



BUDGET COMMITTEE

MINUTES

April 13, 2021

A meeting of the Budget Committee was held April 13, 2021 via Zoom. The meeting was called to order at 2:45 p.m. by Ambur Borth, Vice President of Finance and Administrative Services.

Roll Call

Members Present: Barbara Baer, Tricia Frady, Anel Gonzalez, Ambur Borth, Teresa Laughlin, Dr. Kendyl Magnuson, Fari Towfiq, David Montoya, Rocco Versaci, Molly Faulkner, Carmelino Cruz, Jenny Fererro, Dr. Vikash Lakhani, Dayna Schwab, Loran Green, Joel Glassman

Members Absent: G.Frederick, K.Deven, S.Sivert

Recorder: Heather Sutton

Guests: Ken Stoppenbrink, Brandi Taveuveu, Pai Wang-Smith, Robert Threatt, Susan Garland, Debra Doerfler

I. Approval of Minutes

The minutes from the March 9, 2021 and March 23, 2021 meetings were approved unanimously.

II. Budget Assumptions

VP Borth shared Budget Assumptions, draft number two with the committee. VP Borth walked through each step in the Budget Cycle and Planning Process. VP Borth stated that it is necessary to utilize specific assumptions for revenue and expenditures and that many of the assumptions used in the budget development and multi-year projections are received directly from School Services of California. Each assumption will have been reviewed by the Budget Committee, Strategic Planning Council, the Executive Cabinet, and the Governing Board. VP Borth proceeded to speak to the Integrated Planning Model to show Planning Priorities, Budget Assumptions, Resource Allocation Recommendations and Decisions. VP Borth informed the committee that Categorical Resources Review was skipped due to time constraints and the One Time Requests went straight to the Executive Cabinet and then to the committee.

VP Borth continued with an overview on Revenue Assumptions, and the history and overview of Student-Centered Funding Formula (SCFF), and to the cost of living adjustment. VP Borth clarified that the budget she is sharing is unrestricted dollars and not restricted lottery funds. T.Laughlin asked if the monies were state or board restricted. VP Borth stated that it is restricted by the state and not the board, with some guidance and less restrictions. VP Borth spoke to the mandated block grant, and in the unrestricted general fund, and showed the committee the property tax rate increases for the first time. VP Borth continued to walk through the conditions on property taxes and how when the revenue exceeds what the funding formula states we are entitled to receive, we are able to keep those additional funds. T.Laughlin asked for clarification on the 3.36% for the Property Tax Rate increase. VP Borth spoke to the number coming from the former Senior Director Carmen Coniglio using this percentage, and the former interim VPFAS Yulian Ligioso using 4%. VP Borth committed to running an additional analysis to see where we are now. VP Borth walked through the Non-Resident Tuition Fee and how it is tracked separately. T.Laughlin asked questions about the numbers and K.Magnuson spoke to the non-

resident fee is a replacement fee for apportionment as we don't receive a fee for that group of students. VP Borth spoke to Full Time Equivalent Students (FTES) Assumptions and the impact on Student Centered Funding Formula. T.Laughlin asked about the large college versus medium college and where Palomar is headed, and the importance between the two. V.Lakhani talked to the committee and the projections for the future and the plan moving forward. K.Magnuson spoke about P1 and P2, and the difference between them and the projections that followed each. The actuals were several percent worse than originally projected. VP Borth clarified that the projections change frequently, and the numbers are moving targets. Continuing through Ongoing Revenue Detail and went over some assumptions within to include HEERF Funding, Fallbrook Signage Revenue, and return of FBC Premium of \$900k which is the Fringe Benefits Consortium. VP Borth continued to cover the STRS, PERS, and COLA, and the reconciliation from School Services. VP Borth shared the new contribution rate from the Chancellors Office for CalPers going from 23% to 22.91% and then in 2022-23 it goes from 26.30% to 26.10%. Additionally, VP Borth shared the unemployment insurance rising rate from .05% to 1.23% in the 2021-22 fiscal year. VP Borth spoke to the Workers Compensation rate, the Accumulation Program, the Consumer Price Index and other expenditure assumptions to include review of PRP requests, Reorganization and the energy rebate in addition to HEERF, election costs, and reduction in the police force. T.Laughlin asked about a report that shows Fund 69 in more clarity. Ken Stoppenbrink spoke to the unfunded liability and the revocable trust.

III. Budget Process

VP Borth presented the Budget Development calendar and the upcoming dates, where the college currently is and what needs to happen through the budget process. Committed to the budget being printed by May 26th, so there is an accelerated process.

IV. Other

T.Laughlin asked about Center status and where that is. VP Borth talked about her plan to work with the Chancellors Office and maybe a plan for that in the future. B.Baer asked about the staff numbers shrinking and how salaries are decided, and the step process. Also addressed the SCFF and the multiple buckets, and how they are somewhat conceptual. B.Baer also addressed enrollment and how or if there is an enrollment plan, instead of just cuts everywhere. B.Baer would like to see line items of the budget prior to sharing with the board, so planning can be done. R.Versaci asked that salaries could be separated out by employee groups, not just dollar amounts but percentage increases as well. A.Gonzalez addressed that she agreed with B.Baer about seeing the budget book prior to going to the board. Would like better management of the accuracy of the reports of general funds. D.Schwab agreed with A.Gonzalez and the inconsistencies of the reports. VP Borth committed to looking into the issue and finding a solution.

V. Adjournment

There being no further business, the meeting was adjourned at 4:00PM

