

Budget and Fiscal Planning Committee Agenda (Wednesday, May 8, 2019)

Generated by Mary Carter on Tuesday, June 4, 2019

A. Call to Order

The special meeting of the Budget and Fiscal Planning Committee was called to order at 2:35 by Matthew Thale, committee chair, on Wednesday, May 8, 2019. The meeting was held in the IVC Board Room.

Present: Matthew Thale (chair), Deedee Garcia, Maria Laura Rivero (ASG representative), Jeff Enz, Jeff Cantwell, Melody Chronister, Cecilia Duron and Elena Wayne.

Absent: Michael Heumann, Veronica Soto and Mary Lofgren

Visitor: Mary Jo Wainwright

B. Review and Approval of Minutes: none

C. Reports/Information

Discussion: 1. 2018-19 Projected Budget

VP Garcia reported that the 2018-19 adopted budget had estimated revenue of \$52.6 million, \$50.6 million in expenses, and a 21% ending reserve. Due to the state shortfall and funding recalculation, IVC's revenue was reduced by a total of \$4.5 million. This results in a structural deficit for FY 18/19. The ending reserve is estimated to be \$8.9 million (18%). VP Garcia stressed that these numbers are estimates, and could change. With two months left in the fiscal year, there is not much that can be done to reduce spending. Some hiring that is in the pipeline will be evaluated, but there will be no impact to students and no lay-offs. VP Garcia stated that the state budget is a roller coaster, and revisions can happen any time.

Discussion: 2. 2019-20 Tentative Budget

VP Garcia reported that IVC is not expecting any recalculation dollars in 2019-20. Revenue is estimated at \$48.5 for next year. IVC will have a structural deficit for 2019-20, with expenses exceeding revenue. Salaries and benefit costs continue to increase, and the percent of budget allocated to salary and benefits is creeping up again, although it is still less than 90%. The ending fund balance (reserve) is estimated at 16%, which is still very good.

The May Revise will occur soon, and more information will be available on backfill, COLA and revenue from property taxes. The State will cap growth at 8.13, with IVC one of the community colleges to lose the most. IVC was one of the top three college to gain under the new funding formula, and also one of the top colleges to lose. Other colleges are more severely impacted,

with some due to fall before the 5% reserve threshold and others facing lay-offs. IVC was able to sustain the budget hit due to its reserve.

The draft Tentative Budget will be presented to BFPC at its next meeting (prior to adoption by the Board June 19).

D. Update on Previous Discussion Items: none

E. New Discussion: none

F. Action Items:

Action: 1. Approval of Enhanced Budget Requests

The prioritized 2019-20 Budget Enhancements Requests were approved by the Budget and Fiscal Planning Committee by email vote on May 1, 2019. The prioritized list of enhancement is attached to the agenda for May 8, 2019 in Board Docs.

The committee recommended that it not be the last step before Cabinet in the prioritization process for next fiscal year. They noted the large number of requests and the short time frame. Another suggestion is a dollar amount threshold for requests, such as \$500 or \$1,000.

G. Other:

VP Garcia reported that the five modular buildings that the college has been leasing since 2005 will be purchased using the remainder of monies in the Lease Revenue Bond fund. This will result in a savings to the General Fund of approximately \$50,000 annually.

Mary Jo Wainwright stated that she will be surveying faculty to estimate the number of retirements next year. The retirements will result in a savings on salary and benefits.

H. Next Meeting

Information: 1. Scheduled meetings

June 5, 2018, 1:00 p.m.

I. Adjournment: The meeting adjourned at 3:55 p.m.

Budget and Fiscal Planning Committee Agenda (Wednesday, February 26, 2020)

A. Call to Order

Procedural: 1. Call to Order

The regular meeting of the Budget and Fiscal Planning Committee was called to order at 1:00 p.m. by Matthew Thale, committee chair.

Present:

Matthew Thale, Classified Representative, Committee Chair
 Deedee Garcia, VP Administrative Services
 Cecilia Duron, Director of Fiscal Services
 Veronica Soto, Faculty Representative
 Elena Wayne, Classified Representative
 Jeff Cantwell, Classified Manager/Confidential Group Representative
 Jeff Enz, Administrative Representative
 Melody Chronister, College Council Representative
 Mary Lofgren, Academic Senate Representative

Absent:

Michael Heumann, Faculty Representative
 ASG Representative

Michael Heumann has informed the chair that he will be unable to attend meetings during the Spring semester due to his class schedule and he has asked Dr. James Patterson to be his alternate.

B. Review and Approval of Minutes

Action (Consent), Minutes: 1. Approve minutes of November 20, 2019 meeting

M/S/C Chronister/Soto to approve the minutes of the November 20, 2019 meeting as presented.

