



BUDGET COMMITTEE MINUTES

October 14, 2008

The meeting of the Palomar College Budget Committee scheduled for October 14, 2008, was held in RS-5. Dr. Dowd called the meeting to order at 2:08 p.m.

Roll Call

Budget Committee Members Present: Brannick, Dimmick, Dowd, Hishmeh, Kovrig, Lienhart, Matti, Sivert, Towfiq, Vernoy (for Cuaron) & Wick (for McCluskey)

Members Absent: Cerda, Claypool, Madrigal, Szames, Tortarolo, and Von Son

Guests: Phyllis Laderman and Brandi Taveuveu

I. Approval of Minutes: The minutes of September 23, 2008, were approved as corrected (MSC: Dimmick/Towfiq and will be posted on the Palomar web page as follows: <http://www.palomar.edu/committees.htm>)

II. Action: None

III. Budget

a. Glossary of Terms

Bonnie distributed a glossary of terms prepared by her office to acclimate new Budget Committee members to frequently used terminology and acronyms. The handout was reviewed by the membership and Shannon Lienhart suggested including a definition on FTEF (Full-time equivalent faculty). She then inquired how FTEF was calculated to which Mark Vernoy explained one (1) FTEF equals one faculty member teaching 100% load.....e.g. if a 100 % faculty teaching load is 15 lecture hours per week, a professor teaching 5 three-unit lecture classes would be equal to one (1) FTEF. The method for calculation varies by discipline and also by lectures and labs.

Bonnie also distributed a copy of a guide entitled *The Budget Process*, as well as a handout called *How a Bill Becomes Law*, both created by the State Senate Rules Committee. She stated that she felt these were excellent handouts that would give the membership a visual representation of the steps involved in passing a State Budget Act each year.

b. FY 2007-08 Palomar College Financials

Bonnie reported that the district's "books" for Fiscal Year 2007-08 have been closed, and she distributed a one-page spreadsheet that recaps the college's financials ("actuals" - revenue and expenditures) for FY2007-08. This spreadsheet is included in the budget report being presented to the Governing Board for adoption at this evening's

meeting. Bonnie reported that the financials are final with the exception of any adjustments that might be made by the auditors during their annual independent audit, which will begin the last week of October. Bonnie then explained the spreadsheet in detail and pointed-out revenue and expenses listed including the fact that a “sweep” of designated project balances had been conducted during FY2007-08 to free up unused budgets.

c. FY 2008-09 Palomar College Budget

Included on the spreadsheet is the projected budget for FY2008-09. Bonnie reviewed the spreadsheet with the committee including the fact that non-Prop 20 funds had been transferred in as revenue to ensure attainment of the 5% Board required reserve. In addition to the spreadsheet, Bonnie distributed the Adopted Budget for Funds 11 and 12. She reviewed the budget assumptions that went into building the budget which are outlined in the narrative pages. One item of note is that because of the protracted budget impasse, the college had to utilize “cash” funds in the county to meet expenditure obligations, such as payroll. As a result, interest income may not meet projections. Discussion ensued and a question was asked as to where the corresponding revenue was for the COLA and Growth Obligation and potential distributions through the negotiation process. Bonnie responded that the revenue side was in the State Revenues amount. Shannon Lienhart commented that she really appreciated the spreadsheet summary for its ease of use and asked if it would be possible to reflect COLA and Growth Obligation revenue funds as a separate item rather than in State Revenues, just as it is under expenditures. Phyllis Laderman said that could be easily accomplished and would set-up the spreadsheet next year to reflect that request.

d. FY 2008-09 State Budget Update

Commenting on the FY 2008-09 State Budget Act, Bonnie stated she is receiving information that revenues are not coming in as high as projected and there is real potential for mid-year cuts. She will keep the Budget Committee informed of any pertinent information she receives on the matter.

IV. Discussion/Information:

a. Fiscal Plan Update

Discussion on the Fiscal Plan Update did not occur in the interest of time.

VI. Other

The meeting adjourned at 3:29