

EL CAMINO COLLEGE
Planning & Budgeting Committee
Minutes
Date: May 3, 2018

MEMBERS PRESENT

- | | |
|--|---|
| <input checked="" type="checkbox"/> Amy Grant – Academic Affairs | <input type="checkbox"/> Jeff Hinshaw–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"/> Ruben Lopez – Campus Police |
| <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting) | <input checked="" type="checkbox"/> Greg Toya – Student Services |
| <input checked="" type="checkbox"/> Alex Ostrega – ASO Student Rep. | <input checked="" type="checkbox"/> Josh Troesh – Academic Senate |
| <input type="checkbox"/> Jose Anaya – Community Advancement | |

Alternate Members: M. Myers (for I. Graff), S. Porter

Support: B. Atane, B. Fahnestock, J. Miyashiro, R. Miyashiro

Other Attendees: A. O’Brien, K. Davison

The meeting was called to order at 1:07 p.m.

Approval of the March 15 and April 19, 2018 Minutes

1. The minutes of March 15 were presented to the committee for approval.
2. Page 2, Funding Formula, #7, at the beginning of the first sentence **delete:** It was decided. **Replace with:** The CEO workgroup recommended.
3. The minutes were approved with the one correction and will be posted on line.
4. The minutes of April 19 were presented to the committee for approval.
5. Page 1, Accreditation Update, #2. **Correct: It to: In.**
6. The minutes were approved with the one minor correction and will be posted on line.

Budget Assumptions – B. Fahnestock

1. The tentative Budget Assumptions for 2018-2019 were presented to the committee. These assumptions reflected the best information available at this time from the Chancellor’s Office. The unrestricted general fund guidelines were then reviewed.
2. The estimated beginning fund balance was listed as \$23,506,206. The estimated revenue including Federal, State and local sources was listed as \$127,056,688. COLA was at 2.59% but has been increased to 2.71% as of a couple days ago. This equates to \$2.8 million.
3. The interfund transfer from Fund 16 to cover the 2018-2019 increases to PERS and STRS rates was listed \$1,653,393. It was noted PERS and STRS rates will be dramatically increasing. The rates have gone up more than what was originally planned for. Thus we are not making back the money that was anticipated. They under estimated several things such as increases in pay and how long people will stay in the system. To cover our expenses we will have to tap into our \$15 million for next year.
4. Next year it is anticipated we will not have any growth and will hopefully keep the same enrollment that we have this year.
5. A position control database is being created for step and column movement. Input on this project was received from all the departments to ensure accuracy. This will be able to give us accurate financial projections with step increases. For next year these increases are projected as follows: certificated will cost \$914,612 (1.75%) and classified will cost \$333,464 (1.32%).

6. The salary increase of 2.71% will be applied to all units effective January 1, 2019 and will total \$1,050,477.
7. Increase in the employee benefits cost and the COLA increase is anticipated at \$466,296. Pension contributions are listed as follows:
 - PERS increases by 2.531% to 18.062% would equal an increased cost of \$656,497.
 - STRS increases by 1.85% to 16.280% would equal an increased cost of \$996,897.
 This is an estimate. As the position control system is more fully developed, we will then have more accurate numbers.
8. There will be a modest projected utility cost increase of 3% over 2017-2018 equaling a cost of \$83,900.
9. We are experiencing an increase in our Worker's Compensation costs as more claims are being submitted.
10. A number of full-time faculty replacement positions will be filled (18 positions). Current vacant full-time classified positions (10 positions) will also need to be filled. There are also four vacant full-time management positions also needing to be filled.
11. The budget for the one-time augmentation/enhancements is still not yet determined. These items still have to be ranked.
12. It was noted there will be several big challenges for the future:
 - The PERS and STRS increases
 - The cost of retirements
 - The loss of the funding received for Compton (fund 14 & 15)
 The budgeted total for 2018-2019 expenditures is estimated at \$129,588,331 and the projected ending fund balance is listed at \$22,849, 475. Other accounts will be reviewed at future meetings.
13. With keeping the old funding formula in mind, if El Camino could reach an enrollment of 20,000 students, they would be considered a large college. Large colleges receive \$2 million more which would give us a better cushion. This would be a tremendous help with losing Compton.

ASO Presentation– G. Toya/A. Ostrega

1. G. Toya and A. Ostrega gave a presentation to the PBC in order to seek their endorsement of increasing the student activity fee from \$10 to \$15. The student activity fee (ASB) supports co-curricular funding of programs like journalism, athletics, theater, etc.
2. The fee has been \$10 since roughly 1996. The costs to send students to competitions for journalism, debate and athletics have risen. Air fares to send students to Sacramento have also drastically increased. It has been seen that the current funding has placed the ASB into deficit spending mode.
3. In past years 35% of all student activity money went to ASO, 60% went to the Auxiliary Services Board which allocates the funds for athletics, fine arts, journalism, the Union newspaper, Project Success, Honors Transfer Program, First-Year Experience and MESA. The remaining 5% goes into reserves. There is a process when students register where they can opt-out of this fee.
4. Similar colleges to ours (FTES) were contacted and queried as to the how they handle the operational side of all of their student fees and how their process compared with ours. The results showed from the nine colleges which were contacted, we came in as the third lowest at \$10. There is also a .50 student rep fee which is used for advocacy and legislation support in sending the student reps to Washington D.C. or Sacramento. In total, the fee is \$10.50 and is being recommended to be increased to \$15.50. This fee is still relatively low compared to the other colleges.
5. It is recommended for ASO to increase the student activity fee for fall and spring semesters. As a justification, it was noted El Camino has one of the lowest student activity fee costs and total annual fees charged to students. This coupled with the lowest ASO annual operating budget and an ASB budget which is in deficit spending. The report presented also recommended a further examination of El Camino's student activity fee money supporting academic related programs.
6. The increased funds will help maintain the current initiatives we have on campus. It was noted one of the initiatives supported having five free-flow water dispensing machines on campus. Using these

machines helps to save using 20,000 plastic water bottles a month. The extra funds will assist with the upkeep of these machines as well as the Warrior Food Pantry and extra student club activities.

7. It was announced one of the upcoming end-of-year events is the ASO Movie Night on May 17. There will be a special viewing of the Marvel movie, Black Panther, out on the Library lawn at 7:00 p.m. on a large projector. In-N-Out Burger will also be providing their burgers for \$2.00. Families are encouraged to bring their blankets and enjoy an evening out.
8. It was noted in the past that the El Camino Bookstore brought in more money and would donate a portion to ASB (\$400,000) to assist with their funding. It was reiterated this increase in the fee would help alleviate this deficit spending. The research done revealed no other colleges have a body similar to ASB. They found 100% of the student activity fee income is allocated to their ASO and that ASO students decide on funding for other departments and divisions through funding request procedures. At \$15.50 El Camino will still be lower than other colleges.
9. The ASO Senate voted on the increased fee and it passed unanimously. The presentation on increasing the fee will be presented to the Cabinet on Monday, May 7.

Adjournment

1. The meeting adjourned at 2:11p.m. The next meeting is scheduled for **May 17, 2018** at 1:00 p.m. in Library 202.

RKN/lmo