

# **VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

## **Audit Budget Committee**

Committee Members: Trustee Miller (Chair) and Trustee Hernández

***Thursday, September 1, 2011***  
***4:00 P.M.***

### **Meeting Notes**

#### **CALL TO ORDER**

The Meeting was called to order at 4:11 p.m. by Trustee Miller.

#### **PRESENT**

Members: Trustee Miller and Trustee Hernández

Staff: Sue Johnson, Mary Anne McNeil, and Deborah LaTeer

#### **PUBLIC COMMENT REGARDING AGENDA ITEMS**

There were no public comments.

#### **FY2011-12 ADOPTION BUDGET**

Ms. Johnson explained that there isn't significant change between the Adoption Budget and the FY12 Tentative Budget. The most noteworthy difference is the use of reserves to backfill the variance in revenue between Tentative and Adoption budgets. Ms. Johnson reminded the Committee of the Board's action (through the Budget Assumptions and the Tentative Budget approval), to use reserves if state revenue fell below the amount appropriated in the Tentative Budget. Therefore, in order to maintain the same level of funding at Tentative Budget, the Adoption Budget was built using \$551,463 of unallocated reserves.

Ms. Johnson explained mid-year triggers that were approved as part of the budget bill and further explained that any mid-year cuts in revenue will be absorbed by using reserves, as previously approved by the Board of Trustees. She cautiously reminded the Committee that any use of reserves would further impact the FY13 budget reductions as they are one-time monies and must be absorbed in the subsequent fiscal year. These triggers will determine if the enrollment fees will increase. (The proposal currently calls for enrollment fees to be increased to \$46/unit, but the system has proposed to take that as an additional reduction and delay the increase.) We will know the effects of the triggers no later than December 15<sup>th</sup>.

Ms. Johnson provided a brief overview of the FY13 budget and projects a revenue reduction of \$8 to 10 million, district-wide.

After a thorough review of the FY12 Adoption Budget, the Committee recommended that the Adoption Budget as presented be forwarded to the full Board for approval.

#### **STRUCTURAL DEFICIT FUNDING PLAN**

Ms. Johnson provided a brief overview of DCAS's work on a plan to deal with local capital structural deficits. DCAS continues to work diligently on the plan and hopes to present a final document to the Board in October or November. DCAS recognizes that a sustainable plan is critical regardless of, and perhaps particularly in light of, the current budget situation.

#### **GASB45 IRREVOCABLE TRUST FINANCIAL UPDATE**

Ms. Johnson provided a Trust statement for the period ending June 30, 2011. The Trust continues to realize gains despite large losses in the market.

#### **OTHER BUSINESS**

None

Meeting adjourned at 5:07 p.m.