



# BUDGET COMMITTEE

Meeting Minutes  
4/10/2014, 2 pm, CHC, LRC 226

## Attendance

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**Members Present** – Tim Oliver, Mike Strong, Ed Millican, Walt Chatfield, Karen Peterson, Girija Raghavan, Omar Castro, Yendis Battle, Jeremy Sims (for Glen Kuck), Jose Torres, Rosemarie Hansen

**Members Absent** – Scott Stark, Cheryl Marshall, Kathy Crow, Denise Allen-Hoyt, Algie Au, Patrick Kirk Dorsey, Matthew Isaac, Steve Sutorus, James Dulgeroff, Jack Miyamoto, Rhonda Prater

**Guests Present** – Larry Strong, Greg Allred

## Welcome/Introductions

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Tim Oliver opened the meeting. Self-introductions were made.

## Approval of Meeting Minutes from March 13, 2014

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The minutes from March 13, 2014 were unanimously approved.

## Recommendations for College Brain Trust Report

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Tim reported that the Committee's recommendations to Chancellor's Cabinet on its response to the College Brain Trust report were presented to, and accepted by, the Cabinet.

## Special Meeting Scheduled

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Tim advised that in view of the need to present a Preliminary Budget to the Board of Trustees meeting in May, he felt an additional meeting should be scheduled for April 24 to work on Budget Committee recommendations. Ed Millican thought this was a good idea.

## Budget Update & Budget Committee Recommendations

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Jose Torres reviewed the following handouts with committee members:

- [2014-04-10 Resource Allocation Model \(RAM\) with Assumptions](#)
- [2014-04-10 State Apportionment - Revenue Shortfall Trends](#)
- [2014-04-10 FY 2014-15 Proposed Tentative FTES Funding with Notes](#)
- [2014-04-10 Normal Costs Estimates](#)

He reviewed the Resource Allocation Model section by section and touched on the assumptions which are used to populate it. Walt Chatfield expressed his appreciation of the salary increase

assumption. Ed thanked Jose for producing the RAM. He went onto request a clear statement be provided to clarify that funding is based upon generated FTES. Tim suggested a subcommittee be formed to address this request. Ed, Walt, Rosemarie Hansen, and Mike Strong volunteered to serve on the subcommittee and Tim appointed Jose to coordinate the effort.

Jose then reviewed the handout on State Revenue Shortfalls. Chancellor's Cabinet feels the District should hold back the entire shortfall, which is a conservative approach. Tim advised that each district can choose how to handle the short fall, and this is a key consideration for the Budget Committee between now and the next meeting.

The discussion then turned to the GASB 45 Obligation and Normal Costs. Normal costs are benefits that current employees earn on an annual basis. The current normal costs have not been accounted for in the RAM. Tim advised that Cabinet will be considering how to pay the previous liability and normal costs, as well as how much should be allocated to the colleges and how much can be paid out of reserves. Tim will bring Cabinet's thoughts back to the Budget Committee.

## Adjournment

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In the interest of time, the meeting adjourned at 3:15 p.m. There has been a Special Meeting scheduled for April 24, 2014, 2-4 p.m. in PDC 104.