
LOS RIOS COMMUNITY COLLEGE DISTRICT
DISTRICT BUDGET COMMITTEE
September 13, 2017
District Office – Main Conference Room
3:00 p.m.
(Approved 12-13-17)

Members Present

Greg Rose, Cory Wathen, Carrie Bray, Kuldeep Kaur, Kathleen Kirklin, Joany Harman, Steven Meyer, Dan McKechnie, Lorilie Pitts, Carlos Lopez, Shannon Mills, Ed Bartholome, Bruce Zenner, Taunya Wattier, Theresa Matista

I. INTRODUCTIONS

Theresa called the meeting to order and welcomed everyone to the meeting.

II. REVIEW/APPROVAL OF MINUTES

The Committee approved the May 10, 2017 minutes by consensus.

III. DISTRICT BUDGET ITEMS

A. Los Rios 2017-2018 Adopted Budget

Theresa went over the 2017-18 Adopted Budget presentation. Theresa said we are likely to make two revisions during the year. The main change from May Revise to the enacted budget is that the Physical Plant and Instructional Support was lowered from \$136M to \$77M, but all of the revision comes in the current year. Los Rios' share is \$3.4M. Growth is coming in at 1.56 percent (or \$1.2M), but we will probably not see that growth because we are in stability. Guided pathways will be funded through six years. Theresa stated there is an increase in funding in the budget, but we are also seeing big increases in medical premiums and PERS/STRS costs. With regards to the enrollment update report, Theresa noted the FTES amount achieved and reported to the state. She also highlighted the spring enrollment decline of 6%. If the District took a reduction in our FTES base in 2018-19, it would translate into a funding decrease of \$2.4M, but we would not see the effect of that because the District's reserves could cover that shortfall. Theresa reviewed the schedule on staffing and noted there are almost 20,000 less students. We have added 91 new positions, but they all are Categorical/Restricted.

B. Reserves

Theresa went over the Fund Balance Analysis for the General Fund and pointed out at year end there was a balance of \$65.2M in reserves. She noted the restricted funds are lottery funds. We recommended to the Board last year that we should have a 5% minimum reserve. We are looking at moving funds for the PERS/STRS liabilities into an irrevocable trust to lower the fund balance. We are partnering with PARS to do this work.

C. SMSR/SIEF

Theresa reviewed the summary of the SMSR/LM & SMSR allocations. We are allowed to allocate the total funds between these two categories. Traditionally, we recommend a split of 50/50 between the two. We asked if we could allocate a 60/40 split in 2015/16 and 2016/17. Lottery funds can also be used to support the library. Instructional equipment funds and strong workforce/VTEA funds can be used for equipment. This year's total allocation is \$3.6M. We have two options of the allocation of this money: Option 1 is to allocate 50/50 between the two categories. Option 2 would be to split 40/60 in favor of

SMSR. FM has provided a list of what we could do in addition if they have 10% more of the split. Theresa requested a motion to support the recommendation of more dollars to support to SMSR (Option 2). Carlos Lopez move to recommend Option 2 and Kathleen Kirklin seconded the motion. The committee unanimously voted to approve Option 2.

D. PERS/STRS

Theresa shared this information with all employee groups. PERS changed the actuarial rate and increased the employee rate. At that point, we needed to plan for funding of the increased contributions. We reached agreement with all of our employee groups to allow the District to use 55% base allocation for PERS/STRS increases. We still need to set aside additional money for future PERS/STRS increases in 2017/18. The employee units are picking up some of the costs. We need to share this plan with the state.

E. Summer and Fall Enrollment

Theresa shared the census date numbers with the Committee. Overall, the District is down 1 percent in WSCH.

IV. MEMBER COMMENTS

There were no member comments.

V. FUTURE MEETINGS

The next meeting is scheduled November 8, 2017.

The meeting adjourned at 4:15pm.