



Budget Advisory Committee

Minutes

October 30, 2014

Meeting

Approved

ATTENDANCE (A = absent):

✓	Ann-Marie Gabel	✓	Chris Carter
✓	Eva Bagg	✓	Cindy Baker
✓	Lou Anne Bynum	✓	Sem Chao
✓	Casey Crook	✓	Rose DelGaudio
✓	Thomas Hamilton	✓	Dina Humble
A	Karen Kane	A	Terri Long
✓	Lynne Misajon	A	Greg Peterson
✓	Sigrid Sexton	✓	John Thompson

NOTE TAKER: Janet Falcon

Welcome (Chris)

- Chris welcomed everyone to the meeting and introductions were made. Dina Humble, the new Dean's Representative, was welcomed to the committee.

Approval of Minutes from the August 20, 2014 Meeting (Chris)

- The minutes of the August 20, 2014 meeting were approved as submitted.

Categorical Flexibility (John)

(Refer to "Categorical Flexibility letter from Dan Troy" dated March 1, 2014 and "Board of Governors, California Community Colleges Local Assistance" handouts)

- Categorical Flexibility reporting went into effect in 2009-10. The 2014-15 fiscal year will be the last year this transfer will be offered. We are deemed to be in compliance with the statutory regulations if we transfer \$1. It was recommended we make the transfer and asked the group for approval.
- Group approved moving forward and presenting the Resolution to the Board for a transfer of \$1 from Equal Employment Opportunity Categorical Program (Staff Diversity) to the Student Success Initiative Basic Skills Program.

2014-15 First Quarter Budget Performance Report (John)

(Refer to "2014-2015 First Quarter Budget Performance Report as of September 30, 2014 Unrestricted General Fund" handout)

- John reviewed the 2014-2015 First Quarter Budget Performance Report with the following highlights:
 - Revenue
 - State General Apportionment revenue is over \$18 million.
 - Education Protection Account revenue is over \$4 million.
 - Both are on schedule with the Chancellor's Office's Advanced Apportionment projection.
 - Total Revenue & Other Financing Sources as of 9/30/2014 – \$27,876,205.

2013-14 First Quarter Budget Performance Report (John) (continued)

- Expenditures
 - Total Expenditures and Other Outgo as of 9/30/2014 - \$25,286,462.
 - Actual Operating Surplus/(Deficit) as of 9/30/2014 – \$2,589,743.
 - Projected Operating Surplus/(Deficit) as of 9/30/2014 – (\$1,675,332).
- Total Projected Designated Reserves as of 9/30/2014 - \$19,526,411.

- Additional Mandated Cost Reimbursement above what was budgeted should be received in November. LBCC will receive our proportional share of the \$49.5 million. The Chancellor's Office is still calculating the disbursements.
- Class fill rates were discussed and future enrollment opportunities for potential students inside and outside of district boundaries. Our communication plan was discussed as well.
- We will probably have to borrow FTES from Summer 2015 in order to meet our goal of 20,300 FTES in the 2014-15 annual budget.
- The report shows full-time faculty salaries projected based on increases approved and offered as of September 30, 2014 and do not reflect the tentative agreement with CCA that was just signed. The report in December will be adjusted as necessary according to any agreements ratified with the bargaining units.
- Total Expenditures & Other Outgo shows a projected savings of \$1.7 million (2%) due mainly to salaries and benefits savings, which are mainly due to retirements and vacancies.

State Budget Update (Ann-Marie)

(Refer to "Community College League of California" and "Community College Update" handouts)

- Ann-Marie discussed the State Budget Update including the following highlights:
 - The Board of Governors approved the Chancellor's Office request for the 2015-16 budget. The request covers four key areas: increasing access for community college students; supporting student success; enhancing general operations funding; and, resources to hire more full-time faculty.
 - The Governor will release his proposed 2015-16 budget in January 2015.

Other (Chris)

- The Chancellor's Office is revising our calculation for the 2012-13 deficit factor. This is related to backfill amounts for EPA and RDA funds. The total amount is still to be determined but will result in additional revenue for LBCC.
- The Chancellor's Office is revising the 2014-15 advanced apportionment formula for the SSSP and Student Equity funds. This will also increase funds that LBCC will be receiving in the future.
- The Committee discussed the budget in whole and the future projections for LBCC budgets.
- The Board of Trustees approved the sale of the Los Coyotes property at their October 28, 2014 Board meeting. The property was purchased in 2003 for \$9.2 million. The property was sold for \$14.5 million and the District has received approximately \$5 million in net revenue since the purchase of the property.
- Thomas asked about an approval for BAC to assist with the availability of coffee at PCC. Ann-Marie asked Thomas to bring it to the attention of the Auxiliary Committee.

Meeting adjourned at 4:30 pm.

Next Meeting – November 24th at PCC (DD204) 3:00 pm