

Fiscal Resources Committee

Via Zoom Video Conference Call

1:31 p.m. – 2:06 p.m.

Meeting Minutes for September 20, 2023

FRC Members Present: Iris Ingram, Morrie Barembaum, Susana Cardenas, Claire Coyne, Madeline Grant, Bart Hoffman, Veronica Munoz, Adam O'Connor, Enrique Perez, Craig Rutan and Arleen Satele

FRC Members Absent: Steven Deeley, Noemi Guzman, and Ethan Harlan

Alternates/Guests Present: Jason Bui, Gina Huegli, Kelvin Leeds, Annebelle Nery, Mark Reynoso, Jose Vargas, Kennethia Vega, and Barbie Yniguez

1. Welcome: Vice Chancellor Ingram called the meeting to order at 1:31 p.m. via zoom upon achieving quorum.
2. State/District Budget Update – Ingram
 - 2023-24 Adopted Budget
 - 9/11/2023 Board PowerPoint presentation on the 2023-24 Adopted Budget
 - LAO – The 2023-24 Budget: Overview of the Spending Plan (Preliminary Version)
 - SSC – CPI Increases Slightly in July
 - SSC – Legislature Returns from Summer Recess
 - SSC – Economic Indicators Mixed as Economy Continues to Grow
 - SSC – It's Time to Calculate Your Gann Limit
 - SSC – Top Legislative Issues-August 25, 2023
 - SSC – Appropriations Committees Take Up Suspense File
 - SSC – Top Legislative Issues-September 8, 2023
 - SSC – Higher Education Clean-Up Bill Clears Legislature
 - SSC – Governor Signs Budget Clean-up Bill
 - DOF – Finance Bulletin-August 2023

Ingram referenced the above resources as information. She stated the Board of Trustees approved the adopted budget on September 11 and noting that both the adopted budget and presented to the Board are posted on the Business Services webpages respectively.

Nery asked several clarifying questions specific to the 2023-24 adopted budget as follows:

- Page 29 and Page 32 have different expenditures for district services at \$42,168,367 and \$44,039,990. O'Connor explained the need to subtract "other local revenue" and the numbers will match.
- Page 29 district operational costs are approximately 23.01% which includes the salary adjustment of 5%, the step and column increase, and benefits, but when compared to 2022-23, it appears to be different by \$1 million. Have there been any new positions added that were not reflected in the \$1.6 million when we did the additional expenses? O'Connor explained there were additional cost increases in the budget assumptions that were added for Business Services and People and Culture requests and confirmed he would follow-up with a break-out of costs.
- Interfund Transfer of \$1.5 million; what is that for? O'Connor explained that is capital outlay.
- \$7 million for SAC from SRP, can you determine what amount is growth and what amount is SRP? A total of \$11.6 million went to both colleges with \$5.9 million to SAC. Thao Nguyen may

- have shared that information with Hoffman. O'Connor agreed to follow-up with breakout information as requested.
- On budget assumptions, the EPA for a faculty position – what percentage goes to faculty? O'Connor noted that EPA is not actually additional funding but a component of our apportionment. A spreadsheet is run based on all faculty costs and then allocated a portion of faculty costs to the EPA. So, EPA is fully spent on faculty salaries.
 - Faculty FON Page 91 #N discuss the difference. O'Connor explained the difference is that the remaining portion (\$958,000) was taken in this year and there is no additional allocation for 2023-24
 - Page 29 regarding operations expenses and 5000/6000 which include utilities and other expenses, increased from \$8.4 million to \$10.3 million which is more than \$3 million. What is the breakdown in increases? O'Connor agreed to provide a breakout of expenses.

Vargas also inquired about the difference in district expenditures on page 32 that were explained by O'Connor to include revenue income and must be subtracted from district expenses and that is what is noted in the far-right column.

O'Connor agreed to review and follow-up on inquiries.

3. Multi-year Projection

O'Connor reviewed and screen-shared two versions of the multi-year projections. Ingram stated these same projections were shared with VPs (Administrative Services) and Presidents earlier in the month. O'Connor concluded his review and noted large allocations were provided to the colleges, and suggested the colleges be cautious about spending in the out years when allocations will dwindle over time.

Nery inquired about the center status application for the OCRTC (Orange County Regional Training Center) and if the college could prepare for Vice Chancellor Ingram's approval and submission to the State. Ingram noted she is unaware of any harm in submitting the application.

4. 2024-25 Draft Budget Calendar

O'Connor shared the 2024-25 draft budget calendar and specifically spoke about the FRC meeting on July 3, 2024, to review budget assumptions prior to District Council review and approval. He is aware of the potential problem with individuals taking the day off prior to the July 4th holiday but hopes that it will be okay. Any concerns are to be shared with O'Connor. The 2024-25 draft budget calendar will be brought back to the October meeting for action.

5. Standing Report from District Council – Claire Coyne

Coyne briefly commented on the actions of District Council which met on August 28 to approve the adopted budget, which has now been approved by the Board. There were several reorganizations and two were sent to POE and approval of one for accounting analysts because there was no fiscal impact. Approval of AR regarding quorum and voting was approved and BP is moving forward to Board of Trustees. There was discussion on AR for the sale of real property for instructional use and a new AR 2325 for online conference calls/meetings. It is being extended to all major participatory governance committees. The next meeting is October 2.

6. Informational Handouts

- District-wide expenditure report link: <https://intranet.rscsd.edu>
- Vacant Funded Position List as of September 14, 2023
- Monthly Cash Flow Summary as of August 31, 2023
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)
- [Districtwide Enrollment Management Workgroup Minutes- *Did not meet. No materials*](#)

Informational handouts above were referenced for further review.

7. Approval of FRC Minutes – August 16, 2023

A motion by Satele was seconded by Coyne to approve the minutes of the August 16, 2023, meeting as presented. The motion passed with one abstention by Grant as she was not in attendance at that meeting.

8. Other

Coyne recalled that at the first FRC meeting, she discussed sending out a brief survey to solicit potential topics for discussion at future FRC meetings during this next fiscal year. The survey will be routed immediately following the meeting. She requested replies be received by October 9 so that results could be distributed with the materials for the next FRC meeting.

A motion by O'Connor was seconded by Hoffman to adjourn the meeting. The motion passed unanimously.

Next FRC Committee Meeting:

The next FRC meeting is October 18, 2023, at 1:30-3:00 p.m. This meeting adjourned at 2:06 p.m.