



BUDGET COMMITTEE

MINUTES

January 24, 2012

A meeting of the Budget Committee was held January 24, 2012. The meeting was called to order at 2:03 p.m. by Interim Vice President of Finance and Administrative Services, Joe Newmyer.

Roll Call

Members Present: Rico Bianchi, Monika Brannick, Debbi Claypool, Berta Cuaron, Kathy Davis, Aaron Holmes, Teresa Laughlin, Shannon Lienhart, Joe Newmyer, John Tortarolo, Fari Towfiq, Mark Vernoy, Chris Wick

Members Absent: Melinda Carrillo

Guests: Phyllis Laderman, Brandi Taveuveu

I. Approval of Minutes:

MSC (Brannick/Tortarolo) to approve the minutes of November 8, 2011 as presented

It will be posted on the Palomar webpage as follows:

<http://www.palomar.edu/committees.htm>.

II. Action – First Reading

a. Budget Development Timetable, 2012-13

Vice President Newmyer provided a handout for review and discussion: Fiscal Services Budget Development Timetable for Fiscal Year 2012-2013. He stated that the format and dates were identical to last year.

MSC (Vernoy/Tortarolo) to move this item to Action – Second Reading

MSC (Vernoy/Cuaron) to approve the Budget Development Timetable, 2012-2013

III. Action – Second Reading

None

IV. Budget Information/Discussion

A. 2012-13 Budget

Vice President Newmyer discussed the Governor's proposed budget and its effect on Palomar College. There is a tax increase measure on the November ballot. If it passes,

then the 2012-2013 Palomar College budget will be the same as this year. If the tax fails, the District will suffer a reduction of \$4.577 million and 1,000 in our FTES obligation. A Summary 3 Year Projection for 2010-11 actuals, 2011-12 projected unrestricted, and 2012-13 and 2013-14 projections was distributed and discussed.

Vice President Newmyer distributed a handout, Budget Projection, Including Lottery but Excluding Other Designated, showing the beginning and ending balances, revenue, available resources, and expenditures for 2011-12, 2012-13, and 2013-14. The projection accommodates the potential of the ballot measure failing in November, and yet is not unreasonable if it succeeds. Vice President Newmyer suggested that a \$3 million adjustment may be made this fiscal year and discussed where the changes might occur, such as ending balances for the designated and undesignated accounts, higher property tax projection for 2010-11, and a stricter hiring freeze.

In addition, the 2012-13 expenditures have decreased by \$6 million for both scenarios. He distributed a handout showing the discretionary accounts, and stated that not much could be used from those accounts toward the \$6 million needed. Therefore, the funds will also need to come from the non-discretionary budget. Vice President Newmyer distributed a copy of the Resource Allocation Model (RAM) which outlines what is in the non-discretionary budget: Board reserve, SPPF funds, Other Reserve, Salaries and Benefits, and Institutional Costs. He requested input from committee members as to which accounts they would recommend to accommodate a \$6 million shortfall, realizing that any discussion of salary and benefits would take place in negotiations. Discussion ensued. The status of the south and north centers, and its impact on the budget, was discussed. It was decided that members will take the information back to their constituent groups and be prepared to offer recommendations at the next meeting. A request was made to see a breakdown of the 5000 accounts. This information will be sent via email this week to members.

Vice President Newmyer distributed and discussed a handout showing Apportionment and FTES for 2011-12. At this time, the FTES goal is 18,488.

B. Next Meeting Date

The next Budget Committee meeting is scheduled for February 28. However, Vice President Newmyer recommended that the committee meet on February 14. After discussion it was decided that the next Budget Committee meeting will be February 14.

There being no further business, the meeting was adjourned at 3:04 p.m.

NEXT BUDGET COMMITTEE MEETING

February 14, 2012

2:00 p.m.

Location: MD 155-C