

## College Council Minutes

February 24, 2015

2:00 pm

Rm 216, LTC

**College Council Members:** Luz Aguirre, Dan Fox, Diane Boynton, DJ Singh, Elizabeth Dilkes Mullins, Fred Hochstaedter, Wendy Bates, Earl Davis, Scott Gunter, Francisco Tostado, Loran Walsh, Lyndon Schutzler (non-voting), Paola Gilbert, Larry Walker, Michael Gilmartin, Stephanie Perkins, Suzanne Ammons, Walter Tribley, ASMP Rep.

Absent: Dan Fox, Stephanie Perkins, ASMP Reps.,

Guests: Hazel Ross, Leandro Castillo, Rosemary Barrios, Connie Andrews

### 1. Minutes:

- a. **January 27, 2015:** The minutes were approved as recorded. *Mike Gilmartin motioned to approve the minutes and Scott Gunter seconded; the minutes were approved with none opposed and one abstention due to attendance (Loran Walsh).*

### 2. Board Policies:

### 3. Action items:

- a. **Year End Transfer (Earl Davis)**-Earl reintroduced the information brought to College Council in December which invited many good questions and prompted a tabling of this item for future review. Earl highlighted some key points key in understanding year end transfers:
  - Before there was a structural budget deficit (before transfers from the Self Insurance Fund), we would still have year-end transfers assuming that our **actual** ending fund balance at the end of the year exceeded 10%.
  - Board's policy requires that we maintain a 10% reserve in order to support flexibility amid unforeseen emergencies such as what occurred in the early 2000's when the State made across-the-board cuts.
  - Historically, the year-end fund balance (in excess of the 10%) supported transfers back to either the Self Insurance Fund or Capital Outlay, or were designated for one-time purposes such as technology refreshment.
  - The goal of building a budget is for the budget to perform well. Laws of conservatism underscore the importance of budgeting only for those revenues which are reasonably anticipated to materialize, and for any/all potential expenses. As a result, it is not uncommon to realize savings from unfilled positions or savings from utilities.

Earl reviewed the handout *UGF at 6-30-2014*. He indicated that the State has means of projecting revenue that we do not have. He reviewed areas where budgeted figures varied from actual to include the following key points:

- At one time for year 2012-13, the State had indicated that the District owed \$1.7 M, so the District set up a liability for this figure; the figure was later reduced to \$1.2M, which allowed the return of \$500K to the District.
- Lottery funds provided an additional \$56K.
- Actual expenses exceeded projected in the area of part time faculty (\$416,423), due to complexities in forecasting needs.

- Positions moved to categorical combined with vacancies accounted for approximately \$215K in savings and with those positions came savings of approximately \$95K.
- Health and Welfare expenses previously recorded in the Self Insurance Fund were moved to the Unrestricted General Fund (see 3000 Employee Benefits and 7000 Outgo). This affords greater clarity in making these funds visible, especially when comparing our district with others.
- 7000 code is the object code used to move/transfer funds in accordance with the state accounting manual and allows our outside CPAs to better track transfer “ins” and transfer “outs”.

Comments and questions were shared regarding how our deficit is stated (transfer from the GF to the SIF), and how the 311 Report compares with these recorded transfers. Earl indicated that the 311 Report is a complex document to understand, often requiring we consult with our CPAs. Given this is a transitional year, the transactions as recorded may appear to be listed twice; however, entries are made to net out and offset the amounts resulting in a proper record. Earl indicated that he understands the question and a written response to the association (CTA) is being prepared to clarify.

Earl recapped that the \$900K transfer includes \$230K for the Capital Outlay in order to support facility and equipment emergencies such as the LTC leak, as well as van and forklift breakdowns. Earl also reported that the District has held a Workers Comp runoff liability from leaving a former WC JPA. The funding liability which still exists to this fund, after factoring in the liability up to reinsurance amounts, has resulted in a post-closing transfer of \$597K which can come back to the District.

Earl reminded the group that \$2,526,000 was borrowed from the SIF and Capital Outlay Fund to cover the budget deficit in the 2013-14 Adopted Budget. As not all funds borrowed were spent in the actual budget (at year end), the intent is to return those funds to the source from which they were borrowed. The structural deficit condition accounts for a loss of \$4M over the last three years.

Discussion continued regarding P1 reports, Proposition 30 and the restoration clause of the CTA agreement. Recognition was given to the complexities of understanding the budget, the challenge faced by negotiation teams, and the need for additional education. Earl reminded the group that the State requires a minimum 5% reserve for a college our size, whereas MPC’s Board requires a 10% reserve (10% of actual expenses for the year). Any amount in excess of the 10% becomes part of the year end transfer. *The group arrived at a consensus that it needed a better understanding (Budget 101) of the transfer through a document which shows historical content before taking action on the year end transfer.*

#### **4. Information Items:**

- 2015- 16 Budget Calendar (Earl Davis):** Earl reviewed the Calendar explaining it was a result of last year’s College Council discussion and review of the planning calendar for action plans, program reviews and related processes. College Council had also called for the Budget Committee to resume meeting, this time with a newly defined role and charge

as the Budget Advisory Committee. Budget Advisory Committee met on Feb. 18<sup>th</sup> to review its charge and role and to review the Budget Planning Calendar.

**b. Classified Positions (Replacement):**

- i. Custodial (Earl Davis):** Earl explained the replacement position as presented.
- ii. Reading Center Instructional Specialist (Mike Gilmartin):** Michael explained the replacement position as presented.

**5. Discussion Items:**

- a. Education Master Plan:** Diane invited input as to areas of lead responsibility for the various institutional goals and objectives. Members participated and positions were identified to work on each area. Security recently completed that portion of their responsibility.

**6. Meeting Calendar:**

- a. Next meeting March 10.**

**7. Campus community comments:**

- **Suzanne-** April 17<sup>th</sup> is this semester's Emergency Preparedness training. We will conduct a "desk top" drill to test our communication systems using the Informacast, Radios and Text Alerts.
- **Fred – on behalf of Academic Senate:**
  - ✓ March 7, the Lobos Hall of Fame is honoring Dave Clemens as its latest inductee; the function will be held at Ferrante's Restaurant @ the Marriott.
  - ✓ AS is considering a resolution from the PE Division regarding a PE Graduation requirement for all students with the exception of transfer students. This will be further discussed on March 5.
  - ✓ AS is considering a proposal from Sunshine Geisler to review SLOs along the usual curriculum review pattern, with specific interest to make sure they accomplish three things (1) accessibility, (2) encompass underlying objectives, and (3) they make programmatic sense.
  - ✓ College Council has an opening for a faculty member.
- **Diane –** Dr. Elizabeth Dilkes-Mullins recently obtained tenure status.
- **Larry –** MPC is hosting *The Black Eagle*, March 7<sup>th</sup>. The women's basketball team had a good season and will be hosting the home playoff game this Saturday. SSAG will likely be recommending and forward some new positions (Student Equity and Student Success) given new funding and state mandates.
- **Loran –** ASAG has not met this year and it is unclear when it will meet again as reported by MPCEA member on ASAG. MPCEA will be informed when it resumes.
- **Dr. Tribley –** A 2.02% one-time restoration payment for Faculty, Administration and Management/Supervisory staff, has been approved by the Board. Dr. Tribley and Beccie Michaels recently participated in the Chevron sponsored STEM function in conjunction with the AT & T Pro Am.