



West Valley - Mission

Community College District

Board of Trustees
Audit and Budget Oversight Committee

April 13, 2020

Join Zoom Meeting

<https://zoom.us/j/874599760>

Meeting ID: 874 599 760

Dial by your location

+1 669 900 6833 US (San Jose)

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 February 10, 2020, meeting minutes (A) – Chair

2.2 Property Tax Revenue (I)

This item will include review of property tax revenue.

2.3 Trust Fund Investments (I)

This item may include review, consideration and possible action regarding trust fund investments.

2.4 Fiscal Impacts related to COVID-19 (I)

This item may include review, consideration and possible action regarding fiscal impacts related to COVID-19.

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

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

Date of meeting: February 10, 2020

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 5:30pm by Mr. Owens.

1.1 Roll Call

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

Others Present: Ngoc Chim, Brad Davis, Kate Disney, Pat Fenton, Aram Shepherd

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 January 13, 2020, meeting minutes (A)

The January 13, 2020, meeting minutes were approved as presented. (Kinman/Owens, 2/0/0, with Fish absent and not voting)

2.2 FY 19/20 2nd Qtr. Budget Adjustments and Financials (A)

Ms. Chim reviewed the 2nd Qtr. budget adjustments and financials, which is a routine report and compares actuals to budget. For this reporting period, revenue and expenditures should be at 50% of the budgeted amount. She highlighted the following:

- Funds 12x & 13x – Restricted General Fund (Grants). Expenditures are below 50%; this is normal because Grants are reconciled at the end of the year.

- Fund 137 – Other Restricted General Fund (Eco Pass). This student fee is collected at Mission College only. Revenue is at 84% because fees are generally paid at the beginning of each semester (August & January). This is a normal trend. The Eco Pass allows students to access VTA services at a discounted rate.
- Fund 138 – Health Services Fund. Revenue is at 92% because fees are generally collected at the beginning of each semester (August & January). This is normal. Expenditures are below normal due to salary savings from a vacant position at Mission College.
- Fund 330 – Child Development Fund. This fund tends to be a problem and is closely monitored. The fund is in good shape for the second quarter.
- Fund 597 – Entrepreneurial Fund. As a whole, this fund looks OK; however, when reviewed by sub-fund, WVC has two funds out of balance. The college is aware of the problem and will monitor and balance the funds at year-end.
- Fund 741 – Student Financial Aid Trust Fund. This fund will show a negative fund balance until the 4th Qtr. because the District only draws down 90% of the financial aid disbursement to avoid interest payments to the Federal Government. The fund will be reconciled during the 4th quarter.
- Fund 791 – OPEB Trust Fund & Fund 792 – Pension Stabilization Fund. This funds show investment gains.

Mr. Owens inquired about Fund 731 – Student Body Center Fee Fund. He asked why students are still being charged a student center fee when the monies are no longer required to pay the revenue bond. The legality of continuing to assess the fee needs to be researched. Assuming the fee can no longer be charged, he asked how the Campus Center would be funded moving forward. Chancellor Davis agreed that student fee would need to be re-evaluated and indicated that the college would need to strategize to find a way to continue to support the Campus Center; facility rentals are not currently covering costs as anticipated.

There was a motion by Kinman, seconded by Owens, to “accept the FY 19/20 2nd Qtr. Budget Adjustment and Financials and recommend them to the Board for approval.” The motion passed 2/0/0, with Fish absent and not voting.

2.3 FY 19/20 2nd Qtr. 311 Report (A)

Ms. Chim stated that the 311 Report is another routine report and must be submitted to the State Chancellor’s Office within 45 days of the close of the quarter. She indicated that both the Budget Adjustment Report and 311 Report were reviewed by the Fiscal Workgroup and District Council. She provided a high level overview and noted the following:

- The District utilized over \$20 million to refinance the Lease Revenue Bonds (LRB).
- The District is no longer required to report FTES on the 311 quarterly report because it is reported on the 320 Report.
- The District has a healthy cash flow.

Overall, it is a good report.

Ms. Disney asked about the difference between GO Bonds and LRB's. GO Bonds are paid by taxpayers through property tax assessments. LRB's are paid by the District with general fund dollars.

There was a motion by Kinman, seconded by Owens, to "accept the FY 19/20 2nd Qtr. 311 Report and recommend it to the Board for approval." The motion passed 2/0/0, with Fish absent and not voting.

3.0 Staff Members Comments

None.

4.0 Committee Members Comments

None.

5.0 Adjournment

The meeting adjourned at 5:52 PM.

WEST VALLEY-MISSION CCD
PARS Post-Employment Benefits Trust**Account Report for the Period**
2/1/2020 to 2/29/2020Edralin Maduli
Vice Chancellor, Administrative Services
West Valley-Mission CCD
14000 Fruitvale Ave.
Saratoga, CA 95070**Account Summary**

Source	Balance as of 2/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 2/29/2020
PENSION - Schedule B1	\$4,180,777.86	\$0.00	\$47,072.44	\$777.96	\$0.00	\$0.00	\$4,227,072.34
PENSION - Schedule B2	\$12,873,555.11	\$0.00	-\$323,708.03	\$2,395.50	\$0.00	\$0.00	\$12,547,451.58
Totals	\$17,054,332.97	\$0.00	-\$276,635.59	\$3,173.46	\$0.00	\$0.00	\$16,774,523.92

Investment Selection

Source

PENSION - Schedule B1 **Vanguard Fixed Income Strategy**
PENSION - Schedule B2 **Vanguard Conservative Strategy****Investment Objective**

Source

PENSION - Schedule B1 The Fixed Income Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking a reasonable level of income and long-term capital preservation.