C. Reports/Information

Discussion, Information: 1. Proposed Governor's Budget

VP Deedee Garcia presented information from the report she gave to the Board of Trustees on February 19, 2020. The report is attached to the agenda for this meeting. Overall it is a good budget for IVC, and there are no specific changes to the funding formula. The February recalculation was just released. IVC was not paid the money owed for 2018-19. P-1 should be posted soon to the Chancellor's Office website. There is very little money allocated for deferred maintenance, about \$90,000 for this year. The state has consolidated various categoricals in the new CCC System Support Program, which will be managed by the Chancellor's Office. This is not popular with other community colleges. Funds are being allocated for food pantries, but since IVC already has one it is uncertain whether funding will apply. The proposed COLA is 2.29% but it's a moving target. The amount of COLA will be put into the tentative budget so that the tentative budget it will be as close as possible to the final adopted budget.

Economic Outlook: California is in the 11th year of economic expansion, and another 12 months of expansion is anticipated; however, the state is preparing for recession after that. In addition, the birth rate is slowing, meaning less students down the road.

FTE: IVC expects to hit its target FTE of 7450, or just a little below. There is a possibility of a amount of carryover FTE.

Discussion, Information: 2. 2018/19 Audit and Findings Update

VP Garcia reported on update she gave the Board on the 2018-19 Audit report findings. She will be reporting monthly to the Board until all findings have been resolved. Completion is expected before year-end.

- The District is working with a consultant to match the balances in Banner to the financial results reported to the State.
- Cash collections will be centralized in the Business Office as much as possible, and procedures are being developed.
- Student Club and ASG accounts will be moved to QuickBooks, and purchasing and approvals processes will be consistent with other departments on campus.
- IT will be addressing Gramm-Leach-Bliley Act compliance.
- The student athlete finding applied to two students, and Admissions and Records and the Athletic Department are creating a written procedure.

Discussion, Information: 3. Facilities Update

VP Garcia reported on the Facilities Update she gave to the Board of Trustees on February 19, 2020 (the presentation is attached to the agenda for this meeting).

The DSP&S modular is expected to have a June start. The District will be bringing in nine portable buildings for swing space during the renovation of the 200, 300 and 800 Academic Buildings. The 200 Building is the largest of the three, and will be the first building renovated. It is anticipated that construction for all three buildings will take 18 months. The portable buildings will be installed at "relo Row", as all utilities are in place. The Nursing renovation will start after the DSP&S modular is in place.

Some non-bond projects include:

- Exterior Lighting
- Swimming Pool Repairs (just completed)
- College Center Expansion (the board just approved the funding for this project)
- Parking Lot Lighting Retrofit to LED (using extended Prop 39 funding)
- Tennis Court replacement (4 courts)
- Counseling and Financial Aid Cubicles (the goal is to accomplish this project during Spring Break)
- Refillable Water Stations
- Library Renovation, including carpet and new furniture (just completed)

D. Update on Previous Discussion Items

Discussion, Information: 1. Review and Update of Committee Bylaws

No discussion due to time constraints.

E. New Discussion

Discussion, Information: 1. 2020/21 Budget Development Calendar

The committee agreed to suspend the rules of order to be able to take action on the 2020-21 Budget Development Calendar.

M/S/C Chronister/Lofgren to suspend the rules of order.

M/S/C Chronister/Soto to approve the 2020-21 Budget Development Calendar.

The budget calendar will be placed on the Board of Trustees agenda for approval at the March 18, 2020 Board meeting.

Discussion, Information: 2. SEMPC Enhanced Budget Process (Dr. Christina Tafoya)

Dr. Christina Tafoya, Vice President for Academic Services, and SEMPC (Strategic Educational Master Planning Committee) member answered questions regarding the enhanced budget process for 2020-21. Dr. Tafoya stated that the intention of SEMPC was for BFPC to match money to already prioritized projects, and help identify funding, not to re-prioritize the projects. Committee members stated that the Joint Dean's Council has the specialized knowledge and expertise to identify funding. It would make more sense for the Joint Deans Council to make its recommendations before BFPC. Dr. Tafoya agreed to recommend to SEMPC that Joint Dean's Council make its recommendations before BFPC.

F. Action Items: See Section E - Budget Development Calendar. The 2020-21 Budget Development Calendar was approved.

G. Other:

The committee discussed its role in making recommendations regarding issues such as reserve level, OPEB funding and use of reserve.

H. Next Meeting

Discussion, Information: 1. Upcoming meeting dates

Next meeting: Wednesday, April 22, 2020 at 1:00 p.m.

I. Adjournment

Discussion, Information: 1. Adjournment

The meeting adjourned at 2:30 p.m.