

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Administrative Center, Thomas Lakin Boardroom

Thursday, March 9, 2017

NOTES

Attendees:

David El Fattal, Vice Chancellor, Business and Administrative Services
Emily Day, Director, Fiscal Services
Mike Bush, Vice President, Business Services, Oxnard College
Silvia Barajas, Vice President, Business Services, Moorpark College
Nenagh Brown, Academic Senate President, Moorpark College
Alexander Kolesnik, Academic Senate President, Ventura College
Diane Eberhardy, Academic Senate President, Oxnard College
Dave Keebler, Vice President, Business Services, Ventura College
Alan Hayashi, AFT Representative

Absent:

Cathy Bojorquez, Budget Director
Julius Sokenu, Interim Executive Vice President, Moorpark College
Jennifer Clark, Fiscal Services Supervisor, Oxnard College

Guest(s):

Linda Kama'ila, Interim Vice President, Student Learning

Recorder: Laura Galvan

The meeting was called to order at 9:06 a.m.

APPROVAL OF MEETING NOTES

The DCAS Meeting notes of February 14, 2017, were reviewed and approved by consensus.

FY18 PRELIMINARY REVENUE /COST PROJECTIONS

Ms. Day explained the new resources as well as known increases in costs for FY18. COLA is included, which is based on the revised 26,095 FTES, at 1.48%. There is also a base allocation increase. Consistent with board policy and the Allocation Model, any growth revenue earned in FY18 will not be included in the Adoption Budget. Ms. Day stated that if growth is realized, it will be included in the FY19 Budget. Mr. Hayashi asked whether the budget should reflect the decrease in FTES revenue. Ms. Day explained that this is shown in the Revenue Projection. Ms. Day explained that there are no salary increases budgeted for FY18. However, as a side note, a 1% increase is shown for informational purposes.

The Anthem Blue Cross health insurance increase for faculty is 2.53%. Since the faculty health insurance is uncapped, the total increased costs will be covered by the District/colleges. Any increase in the ASCC group benefits will be borne by the employee. It was explained that Keenan and Associates is the District's Health Insurance Broker who negotiates on the District's behalf with individual insurance providers. Vice Chancellor El Fattal explained that an 8% increase figure was included as an actual cost increase average of the previous five years. Step and longevity projected increases of \$1.087 million are based on current employees and the current contract. Mr. Kolesnik questioned whether the figure includes any faculty savings for retirees and, if not, can it be shown. These figures are typically known in

July as hires and retirees are known and settled. The payroll driven expenses include PERS and STRS increases. Ms. Day explained the faculty retiree savings can be better estimated and presented as part of the Adoption Budget (July timeframe). These figures reflect General Fund Unrestricted (Fund 111). Categorical funds, such as SSSP, are reflected in those individual budgets.

FTES REVENUE PROJECTIONS

The revenue projection for the FY18 Tentative Budget has been revised based on the February 28th FTES report, which showed 26,095 FTES. The credit FTES number is 26,033 and non-credit is 62 for a total of 26,095. The difference between revenue projections and the FY17 Adoption Budget is a decline of \$736,000 in funding. The Tentative Budget will be built using the \$150,809,319 in revenue. Mr. Hayashi questioned whether or not the summer sessions' FTES will be shifted. Ms. Day explained the numbers may vary based on actual operational FTES for the Adoption Budget numbers. The 26,095 FTES figure is based on fall/spring actuals and summer 2017 projections and some spring projections (late start/police academy). There was a discussion on the solidity of FTES projections. Vice Chancellor El Fattal explained the numbers may fluctuate some with summer being the major factor.

FY18 DISTRICTWIDE SERVICES BUDGET

Ms. Day explained that district-wide services and utilities will need to be budgeted before a preliminary allocation can be determined. The Districtwide Services budget is expected to increase by \$12,315 for the Tentative Budget. Mr. Kolesnik explained the District is expected to do an 18-month Accreditation follow-up report, which could result in expenses. The colleges are expecting to receive Accreditation visits in the spring of 2018. It was suggested that some resources be budgeted to accommodate these visits. There is a proposed increase of \$20,000 to Board of Trustees Operations, primarily for travel. Ms. Day explained the largest increase in the Districtwide Services budget is to Police Services. Staff is recommending an increase of \$100,000 for FY18. Ms. Day explained that Police Services expenses are accounted for in Fund 124. There was deficit spending for the past two years and fund balance has decreased as a result. The same projection holds true for FY17. Factors contributing to the deficit spending include the elimination of citations for the first week of each semester (decline in parking fine revenues). There has also been an increase in salary and benefits for Police Services. There was a question about the amount of lost revenue due to the elimination of citations during the first week of class. Mr. Kolesnik indicated Chief Joel Justice attended an Academic Senate meeting at Ventura College and was asked to provide data. Mr. Kolesnik will send his list of questions to Dr. El Fattal. There was a request for detailed information for Fund 124 – Police Services. This information will be provided at April's meeting. Ms. Day explained that org 82127 is for STRS assessed penalties. There has been an increase in these penalties, primarily based on retro salary increases/payments. The Workers Comp State Fee in org code 82128 has declined in recent years so \$5,000 less will be budgeted in that org. Mr. Hayashi questioned expenses in 82137 (Parking Online Admin) and 82170 (COTOP). Ms. Day explained the Parking Online Admin fee is to cover handling fees for student parking permits. The COTOP budget is payment to participate in the State Chancellor's Office Tax Offset Program for unpaid student fees.

Ms. Day explained there is a proposed increase of \$15,000 for Org 82150 (Benefits System). Further, a third party is used for reporting requirements for the Affordable Care Act. The District should continue with this service, and cost, until it is known what is happening at the Federal level with the ACA. This cost is related to software that is used to upload payroll and benefit data to submit information to the IRS.

The scheduled maintenance match (ORG 82142) is budgeted although it is not required for FY18. In past years, when a match is not required, each college is given \$50,000 for capital projects.

FY 18 may be a transition year for ORG 82177 (Data Base Admin Tech Implementation). The contract for Strata Information Group will decrease for FY18, if an IT position is hired to support Banner. There was a question whether the salary for a new employee would be reflected in the DAC budget. Ms. Day explained there would be a give and take in expenses; there may be an increase in DAC budget and a decrease in DWS budget. Vice Chancellor El Fattal explained that in previous years, the DAC percentage has changed based on IT needs. This would be handled in the same manner. It would be net zero assuming the position cost and contract reduction amounts are the same.

New Information Technology (82174) is used for the first year of new technology projects and any applicable implementation fee(s), while Admin System SW License Fee/HW Main (82178) is used for ongoing/renewal software license fees.

There was a discussion regarding Bad Debt Exp-Uncollected Enroll Fee (ORG 82180). Ms. Day stated the outstanding receivables are handled different at each district. Further, she will bring detailed information, including estimates for FY17. DCAS members would like to see the prior years' budgeted, actual and current YTD actuals. Ms. Day suggested that final numbers be presented as the Adoption Budget is prepared as opposed to Tentative Budget as year to date activity is only through February.

FY18 UTILITIES BUDGET

FY18 utilities are projected to increase by \$416,000. The California Teleconnect Fund discount is being reduced from 50% to 25%; water rates are also expected to increase. Ms. Day explained the \$45,000 expensed in FY17 DAC utilities will be moved from this account into another fund (DAC lease operations is accounted for in fund 114). This amount is the estimate for utilities at the Daily Drive building.

OTHER BUSINESS

None

Meeting adjourned 1:00 p.m.

Next meeting – Thursday, April 13, 2017 – 9:00 a.m.