



**West Valley - Mission**

Community College District

Board of Trustees  
**Audit and Budget Oversight Committee**

**June 4, 2019**

**Board Room**  
West Valley College  
14000 Fruitvale Avenue, Saratoga, CA 95070  
5:00 p.m. Public Session

Bob Owens, Chair  
Susan Fish, Member  
Randi Kinman, Member

**1.0 CALL TO ORDER – PUBLIC SESSION**

- 1.1 Roll Call
- 1.2 Approval of the Order of the Agenda
- 1.3 Oral Communication

**2.0 REGULAR ORDER OF THE AGENDA**

**2.1 Approval of the May 13, 2019, meeting minutes (A) – Chair**

**2.2 FY 19/20 Tentative Budget (A)**

This item will include review, consideration, and possible action to accept the FY 19/20 Tentative Budget.

**3.0 STAFF MEMBERS COMMENTS**

This item offers staff members the opportunity to report on issues not listed in the agenda to which no debate or votes are to be taken.

**4.0 COMMITTEE MEMBERS COMMENTS**

This item offers committee members the opportunity to report on issues not listed in the agenda to which no debate or votes are to be taken.

**5.0 ADJOURNMENT**

**4.0 COMMITTEE MEMBERS COMMENTS**

This item offers committee members the opportunity to report on issues not listed in the agenda to which no debate or votes are to be taken.

**5.0 ADJOURNMENT**

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

**Date of meeting: May 13, 2019**

UNAPPROVED 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 5:55pm by Mr. Owens.

**1.1 Roll Call**

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

Others Present: Ngoc Chim, Pat Fenton, Ed Maduli, Danny Nguyen and Patrick Schmitt

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

The order of the agenda was approved as presented. (Fish/Kinman, 3/0/0)

**1.3 Oral Communication**

None.

**2.0 Regular Order of the Agenda**

**2.1 Approval of the April 15, 2019, meeting minutes (A)**

The April 15, 2019, meeting minutes were approved as presented. (Kinman/Fish, 3/0/0)

**2.2 FY 18/19 3<sup>rd</sup> Qtr. Budget Adjustments and Financials (A)**

Mr. Maduli reported that the 3<sup>rd</sup> Qtr. budget adjustments and financials have been reviewed by the Fiscal Workgroup and District Council.

Ms. Chim reviewed the 3<sup>rd</sup> Qtr. financials and indicated that most funds are on target at 75% revenue and expenditures. The following funds were highlighted:

- Funds 12x & 13x – Restricted General Fund (Grants): Expenditures are below the 75% mark, which is normal for these funds. The colleges’ will

catch up on spending as the year progresses and should be on target at year end. These funds will balance after the colleges reconcile grants and defer revenues at year-end.

- Fund 137 – Other Restricted General Fund (Eco Pass): Revenues are at 99% as fees for this fund are collected at the beginning of each semester. Expenditures are at approximately 53% because final payment to VTA have not yet been made.
- Fund 138 – Health Services Fund: Overall, this fund shows an ending fund balance; however, when reviewed by location, WVC has a deficit of approximately \$8,000 at 3<sup>rd</sup> Qtr. The college is aware of the problem and has indicated that they will balance the fund by year-end.
- Fund 291 – Retiree Health Benefit Fund: There is significant savings from moving participants to the CalPERS plan, which means that less money is needed from the General Fund to off-set expenditures.
- Fund 330 – Child Development Fund: Overall, this fund shows an ending fund balance; however, when reviewed by location, MC is close to depleting its fund balance. There may be potential issues with balancing this fund in the future. The college is aware of the problem and is looking at a long-term strategy to help balance the fund, including raising tuition fees.
- Fund 591 – Community Education/Workforce and Economic Development Fund: Overall, this fund shows an ending fund balance; however, when reviewed by location, WVC has a deficit at 3<sup>rd</sup> Qtr. The college is aware of the problem and has indicated that they will balance the fund by year-end.
- Fund 597 – Entrepreneurial Fund: Overall, this fund shows an ending fund balance; however, when reviewed by location, WVC has a deficit at 3<sup>rd</sup> Qtr. The college is aware of the problem and has indicated that they will balance the fund by year-end.
- Fund 722 – Student Representative Fee Trust Fund: This fund resides at MC only and is supposed to be used to provide funding for student advocacy activities. Revenues are generated from student fees. If this fund is not going to be utilized, the fee should be eliminated.
- Fund 731 – Student Body Center Fee Fund: Both colleges are deficit spending and are working to resolve the issue.
- Fund 741 – Student Financial Aid Trust Fund: This fund deficit spends until year end, which is when the draw-down from the government is complete. This is the normal trend.

