



**Minutes of Strategic Planning and Allocation of Resources Committee**  
**Held on February 26, 2015**  
**Building 4, Room 4-301**

**Co-Chairs:**

Eloisa Briones, Kate Browne, Aaron McVean

**Members Present:**

Carsbia Anderson, Wissem Bennani, Carla Campillo, Kathleen Feinblum, Kathy Fitzpatrick, Chris Gibson, Michelle Hawkins, Sarah Perkins, Jesse Raskin,

**Members Absent:**

Eric Brenner, Davante Cade, Rick Escalambre, Mike Fitzgerald, Angelica Garcia, Mary Gutierrez, Barbara Lamson, Evan Leach, Dino Nomicos, Linda Whitten, Soodi Zamani

**Honorable Guest Present:**

Vice Chancellor Kathy Blackwood

**Resource:**

Karen Wong, Belinda Chan (Recorder)

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**1. GENERAL FUNCTIONS**

**1.1 Call to Order**

Aaron McVean called the regular meeting to order at 2:19 p.m.

**1.2 Approval of Agenda**

Due to the absence of a quorum, no motion or voting was made.

**1.3 Approval of Minutes**

Due to the absence of a quorum, no motion or voting was made.

**2. REPORTS/ DISCUSSIONS**

**2.1 Multi-year Budget Projection under the New Allocation Model**

Vice Chancellor Kathy Blackwood listed out all funds proposed on Governor's Budget Proposal for Academic Year 2015/16 and their impact to Skyline College followed by a detail breakdown of the budget projection for Academic Years 2015/16, 2016/17, and 2017/18 based on the funds. Based on the budget projection, Skyline College will be in deficient in 2016/17 and 2017/18. Thus, at the end of the presentation, she made the following suggestions to improve Skyline College's budget:

- Change budget assumption
- Spend wisely or less
- Not replacing all positions to permanent positions to avoid laid off when budget goes down
- Move some staffing from Measure H to other funds
- Pay close attention to California State budget



See Appendix I for Vice Chancellor Blackwood's PowerPoint in details.

**2.2 District Strategic Planning Forum Debrief**

Eloisa Briones explained to the Committee that Fund 1 site allocation is a one-time fund, thus the money we project for each year will be less than the previous years. In addition, Prop 30 projection shows a decline because it is based on FTES as FTES has been declining. On the contrary, unused remains of the current year revenues will be rolled over to the next year's budget.

**3. ANNOUNCEMENT**

The next regular meeting scheduled on March 12, 2015 has been rescheduled to March 19, 2015.

Upcoming District Strategic Planning forums at Skyline College are as follow:

<b>Date</b>	<b>Day</b>	<b>Time</b>	<b>Location</b>
March 18, 2015	Wednesday	2:30 p.m.	Rooms 6202 to 6206
May 5, 2015	Tuesday	2:30 p.m.	Rooms 6202 to 6206

**4. NEXT REGULAR MEETING**

The next regular meeting has been rescheduled to Thursday, March 19, 2014 at 2:10 p.m. in Room 6203.

**5. ADJOURNMENT**

Aaron McVean thanked Vice Chancellor Blackwood for coming and explaining the budget projection to the Committee.

There being no further business, the meeting was adjourned at 3:41 p.m.

Minutes approved by Members on March 19, 2015.



# Appendix I



# DISTRICT BUDGET UPDATE

2/26/2015



# GOVERNOR'S BUDGET PROPOSAL

## Proposed 2015-16 Augmentations for CCCs

- **\$200M for student success** – These funds will be split evenly between Student Success and Support Program (SSSP) and Student Equity Plans. We are aware that districts will want to know what local match will be required for the budget year, and we're committed to informing you of that decision soon. **Not sure what our share will be, but could be up to \$3.4M**
- **\$125M to increase base allocation funding** – This increase is intended to ease the constrained discretionary funding environment colleges have experienced since the economic downturn. These funds can help colleges address the scheduled increases in STRS and PERS contribution rates, for example. **No impact on us.**
- **\$106.9M for Increased Access** – This funding would increase access for approximately 45,000 students (headcount). **No impact on us.**
- **\$92.4M for COLA** – This would fund the statutory cost-of-living-adjustment of 1.58%. **Gives pressure for COLA, but we're fine there.**

