

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
District Council of Administrative Services (DCAS)

Thursday, September 1, 2011

NOTES

Attendees: Blanca Barrios, Robert Cabral, Dominga Chavez, Riley Dwyer, Alan Hayashi, Iris Ingram, Sue Johnson, Deborah LaTeer, Darlene Melby, Mary Anne McNeil, Alan Courter (for Karen Osher), Peter Sezzi

Absent: John al-Amin, David Keebler, Karen Osher

The meeting began at approximately 8:30 a.m. in the Dr. Thomas G. Lakin Board Room at VCCCD.

APPROVAL OF NOTES

The notes from the May 19, 2011 meeting were approved by consensus.

FY 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. Sue reminded DCAS of their recommendation, and the Board's subsequent actions (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.

Sue explained state mid-year triggers if revenue falls short were a 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. Sue cautiously reminded DCAS that any use of reserves would further impact the FY13 budget reductions as use of reserves is utilizing one-time monies and therefore will not be available in the subsequent fiscal year.

The Adoption Budget Narrative was reviewed. Suggestions for minor changes were provided and will be made prior to printing.

Adoption Budget book

The *draft* Adoption Budget book was distributed and discussed. Ms. Johnson pointed out that the District Administrative Center's portion (at the top of the Model) increased slightly in order to compensate for positions that were previously paid through college budgets and are now centralized.

Sue also pointed out the percentage of salaries and benefits districtwide continue to increase when compared to other direct expenditures.

Utilities are projected to slightly increase for FY12 due to the completion of construction for new buildings. Utilities will continue to be difficult to project until construction projects are finalized.

Sue highlighted certain funds in the Tentative Budget including health services, parking, child development, cafeteria, bookstore and self-insurance. Sue explained that the District has received state mandated cost reimbursement, primarily for health fees, but that claim is currently being audited by the State and could be reduced.

There is a bill awaiting signature by the Governor that will increase parking fees from \$40 to \$50. Consumer Price Index increases are built into the bill. The passage of this legislature will increase revenue to the parking fund.

Alan Hayashi addressed visitor parking (i.e., inconsistencies among campuses on time limits). Sue indicated she would follow-up with Chief De La O on this issue.

NOTE: Chief De La O has confirmed the inconsistencies and will ensure that all campuses adhere to the 30-minute visitor parking on campus. Signs will be ordered and posted once received.

The bookstore revenues continue to decline as more alternatives are available to students. There was a brief discussion on bookstore trends. Sue also explained that the District is exploring options to boost revenues and meet student demands.

She explained that Oxnard College is moving toward a total CRM - (Culinary Restaurant Management) based program in January 2012, expanding their vendor to include hot choices, and will not offer regular cafeteria services after that time. Cafeteria financial information reflects 6 months of operations for Oxnard College. The remaining 6 months is reflected in the Special Revenue Fund (CRM).

The Capital Projects fund budgets and General Fund – Restricted funds were reviewed and discussed.

The Adoption Budget was unanimously approved by DCAS and the Committee recommends it be presented to the Board of Trustees for approval on September 13, 2011.

FY13 BUDGET

Sue briefly discussed FY13 Budget projections and shortfalls. Based on information being received through various sources, the revenue shortfall is expected to be significant for FY13. Therefore, preliminary budget shortfall reduction projections are projected to be \$11-\$13 million. District and college staff are using these preliminary projections in discussing budgets for fiscal year 2012-13 in an effort to prepare for those reductions. The projections will be continually updated as we receive more creditable and reliable information.

LOCAL STRUCTURAL DEFICITS

A draft version of the Structural Deficit Funding Model was distributed and briefly discussed. Sue indicated that there will likely be two documents outlining the elements of the Structural Deficit Model (one for the Board and one for more involved users such as DCAS, VP's and budget staff. The draft will be thoroughly discussed at the next DCAS meeting, scheduled for September 15th. When the Model is presented to the Board, it will be done as a Study Session. It is the hope that we can deliver a final recommendation to the Board in October or November.

In the meantime, if committee members make changes to the draft (electronic) document previously distributed, please “copy all” DCAS group.

NEXT MEETING

Thursday, September 15, 2011 – 8:30 a.m.
Agenda will be Structural Deficit Funding Model

Meeting was adjourned at approximately 10:55 a.m.