

**EL CAMINO COLLEGE**  
**Planning & Budgeting Committee**  
**Minutes**  
**Date: June 1, 2017**

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**MEMBERS PRESENT**

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| <input checked="" type="checkbox"/> Amy Grant – Academic Affairs           | <input checked="" type="checkbox"/> Cheryl Shenefield–Administrative Services |
| <input checked="" type="checkbox"/> Ken Key - ECCFT                        | <input checked="" type="checkbox"/> Jackie Sims -Management/Supervisors       |
| <input checked="" type="checkbox"/> David Mussaw - ECCE                    | <input type="checkbox"/> Dean Starkey – Campus Police                         |
| <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting) | <input checked="" type="checkbox"/> Greg Toya – Student & Comm Adv.           |
| <input type="checkbox"/> Prince Obah – ASO Student Rep.                    | <input checked="" type="checkbox"/> Josh Troesh – Academic Senate             |

**Other Attendees:**

**Alternate Members:** K. Iino, R. Lopez, R. Russell, A. Ostrega, C. Vakil-Jessop

**Support:** J. Ely, I. Graff, J. Higdon, A. Leible, J. Nishime, J. Shankweiler

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The meeting was called to order at 1:04 p.m.

**Announcements**

1. The following new committee members were welcomed to the committee:
  - Kelsey Iino – SCA, Alternate
  - Ruben Lopez – Police, Alternate
  - Alex Ostrega – ASO, Alternate

**Approval of the May 18, 2017 Minutes**

1. The minutes of May 18 were presented to the committee for approval.
2. Page 1, May Revise Developments, #4, end of first sentence; **delete:** statue, **replace with:** statute.
3. Page 2, Tentative Budget Assumption May 2017, #1, second sentence; **delete:** costs, **replace with:** cost.
4. The minutes were approved with the minor corrections and will be posted to the website.

**ECC Tentative Budget Review** – J. Higdon (handout)

1. The handout on the projected future pension liabilities which covers the next five years (from now through 2023) was reviewed. The handout reflects the STRS and PERS new anticipated annual and cumulative percentage increases. Currently the best guess estimated is a total of \$16,020,893. It was noted this information was based on projections from School Services of California.
2. PERS can change their percentages at any time. STRS typically is required to change by the legislature; however, in 2021-2022 percentages will be able to be changed by the STRS Board and not just the legislature (up to a certain amount).
3. These projected pension liabilities are one of the biggest financial challenges that all community colleges, UC systems, cities and counties are facing. These increases are occurring because of changes to the investment income.
4. Fund 11 (unrestricted general fund) of the tentative budget was reviewed. This is the operating fund which does not include any of the categorical funds. The principal apportionment funding listed is based on the State funding of 19,480 credit FTES, 30 non-credit FTES, 1.56% COLA and a 2.78% increase to the base apportionment. It was noted the 2.78% is not a given.

5. The STRS On-Behalf Revenue was listed for 2016-17 and 2017-18 as TBD because the State has not informed us of what this amount is as of yet. This money does not come to us but is something that our auditors and the State are requiring us to report.
6. Under the local revenue (page 4), object code 8810, Educational Revenue Augmentation was noted for the tentative budget as being listed at zero. If this amount comes in at \$100,000, then our state apportionment will be reduced by \$100,000. This is because it is considered a mixture of funds which make up our calculated base.
7. It was noted the Redevelopment Agency funds, 8819, (RDA) are technically in the process of being dissolved. It is taking the State longer than they thought to do the liquidations of these properties.
8. It was noted under the area of Enrollment Fees, 8874, there is a spike as can be seen when comparing 2015-16 to 2016-17. This is due to an increase in enrollment fees due to the addition of the winter intersession for 2017.
9. Under the area of Revenue From All Sources, it was noted most of the new revenue is coming from the COLA increase and the increase in the base apportionment.
10. It was noted that under the expenditure areas of the salaries, the retro amounts are already included in the figures listed. The Classified and POA (Police Officers' Association) salaries have not been entered as they are still in negotiations.
11. It was noted on Page 7, 5100, Contract for Personal services, a huge increase can be seen in the tentative budget listing of \$1,781,463. This is due to including Paramedic and Fire Academy Programs as contract service agreements of \$1.2 million. Salary amounts of contracts are transferred to academic salary account at year-end as shown in the 2016-2017 actual expenditures.
12. By law we were required to change our election periods. As part of this, the county has to now send out post cards to notify all the people in our district that this change has happened. The estimated bill on this project is \$110,000. This is why an increase is shown in this area.
13. The prioritization of equipment is still in process. Equipment under capital outlay currently has a flat figure of \$350,000 for now.
14. Interfund transfers include \$14.9 million originally set aside as a special reserve for future pension liabilities within the General Fund. Effective 2017-18, these funds will be accounted for in a separate fund, Fund 16 – Future STRS/PERS Pension Liabilities. At this time the account will not be irrevocable. This is because we need the flexibility of this account in the next few years because of the following: 1) the expected projected increase in the pension liabilities, 2) the transition of the Compton Center moving back to becoming Compton College. The current funding we receive from Compton is \$3.5 million – Fund 15 and 1.2 million from Fund 14. Once Compton is independent from us, we will lose this funding. The committee was reminded we have been using approximately \$3 million of our fund 15 to cover required items in our IT (Information Technology) department.
15. Some assistance was requested in helping to acquire board approval for the FYE and STEM workers in the fund 15 account.
16. It was suggested if anyone had questions to please email J. Higdon and J. Ely.

#### **Area Plan Annual Planning Update** – J. Shankweiler (handout)

1. The current status in the planning process is everything has been combined into the college plan but has not been prioritized yet. It was noted that in regards to equipment, other than extreme emergencies or high priority, items can be funded from balances from instructional equipment funds since funding is not yet available.

#### **Institutional Effectiveness Framework** – I. Graff (handout)

1. A brief update was given on the Institutional Effectiveness Indicators 2017. The handout given provided details under the historical rates and the goals (both short-term and long-term). All the percentages of the goals were reviewed.

2. The IE framework of indicators consists of a set of required and optional measures of College and District performance, with measures selected and short- and long-term goals set through a collegial consultation process.
3. It was noted we are able to change any of our goals to more correctly reflect reality than to have too high a goal that is unrealistic. Some goals may be too ambitious or unachievable.

**PBC Annual Calendar** – R. Natividad

1. The schedule for this upcoming year is the same as last year. The committee meets the first and third Thursday of every month from 1:00 – 2:30 p.m. in Library 202. The August date has one or two additional meetings added due to budget discussions. September's meeting is early in readiness of finalizing the budget in order to be timely to getting it on September's board agenda.

**Adjournment** – R. Natividad

1. The meeting adjourned at 2:15 p.m. The next meeting will be held on **June 8, 2017**. The place of the meeting will be determined as Library 202 is already booked with another meeting.

RKN/lmo

Approved