

Budget Advisory Committee
Minutes
October 31, 2016
Meeting

Approved

ATTENDANCE (A = absent):

9	Ann-Marie Gabel	9	Chris Carter
9	Eva Bagg	9	Cindy Baker
A	Wayne Bergman	A	Sara Blasetti
9	Lou Anne Bynum	9	Sem Chao
A	Sheila Daniels	9	Rose DeIGaudio
A	Thomas Hamilton	9	James Henry
	Karen Kane		

- x Karen asked about the line item for STRS On-Behalf Payments. John replied this is a pass through estimating the amount that the State contributes to STRS for our employees. This is a fairly new requirement for the District to report (second year)
- x Seth inquired about One-Time Mandated Costs. John said this is a one-time allocation and not on-going. It reduces the state's mandated cost obligation.
- x Lou Anne asked if we know the total amount owed to the District for Mandated Costs. John said Bob Rapoza, Internal Auditor for the District, is following the process. At this time, there is still debt that is owed to the District for Mandated Costs. Ann-Marie described the process and the issues the District is faced with regarding the payment of Mandated Costs to offset the debt owed to the District. Chris asked for some examples of Mandated Costs. Ann-Marie said employee time spent for negotiations, health fee waivers, BOGG waivers, and environmental waste are some examples.
- x Karen asked about Local Revenue International Students and Fees Nonresident Tuition Fees. John confirmed we anticipate an increase in both line items in the Spring.
- x Seth asked about the Hospitality item and why the Adopted Budget was zero. John replied it is for food. Ann-Marie added the report will be revised to show the breakout of Hospitality
- x Karen asked about Travel and Conferences where the remaining balance of these funds go. John said that each department is expected to budget for Travel and Conferences but may move funds around to other line items as they feel necessary.
- x Terri questioned the dollar amount for Instructional Equipment. Ann-Marie said this amount is only Unrestricted General Fund (1).
- x Chris asked about the Assigned Reserves for New Faculty. John said this is his estimate for 31 new faculty. Karen asked to further clarify the reserve amount. Ann-Marie said we need to make sure we don't spend down the Reserves because this expenditure will be in the near future. We are leaving enough room in the Reserves for at least one year. Karen asked if there is any money coming from the State to assist with new faculty. Ann-Marie said there are funds from 2015-16 to help offset the Faculty Obligation Number (FON) and that has now been rolled into Apportionment.
- x This report will be presented to the Board of Trustees on November 8, 2016

State Budget Update (Ann-Marie)

(Refer to "Community College Update", "Community College League of California and Chancellor's Office Updates handouts)

- x Ann-Marie drew attention to the "Is a Revenue Downt Coming?" The State's revenue is down by less than 1% from what was expected. She said no money may not be available in 2017-18 and Revenues may be lower than expected for 2018. If funds are available in 2017-18, requests total \$800 million from the State including 2% for Growth, 1%

