

**EL CAMINO COLLEGE Planning & Budgeting Committee**  
**Minutes Date: August 1, 2019**

	Jose Anaya - Community Advancement		Chinua Taylor-Pearce - ASO, Student Rep
Y	Amy Grant - Academic Affairs	Y	Gary Robertson - Campus Police
Y	Jeffrey Hinshaw - Administrative Services		Jackie Sims - Management/Supervisors
Y	Iris Ingram – Chair (non-voting)		Greg Toya - Student Services
	Ken Key – ECCFT		Josh Troesh – Academic Senate
Y	David Mussaw – ECCE	Y	Jim Buysse - Chair (non-voting)

**Alternate Members:** R. Sagastume, W. Cox,  
**Support:** A. O'Brien, J. Shankweiler, B. Atane

**Other Attendees:** V. Unda, F. Esqueda,

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

1. Approval of [Minutes](#) – July 18, 2019  
 Minutes approved.
2. Introduction of Iris Ingram, Vice President, Administrative Services  
 Everyone in attendance introduced themselves to Iris.
3. Budget Workshop Update
  - Nothing new was reported and Chancellor’s office did not have answers to the questions that was asked.
  - We can budget for bad new, but we cannot budget for uncertainty, which the SCFF is creating.
  - Property tax shortfall is still an issue; we will not know the answer until next year in February.
  - The guarantee of last year base plus COLA is uncertain because we still do have an answer for what the 2018-19 base will be.
  - Again, the SCFF is changing the slice of the funding and not making the funding any larger.
  - August 26<sup>th</sup> we will be doing the budget workshop for the Board of Trustees and will be taking the final budget to the board on September 3<sup>rd</sup>.
4. Infamous Others  
 Both the presentations is intended to look past 2019-20 fiscal year and it is a projection out into the future so that we can spot problems and have time to address it.
  - Fiscal Outlook
    1. As we look into the future at FY 2020-21 ECC is in a good shape with reserves at 17%, but as we got to 2021-22 with 14% and then get to 2022-23 reserves have fallen to 9%.
    2. Budget assumption:
      - No recession, guarantee of base + COLA continue thought FY 2022-23, enrollment remains constant (some colleges are seeing a slight growth), stable enrollment at ECC, promise program funding remain constant, and current collective bargaining agreements are assumed with no changes.
    3. Budget Projections
      - All positions are funded for full year, compliance with FON and COLA

4. Trend and Emerging Issues
  - State accountably in student learning
  - Mission of the college is moving us away from just being a teaching institution to encompassing other areas of student life.
  - SCFF is ever changing and could be fully implemented by 2022-23 or 2023-24.
  - Employer portion of pension will be a constraint on the budget.
  - Increase in the speed of technological changes will challenge institutions.
  - State will not be player in your budget. We will need to look elsewhere for other sources of income.

5. Pension Squeeze (slide 9, 10 & 11)
  - Employer contribution rate are increase while our reserve is declining.
    - Compensation become an increasing percentage of the budget
    - Non-compensation cost must be reduced or eliminated
    - Services must become efficient or reduced/eliminated
    - All salary increase, including step and column, add to cost of employer contribution costs
  - Funding in Fund 16 will be there until 2021-22, assuming no additional State contribution/actions.
  - FY 2019-20 proposed budget revenue is 59% state income
  - FY 2019-20 proposed budget expenditure is 88% salary and benefits

6. Operating Budget
  - Salaries as a percentage of the budget.....64%
  - Benefits as a percentage of the budget.....24%
  - Compensation as a percentage of the budget.....88 %\* (\*83.2% in 2011-12)
  - Annual cost of Step and Column increases..... \$1.94m
  - Cost of a 1.0% salary increase..... \$0.90m
  - Benefits cost of a 1.0% salary increase..... \$0.33m
  - Total compensation cost of a 1.0% salary increase..... \$1.23m

➤ Capital Expenditure – Bond Program

- Facilities Master Plan of 2012 is an update to the 2007. This is based on our Educational Master Plan the demographics and technology has changed since the 2007 FMP was created and updated in 2012. Changes need to be made for moving the facilities forward.
- Student Services Building move will begin next week.
- Gym will be done at end of August. Issues have arisen with water leaking into the volleyball court.
- Demo of the old Student Services and Activities building will begin mid-November. Information needs to go out to the campus on what the path of travel will be for our students.
- Music building, we have done the FPP for State funds and we will know more by next January budget if it is in queue to be funded.
- Small projects that are going on include:
  - a. Child Development Center – issues with DSA that will need to be resolved.
  - b. Exterior light – from a safety standard point, we need to make the campus a safe and welcoming environment for our students.
  - c. Manhattan Café – improving the atmosphere for students.
- Financing
  - a. We have over \$200 million left to authorize. In the coming years we will have issuance constraints because of the promise made to the taxpayers that we will not exceed \$24 in

accessed value.

- b. There are many options; the board will revisit the options in their February 2020 meeting.
- Managing Capital Expenditure
    - a. Ownership/Stewardship – Stewardship of care, how do we want our campus to look and what will it take to get there. We owe the responsibility to the taxpayer to take care and maintain the physical asset.
    - b. Construction delivery methods of using multi-prime contracts
    - c. CUPCCAA will expedite projects.
    - d. Equipment replacement schedule – for the long term, we need to maintain the facilities and technology to move forward.
- Question/Comment from Viviana Unda, Director of Institutional Research & Planning
- As of July 1st, IRP is reporting to the President. PM requested 2 mid-term assessment reports: one on Strategic Initiatives and another one on College plans (Education Master plan, Facilities Master Plan, Staffing Plan and Technology Plan).
  - These reports will be ready to use as input for annual planning starting on November.
  - Strategic Planning for the next ten-year cycle (2023-2033) will start after accreditation visit.
  - Planning should drive budgeting, which is why President Maloney and I have been coordinating annual planning and budgeting calendars.
- Books closed for 2018-19 and everything wrapped up by August 22<sup>nd</sup>
- Board of Trustees workshop on final budget on August 26<sup>th</sup>.
- Next PBC Meeting
- August 15<sup>th</sup>
  - August 22<sup>nd</sup>

If you have any questions or concerns on any budget information, please do not hesitate to call Jeff or me.

## 5. Adjournment

The meeting adjourned at 2:15p.m.