
LOS RIOS COMMUNITY COLLEGE DISTRICT
DISTRICT BUDGET COMMITTEE

February 11, 2015
FLC – Peregrine Room
3:30 p.m.
(Approved 4/8/15)

Members Present

Greg Rose, Laduan Smedley, Cory Wathen, Ray DiGuilio, Kathleen Kirklin, Carlos Lopez, Dave Clinchy, Ginni May, Kale, Braden, Lorilie Roundtree, Chris Seddon, Sandra Belmares, Ed Bartholome, Steven Meyer, Rose Ramos, Theresa Matista

I. INTRODUCTIONS

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

II. REVIEW/APPROVAL OF MINUTES

The December 10, 2014 were considered for approval. The minutes were approved by consensus.

III. DISTRICT BUDGET ISSUES

A. State Budget Update

Theresa updated the Committee on the state budget. This is still the proposed budget and it will likely change when the May revise comes out. She started with the Schools Services document. This provided background on the State economy, the Proposition 98 guarantee and the State's rainy day fund. The budget proposal includes an additional \$900M in one-time funds under Proposition 98 for 2014-15 to pay off the K-12 and CCC deferrals.

For 2015-16, Theresa noted that the budget has \$500M in new money for Adult Education. Theresa reminded the committee that the Governor's initial proposal was for the community colleges to become the providers of Adult Education. However, both the K-12 system and the CCCs asked for time to develop a plan to address the need. The result was a two-year study period and \$25M in regional planning grants. Los Rios is the fiscal agent for our region's planning grant. For the 2015-16 year, the proposal is to fund Adult Ed programs in K-12 districts at their current level and then some program expansion. The following year, the allocation of funds would be made by the local allocation committees for each region.

Theresa turned to the CalSTRS and PERS issues. The employer costs for both of these systems are going to increase by nearly double over the next several years. There is a proposal to increase the base allocation to community colleges by \$125 million partly in recognition of these increased costs. In reviewing the community college proposal, Theresa highlighted \$106.9M to fund 2% growth with the new growth formula; and \$92.4M to fund the estimated 1.58% COLA. The COLA this year was .85%. Before the recession, the COLA varied but it wasn't unusual to receive 3-4%. It is much more difficult to manage because the COLA's have been so small.

Theresa turned to the Governor's proposal of paying off outstanding state mandate obligations. Rather than allocating specifically for SMSR and SIEF, the governor is providing a block grant that we can use for these programs as well as retirement costs but the allocations will be counted as payment toward the State's liability for mandate claims. These are general-purpose unrestricted dollars.

The other major item in the budget proposal is an additional \$200M for student success and student equity plans. This is broken down into \$100M for student success and \$100M for student equity plans.

Theresa turned to the Green Sheet- a recap of each of these items: the first column reflects the enacted budget, the second column shows what the system requested for 2015-2016, and third column shows the Governor's proposed budget. Theresa mentioned the equalization of the CDCP non-credit rate to the credit rate which is budgeted at \$49 million.

Theresa then reviewed the yellow sheet that shows how the statewide budget translates for Los Rios. Ginni asked a question about projected growth. Theresa explained there will be a new growth formula in 2015-16 and its main goal is to focus growth on underserved areas. The proposed new growth formula uses poverty, college attainment, and the unemployment rate. Where the need is the highest under the new formula, districts are getting 6-7% in growth. However, there are many questions regarding whether this allocation will really put the growth funds where they are needed. As always, if other districts do not earn their growth, then that is available to the rest of the system. Our goal is to increase growth by 2% even though our growth rate under the new formula is less than 2% next year.

Theresa said that normally we would have a recalculation of last year at this meeting. We, however, have not received that yet. Ginni asked if the District has a plan if we go into stability. Theresa said we have been working on enrollment projections to forecast if and when the District might go into stability.

B. Spring Enrollment

Theresa reported we are down 2% for spring despite the fact that we increased sections this year. Productivity is down more than that. These are still projections because we still have late start classes and positive attendance.

C. 2015-16 Instructional Staffing

Our goal is to try to grow over 500 FTES this summer term. Previously, we reduced summer by 40%. The good news for the compensation formula is that the initial restoration of summer FTEF is funded by 20% dollars up to a specified level. For fall/spring, we are adding some FTEF and are asking ARC and SCC to improve their productivity. Another twist to all of this is that right before the recession, CRC achieved 10,000 FTES. Last year, however, CRC did not hit that threshold. It is critical to grow them back. In addition to these FTES goals, the Rancho Cordova Center will come online next year. We are hoping to generate another 500 FTES there and we are hoping to grow the Public Safety Training Center program. We may be able to pay off some of the summer shift through the growth at Rancho Cordova and the SRPSTC.

Ginni said it would help if there was a way to reduce some of the workload for faculty that take on more students. We push productivity, but it is difficult to sell it without additional compensation. Another major focus should be proper placement of students. We are also facing challenges from the repeatability issues.

IV. MEMBER COMMENTS

There were no member comments.

V. FUTURE MEETINGS

We are not planning to meet in March or April. The next likely meeting will be May.

The meeting adjourned at 4:30pm