



Budget Advisory Committee

Minutes

January 23, 2017
Meeting

Approved

ATTENDANCE (A = absent):

✓	Chris Carter	✓	Elizabeth Miller	✓	Eva Bagg
✓	Cindy Baker	A	Sara Blasetti	✓	Lou Anne Bynum
✓	Sem Chao	✓	Becky Black for Cathy Crane	A	Sheila Daniels
✓	Rose DelGaudio	A	Thomas Hamilton	A	James Henchey
A	Karen Kane	✓	Terri Long	✓	Greg Peterson
✓	Seth Ramchandran	A	Adrianna Scott	✓	Mollie Smith
✓	John Thompson				

NOTE TAKER: Janet Falcon

Welcome (Chris)

- Chris welcomed everyone to the meeting and introductions were made.

Approval of Minutes (Chris)

- The minutes of the October 31, 2016 meeting were approved as submitted.

FTES Summary 2016-17 P-1 (Eva)

(Refer to “Long Beach Community College District FTES Analysis” handout)

- Eva reviewed FTES information for 2016-17; listed below are totals:

	Prior Year	Current Year					
	2015-16	2016-17		Target to P-1		(15/16 to 16/17)	
		Target	P-1	Variance	%	Change	%
			(Actual)				
Total FTES	19,077.33	20,775.58	20,775.62	0.04	0.00%	1,698.29	8.90%

- Eva reviewed the FTES Analysis.
- The target for Total FTES for 2016-17 is 20,775.58. The District had to borrow from Summer 2016 and does not anticipate borrowing from Summer 2017 based upon the numbers estimated for Spring 2017. If necessary, only a small number of FTES will be needed from Summer 2017.
- Enhanced Non-Credit classes have increased. These classes are primarily ESL classes.
- Betty asked about positive attendance. Eva replied approximately 400 FTES is for positive attendance in primary terms.
- Seth stated the need to have rooms available and suitable for student assessments. Rooms in the Library at PCC have been modified to allow for students to complete early bird registration.

2016-17 Apportionment December Revision (John)

(Refer to “Apportionment Calculation – Budget 2016-17 December Revision” handout)

- John reviewed the Apportionment Calculations for 2015-16 and 2016-17 December Revision, P-1 FTES.

	2015-16 Annual FTES Amount	2016-17 Adopted Amount	2016-17 Dec Rev P-1 Amount	Change from Adopted Amount
Total Base Revenue	103,656,853	110,872,717	110,941,168	68,451
COLA Adjustment (1.02%/0.0%/-0.0%/0.0%)	1,057,300	-	-	-
Restoration/Growth	(7,837,882)	293,098	61,558	(231,541)
Full-Time Faculty Hiring	1,139,486	(31,796)	(31,796)	-
Base Increase FON		14,050	14,050	-
Base Increase Non-FON	5,006,978	1,415,561	1,415,561	-
Stability Adjustment	7,837,882	-	-	-
Total Computational Revenue	110,860,616	112,563,630	112,400,541	(163,089)
Deficit Factor (0.00%/0.50%/1.4501%/0.9501%)	0	(562,818)	(1,629,916)	(1,067,098)
Adjusted Computational Revenue	110,860,616	112,000,812	110,770,625	(1,230,187)
Funded FTES	19,077.33	20,775.58	20,775.62	0.04

- John reviewed the Apportionment Calculation that includes the December Revision from the Chancellor’s Office.
- The Adjusted Computational Revenue has decreased with the December Revision. This is due to the increase in Deficit Factor from the Adopted Budget estimate of 0.50% to 1.4501% with the December Revision. This factor fluctuates throughout the year and may change as the year progresses.
- Betty stated the apportionment calculation is comprised of three sources. The state starts with the state apportionment, deducts the property taxes the districts receive, and deducts 98% of the enrollment fees that the district should have collected. The apportionment is based on the net of those numbers. If there is a deficit, they apply it against the total calculation. There are a few other factors that may be included in the apportionment calculation.
- Lou Anne asked if the apportionment calculation was based off the State budget that comes from the Department of Finance. Betty replied the State adopts a budget with a projection of property taxes. The State is usually optimistic with the projection. Lou Anne commented the State and the Department of Finance have a discrepancy between the two agencies. Betty added the Chancellor’s Office usually will differ as well. It is wise to budget for a Deficit Factor and then adjust accordingly throughout the fiscal year.

