Members Present: Brock McMurray, Barbara Amerio, Bill Devine, Sharyn Eveland, Fernando Lara, Sonja Swenson and Debbie Hegeman, recorder.

Members Absent: Sheri Horn-Bunk

Guests: Josie Kouyoujian

**APPROVAL OF MINUTES**
The minutes of the meeting held November 14, 2013 were approved by consensus.

**STATEWIDE BUDGET UPDATE** *(A Budget Update for 2014-2015 report and a 13/14 Mid-Year Budget Analysis report is attached to official minutes and on-line).*

Brock reminded the committee where we were 14 months ago when we were unsure of whether Prop.30 would pass or not.

Some of the state budget key points are: increased revenues of $1.7 billion in 2012/2013; additional revenues in current budget year of $2.9 billion; state wide Budget revenues projected to be at $106.1 billion; and stock market primary factors are generating new revenues.

What this means to community colleges is: COLA of .83%; 3% Access/Growth, however we are not in line for these funds since we took the small college exemption; Student Success money of $100 million; underrepresented students $100 million; Deferred Maintenance and Instructional Equipment split of $175 million; Innovation $50 million which is new funds earmarked for higher education; Prop. 39, energy efficiencies funds; deferrals $592.4 million which will be used to catch up payments to schools on deferrals; rainy day fund; RDA’s (Redevelopment Agency Funds) $35.6 million, doesn’t affect us greatly); Chancellor’s office $1.1 million for staff and $2.5 million for technical assistance; and possible additional one time funding in the May revise.

Threats and Issues which affect the budget are stock market; state drought; STRS unfunded liability; and State Debt/State Education Bonds.

Brock also explained the 2013/2014 Mid-Year Budget Analysis which was distributed. (There were some corrections pointed out that will be made on the official copy attached to the minutes and on-line.) It was noted in several areas that corrective journal entries will affect some line items.

**50% LAW**

Brock noted the task force from last year will review the 50% Law in March. He said a tentative analysis has been done and we are currently on pace. The task force is scheduled to meet in March, 2014.
PROGRAM REVIEW RECOMMENDATIONS

Brock went over the responsibility of the Budget Committee related to the Program Review Recommendations. Our role is to review the non-personnel items for fall 2013 and identify where we might have funds to fulfill the requests then make recommendations to the President.

The committee agreed it would be best to work collectively on this project and to set aside a special meeting for this to take place. Also Sharyn asked if we could have a list of restricted budgets when we resume.

The special meeting agreed upon to review the “Resource Request Prioritization Worksheet for Non Personnel Items Fall 2013” is for Thursday, February 27\textsuperscript{th} at 1 p.m. in the HR conference room.

Respectfully submitted by:

Debbie Hegeman