



Budget and Fiscal Planning Committee

September 4, 2013

Members present:

√John Lau, VP for Business Services, Co-Chair
√Kathy Berry, Administrative Representative
√Yethel Alonso, College Council Representative
√Eric Jacobson, Faculty Representative
√Dave Drury, Faculty Representative
√Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

√Kevin White, Academic Senate Rep., Co-Chair
√Jeff Cantwell, CMCA representative
√Mike Nicholas, CSEA Representative
√Matthew Thale, CSEA Representative
√Andrea Montano, ASG Representative

I. CALL TO ORDER

The special meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Kevin White at 3:35 p.m. on Wednesday, September 4, 2013. The meeting was held in the board room.

II. ACTION

M/S/C Berry/Drury to recommend to the Superintendent/President approval of the 2013-14 Final Budget.

VP Lau stated that the budget is based on existing labor contracts and will be revised when all agreements are finalized. He anticipated having a revised budget by November. VP Lau stated that there will not be a large savings from negotiations right away, what the district is trying to do is contain increases in order to stabilize for the future.

VP Lau reported that the Parking Department budget has been reduced by an additional \$50,000 and there will be some other adjustments from the Academic Services area. The budget to be adopted includes an increase of \$107,000 for the Preschool. Member Thale asked if the budget would be balanced, Director Fletes stated that the use of reserve will be about \$40,000.

VP Lau and Director Fletes emphasized that it is critical that the college achieve full restoration of FTES. VP Berry stated that the schedule for academic year 2014-15 will be available by March 1, which will aid in budget development.

Member Jacobson had the following questions regarding the 7 year funding analysis:

Account	2012-13	2013-14	2014-15	comments:
1160 Instruction Substitute Salaries	39,160	84,111	84,111	Possibly overstated
1320 FT Summer Teaching	278,141	554,873	554,873	
1370 Coaching Salaries	136,859	185,647	185,647	
2104 IT Salaries	565,741	634,122	634,122	Moves within cost center?

2108 Classified Managers	848,823	965,470	965,470	2 new positions
2123 Reprographics Salaries	90,730	55,908	55,908	Moves within IT?
2301 Student Salaries	137,725	178,996	178,996	Will be reduced by \$50,000 in Parking
3440 Health Insurance - certificated	683,450	816,002	816,002	Change in coding?
SUPPLIES	664,550	811,765	811,765	Use of lottery fund?
5110 Consulting	194,471	286,013	286,013	\$81,000 match for grant in org 931 reclassified
5620 Maintenance agreements	587,967	735,148	735,148	

Costs associated with health benefits moved from ORG 831 under Business to ORG 103 Human Resources.

Co-chair White asked the committee if training was needed to understand the budget account structure. The committee agreed that training would be helpful. Co-Chair White suggested 15 minute training sessions at every meeting. Matthew Thale asked if it would be possible to get the budget in a different format.

III. INFORMATION/DISCUSSION

1. Budget Variance Guidelines: This will be an action item for next meeting. The committee will decide what the trigger amount will be for variance analysis in terms of percent of variance or dollar amount. Suggested triggers were 3% and \$10,000. The committee would be able to focus on relevant items and vice presidents would be asked to explain variances.

VP Lau stated new programs must compete with existing programs for funding. A mechanism is needed to make those decisions before the budget reaches the committee.

Co-chair White stated that the committee is a powerful one, and it needs to start making recommendations especially in terms of structural changes such as the reserve level and funding the retiree liability. These are issues that are also tied to the College's warning status and need to be addressed.

VP Lau stated that the college could make a start at funding its retiree liability using a portion of its savings (fund balance); possibly \$100,000 or \$200,000 a year. Funding of the liability is a long term project, but the District needs to determine a reasonable time frame and begin to make the effort to put money into the fund.

2. Increasing Reserve: The committee will discuss funding mechanisms for increasing the reserve.

IV. Next meeting: Wednesday, September 25, 2013.

V. Adjournment: Meeting adjourned at 4:30 p.m.