

**EL CAMINO COLLEGE**  
**Planning & Budgeting Committee**  
**Minutes**  
**Date: April 3, 2014**

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**MEMBERS PRESENT**

Members

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| <input checked="" type="checkbox"/> Alice Grigsby - Management/Supervisors | <input type="checkbox"/> Dawn Reid - Student & Community Adv.                   |
| <input checked="" type="checkbox"/> Ken Key - ECCFT                        | <input checked="" type="checkbox"/> Cheryl Shenefield - Administrative Services |
| <input type="checkbox"/> Liliana Lopez – ASO                               | <input type="checkbox"/> Dean Starkey – Campus Police                           |
| <input checked="" type="checkbox"/> Rory K. Natividad - Chair (non-voting) | <input type="checkbox"/> Gary Turner - ECCE                                     |
| <input checked="" type="checkbox"/> Dipte Patel - Academic Affairs         | <input checked="" type="checkbox"/> Lance Widman - Academic Senate              |

**Other Attendees: Members** – David Brown, Emily Rader **Support** – Babs Atane, Linda Beam, Janice Ely, Jo Ann Higdon, Jeanie Nishime, William Garcia, Irene Graff, Michael Trevis, Will Warren

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The meeting was called to order at 1:03 p.m.

**Approval of March 6, 2014 Minutes**

1. Under Budget Updates, #2, second sentence – It was noted that this sentence is pertaining to San Francisco Community College District. The sentence needs to be moved to #3 and reworded to say: The proposed bailout bill for San Francisco Community College is more generous than what was provided for Compton Community College.
2. Under Budget Updates, #2, first sentence – A clarification will be made by J. Higdon for this sentence and will be brought back to the next meeting.

**Budget Updates** – J. Higdon (2 handouts)

1. In reference to the Dan Walters hand out, there is a new GASB (GASB 68). This has been approved by AICPA and it will be implemented for the years after June 2014. GASB 68 will hurt any public agency entities that are members of pension programs that have anything less than 100% funded. We will have to post our share of PERS and STRS pension liabilities. It was noted that if we had to post our assets and liabilities on this, the negative impact would be a large number.
2. An email was shared which was written to Rod Carter who does trans borrowing throughout the state and our bond sales to ask how the bond rating agencies are going to cope with this. Bill Rauch who is our audit partner from VTD was also asked his opinion of what we will be encountering due to this requirement. The feedback given by both of these individuals is they are looking into it and will get back to us with an update in another month.
3. It was noted that all members of the PBC need to understand the document dealing with GASB 45 which was attached to last month's board agenda. A proposal was made to the president on how we could be at full funding in a brief period of time. Money is being put into irrevocable trust. Until that trust is fully funded, we cannot begin to pay our current retiree benefits out of this trust. Two experts have been consulted on this issue.
4. The District recognized its obligation to fund its legal liability to current and future retirees and established a separated fund for its OPEB liability. The first contribution to this fund was \$600,000. At that time the OPEB liability was projected to be \$7.4 million. The OPEB liability has tripled and is now projected to be \$22.2 million. It is estimated by June 30 of 2014, the balance of the Trust will be \$18.8 million. We are about 84% funded at this point. Once the Trust is fully funded, the District will be allowed to pay the OPEB expenses

from the Trust fund rather than the unrestricted general fund. Concern was expressed regarding the impression that this Trust is being funded faster than payments being spread out for few more years. A disagreement was noted for this decision. It was noted none of the money to fund GASB has come out of the unrestricted general fund. This item was only presented as a proposal/informational item.

**Planning Updates** – I. Graff (handouts)

1. The Strategic Planning committee which is an adhoc committee will be charged with developing a strategic plan and an update of our comprehensive master plan. Once the implementation has been developed, it will come back to the PBC which will be overseeing the implementation of our efforts. It was noted the strategic plan is a foundational document that is our aspiration as we move forward. The strategic initiatives are not measurable – they are broad goals. The strategic will need to include measurable outcomes which the PBC will be reviewing and monitoring.
2. It was noted the Student Success Plan and Student Equity Plan will need to be integrated into our planning.

**Adjournment** – I. Graff

1. The meeting adjourned at 1:51 p.m. The next meeting will be **April 17<sup>th</sup> at 1:00 p.m.**, in Library 202.

RKN/lmo

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