summer to make cap from last year. About 330 class sections have been added back to the schedule. There have been 25 new faculty members which have been accounted for in the budget.
3. Preliminary numbers have been received from Cal PERS. Five medical plans have been added. Some accounts have had an increase of about 33% while others have had a decrease of about 33%. Kaiser went up about 7%. This will have little effect on the districts insurance caps. Additional information will be issued next week.
4. The final ending balance from last year 2012-13 is \$20,767,261. Total revenue of \$103,737,170 and the beginning balance of \$20,767,261 gives us a total of \$124,504,431. This is slightly lower than last year when compared.
5. Changes noted from page 1 and page 2 of the budget are as follows: The \$950,000 transfer of funds from fund 15 last year (footnote: j), a prior year correction of \$295,478 (footnote d), and the Compton administrative oversight reduction from \$500,000 to \$50,000 this year (footnote: k). Other

miscellaneous changes were detailed as well. The State revenue is represented in object code 8610. These numbers should be looked at as a whole. These numbers do change throughout the year. The governor didn't appropriate all the money available in order to help buy down future debt and support community colleges in the future. Community college debt has decreased from about \$900 million to \$600 million. The State approved \$25 million in planning grants to explore adult education. The redevelopment agency funds (8819) are currently budgeted at zero as it is unclear how this will be funded. Money allocated in this area would likely decrease funds represented in other state revenue accounts. The district didn't budget current growth projections as it our practice. The district will work to maximize revenue. Summer enrollment will be utilized if the district didn't make cap and growth projections. FTES is currently budgeted at 18,130 plus growth and we plan on having three robust summer sessions.

Budget Expenditures

1. Total expenditures for the coming year are anticipated to be \$108,628,641. This will be about a \$4.0 million difference from last year.
2. The 25 additional full-time faculty members along with the monies to support added sections has been budgeted.
3. The rate for public employees' retirement has increased slightly (footnote: n). Additional money is being provided to support instructional supplies, object code 4300. Anticipated savings of \$3.0 million (footnote: r) is expected at this time from budget to actual. This is the second year we have projected this.
4. The rate for unemployment insurance was reduced dramatically this year. The grand total of expenditures/ending balance/reserves is \$124,504,431.

Fund 14

1. Clarifications of expenses charged to fund 14 were discussed. All stipends are being reviewed in relationship to their work with the Compton Center. These funds are intended to offer support in key areas at the Compton Center.
2. Other service line item of \$349,030 is currently un-appropriated at this time. These monies will provide additional assistance as needed.

Special Programs Fund

1. For the 2013-14 year, \$3.7 million in appropriations are projected. The contribution from the general fund is increasing from \$3.0 million to \$3,321,545. The auxiliary services fund support will require further discussion. Last year the students voted a student fee to support those services. This is being reviewed to see where the monies are used and potential areas of district responsibility. This student charge is being placed on hold. It will be a negative check off fee charged to students. The budget identified a proposed transfer of \$1.9 million to fund 69 for retiree health benefits (GASB).

Post-Employment Benefits Irrevocable Trust Fund

1. The beginning balance for this fund is projected to be \$16.4 million. An additional \$1.9 million plus the projected interest income is proposed to be deposited in 2013-14. The grand total would be \$18.7 million. Discussion ensued about the funding of this account at the proposed \$1.9 million. Fully funding this account will reduce the burden on the general fund and help with sale of our bonds. It was noted unforeseen district and program needs should be considered prior to funding the irrevocable trust at this total.
2. The district has not had an actuarial study since the money was placed in an irrevocable account. The next actuarial is projected for spring 2014. Discussion ensued about recommending delaying transferring funds to the irrevocable trust until just prior to the next actuarial.

Child Development Fund

1. The district continues to make a substantial transfer into the child development fund due to the deficit. The projected transfer from the general fund this year is \$257,750. The projected ending balance for 2013-14 is zero. A recommendation was made last year to close the Child Development Center which was not approved. A request was made for a plan and an opportunity to further review this matter. The new director will be monitoring the enrollment of the center. A proposal was made to make the center into a lab school. A possible reintroduction of the closure recommended to the board is likely this fall. Discussion ensued about monies existing in the beginning balance in past years.

Adjournment – R. Natividad

The meeting adjourned at 4:40 p.m. The next meeting will be held **Thursday, August 29, 2013 at 1:00 p.m.**, in Library 202.

RKN/lmo