



District Committee on Budget & Finance
February 18, 2020
District Board Room, 2 – 4 p.m.

Attendees: Bernata Slater, Eloisa Briones, Mary Chries Conca Thia, Judy Hutchinson, Steven Lehigh, Vincent Li, Micaela Ochoa, Ludmila Prisecar, Katrina Salas, and ChunWai (Mark) Wong

Absent: Tony Burrola, Sam Haun, Nick Kapp, Graciano Mendoza, Martin Parlan, and Htet Htet Win Pyone Ei

Guests: Peter Fitzsimmons

Called to order at 2:13 p.m.

1. Introductions

Attendees and guest introduced themselves.

2. The 2020 Economic Outlook – U.S. & CA Presentation

Fitzsimmons reviewed a presentation on the national and state economy presented to participants of the Governor’s Budget Workshop hosted by the State Chancellor’s Office in January 2020. The presentation was provided by Dr. Mark Schniepp, Director of California Economic Forecast located in Santa Barbara, CA. The presentation provided demographic data that is impacting enrollments today and likely into the future. The presentation was emailed to the committee members on February 18, 2020, in advance of the meeting.

3. FY 2019-20 Mid-Year Budget Report

Slater reviewed the components of the draft report with the committee members. The final report will be emailed to the committee members once complete, which is anticipated in the next couple days. The report will be provided to the Board of Trustees at their next meeting, which is February 26, 2020.

4. FY 2020-21 Preliminary Budget Assumptions

Fitzsimmons reviewed the preliminary budget assumptions for FY 2020-21 through FY 2022-23 with a focus on FY 2020-21 and reminded the committee that the assumptions are a moment in time and will likely change between now and the FY 2020-21 final adopted budget. Slater commented that the COLA assumption is a very preliminary districtwide number and that as more information is known regarding benefit costs the assumption will be refined and reminded the committee that each group may have a different number depending upon the total compensation formula. There was a discussion as to the international enrollment trends and efforts to mitigate the decline. Lehigh inquired if there was a districtwide concerted effort as to international student enrollment. Slater stated that we will add this request to a future meeting agenda and invite Jing Luan to the discussion.

5. FY 2020-21 Preliminary Site Allocations

Fitzsimmons reviewed the preliminary revenue and expenditure assumptions. He noted that the “budget in progress” is balanced with \$211.8m in revenues and expenditures. \$39.4m of the expenditures are allocated to Central Services which also is a holding place for budgets that are distributed to the sites after the budget is

adopted. The largest of which is for salary commitments of \$8.8 million. He also noted that the preliminary site allocations indicate increases to all sites: Canada – up \$1.14 million; CSM – up \$1.53 million; Skyline – up \$2.4 million; District Office – up \$600k; and Facilities – up \$900k. He advised that the site allocations will “freeze” for the FY 2020-21 Tentative Budget in the middle of May 2020. Fitzsimmons then reviewed the Eight Steps in the FY 2020-21 Resource Allocation Model leading to these site allocations.

Prisecar requested a consideration to allocate offices hours directly to the colleges. Lehigh requested that when the committee evaluates the resource allocation model that consideration be given to include actuals for comparative purposes and that an evaluation be made with regards to the budgets that are retained in Central Services that ultimately are allocated to the sites. Slater stated that these considerations are valid; however, the organization must be mindful of unforeseen budgetary shortfalls and there may be challenges pushing budgets from Central Services to the sites before unknowns become known.

6. Future Agenda Items

Briones asked to add a discussion on future technology needs.

7. Public Comment

There were no public comments.

8. Next Meeting: March 17, 2020

Meeting adjourned at 4:16 p.m.