



**District Committee on Budget & Finance  
November 21, 2023**

**Zoom, 1:30 – 3:30 p.m.**

**Attendees:** Mary Chries Concha Thia, Elian Fontanilla, Judy Hutchinson, Steven Lehigh, Stephanie Martinez, Montse Morales, Gerardo Pacheco, Ludmila Prisecar, Cassidy Ryan, Arya Shadan, and Bernata Slater

**Absent:** Tony Burolla, Joe Morello, and Vincent Li

**Guests:** Kim Aviles, Peter Fitzsimmons, and Nicole Wang

**Called to order at 1:33 p.m.**

**1. FY 2022-23 Fund 1 Actuals in RA Format**

After introductions, Fitzsimmons reviewed the document illustrating the prior year actuals in the format of the Resource Allocation Model.

Revenues were originally budgeted at \$233.2 million with actual revenues coming in at \$252.2 million, for a total of \$19 million more than anticipated. \$9.8 million was attributed to transfers-in, which were reviewed by the committee at their last meeting; \$3.9 million was attributed to higher than anticipated property taxes, \$3.4 million was associated with interest receipts, with the remaining \$1.9m falling within various other revenue categories.

Site allocations increased \$12.2 million primarily as a result of transfers from districtwide allocations as noted by the \*\* at the bottom of the document. Districtwide (Central Services) allocations are difficult to display because of the intra-fund transfers moving resources to the site allocations, which is why the document contains so many \*\*. He concluded by noting that expenses totaled \$264.2 million resulting in a draw from the fund balance in the amount of \$12 million (planned deficit spending), which ties to Page 50 of the FY 2023-24 Adopted Budget Document.

Lehigh inquired if the prior year carry over is included in the adopted budget to which Fitzsimmons responded in the affirmative. He also inquired if the \*\* elements (e.g., faculty office hours), which moves from districtwide to the sites is expended. Fitzsimmons responded in the affirmative; however, the expenses are included in the site allocation expenses because these expenses hit the site allocations and the budgeted resource in Central Services is moved to the sites to make them whole; hence, the \*\*.

Lehigh also had a question on the treatment of retroactive payments from negotiations (e.g., COLA). Fitzsimmons explained that if the payout of retroactive COLA crosses into the next fiscal year (i.e., June 30<sup>th</sup>) then the District books an accrual (i.e., expense) in the year that the COLA is attributed. Assuming that the COLA is then paid in the subsequent year, the accrual is cleared. Slater added that any shortfalls (budget vs. actuals) due to the District no longer having a Total Compensation Formula comes from the sites after all the budgeted salary commitments are allocated from Central Services.

Prisecar expanded by stating that budgetary shortfalls for the COLA accrual vs. budget will come from the 2023-24 budget and opined that this is a challenge for the sites.

Lehigh inquired about the free college initiatives, to which Fitzsimmons explained that there are two separate resources: (1) a one-time allocation to the colleges to increase infrastructure for PSP, OER, and Dual Enrollment; and (2) an on-going resource for SB893.

Prisecar inquired about surplus vs. deficit spending patterns. Fitzsimmons stated that it depends on the fiscal year – in some years the District draws from its fund balance (i.e., deficit) and in some years the District adds to its fund balance (surplus). Slater opined that deficit spending is planned and is primarily the result of spending down one-time resources that have carried over and provided the committee with various spending scenarios and the impacts to the fund balance.

## **2. ACBO Fall Conference Update**

ACBO hosts two conferences a year (one in the spring and one in the fall) for business officers to network and to receive information on a variety of business-related subjects. This year's conference was held in Santa Barbara from October 23 – 25, 2023. Fitzsimmons advised that he attended along with Stephanie Martinez, Judy Hutchinson, Arlene Calibo, and the District's Controller, Nicole Wang.

There were a variety of sessions including sessions associated with professional development, legislation, compliance, etc. The last session of the conference, which tends to be the most informative is an update from the State Chancellor's Office (CCCCO). This presentation introduced the Vision 2030, which is a roadmap for the community college system. This plan is a long-term strategy is an expansion of the Vision for Success focused on access and success with equity in the forefront.

The presentation highlighted the CCCC's efforts to streamline reporting; the 2024-25 system-wide state budget request, which requested funds to advance access and success, expand of Cal Grants, provide a COLA to the SCFF and certain categorical programs, expand apprenticeship and dual enrollment programs, along with other miscellaneous requests. More will be known in January 2024, when the Governor proposes the State's 2024-25 budget. The presentation also included information on the revised Budget & Accounting Manual (referred to as the BAM), on exploration efforts underway to possibly develop a Statewide Pool for Part-Time Faculty Health Insurance, on the new 50% Law Self-Analysis Tool, on enhancements to the SCFF Calculator Tool, and on the BOG's Climate Action and Sustainability Framework.

The full agenda can be found on the ACBO's Website at [acbo.org](http://acbo.org). He concluded by asking the other conference attendees if they had any additional input or reflection from the conference. Hutchinson opined that there were many interesting sessions and some were concurrent. She highlighted the Student Housing Session and the information gathered from Napa Valley College with regards to the recent opening of their student housing facility. She also highlighted a change regarding long-term healthcare and a potential statewide payroll tax associated with funding the program. Martinez attended a session on Maximizing Incarcerated FTES that she found to be very interesting. Fitzsimmons advised the committee to contact him if they had any specific questions on any of the ACBO Conference topics after visiting the conference's webpage.

**3. Public Comments / Future Agenda Items**

Slater reviewed the proposed agenda items located in the parking lot for December, January, and February. Slater advised the committee that she will be retiring in December 2023 and wishes the committee all the best and that she enjoyed working with the committee.

**4. Next Meeting:** December 19, 2023

**Meeting adjourned at 2:28 p.m.**