
LOS RIOS COMMUNITY COLLEGE DISTRICT
DISTRICT BUDGET COMMITTEE
September 12, 2018
District Office – Main Conference Room
3:00 p.m.
(Approved 12-12-18)

Members Present

Mario Rodriguez, Theresa Matista, Greg Rose, Daniel Kwong, Cory Wathen, Lorilie Pitts, Stephanie Smith, Craig Weckman, Joany Harman, Taunya Wattier, Carlos Lopez, Shannon Mills, Carrie Bray, Andrew La Torre, Dean Murakami, Augustine Chavez, Kuldeep Kaur, Katie Deleon, Gayle Pitman, Isolina San Juan

I. INTRODUCTIONS

Greg called the meeting to order and welcomed everyone to the first 2018-2019 District Budget Committee meeting.

II. REVIEW/APPROVAL OF MINUTES

A. February 7, 2018

Shannon Mills and Joany Harman were present at the February 7, 2018 meeting. Excluding the aforementioned revision, the Committee approved the February 7, 2018 minutes.

B. May 9, 2018

Shannon Mills was present at the May 9, 2018 meeting. Excluding the above aforementioned revision, the Committee approved the May 9, 2018 minutes.

III. DISTRICT BUDGET ITEMS

A. Los Rios 2018-2019 Adopted Budget

Theresa and Mario presented a summary of the 2018-2019 Adopted Budget. The full Adopted Budget can be found online [here](#). We are required to take two budgets to the Board of Trustees per year. The Board of Trustees must adopt the tentative budget prior to July 1 of each year and adopt the final budget prior to September 15. The Adopted Budget reflects the May revise and is the budget passed by the Legislature and signed by the Governor. This year's Enacted State Budget has several key changes. These include the new Student Centered Funding Formula ("funding formula"), the consolidation of SSSP, BSI and SEP, an On-line College, and Promise Program.

The base 2018-2019 funding is approximately \$312 million, which is based off the 2017-2018 funding, \$303 million, plus \$8 million for Cost-of-Living Adjustment (COLA) although this year the COLA is not guaranteed as on-going funding. Of the three budgets, X is the minimum funding the District may receive, Y is the mid-level funding, and Z is the maximum funding and the most optimistic budget as the full funds are on-going; we are currently operating at the X budget level. We can do that because: (1) Kaiser's rate pass meant health care contributions did not increase; (2) there are no on-going salary schedule improvements; (3) money was previously set aside for the increases in PERS/STRS; and (5) some of the 2017-2018 funds remain uncommitted. We have allocated additional classroom faculty to CRC to try to keep the college about the medium sized college threshold. We need

to closely monitor enrollment across the district as well. Lastly, bookstore revenues are decreasing and we are bringing in a consultant to help us assess our bookstore operations with a goal of improving their results.

B. Fund Balance

Under Board Policy 8122, the District must maintain a minimum of 5% contingency reserve for the General Fund which currently stands at 5.01%. In addition, the total general fund unrestricted fund ending balance was 15.2%. The district's goal, as established under the IEPI framework, is 12.75%. Part of the reserve for 2017-18 are funds designated for compensation under the District's CB agreements. Excluding those, the District's general fund would be close to the 12.75%.

C. SMSR/SIEF

The Committee unanimously voted to allocate the \$1.1 million to Scheduled Maintenance & Special Repairs (SMSR) and State Instructional Equipment Funds (SIEF).

D. New Funding Formula

A big change in this year's budget is the new outcome driven funding formula. Mario explained the different factors that used in the funding formula and how they are valued. In addition, he shared where the District does well versus those where we have room for growth. The change to a three-year averaging for FTES will have an impact as well.

E. Categorical Consolidation

The new funding formula consolidates the Student Success and Support Program (SSSP), the Basic Skills Initiative (BSI) and Student Equity Program (SEP) into one Student Equity and Achievement (SEA) Program. A goal of the consolidation is to create less reporting requirements and fewer restrictions.

F. Summer and Fall Enrollment

Summer 2018 enrollment was positive for the District. For Fall 2018, the District is .06% higher than Fall 2017. The overall increase in enrollment is attributed to increases in on-line enrollment. As requested, a new report breaking down on-line, on-ground, and hybrid enrollment by College was generated.

IV. FUTURE MEETINGS

The Budget Committee is required to hold two meetings per semester. Absent any need, the Committee will meet one more time prior to the end of the semester—most likely in December.