

## **Fiscal Resources Committee**

Santa Ana Room – District Office

1:30 p.m. – 3:00 p.m.

### **Meeting Minutes for May 24, 2018**

**FRC Members Present:** Steven Deeley, Ed Fosmire, Pilar Gutierrez-Lucero, Peter Hardash, Lee Krichmar, Mary Mettler, Adam O'Connor, Arleen Satele, Monica Zarske

**Alternates/Guests Present:** Esmeralda Abejar, Thao Nguyen

1. Welcome: Mr. Hardash called the meeting to order at 1:30 p.m.
2. State/District Budget Update
  - May revise has been released
  - Received new simulation from Department of Finance
  - COLA certified at 2.71%
  - Two years of “hold harmless” in new funding plan
  - Don't know details of new funding model yet
  - Will lose ability to borrow/shift summer FTES
  - Estimated \$13 million on new model, \$6.8 million on old model
  - State Chancellor's Office may not give allocations until August
  - Following current (SB361) model for tentative budget
  - District's internal allocation model will need to change if new funding model is approved
  - Suggested to hire a consultant to help with developing internal allocation model for new funding formula
3. 2018/19 Proposed Tentative Budget
  - Based on old funding model
  - Changes to assumptions
    - i. COLA of 2.71%
    - ii. Scheduled Maintenance (2M) decreased to \$3.5 million
    - iii. 3B reflects change in COLA
    - iv. Interest earnings increased and added into model
      1. Will need to be reviewed by BAM subcommittee in fall
    - v. Slightly positive budget overall
  - General Fund includes \$3 million in cuts
  - 1% estimated apportionment deficit build in to budget

Mr. Hardash called for a motion to recommend the 2018/19 Proposed Tentative Budget to the Chancellor to move forward to District Council. A motion was made by Ms. Mettler, seconded by Ms. Krichmar, and approved unanimously.

4. Reconvene FRC Subcommittee to Review and Update the District's BAM based on New State Student-Centered Funding Formula

It was decided to delay action until the next fiscal year. The committee should stand by and try to begin understanding the fundamentals of the new formula.

5. Informational Handouts

The following handouts were distributed:

  - District-Wide Expenditure Report

- Vacant Funded Position List as of May 17, 2018
- Measure “Q” Project Cost Summary April 30, 2018
- Monthly Cash Flow Summary as of April 30, 2018
- SAC Planning and Budget Committee Agendas and Minutes
- SCC Budget Committee Agendas and Minutes

6. Approval of FRC Minutes – April 18, 2018

Mr. Hardash called for a motion to approve the Fiscal Resources Committee Minutes of the April 18, 2018 meeting. A motion was made by Mr. Deeley, seconded by Ms. Satele, and approved unanimously.

9. Other

No other items were discussed.

Next meeting reminder: Tuesday, July 3, 2018, 1:30 – 3:00 in the Executive Conference Room #114, District Office

The meeting was adjourned at 3:47 p.m.