State Budget Update (Betty and John)

(Refer to "Memorandum" dated January 19, 2017, "Community College Update" handouts as well as other handouts regarding various topics for community colleges)

- John discussed the State Budget Update including the following highlights:
 - The Governor released his 2017-18 State budget.
 - The Acting Superintendent-President emailed a district-wide memo regarding the Governor's 2017-18 budget and its impact to LBCC. A copy was handed out to the committee.
 - Highlights include:
 - Ongoing Unrestricted
 - Cost of Living Adjustment (COLA) of 1.48% totaling \$94.1 million. (\$1.6 million for LBCC).
 - Enrollment Growth funds of 1.34% totaling \$79.3 million for increased full-time equivalent students (FTES) (Up to \$1.4 million for LBCC if additional FTES generate 278 FTES).
 - Increased operating expenses of approximately 0.4% totaling \$23.6 million (\$0.4 million for LBCC).
 - Ongoing Categorical
 - Cost of Living Adjustment (COLA) of 1.48% totaling \$5.4 million for select Categorical Programs (approximately \$56,000 increase for specific categorical programs at LBCC).
 - Online Education Initiative totaling \$10 million. This would be for the purchase of a state wide learning management system (CANVAS). This line item would be used as state wide funding and will not be allocated to individual colleges.
 - One-Time
 - Deferred Maintenance & Instructional Equipment total \$43.7 million with no match requirement (\$790,000 for LBCC).
 - Proposition 39 – Clean Energy Job Creation Fund provides \$52.3 million for community college energy efficiency projects (\$946,000 for LBCC).
 - John reviewed the Capital Outlay Projects that have been approved for state funding. Proposition 51 passed in November 2016; however, the Governor only approved 5 programs within the state. Unfortunately, the projects for LBCC were not approved at this time. Lou Anne said it appears the five projects were pulled not necessarily in order of priority. Rose added the projects were approved for funding based on health and safety issues.
 - The Governor's revise will be announced in May 2017.
 - Seth asked to be informed of the Guided Pathways in the future to help students. Terri responded there is a joint newsletter from Academic Affairs and Student Support Services planned for the future. The newsletter will be sent to faculty and provide updates on the Long Beach College Promise and other grants. Seth also asked to be updated on Associate Degrees for Transfer (ADTs). Greg said the California Guided Pathways Project application will be presented to the College Planning Committee in February. Terri and Eva reminded the committee that the Strategic Plan includes a focus on Guided Pathways.
 - Seth suggested we should be more in line with the California State University system in regards to the Integrated Library System.

- Chris mentioned this release of the state budget is only a starting point. John agreed and reminded the committee this is the first step. The May Revise may have different allocations.
- Seth said the LAC Library lost books due to leaks in the building with the major storm we had recently. Facilities has been notified.
- Terri announced the schedule for next year, including Winter 2017 and Spring 2018, is currently being constructed. Summer and Fall 2017 are already completed. The direction from Vice President Long to the Department Heads at this point in time will be to continue to achieve the FTES at 20,775 for 2017-18.

PERS Rates (Betty and John)

- John reviewed the new CalPERS Employer Rates Released memo. The employer rate for 2018-19 will be increased 1% higher than expected. The new rate for 2018-19 will be 18.7% and increase significantly over the next five years to 28.2%. This change will have to be addressed in the budget for LBCC.

Other (Chris) - None

Meeting adjourned at 4:08 pm.

Next Meeting: Monday, February 13, 2017 at LAC – T-1046 at 3:00 pm