



## BUDGET COMMITTEE

### MINUTES

April 22, 2014

A meeting of the Budget Committee was held April 22, 2014. The meeting was called to order at 2:02 p.m. by Vice President of Finance and Administrative Services, Ron Ballesteros-Perez.

#### **Roll Call**

**Members Present:** Ron Ballesteros-Perez, Debbi Claypool, Berta Cuaron, Kathy Davis, Adrian Gonzales, Aaron Holmes, Greg Larson, Shannon Lienhart, Justin Smiley, John Tortarolo, Chris Wick

**Members Absent:** Anel Gonzalez, Teresa Laughlin, Jackie Martin, Pam McDonough, Christina Moore, Jamie Moss

**Guests:** Shawn Jones, Brandi Taveuveu

**Recorder:** Suzanne Sebring

#### **I. Approval of Minutes:**

MSC (Cuaron/Larson) to approve the minutes of April 8, 2014. The minutes were passed with Debbi Claypool, Aaron Holmes, and Chris Wick abstaining.

Minutes will be posted on the Palomar webpage as follows:

<http://www.palomar.edu/adminserv/budget/BC2013-2014.html>

#### **II. Action – First Reading**

None.

#### **III. Action – Second Reading**

##### **A. Fund 69**

VP Perez reviewed handouts that explained the status of the Post Retirement Benefits Fund (Fund 69) with the committee. In 2012-13, an amount equal to \$5,065 for each academic and classified employee was deposited into Fund 69. The latest study indicates the District should be placing \$5,226 for each employee for 2013-14. This will cover both the current year liability and the past years' liability for active employees. For current retirees' liability the actuary indicated an annual contribution of \$3,997 per active employee would be required.

It is recommended that for 2013-14 and 2014-15 the District transfer \$5,226 + \$3,997 per active employee to Fund 69, with the understanding that this transfer will not bring the ending fund balance in Fund 11 below 5% of the budgeted revenue. Due to state deferrals, the District will not deposit into the irrevocable trust. Following these recommendations would result in an annual contribution of approximately \$2,746,000. MSC (Tortarolo, Cuaron) to approve this recommendation. The motion passed by unanimous vote.

Aaron Holmes asked why the interest rates used were different in the 2010 and 2012 actuarial reports. VP Perez will investigate and report back at the next meeting.

**IV. Fiscal Year 2014-15 Budget Information/Discussion**

**A. Discuss FY 14-15 Budget Assumptions**

VP Perez briefly reviewed a handout that detailed the budget assumptions for FY 14-15 discussed at the previous meeting for the benefit of those not present.

**VI. Other**

None.

There being no further business, the meeting was adjourned at 2:26 p.m.

**NEXT BUDGET COMMITTEE MEETING**

**May 13, 2014**

**2:00 p.m.**

**Location: AA-140**