

**DISTRICT BUDGET COMMITTEE**

**Meeting Minutes**

**November 16, 2017**

**3:00—5:00 p.m.**

**EVC, Mishra Room**

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**Members Present:** Doug Smith, Peter Fitzsimmons, Jorge Escobar, Jonathan Camacho, Lauren McKee, Barbara Hanfling, Fabio Gonzalez, Carlos Marques, Jesus Covarrubias, Kathy Tran (for Andrea Alexander), Eric Narveson, Eugenio Canoy, Faustino Villa, Paul Fong

**Members Absent:** Andrea Alexander, Maria Avalos, Sandra Gonzalez, Dan Hawkins, Yesenia Ramirez

**Also Present:** Kim Garcia, Jennifer (Diep) Le, Owen Letcher, Mike Dziuba, Tom Morales, Linda Wilczewski, Carol Anderson (Recorder)

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- 1) Call to Order: – the meeting was called to order at 3:08 p.m.
- 2) Approval of Agenda: – M/S/P; Ayes – 12, Opposed –0, Abstentions – 0, Absent –4, Motion was made by Jonathan Camacho; Faustino Villa. Agenda was approved with the following amendment:
  - Item #8 – Bond Program Update-Measure X Allocation was moved to the beginning of the agenda.

Carlos Marques and Jesus Covarrubias arrived after the vote.

- 3) Approval of October 26, 2017, meeting minutes: M/S/P; Ayes – 11, Opposed –0, Abstentions – 1, Absent –4, Motion was made by Barbara Hanfling; Seconded by Eric Narveson. Eugenio Canoy abstained. Motion carries. Carlos Marques and Jesus Covarrubias arrived after the vote.
- 4) Stabilization Fund - Vice Chancellor Smith will discuss the Stabilization Fund in February during the Board of Trustees Budget Study discussion. The Board of Trustees want more language regarding drawdown criteria as well as fixed funding criteria with the goal of avoiding a public debate yearly.

VC Smith distributed what the current Stabilization Fund language is and some possible new language options. After some discussion the following was agreed to:

- Drawdown Criteria (#3) – change 3c to read “Access to avoid or delay staffing reductions for non-grant funded positions.” Delete lines 3d and 3e.

- Fixed Funding Criteria (#4) – Delete 4d, 4e, 4f and 4g. Add the following to read “Allocate \$250,000 in any given year when property taxes are above 6% and an additional \$250,000 in any given year when property taxes are above 7%.

5) 50% Law – The District is at risk of falling below the 50% mark. The goal is to reach 50% of expenses on instruction following the Boards Ends Policies and the Strategic Priorities and to maintain compliance. The Chancellor’s direction is for the College Presidents to work with their teams to ensure compliance.

6) Parking Fee – The parking fund – Fund 11 – is at a deficit of \$400K. Chief Morales stated that we need to enforce AP 6750 which states that requests to waive parking fees must be pre-approved by the College President. Lt. Dziuba stated that in August, \$85,000.00 in parking fees were waived.

The new parking machines will be delivered and installed in December.

7) Transportation Fee/VTA – VTA has more than doubled their fees. The District will have to absorb the increase in Fund 10 or go to the students and recommend an increase in the transportation fee.

8) Bond Program Update – Measure X Allocation – Mr. Letcher reviewed the Measure X allocation and how the allocation was arrived at. The Measure X Bond allocations are as follows:

SJCC -	\$319,021,872
EVC -	\$319,024,617
DW -	<u>\$109,953,511</u>
	\$748,000,000

The above allocations were based on the Facilities Master Plan that was updated in 2015. Escalation costs and inflation are not accounted for in the allocations as stated in the FMP documents, it has been included in the bond allocation. Included in the DW allocation is the demolition of the old DO, demolition of the South Bay Academy and a new District corporation yard.

9) 2<sup>nd</sup> Property Tax Data Point – The second property tax data point is 4.94%, up from 2.9%. The next update from the County is February 14, 2018.

10) 5-Year Capital Outlay Plan – Mr. Letcher reviewed the 5-Year Capital Outlay Plan, which is an annual report that gets submitted to the State. Mr. Letcher will submit the report to the Board of Trustees at the next meeting. The report, in part, tracks all square footage in the District and is compared to data received on census day for FTES and calculated student contact hours. The report is submitted for State capital project funding in 2019/20. We are not currently eligible for State capital project funding. All of our current projects are proposed for local funding.

11) Adjournment – Meeting adjourned at 5:05 PM