



<p style="text-align: center;"><b>BUDGET COMMITTEE</b> <i>MINUTES</i></p>
---

August 27, 2013

A meeting of the Budget Committee was held August 27, 2013. The meeting was called to order at 2:05 p.m. by Vice President of Finance and Administrative Services, Ron Ballesteros-Perez.

**Roll Call**

**Members Present:** Ron Ballesteros-Perez, Berta Cuaron, Kathy Davis, Aaron Holmes, Greg Larson, Teresa Laughlin, Shannon Lienhart, Jackie Martin, Christina Moore, Jamie Moss, Justin Smiley, John Tortarolo, Mark Vernoy, Chris Wick

**Members Absent:** Debbi Claypool, Anel Gonzalez, Pam McDonough

**Guests:** Phyllis Laderman

**Recorder:** Suzanne Sebring

**I. Approval of Minutes:**

MSC (Tortarolo/Cuaron) to approve the minutes of April 23, 2013. The minutes were approved by unanimous vote.

Minutes will be posted on the Palomar webpage as follows:

<http://www.palomar.edu/adminserv/budget/BC2011-2012.html>

**II. Action – First Reading**

No first reading action items to discuss.

**III. Action – Second Reading**

No second reading action items to discuss.

**IV. Budget Committee Governance Group Structure Overview**

A. Committee Roster

VP Perez distributed the 2013-14 committee roster and introduced new member, Justin Smiley.

B. Committee Meeting Dates

VP Perez distributed a listing of the 2013-14 committee meeting dates.

**V. Fiscal Year 2012-13 Recap**

A. Adopted Budget vs. Actuals

Phyllis Laderman distributed a spreadsheet which itemized the FY2012-13 Unrestricted Adopted Budget, changes to the Adopted Budget and the final actual numbers, obtained yesterday when the District closed the books for FY2012-13. Phyllis indicated the state

has instructed the District that the state estimates a deficit between .7 and 2.4%. With this in mind, the District has budgeted for a 2% deficit. However, we expect to be held harmless on RDA backfill, which would result in a lower deficit. Phyllis explained the spreadsheet in detail and opened the floor for any questions.

VP Perez mentioned that Capital Outlay may be able to be funded through RDA monies, which would save approximately \$318,333 to the General Fund.

VP Perez mentioned the need to bring the deficit spending trend to the SPC for discussion and strategies on how to close that gap. In addition, he addressed the need to start putting monies away to fund the first year of operation at the South Center.

#### B. Ending Fund Balance

VP Perez distributed a handout that detailed the Statewide Average Ending Fund Balances, created by School Services of California, Inc. VP Perez discussed the history of the ending fund balance at Palomar, noting that the college has been deficit spending since FY2010-11.

### VI. Fiscal Year 2013-14 Budget Information/Discussion

#### A. State Budget Update

VP Perez handed out a chart giving an overview of how Apportionment is allocated. Advance figures are estimated in August of the current Fiscal Year; followed by P1 in February, with a May revise; followed by P2 in June, with an August revise; with final Recalculation in February of the following Fiscal Year. VP Perez also went over the FY2012-13 P2 Apportionment, noting that the base funding numbers have increased due to some fund restoration. In addition, the large college FTES designation has increased from 18,472 to 18,754. Theresa Laughlin asked if the college would meet that minimum requirement. VP Cuaron responded that enrollments are flat and Fast Track 2 classes are being added for the Fall and additional classes in the Spring in an attempt to increase enrollment. She also indicated that the repeatability restriction has influenced enrollment.

#### B. Proposed Adopted Budget Review

VP Perez indicated that the Fiscal Department is still working on the Proposed Adopted Budget and that he would present the details to the Budget Committee at the next meeting on September 10<sup>th</sup>, prior to the Board Meeting. He shared with the committee that the budget assumptions he shared when the committee reviewed the Tentative Budget have not changed.

### VII. Other

VP Perez opened the meeting for questions/comments. Theresa Laughlin asked if the methodology for budget development has changed. VP Perez indicated that it has changed and vacancies are being handled differently. VP Cuaron requested the committee look at census data and FTES at the next meeting.

There being no further business, the meeting was adjourned at 2:45 p.m.

**NEXT BUDGET COMMITTEE MEETING**

**September 10, 2013**

**2:00 p.m.**

**Location: AA-140**