



BUDGET COMMITTEE

MINUTES

February 11, 2020

A meeting of the Budget Committee was held February 11, 2020, in Room M&O-111. The meeting was called to order at 2:50 p.m. by Yulian Ligosio, Acting Vice President of Finance and Administrative Services.

Roll Call

Members Present: Barbara Baer, Linda Beam, Carmen Coniglio, Carmelino Cruz, Tricia Frady, Anel Gonzalez, Erin Hiro, Aaron Holmes, Teresa Laughlin, Kendyl Magnuson, John Matson, Dayna Schwab, Craig Thompson, Anastasia Zavodny

Members Absent: Aiden Ely, George Frederick, Jackie Martin

Recorder: Jennie Vastola

Guests: Brandi Taveuveu, Mary Vorhis, Pai Wang-Smith

I. Approval of Minutes:

The minutes from the November 12, 2019 meeting were approved.
(MSC: AH/CT)

II. New Business

- A. Budget Update / CCFS 311Q Report – Carmen Coniglio gave an overview of the Quarterly Financial Status Report (Q2) ending December 31, 2019. She reported recent budget reduction strategies reduced the deficit by approximately \$500K, lowering the projected total deficit to \$6.2M and resulting in a projected ending fund balance of \$14.4M as of June 30, 2020. She explained that the quarterly reports contain projections as there will continue to be a lot of movement within the budget until the fiscal year closes.
- B. CCFS 320, P1 Enrollment Report – Kendyl Magnuson provided information about the Apportionment Attendance Report (CCFS-320) and explained it counts our FTES students who are eligible for apportionment. He said currently there is a lot of discussion about the particular rules for apportionment as they relate to tutoring and that tutors cannot be paid with categorical funds. He also reported a new PAT 2.0 system is currently being developed. The PAT 2.0 system will track student usage of Tutoring Centers and with all of the data needed to determine if the tutoring session is eligible to claim apportionment. It will also give detailed information on overall usage of each tutoring center. Kendyl gave examples of full term, daily census, and positive attendance courses and explained the differences in apportionment calculations. Teresa Laughlin requested a copy of the 320 Report and FTES estimates for the North and South Centers. Kendyl responded that he would email the information to Budget Committee members. There was a discussion about the possibility of making code changes to some of the Palomar locations so they can be *attributed* to the North or South Center. Also discussed was the possibility of reattributing *online classes* to the Centers rather than having them all attributed to the main campus. It was suggested that perhaps the District could consider consolidating

classes at the Rancho Bernardo Center so the remainder of the building could be leased. In addition, perhaps the District could consider consolidating classes at the Fallbrook Center so some of the land could be leased. Vice President Ligioso stated the District is exploring options with the bond attorney, however there are some potential restrictions on renting/leasing at the Centers because they were constructed with bond funds. In addition, there are IRS limits on how much revenue can be generated. There was some discussion as to whether or not bond funds could be used for infrastructure at the main campus, including updating the old library.

- C. FY2020-2021 Governor's Budget Proposal – Vice President Ligioso explained the Governor's Proposal is tentative and will likely change with the May revise. Given what the Governor presented, there could be a 2.29% COLA, which would equate to \$2.6M for Palomar. Growth of .5% was proposed, however, Palomar is not eligible. There are one-time instructional equipment funds which will equate to \$400K and block grant funds that will equate to \$500K for Palomar. For FY20-21, PERS and STRS increases are projected to cost \$1.5M. In addition, increases to health and welfare benefits are (conservatively) estimated at \$1M.
- D. FY2020-2021 Budget Development Calendar – Vice President Ligioso reported implementation of the new Calendar will be a challenge and that budget development needs to take place immediately. Between the tentative and adopted budget, there may be time to do some planning for future budget development and there needs to be a process to fold in new positions into the budget development process. He said we need to examine the PeopleSoft "layout" for budget development for unrestricted funds and get to a place as an institution where planning drives budget development. Carmen Coniglio reported February 28th will be the cut-off date when budget line items will be used as the base for the tentative budget. She announced there will be two Budget Development Training sessions offered in March and sign-ups will be available via the PD Portal.
- E. Budget Development Workgroup –Vice President Ligioso recommended the development of two additional smaller budget groups. One group will meet regularly to work on ways of perfecting and adding more structure to the budget development process. A second group will meet regularly to ensure there is a clear understanding of budget management.

Budget Development Work Group	Budget Nuts & Bolts Group
Yulian Ligioso	Yulian Ligioso
Carmen Coniglio	Carmen Coniglio
Shayla Sivert	Teresa Laughlin
Teresa Laughlin	Barbara Baer
Barbara Baer	Anel Gonzalez
Craig Thompson	Tricia Frady
Dayna Schwab	
Aaron Holmes	
John Matson	

III. Adjourned

There being no further business, the meeting was adjourned at 3:50 pm.