

## **COUNCIL ON BUDGET AND FACILITIES**

July 11, 2016

2:00 p.m.

Anaheim Campus Room 105

**Videoconferencing of the meeting will be available at Cypress College Room 301 and the Fullerton College President's Conference Room A**

### **AGENDA**

- |      |   |                |
|------|---|----------------|
| I.   | Approval of June 13, 2016, Summary Notes (Action) | Irma Ramos     |
| II.  | Budget Update                                     | Rodrigo Garcia |
| III. | Bond Update                                       | Rick Williams  |
| IV.  | 2016-17 Meeting Calendar                          | Fred Williams  |
| V.   | Other Items (Discussion)                          | Irma Ramos     |

NOTE: The numerical order of items on this agenda is for convenience of reference. To promote efficiency and as an accommodation to the parties involved, agenda items may be taken out of order upon request of the Chair or Members of the CBF.

## COUNCIL ON BUDGET & FACILITIES

June 13, 2016

### UNAPPROVED SUMMARY

**Members Present:** Brian Fahnestock, Adam Gottdank, Jolena Grande, Tina Johannsen, Lorenze Legaspi, Cherry Li-Bugg, Elaine Loayza, Rod Lusch, Sandra Palmer, Pete Snyder, Tanya Washington

**Absent:** Karen Cant, Rodrigo Garcia, Ian Kolaja, Irma Ramos, Justin Richardson, Richard Storti, Olivia Veloz

**Call to Order:** The meeting was called to order at 2:04 p.m. by Acting Chair Brian Fahnestock.

- I. **Summary:** The summary of the May 9, 2016, meeting was accepted as submitted.
- II. **Budget Update:** Mr. Brian Fahnestock provided a brief budget presentation on the Governor's budget and reviewed the 2016-17 tentative budget assumptions:

Major Revenue Assumptions: The primary revenue sources include a base of \$182.3 million made up of basic allocation and FTES funding of \$178.3 million; Access funding of \$1.9 million, STRS/PERS contribution of \$2.1 million; Unrestricted Lottery \$5.1 million; Non-Resident Tuition \$1 million; \$3.3 million one-time Mandated Claims funding is earmarked for replacement equipment (not instructional); and one-time Scheduled Maintenance or Instructional Equipment funds of \$5.5 million.

Other revenue assumptions include Prop 39 energy projects of \$1.3 million, 0% COLA; Basic Skills and Workforce Development funds unknown for District but Governor's Proposal is \$30 million and \$200 million respectively.

Unrestricted General Fund Revenue Summary: In summary, apportionment is estimated at \$182,270,114, Lottery \$5,057,192; PT Faculty Comp \$950,724; Non-Resident Tuition \$1 million; Mandated Block Grant estimated at \$1,011,438; Other \$832,132; for a total of \$191,121,600.

Major Expenditure Assumptions: The salary & benefits increase of \$4.8 million includes 3% increase for 2015-16, 3% increase for 2016-17, 5% increase in medical benefits, step & column increases, and the STRS rate increase of 1.85% and PERS rate increase of 2.041%. Retiree medical cost increased by 5%, \$327,492; Operating Allocation decreased \$1,596,979; Extended Day budgets decreased \$1,415,156.

Unrestricted General Fund Expenditure Summary: The unrestricted general fund budget can be summarized:

#### Revenues

Apportionment	\$182,270,114	
Lottery	\$5,057,192	
PT Faculty Comp	\$950,724	
Mandated Block Grant	\$1,011,438	
Non-Resident Tuition	\$1,000,000	
Other	\$832,132	
Total		\$191,121,600

#### Expenditures

Personnel	\$139,236,357
Retiree Benefits	\$5,444,229
Extended Day	\$26,408,660
Operating Allocation	\$10,778,348
District-wide	\$6,536,521
Cont. to Retiree Benefit Fund	\$1,011,438
Other	\$1,671,000

Total \$191,086,553

**Surplus** **\$35,047**

Outstanding Issues:

- PERS/STRS rate increase.
- Prop 30 sunset.
- Sustainable growth.

III. **Bond Update:** Mr. Fahnestock reported the following:

- Cypress College Science, Engineering & Math building (SEM) architect contract negotiation in final stage.
- RFQ issued for Construction Manager-at-Risk who will receive request for proposal RFP for the SEM building.
- Fullerton College Facilities Master Plan proposed for June 28 Board Agenda.
- Fullerton College EIR kick-off to begin after Board approval of revised Master Plan.
- Anaheim Campus warehouse renovation/repurpose construction bids due this week and Board approval at first July Board meeting.
- SCE funding for life skills modular building addition at Anaheim Campus just approved. Preliminary site and program analysis to begin this week.
- Cypress College, architect interviews for the Library Learning Resource Center and Veterans Center rescheduled for next week.

IV. **Other Items:** The next meeting is July 11, 2016.

**Adjournment:** The meeting was adjourned at 3:04 p.m.

# **COUNCIL ON BUDGET AND FACILITIES**

## **Fiscal Year 2016-17 CBF Meeting Calendar**

**2<sup>nd</sup> Monday of every month; 2:00 p.m.**

**@ Anaheim Campus Room 105**

### **2016**

July 11

August 8

September 12

October 10

November 14

December 12

### **2017**

January 9

February 13

March 13

April 10 (Spring Recess)

May 8

June 12