



BUDGET COMMITTEE

MINUTES

March 13, 2012

A meeting of the Budget Committee was held March 13, 2012. The meeting was called to order at 2:02 p.m. by Interim Vice President of Finance and Administrative Services, Joe Newmyer.

Roll Call

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

Members Absent: Rico Bianchi

Guests: Phyllis Laderman, Brandi Taveuveu

I. Approval of Minutes:

MSC (Claypool/Smith) to approve the minutes of February 14, 2012 as presented

It will be posted on the Palomar webpage as follows:

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

II. Information/Discussion

A. P1 Apportionment Report

Joe Newmyer distributed the 2011-12 First Principal Apportionment (P1) report for Palomar College from the Chancellor's Office. He reviewed the report and discussed the actual FTES and adjusted revenue totals.

B. Budget Update

Joe Newmyer stated that the PERS rate will increase approximately 2.1% next year. Mr. Newmyer discussed the propositions on the November ballot.

C. Designated Accounts – Capital Outlay

Joe Newmyer suggested that the funds in the designated account that are designated for capital outlay be moved to the capital outlay fund. This would reduce the amount of funds in the designated account and clear up confusion about the ending fund balance. The purpose of the fund would not change. Some members were in opposition to the suggestion. Two suggestions were made: 1) Move the funds into the capital outlay

fund and provide a detailed list which would be readily available; or 2) Add the funds to the list in the Summary 3 Year Projection form.

Joe Newmyer distributed two Summary 3 Year Projection handouts. The first handout is based on the assumption that the Proposition passes in November, and the second handout is based on the assumption that it fails. Discussion ensued.

III. Action

A. SPPF

There was discussion on whether to lower the amount of money set aside for SPPF projects or forgo funding until the economy recovers.

MSC (Cuaron/Vernoy) to allocate \$200,000 for SPPF projects FY 2012-13

B. Other Reserve

There was discussion on whether to forgo funding the Other Reserve FY 2012-13. The purpose of the fund was explained.

MSC (Lienhart/Laughlin) to forgo funding the Other Reserve FY 2012-13 (one abstention)

C. Discretionary Accounts

Vice President Newmyer reported that FASPC supported a 10% reduction to its discretionary account, but had concerns with a 20% reduction. Vice President Cuaron reported that IPC supported a 10% reduction to the 1400 account and a 20% reduction to the remaining accounts. Vice President Tortarolo reported that HRSPC supported a 20% reduction. Vice President Vernoy reported that he discussed the impact of a 10% and 20% reduction with his departments. It was reported that President Deegan discussed with his departments the impact of a 10% and 20% reduction. Discussion ensued. Berta Cuaron made a motion to reduce the 1400 accounts by 10% and the remaining accounts by 20%. Discussion ensued. Mr. Holmes recommended that the accounts for part-time classified also be only cut by 10%. A cut to the 1400, 2300, and 2400 by 10% and the remaining accounts by 20% would save approximately \$1.2 million.

MS (Cuaron/Tortarolo) to reduce the 1400 accounts by 10% and the remaining accounts by 20%

MSC (Towfiq/Holmes) to amend the motion to also reduce the 2300 and 2400 accounts by 10%

MSC (Cuaron/Tortarolo) to approve the motion as amended (one abstention)

There being no further business, the meeting was adjourned at 3:35 p.m.

NEXT BUDGET COMMITTEE MEETING

March 27, 2012

2:00 p.m.

Location: MD 155-C