The Budget Committee meeting of September 20, 2017, was called to order by Brock McMurray at 9:09 a.m. McMurray introduced our newest member, Geoffrey Dyer, who replaced Sharyn Eveland. McMurray expressed appreciation for Eveland past service and welcomed Dyer to the committee.

1. Minutes
The minutes from May 10, 2017, were reviewed. It was noted that Bill Devine was in attendance at that meeting, but left off the roster of members in attendance. It was agreed a change to the minutes would be made. The minutes with revision were approved by consensus.

2. Review of Budget Committee Charter
McMurray reviewed the charter with the committee. He said that we are a subcommittee of Governance Council, and we provide reports, updates, and do tasks for Governance Council.

Devine asked about reviewing our Budget Committee evaluation. McMurray said that we have it scheduled for next meeting.

Dyer noted that the charter allows for up to three Academic Senate members. He said that he thought there were only two members allowed and asked if changes had been made to the charter. McMurray said that no substantive changes have been made. Madding confirmed that there have only been updates to the logo and list of members. McMurray said that we can always bring the charter back up for review later in the year, but any recommended changes must be approved by Governance Council.

3. Funding Update for Non-Personnel Resource Requests
McMurray referred the committee to the list of Program Review Funded Items. He said that we are responsible for identifying items from APR that have been funded, at least in part. He explained the document and went over the list of items. The purpose of the document is to link integrated planning to funding. This document has already been to Governance Council due to the timing of Governance Council meetings vs. Budget Committee meetings.

Devine asked why there were three different goals regarding the weight room and funding sources. McMurray said it was his understanding that the requests were for different types of equipment.

Patterson asked for clarification if this list was from 16-17. McMurray said that these items requested during the 16-17 APR cycle. McMurray went on to explain how funding, ranking, and funding sources relate.

Dyer said that there were six responses to the Governance Council evaluation, and there were some negative comments on tying funding to planning. He said that bringing this document to Governance Council two weeks ago was great because it happened as soon as possible. This is better information and is coming out sooner. McMurray said that over the summer he had some division chairs ask how they would know if certain requests had been funded. He said that he recommended interaction with their VP because the budget line item does not identify the specific request.
4. **18/19 Budget Development Calendar**

McMurray referred the committee to the 2018/19 Budget Development Calendar. He said that the dates have been updated from last year to keep about the same timeline. He has given this documents to the VPs, but would like for Budget Committee to review and provide any recommendations. McMurray requested that the members review the calendar and respond by next Wednesday. He would then take their recommendations under consideration and proceed with finalizing the calendar.

Devine asked how the well the calendar worked last year. McMurray said that it worked pretty good. He said that we should remember that we may not always complete things exactly on time because we are at the mercy of others completing their parts.

Dyer said that this year Academic Senate is not doing faculty position requests until January, so the December item may need to move.

5. **Budget Presentation**

McMurray recognized Amanda Bauer for the amazing job she has done over the last 6 months, specifically as to her work on the budget, and thanked her. McMurray began going through the budget PowerPoint slideshow he presented to the Board of Trustees. He said that the slideshow is pretty broad, but we will go through it and take a look at the budget. He proceeded with his presentation.

Dyer commented on the $10M Online Initiative, and explained that the purpose is to help students with higher quality online education statewide.

McMurray noted the significant budget cuts to Deferred Maintenance & Instructional Support. He said that we just had an additional cut to Deferred Maintenance from what was in the budget due to reallocation for DACA. Horn-Bunk asked if there is something like a 5 Year Plan for Deferred Maintenance & Instructional Support. McMurray said that there is a 5 Year Plan. We have to present the plan to the Chancellor’s Office each year. There is also a Technology Master Plan that was developed a couple of years ago.

The committee had a spirited discussion of the historical and currently increasing cost of STRS and PERS. The committee was largely shocked by the fiscal impact to the District. Devine asked if there was a Base increase this year. McMurray said that we received $400,000 Base. Devine said, that is basically half of what we need to cover the STRS and PERS cost. McMurray said that the word on the street is that we will not have any more Base increases. This issue is real. These are unrestricted funds. He said that when he builds the budget and looks at unrestricted funds, we are basically already upside-down.

Regarding Growth Funding, Dyer said that Mark Williams reported that enrollment for Fall looks strong. McMurray confirmed that it does look strong. He said that enrollment and retention is looking good.

McMurray explained the District’s OPEB (Other Post-Employment Benefit) contribution and bi-annual actuarial studies. This contribution and OPEB fund is for current and future retired employee benefits.

McMurray explained the State vs. Local Unrestricted funding sources and the fluctuation of local funding due to changes in property valuations in the oil and gas industry.

McMurray explained the difference between Unrestricted and Restricted funds and how they may be used. He identified our list of funds. He explained the purpose of Fund 43, the Restricted Purpose Fund,
and how it was for payment of our COP debt. Dyer asked if funding for Fund 39 comes from the Regional Centers. McMurray said that funding of Fund 39 is largely from the Regional Centers.

Horn-Bunk said that the Bookstore makes money and the Cafeteria loses money. McMurray said, well, the Bookstore does make a little money.

McMurray noted that the large differences in funding this year compared to last year is due to the sun setting of several Federal grants. He also said that the economy is not always going to be on the rise and appreciates the State Rainy Day Fund, but the economy looks steady for now.

McMurray went over the contents of the budget provided to the committee members and explained how to understand the budget coding.

6. **Future Meeting Dates**
The Budget Committee meetings will occur on the 3rd Wednesday of each month.

7. **Other**
None.

Meeting adjourned at 10:30 a.m.

Respectfully submitted by:

____________________
Justin Madding