Related to Fund 731 – Student Body Center Fee Fund, Mr. Owens asked why non-instructional salaries have doubled. Mr. Fenton indicated that WVC has been struggling in this area for some time and that the program is currently over-staffed. Due to the drop in enrollment, which equates to less revenue from student fees, bookstore revenues, etc., there has not been sufficient funding to support the program. As a result, staffing in that area has been eliminated and the employees have been moved to vacant positions in other departments. With declining enrollment and limited funding in this area and Student Health Services, a discussion will need to take place regarding what level of services need to be offered and how to pay for them.

There was a motion by Kinman, seconded by Fish, to “accept the FY 18/19 3<sup>rd</sup> Qtr. Budget Adjustments and Financials and recommend them to the Board for approval.” The motion passed unanimously.

### **2.3 FY 18/19 3<sup>rd</sup> Qtr. 311 Report (A)**

Mr. Maduli reported that the State uses the 311 Report to gauge fiscal stability of districts. This District is in great shape and is not suffering the effects of mid-year cuts recently imposed by the State. Many districts are struggling.

There was a motion by Kinman, seconded by Fish, to “accept the FY 18/19 3<sup>rd</sup> Qtr. 311 Report and recommend it to the Board for approval.” The motion passed unanimously.

### **3.0 Staff Members Comments**

Mr. Maduli reported that the District will be receiving additional one-time RDA funds from the sale of Great America. The funds from the sale will be included in the FY 19/20 Tentative Budget.

### **4.0 Committee Members Comments**

None.

### **5.0 Adjournment**

The meeting adjourned at 6:32 PM.

ITEM 2.2  
JUNE 4, 2019  
ACTION ITEM

PREPARED BY: NGOC CHIM AND  
SUSIE MCDONNELL

REVIEWED BY: ED MADULI

APPROVED BY: PATRICK SCHMITT

**SUBJECT: 2019/2020 TENTATIVE BUDGET**

**CHANCELLOR'S RECOMMENDATION:**

That the Board of Trustees adopt the 2019/2020 Tentative Budget and set September 3, 2019, as the date for a public hearing and adoption of the Final Budget for 2019/2020.

Funding Source/Fiscal Impact

The Tentative Budget is the fiscal plan for the Fiscal Year 2019/2020.

Reference(s)

Section 58305, Title 5, California Code of Regulations, requires a Tentative Budget be adopted by July 1 of each year. This section also requires that the date for the public hearing for discussion of the Final Budget be declared.

Background/Alternatives

The Final Budget will be different than the Tentative Budget. Known key variables that can significantly affect the Budget as it moves from Tentative to Final are the following:

1. Final action on the State Budget
2. Results of contract negotiations
3. Unaudited Ending Balance for FY 18/19
4. Summer session FTES
5. Final district-wide fixed costs

The Executive Summary of the Tentative Budget provides details about the significant items that affect the budget.

Coordination

The Tentative Budget has been discussed with the Fiscal Workgroup, District Council and the Audit and Budget Oversight Committee (ABOC).

Follow-up/Outcome

The Final Budget will be distributed for inspection by the public not less than three days prior to the date of the public hearing. In accordance with Section 58301, Title 5, California Code of Regulations, a public notice will be made in a newspaper of general circulation identifying the locations where the proposed Final Budget will be available for public inspection. This notice will be filed not less than three days prior to the date that the document will be available for inspection.