# GOVERNOR'S BUDGET PROPOSAL

## Proposed 2015-16 Augmentations for CCCs

- **\$49M to fund CDCP rate equalization** – Legislation passed concurrently with the 2014 Budget Act equalized the CDCP rate to that of the resident credit rate commencing with the 2015-16 year. This augmentation would fund that increased cost. **No impact on us**
- **\$48M for Career Technical Education** – These *one-time* funds are proposed for support of the SB 1070 Career Technical Education Pathways Program. **Could be grant funds**
- **\$29.1M for Apprenticeship** - \$14.1M of these funds would restore the rates and seats of current programs back to the 2007-08 levels and an additional \$15M is proposed for innovative apprenticeship projects that focus on new and emerging industries with unmet labor market demand. **No idea...**
- **\$39.6M for Proposition 39** – These funds support projects and workforce development related to energy sustainability, consistent with the provisions of Proposition 39. **We've already counted on these funds.**

# GOVERNOR'S BUDGET PROPOSAL

## One-time Funds

- **\$94.5M to retire deferrals** - Legislation passed concurrently with the 2014 Budget Act identified deferrals as the first call on any new current year Proposition 98 expenditures. This funding would completely retire system deferrals, which had reached as high as \$961M just prior to the passage of Proposition 30. **No impact on us.**
- **\$353.3M to pay down outstanding mandate claims** – These one-time funds would be allocated to districts on a per-FTES basis. They would retire outstanding mandate claims, to the extent districts have any such obligations on the books. While the majority of these funds are attributable to the current and prior years, approximately \$125M counts against the 2015-16 minimum guarantee. **Our share ought to be about \$6M. These are one time unrestricted funds for 15/16.**

# DISTRICT BUDGET PROJECTIONS

- Property taxes increase 6+% per year
- \$6M in one time funds in 2015/16
- Increases in compensation per current contract
- Increases in PERS, STRS, medical costs
- Inflation on fixed costs
- \$3M/year for Innovation Fund
- Not including increases to SSSP or Student Equity
- Not including Prop. 30 funds

## DISTRICT PROJECTIONS FOR 2015/16: UNRESTRICTED GENERAL FUND

Property taxes	\$ 6,413,853
Nonresident tuition	\$ 817,694
Other revenues	\$ 6,749,084
Increase in Revenues	\$ 13,980,632

Includes \$6M in **one time** funds in Other Revenues

## DISTRICT PROJECTIONS FOR 2015/16: UNRESTRICTED GENERAL FUND

Compensation settlement	\$	4,053,959
Medical cap increase	\$	670,000
STRS	\$	688,584
PERS	\$	322,594
Movement on column & step	\$	1,066,831
Increase in compensation	\$	6,801,969

# DISTRICT PROJECTIONS FOR 2015/16: UNRESTRICTED GENERAL FUND

Increase in fixed costs	\$	755,749
Int'l Student allocation	\$	943,686
Change in regular expenses	\$	1,699,435
One-time increase (ongoing)	\$	1,300,000
Innovation fund	\$	3,000,000
New Resource allocation model	\$	4,300,000
Total Increase in expenses	\$	12,801,404
Income Less Expenses	\$	1,179,228

## DISTRICT PROJECTIONS FOR 2016/17 & 2017/18: UNRESTRICTED GENERAL FUND

	2016-17	2017-18
Property taxes	\$7,025,307	\$7,460,876
Nonresident tuition	\$1,258,537	\$1,792,941
Other revenues	\$(4,713,678)	\$ 648,347
Change in Revenues	\$3,570,166	\$9,902,164

## DISTRICT PROJECTIONS FOR 2016/17 & 2017/18: UNRESTRICTED GENERAL FUND

	2016-17	2017-18
Compensation settlement	\$4,448,616	\$4,764,497
Medical cap increase	\$ 740,000	\$ 740,000
STRS	\$ 794,588	\$ 794,588
PERS	\$ 1,030,817	\$ 687,212
Movement on column & step	\$ 1,044,145	\$ 1,124,906
Change in compensation	\$ 8,058,167	\$ 8,111,203

## DISTRICT PROJECTIONS FOR 2016/17 & 2017/18: UNRESTRICTED GENERAL FUND

Increase in fixed costs	\$ 779,177	\$ 803,332
Int'l Student allocation	\$ 1,422,564	\$ 1,991,589
Change in regular expenses	\$ 2,201,741	\$ 2,794,921
Innovation fund	\$ 3,000,000	\$ 3,000,000
New Resource allocation model	\$ 3,000,000	\$ 3,000,000
Total Increase in Expenses	\$ 13,259,908	\$ 13,906,124
Income Less Expenses	(\$9,689,742)	(\$4,003,960)

# SO, WHAT NOW?

- Change budget assumptions
- Spend wisely
- Not replace all positions
- Move some staffing onto other funds
- Keep a watch on the state budget