

BUDGET COMMITTEE

MEETING AGENDA

June 17, 2020

3:00 p.m.



Location: Zoom Video Conferencing

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

Morris Rodrigue, Chair	Gary Nellesen	Brandon Gillett	Vivian Ruiz (Notes)
Joan Sholars, Co-Chair	Vicki Greco	Lisa Romo	
Audrey Yamagata-Noji	Tamra Horton	Jaeseung "Andy" Shin (Student)	
Richard Mahon	Vacant (Faculty)	Kian Bidari (Student)	
Rosa Royce	Anthony Stanisci	Doug Jenson	

AGENDA ITEMS:

1. **Agenda Check**
2. **Review the Budget Committee Meeting Summary of June 3, 2020**
3. **State Budget Update**
4. **2019-20 Tentative Budget Update**
5. **Budget Review and Development Guide**
6. **Summer Meetings**

The committee does not meet during Summer or Winter Intersessions, unless needed.

**Mt. San Antonio College
Budget Committee Summary of
June 17, 2020
Location: Zoom Video Conferencing
Time: 3:00 p.m. – 4:30 p.m.**

Committee Members[14]:

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|---|--|---|---|
| <input checked="" type="checkbox"/> Morris Rodrigue- Co-Chair | <input checked="" type="checkbox"/> Gary Nellesen | <input checked="" type="checkbox"/> Brandon Gillett | |
| <input checked="" type="checkbox"/> Joan Sholars, Co-Chair | <input checked="" type="checkbox"/> Vicki Greco | <input checked="" type="checkbox"/> Lisa Romo | <input checked="" type="checkbox"/> Vivian Ruiz (Notes) |
| <input checked="" type="checkbox"/> Audrey Yamagata-Noji | <input checked="" type="checkbox"/> Tamra Horton | <input type="checkbox"/> Jaeseung “Andy” Shin (Student) | |
| <input checked="" type="checkbox"/> Richard Mahon | <input type="checkbox"/> Vacant (Faculty) | <input type="checkbox"/> Kian Bidari (Student) | |
| <input checked="" type="checkbox"/> Rosa Royce | <input checked="" type="checkbox"/> Anthony Stanisci | <input checked="" type="checkbox"/> Doug Jenson | |

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda check	Agenda checked.	Agenda approved.
2. Review the Budget Committee Meeting Summary of June 3, 2020	The Budget Committee Meeting Summary of June 3, 2020, was reviewed and approved.	Meeting summary approved.
3. State Budget Update	<p>Morris Rodrigue provided the State Budget Update:</p> <ul style="list-style-type: none"> • Due to the Governor having until June 27th to sign the budget, there are limited updates to provide. • The legislature passed their version of the budget, but with the intent of continued conversation. • It is uncertain if Mt. SAC will get the Second Principal Apportionment EPA funds until next September. • The Joint Legislative Budget might reduce funding for CalBright College ongoing and one-time. • Proposing a May Revision full funding including COLA. • Recommending deferrals in 19-20, 20-21, and 21-22. • Property Tax and Student Fees are two main items that impact the deficit factor and are looking good. 	Accreditation Standard IIID.
4. 2019-20 Tentative Budget Update	Rosa Royce presented the 2019-20 Tentative Budget Update:	Accreditation Standard IIID.

- The 2019-20 variance is based on additional unbudgeted revenues and unexpended line item expenditures beyond those in the 2019-20 Adopted Budget passed in September 2019.
- The state implemented a 3.7% deficit factor from our 2019-20 revenue. Additionally, there is information that there may be a shortfall in lottery revenue.
- 2020-21 Tentative Budget revenue assumptions are estimates of the Mt. SAC portion of state cuts to community colleges based on May Revision as well as decreases in interest, nonresident tuition, and lottery income. Expenditure increases are the typical step and column and personnel increases. Other expenditure increases in 2020-21 are for higher health and welfare premiums primarily due to changes to family plans, the extra 1.29% COLA not previously budgeted, and increases in PERS Pension Fund employer rate contributions.
- OPEB Trust Contribution -Morris is recommending that the College does not make the 2.5 million deposit in order to prepare for cash flow issues. To pay the balance of the Retirees Health Premiums this year that have not been paid by the OPEB Trust out of unrestricted general fund.
- Increase to the 2019-20 Student Centered Funding Formula (SCFF) is estimated at \$10,170,199.
- SCFF statewide reduction is \$593 million Mt. SAC estimated reduction is \$15,759,003 which is approximately a 7.69%. If the College adds the 2.31% COLA of \$167.2 million statewide, the reduction would had been 10% reduction in funding to the SCFF.

**UNRESTRICTED GENERAL FUND
 CHANGES TO THE FUND BALANCE**

2019-20 ADOPTED BUDGET VERSUS 2019-20 PROJECTED ACTUALS

⊕
 (Prepared June 10, 2020)

	<u>Changes to the Fund Balance</u>
UNRESTRICTED GENERAL FUND	
2019-20 ADOPTED BUDGET - FUND BALANCE - AT 11.65%	\$ 27,418,422
Plus: 2019-20 Unbudgeted Revenues	
2018-19 Apportionment Adjustment (Final Recalc) - One-Time	648,834
2019-20 SCFF - Adjustment per P1 2019-20	10,170,999
2019-20 SCFF - Statewide Deficit (3.7%)	(7,279,260)
2019-20 Estimated Lottery decrease	(500,000)
Interest Earned beyond budgeted amount	150,538
Parking Bail Revenue decrease	(308,000)
Miscellaneous Revenue	(11,700)
Revenue Generated Accounts, College Restricted	421,141
Changes in 2019-20 Revenues	<u>3,292,552</u>
Plus: 2019-20 Unexpended Line Item Budgets	
Full-time and Part-time Salaries and Benefits (Includes NRAs) ⊕	7,978,591
OPEB Trust Contribution	2,500,000
Retirees Health Premiums not reimbursed by the OPEB Trust	(2,858,117)
SCFF Placeholder	4,000,000
Departmental Discretionary Budgets (Includes NRAs)	1,439,028
Revenue Generated Accounts, College Restricted	8,218,969
Changes in 2018-19 Expenditures	<u>21,278,471</u>
VARIANCE - Unrestricted General Fund	<u>24,571,023</u>
2019-20 Estimated Ending Fund Balance - Unrestricted General Fund	<u>\$ 51,989,445</u>

5. Budget Review and Development Guide	Joan suggested the Committee reviews the Budget Review and Development Guide during the summer. The Guide is available on the Budget Committee website.	Vivian will email the Guide to the Committee.
6. Summer Meetings	The Committee decided not to hold any summer meetings and reconvene in September.	Morris will update the Committee via email regarding the Budget.

Accreditation Standard - IIID. Financial Resources—Plans and manages financial affairs with integrity and in support of all institutional planning.

FUTURE AGENDA ITEMS

- **Budget Review and Development Guide – last updated September 2016.**

FUTURE MEETING DATES

The committee does not meet during summer or winter Intersessions, unless needed.