

WEST VALLEY/MISSION COMMUNITY COLLEGE DISTRICT  
BOARD OF TRUSTEES  
**AUDIT AND BUDGET OVERSIGHT COMMITTEE**

**Date of meeting: August 28, 2017**

APPROVED MINUTES

Membership: Bob Owens, Chair; Susan Fish, Member; Randi Kinman, Member

**1.0 CALL TO ORDER – PUBLIC SESSION**

The meeting was called to order at 5:31pm by Mr. Owens.

**1.1 Roll Call**

	Present	Absent
Fish, Susan		X
Kinman, Randi	X	
Owens, Bob	X	

Others Present: Rick Bennett, Ngoc Chim, Pat Fenton, Ed Maduli, Patrick Schmitt

**1.2 Approval of the Order of the Agenda**

The order of the agenda was approved as presented. (Kinman/Owens, 2/0/0, with Fish absent and not voting.)

**1.3 Oral Communication**

None.

**2.0 Regular Order of the Agenda**

**2.1 Approval of the June 12, 2017, meeting minutes (A)**

The June 12, 2017, meeting minutes were approved as presented. (Kinman/Owens, 2/0/0, with Fish absent and not voting.)

**2.2 4<sup>th</sup> Qtr. Budget Adjustments and Financials A)**

Mr. Maduli reported that the budget adjustments and financials were reviewed by the Fiscal Workgroup and District Council. Ms. Chim reviewed the report.

Mr. Owens inquired about RDA funds. Mr. Maduli responded that the District will continue to receive one-time funds from the city of Santa Clara, that the activities for Campbell and Los Gatos are winding down, and that no funds are expected from the city of San Jose.

Mr. Owens then commented on funding for capital projects. He indicated that he did not want to always rely on bond monies to fund capital improvements. He stated that the administration should be planning and budgeting for known large projects using existing funds. The administration needs to identify realistic needs and make them known to the Board. Funds need to be spent wisely.

Mr. Owens also inquired about the actuarial study and indicated that he would like it presented at ABOC when it is complete. Mr. Maduli commented that the OPEB liability will decrease once faculty is moved to the PERS medical plan. He also indicated that changing investment strategies could offset the savings by increasing the liability. A discussion on investment strategies will take place at a future meeting.

There was a motion by Kinman, seconded by Owens, to “accept the FY 16/17 4<sup>th</sup> Qtr. Budget Adjustments and Financials and recommend them to the Board for approval.” (2/0/0, with Fish absent and not voting.)

### **2.3 4<sup>th</sup> Qtr. 311 Report (A)**

Ms. Chim reviewed the 4<sup>th</sup> Qtr. 311 report and indicated that the numbers on this report match the unrestricted general fund numbers presented on the previous report. Other than a decline in FTES, the overall report is good.

Mr. Owens asked that a report on FTES targets and its impact on funding and basic aid status be presented at the February 2018 meeting.

There was a motion by Kinman, seconded by Owens, to “accept the FY 16/17 4<sup>th</sup> Qtr. 311 Report and recommend it to the Board for approval.” (2/0/0, with Fish absent and not voting.)

### **2.4 FY 17/18 Final Budget (A)**

Mr. Maduli reviewed some of the changes between the Tentative Budget and Final Budget and then highlighted some of the assumptions in developing the Final Budget. The review included:

- 2016/17 Projected Ending Fund Balance
- 2017/18 Major assumptions
  - Funded FTEF increased from 303 to 309
- Resource Allocation Model
  - Allocation between the colleges changed from what was allocation in the Tentative Budget
- 2017/18 FTES Target
- District Liabilities

- District Outstanding Debt
- 2017/18 Property Tax History and Projection
- Community Support Fund Reserve
- Community Support Fund Reserve: On-going vs. One-time funds
- Community Support Fund Reserve used to fund On-going expenditures
- Community Support Fund Reserve used to fund One-time expenditures
- Summary of cost for Banner implementation

Mr. Maduli added that bad debt from students failing to pay registration fees has significantly increased because de-registration was halted during the implementation of the Banner Student Module. Now that the Student Module is live, de-registration is being reinstated.

There was a motion by Kinman, seconded by Owens, to “accept the FY 17/18 Final Budget and recommend it to the Board for approval.” (2/0/0, with Fish absent and not voting.)

### **3.0 Staff Members Comments**

Mr. Maduli informed members that he recently presented the bond rating report in San Francisco and that the District is in a class by itself. He anticipates another AAA rating.

### **4.0 Committee Members Comments**

None.

### **5.0 Adjournment**

The meeting adjourned at 6:41 PM.