

BUDGET COMMITTEE

August 19, 2019

4:00 p.m. to 5:00 p.m. in A-5

<https://committees.kccd.edu/bc/committee/budget>

MEETING MINUTES

Present: Sonya Christian, Mike Giacomini, Zav Dadabhoy, Billie Jo Rice, Teresa McAllister, Steven Holmes, Nick Strobel, Somaly Boles, Gayle Richardson, William Barnes, Mary Webb, Manny Mourtzanos, Kim Nickell, Angela Williams, Jo Ellen Barnes

Minutes

Zav Dadabhoy made a motion, Gayle Richardson seconded the motion to accept the March and June 2019 meeting minutes. The motion was passed.

Budget Committee 2019/2020 Members

The Budget Committee was welcomed.

Proposed Adopted Budget

Vice President Giacomini shared that we are presenting three budget plans: BC Balanced Budget, 2% and 3% reduction budgets to the Board of Trustees on Wednesday August 21, 2019. The BC Balanced Budget, 2% and 3% reduction scenarios handout was a format used across the District with a higher overview since we are not committed to any of the plans.

Tentative 2019/20 budget was approved in June and came in with 3.8 million deficit budget and BC has been working with key players to get the budget to the breakeven point. The KCCD Chancellor released money based on a conversation with the State Chancellor's office. Our portion is 2.7 million and the District added back 1.1 million back into our portion of their proposed budget. There was a super deep dive into our payroll model and noticed positions that were vacant, no actual money was paid out to employees but shows up as a budgeted amount. These positions included benefits which were corrected and added \$400,000 back to our reserves, +/- 100,000 depending on the completion of this review. All of these vacant positions were FON positions and we already have our current 2019/20 FON positions allocated so no one was adversely affected.

We went line item by line item to check for accuracy in working to get to a breakeven point for this year's budget. We looked at categoricals and coding issues to make sure positions were adjusted appropriately. Another piece in getting us to the breakeven point and the different scenarios was looking at management positions.

At our last board meeting we were asked why we went into a deficit spending budget and the answer was when we did the analysis, there were uncontrollable costs such as step and column increases, negotiated contracts, PERS and STRS as well as revenue that was not increasing as much as the expenditures. A comment from the board was to try to keep budget cuts furthest away from the students as much as possible. The Vice Presidents, in scrubbing the budget, were still able to keep faculty positions intact. The call to faculty was, can your contribution be increasing productivity so we can keep our doors open to students. Management positions were impacted and not faculty positions in the different budget scenarios and we are looking at unfilled positions and how we can repurpose those positions to work for our campus needs.

There is a Finance committee meeting Wednesday 8/21/19 and key members are welcome to attend. We have confidence but want to be vigilant as to not have any vulnerabilities. An important point to remember is that we are not tapping into our reserves. Items on the meeting agenda include: budget reduction, audit, housing and renewable energy.

The Vice Presidents looked at where we can cut back our expenses and found travel expenses, some computers that can be paid by Measure J, solar power may help with utilities, and the chiller tank was reconfigured. Additionally, a couple of positions were miscoded as GU001 and needed to move back to categoricals and some managerial positions are not being filled depending on the budget scenario.

There was discussion on students and classes which included how deans & chairs are looking at class size registration in order to be wise with classes offered. The discussion included FTEs, waitlists and seeing productivity improving, calling students to tell them that other sections are open. The current registration system will not allow students to register in more than one section of the same course but does allow students to enter into more than one waitlist.

Student Center Funding Formula

Currently, we are not being funded for everything we earned based on the population we serve. This is twofold: not enough money in the "bucket" that was assigned to all community colleges as a whole and a significant portion of what we should have received is propping up some hold harmless districts who are not able to make it at this time using the Student Center Funding Formula.

Budget Committee Charge

A copy of the Budget Committee Charge was given to the committee and asked to review it and bring comments to the September meeting.

Standing Item: District Budget Committee Report

There has not been any meetings lately, however, the committee is addressing the new modification model and the processes.

Future Topics of Discussion

We invite future topics of discussion emailed to Mike Giacomini, Teresa McAllister and/or Jo Ellen Barnes.

Budget Committee Photo in September

We will take our annual webpage photo at our September meeting.

Next meeting: September 23, 2019