Members Present: Sonja Swenson, Brock McMurray, Laura Riss, Agnes J. Eguaras, Sharyn Eveland, Barbara Amerio, Bill Devine, Sheri Horn-Bunk and Debbie Hegeman, recorder.

APPROVAL OF MINUTES

The minutes of the meeting held May 8, 2014 were approved by consensus.

STATE BUDGET UPDATE

- The State Budget was signed by the Governor June 20th which was the 4th year in a row it was passed on time.
- The budget is based on the Governor’s more conservative forecast.
- Protection against boom and bust.
- New money focus is on education.
- The general fund expenditures are $108 billion which is 12 billion higher than it was in 2013.
- Includes a reserve of 1.4 billion.
- Eliminates $10 billion in debt, deferrals, recovery bonds, etc.
- Rainy day fund will be on the November ballot (money to be used during bad economic times).
- CalSTRS (30 year obligation for $74 billion unfunded)
  - State contribution will go from 3% to 6.3% as of 16/17.
  - Employee contribution will go from 8% to 10.25% as of 16/17 (current increase will be from 8% to 8.15%).
  - Employer contribution will go from 8.25% to 19.1% as of 2021 (current increase is from 8.25% to 8.88%).
- There doesn’t seem to be a threat of trigger cuts for this year.

COMMUNITY COLLEGE BUDGET UPDATE

- Access – (aka growth money) $140 million. Brock reminded the committee Taft College likely won’t benefit from this for a couple of years since we were one of the schools who took the small school exemption. Also a note the funding formula is scheduled to change during 2015/2016.
- COLA - $47.3 million – Taft College employees will receive .85% for this year.
- Categorical funds
  - $100 million for Student Success
  - $70 million for Student Equity
  - $30 million for DSPS which would bring them back up to the level they were during 2009/2010.
- $148 million for deferred maintenance/instructional equipment. We already know our allocation will be $335,000 which restored $109,000 back in Adrian’s budget for instructional equipment and $225,000 to maintenance. We have already received a list of items from Kanoe to be considered for the deferred maintenance money.
$49.5 million to pay down mandate claims which are currently in the queue.
- Proposition 39 - $32.7 million for projects
- Decrease the statewide deferrals which are down from $498 million to $94 million.
- New Growth formula – effective in 2015/2016
  - Primary factors to include individuals under/over 25 within district boundaries without a college degree and number of unemployed and disadvantaged.
  - Fiscal Affairs workgroup hoping to present a proposal in near future.
- Cautions and Concerns:
  - The state is reinvested in education with the passage of Proposition 30 but Proposition 30 is temporary.
  - The sales tax initiative terminates at the end of 2016 which is approximately 21% of Proposition 30.
  - STRS obligations at 19.1% which could be over $300 million cost increase and with no funding allocated to help with this.

TAFT COLLEGE BUDGET UPDATE

The temporary budget was presented to our Board during the June 11th Board meeting. A few updates have been made and the final draft will be presented for approval during the September 10th Board Meeting.

AB 2235 FACILITIES STATE BOND

It doesn’t look favorable for the Governor to support a state bond. The Vocational Building cannot be built until a bond is passed.

MEETING SCHEDULE

Debbie will review schedules of the faculty members and send out a notice of the best day and time.

IDEAS FOR FUTURE MEETINGS

Brock listed several items he would like to review such as: Budget Calendar, Accreditation, etc. He asked for suggestions to be emailed to Debbie Hegeman for items the committee would like to discuss in future meetings.

Respectfully submitted by:

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Debbie Hegeman