PRESENT:
Kathy Bakhit, Leigh Buchwald for Linda Welz, Rosalinda Buchwald, Carol Cone, Mike Fehrs, Jeanne Hamilton, Carol Horton – chair, Dennis Korn, Martha McDonald, Peggy Olson, Rocky Reynolds, Judy Rojas (recording secretary), Stefano Saltalamacchia (Student Representative) Absent: Toby Guebert, Lan Hao, Irene Malmgren, Roseann Manfre-Campillo, Tasha Van Horn and Dr. Michael Viera

OLD BUSINESS:

9.1 Approval of minutes of February 5, 2007, April 2, 2007 and June 11, 2007 – The minutes were approved as presented.

NEW BUSINESS:

9.2 Review of Proposed Adopted Budget - Carol Horton provided several documents on the 2007-2008 budget. The first is the State Budget Update from the Community College League of California – Update #12 August 24, 2007. Dr. Viera usually forwards this to everyone. Feel free to copy for your groups that you are representing. The only change to this document is the $33,110,000 reduction in basic skills program funding. The Governor had vetoed this line item. He has now put it back in the budget which means about $250,000 for Citrus for basic skills program. Carol also provided the Budget Development Assumption document that was provided at the time the tentative budget was adopted. There are a few changes. The lottery revenue is now at $143.00 per FTE @ 11,997 FTES. The non-resident tuition 2006-2007 actual FTE is 559. On page 2 Blue Shield costs increased by 11.04% and the ending balance is at 10.40%. The document will be corrected.

The recap of the proposed adopted budget for the general fund unrestricted (Fund 01.0) and the general fund restricted (Fund 01.3) have been provided to the committee. The complete budget has been given to Rocky for printing. Carol Cone has just received the first proof for review by Rosalinda, Carol Cone and Carol Horton. Rosalinda Buchwald, Carol Cone, Irene Malmgren and Carol Horton attended the State Budget Workshop today at Chaffey College. The meeting was delayed because of the late adoption of the state budget. The budget book with all of the advanced apportionment information was received at the meeting, but we have been in contact with the Chancellor’s Office on apportionment detail and are satisfied with our figures. The budget books should be printed and ready for distribution next Thursday.
Carol Horton also provided and reviewed the Power Point budget presentation that will be presented to the Board of Trustees at the October 2nd meeting. This presentation is based on the General Fund unrestricted only. State revenue increased a couple of percentage points from last year. Carol noted that 86% of total expenditures are for salaries and benefits which is down about 1% from last year due to reduced adjunct faculty salaries and vacant classified positions. The ending balance for 2006-2007 is $5,981,020 and the Funded FTES is 11,438. This will be corrected in the presentation. The 11,453 figure was based on the P2 report. This year the Chancellor’s Office used the annual report which was submitted in July by Lois Papner. Kathy Bakhit asked if this would affect our cash flow. Carol stated that it would not affect our cash flow because we have a big enough ending balance and our payments are less in the summer. The increase in the ending balance this year was $1.1 million. The state revenue is a little higher and the local revenue is a little lower this year because of the reduction in taxes and the reduction in enrollment fees. Carol discussed the state revenue calculation based on SB361 funding formula. Our growth factor was dropped from 5.13% to 2.95% because the average state amount that the legislature usually provides for community colleges is 3% growth funding. This year the budget only allowed 2% growth funding. Even though it was calculated at 5.13% the Chancellor’s office adjusted everybody’s growth rate to what the 2% allowed. The first thing that the Chancellor’s Office will do will be to disburse restoration. Last year 22 districts including Citrus did not make their growth which represents $500,000 in revenue that we did not receive. We will get the 2.95% if the system has enough money. We have only budgeted about 50% of it. Expenditures for 2007-2008 include an increase for Academic employees due to adjunct faculty salaries. Vacant classified positions are budgeted so there is an increase there. Benefits increased and services increased which includes utilities, contracts and legal services etc.. The estimated ending balance for 2007-2008 for next year is $3,135,536 @ 5.4%. The deficit spending is projected at $2.5 million.

Budget books will be distributed next week. The corrections in the Power Point presentation will be made and emailed to you. Please share them with your constituent groups. Carol has volunteered to attend any meeting to explain the budget.

The meeting was adjourned at 3:20pm.