

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Administrative Center, Thomas Lakin Boardroom

Thursday, June 15, 2017

NOTES

Attendees:

David El Fattal, Vice Chancellor, Business and Administrative Services
Dave Keebler, Vice President, Business Services, Ventura College – Via Skype
Emily Day, Director, Fiscal Services
Cathy Bojorquez, Budget Director
Silvia Barajas, Vice President, Business Services, Moorpark College
Diane Eberhardy, Academic Senate President, Oxnard College – Via Skype
Nenagh Brown, Academic Senate President, Moorpark College
Mike Bush, Vice President, Business Services, Oxnard College
Michael Ward, AFT Representative

Absent:

Julius Sokenu, Interim Executive Vice President, Moorpark College
Lydia Morales, Academic Senate President, Ventura College
Jennifer Clark, Fiscal Services Supervisor (Classified Representative), Oxnard College

Recorder: Laura Galvan

The meeting was called to order at 9:02 a.m.

APPROVAL OF MEETING NOTES

The DCAS meeting notes of June 1, 2017 were reviewed and approved by consensus.

USE OF CERTIFICATES OF PARTICIPATION (COPS)

Vice Chancellor El Fattal explained the Certificates of Participation (COPS) have remained on the books since 1998. The total fund balance is approximately \$1.2 million. Vice Chancellor El Fattal explained that some capital project expenditures are allowable under the Certificates' Official Statement and that current year expenditures were previously budgeted using local, unrestricted funds. Vice Chancellor El Fattal is recommending that the fund balance from the 1998 COPS be used for these projects and the local unrestricted funding previously identified for these projects be used to replenish unrestricted reserves. Essentially, the District will be using the restricted funds on appropriate capital outlay expenditures rather than unrestricted funds.

IEPI GOALS

Vice Chancellor El Fattal indicated the Board of Trustees adopted the IEPI goals at the May 2017 meeting as recommended by Academic Affairs. There is a deadline to certify the numbers today (June 15, 2017). Vice Chancellor El Fattal

recommended using the same goals as the previous year; these goals were already adopted by the Board and also were previously discussed in committee meetings at the colleges.

Additionally, Ms. Day explained that items #5 and #6 are new for this reporting period. Item #5 is related to Other Post-Employment Benefits (OPEB). The value of the District's Irrevocable Trust is currently approximately \$18 million and will be reported appropriately with the confirmed value.

There was a discussion about item #6: District Participation Rate for 18-24 Year Old Population. Item #6 is optional, and, therefore, will be left blank for this year's submission.

The IEPI Fiscal Viability Goals will be brought forward to DCAS next year earlier in the process for discussion so that the colleges may add information for discussion at their committee meetings.

FY17 FUND 693 CONTRIBUTION SHORTAGE

Ms. Bojorquez explained the District's retiree health liability is funded by a self-imposed tax. The tax is added to all positions but the HR2 tax is excluded if any portion of the position is funded by the restricted general fund (e.g. categoricals) and the HRL tax is excluded if the employee does not qualify for the benefit. There is currently a deficit of approximately \$1.1 million for FY17. She explained that one option is to impose an additional assessment to all colleges and DAC for FY17. Ms. Bojorquez explained the District received additional mandated cost revenue in FY17 from the State of approximately \$3.1 million. Ms. Bojorquez explained that an additional option to cover the FY17 deficit is to use the unbudgeted mandated cost revenue, which the vice presidents have agreed should be used to cover the shortfall.

In an attempt to avoid this situation next year, Ms. Bojorquez indicated the amount of self-tax has been increased for FY18. Ms. Bojorquez explained the main purpose for this year's shortfall was the large amount of grant funds and positions that were multi-funded with restricted general fund. Many positions were funded with unrestricted general funds at the time the FY18 Budget was adopted. However, throughout the year, funding shifted to include grants and categorical programs. Since Banner payroll tax assessments are based on position and not labor distribution, multi-funded positions generally do not contribute to the retiree health tax base. The Business Services team is strategizing for ways to avoid this issue in future years, especially as more positions become multi-funded using grant and categorical funds. An accounting of Fund 693 will be reviewed and reassessed by DCAS throughout next year.

OTHER BUSINESS

Ms. Brown inquired about the status of the airport property sale. Vice Chancellor El Fattal indicated he cannot currently speak to the specifics of the potential sale, but

he is working closely with the County Fire Protection District. Ms. Brown asked for clarification about the price and whether it would entirely cover the cost of the Daily Drive building, including renovations. Vice Chancellor El Fattal is hopeful the sale price will fully cover all expenditures related to the acquisition of the Daily Drive building.

Ms. Brown also inquired about Trustee Hernandez's comment at the June Board meeting regarding the DAC's allocation percentage not being adjusted when the District moved from Camarillo to Ventura. Trustee Hernandez indicated the DAC utilized their (then) current allocation to pay Stanley Avenue lease payments and that no adjustments to the Allocation Model were made to compensate for the District's extra lease expense. Ms. Brown would like further information regarding this statement.

Dr. Bush suggested the District solicit assistance from Tom Kimberling (former Vice President of Business Services at Ventura College) for historical perspective of the Allocation Model. Dr. Eberhardy suggested it would make more sense to contact Sue Johnson (former Vice Chancellor of Business and Administrative Services for VCCCD) for the historical perspective on the Allocation Model. Vice Chancellor El Fattal will explore these options.

Meeting adjourned 9:39 a.m.

Next meeting – Thursday, July 20, 2017, 9:00 a.m.