PENSION - Schedule B2 The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - Schedule B1	1.13%	2.78%	9.40%	-	-	-	6/25/2018
PENSION - Schedule B2	-2.51%	-0.48%	8.38%	-	-	-	6/25/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

WEST VALLEY-MISSION CCD
PARS Post-Employment Benefits Trust

Account Report for the Period
6/1/2019 to 6/30/2019

Edralin Maduli
Vice Chancellor, Administrative Services
West Valley-Mission CCD
14000 Fruitvale Ave.
Saratoga, CA 95070

Account Summary

Source	Beginning Balance as of 6/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2019
PENSION - Schedule B1	\$3,632,561.51	\$0.00	\$45,554.30	\$710.65	\$0.00	\$0.00	\$3,677,405.16
PENSION - Schedule B2	\$10,752,172.43	\$0.00	\$326,461.65	\$2,103.47	\$0.00	\$0.00	\$11,076,530.61
Totals	\$14,384,733.94	\$0.00	\$372,015.95	\$2,814.12	\$0.00	\$0.00	\$14,753,935.77

Investment Selection

Source

PENSION - Schedule B1 **Vanguard Fixed Income Strategy**
PENSION - Schedule B2 **Vanguard Conservative Strategy**

Investment Objective

Source

PENSION - Schedule B1 The Fixed Income Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking a reasonable level of income and long-term capital preservation.

PENSION - Schedule B2 The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - Schedule B1	1.25%	2.71%	7.18%	-	-	-	6/25/2018
PENSION - Schedule B2	3.04%	3.08%	7.32%	-	-	-	6/25/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

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Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

West Valley-Mission Community College District

CERBT Strategy 3

Entity #: SKB8-2279941741

Quarter Ended December 31, 2019



Market Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$74,710,031.89	\$73,033,510.20
Contribution	0.00	0.00
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	1,760,885.09	3,453,202.04
Administrative Expenses	(9,306.53)	(18,430.56)
Investment Expense	(6,804.65)	(13,475.88)
Other	0.00	0.00
Ending Balance	\$76,454,805.80	\$76,454,805.80
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
Grand Total	\$76,454,805.80	\$76,454,805.80

Unit Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Units	4,820,640.296	4,820,640.296
Unit Purchases from Contributions	0.000	0.000
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
Ending Units	4,820,640.296	4,820,640.296
Period Beginning Unit Value	15.497948	15.150168
Period Ending Unit Value	15.859886	15.859886

January + \$959,828.96
 February (\$837,271.47)
 March (\$5,715,726.19)
 (\$5,593,168.70) + \$3,453,202.04 = (\$2,139,966.66) Year to Date Total Investment Loss

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.



Market Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$70,703,355.27	\$68,158,673.12
Contribution	0.00	0.00
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	2,345,276.36	4,933,207.60
Administrative Expenses	(8,734.89)	(33,717.84)
Investment Expense	(6,386.54)	(24,652.68)
Other	0.00	0.00
Ending Balance	\$73,033,510.20	\$73,033,510.20
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
Grand Total	\$73,033,510.20	\$73,033,510.20

Unit Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Units	4,820,640.296	4,820,640.296
Unit Purchases from Contributions	0.000	0.000
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
Ending Units	4,820,640.296	4,820,640.296
Period Beginning Unit Value	14.666798	14.138926
Period Ending Unit Value	15.150168	15.150168

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.

West Valley-Mission Community College District
 Financial Assessment for the 3rd Quarter
 Fiscal Year 2019-2020

Unrestricted General Fund

	Working Bud 2019-2020	Actual as of 3/30/2020	12,200 FTES	10% reduction	20% reduction
			Scenario 1	Scenario 2	Scenario 3
			Estimate 6/30/2020	Estimate 6/30/2020	Estimate 6/30/2020
REVENUES					
State Revenues:					
State Apportionment	\$ -	\$ -	\$ -	\$ -	\$ -
Educational Protection Account (EPA)	1,300,000	560,959	1,220,000	1,098,000	976,900
Part-Time Faculty Compensation	265,196	133,058	265,196	265,196	265,196
Lottery	1,907,007	614,111	1,907,007	1,716,307	1,525,606
Mandated Cost Block Grant @ \$28/FTES	364,000	370,938	341,600	307,440	273,532
Full-Time Faculty Hiring (15/16)	782,281	552,602	782,281	782,281	782,281
Full-Time Faculty Hiring (18/19)	562,882	382,760	562,882	562,882	562,882
Total Revenues	\$ 5,181,366	\$ 2,614,428	\$ 5,078,966	\$ 4,732,106	\$ 4,386,397
Local Revenues:					
Enrollment Fees	\$ 8,000,000	\$ 7,645,360	\$ 7,645,360	6,880,824	6,116,288
Property Tax	147,447,400	100,791,832	150,096,102	135,086,492	120,076,882
Non-Resident Tuition	2,500,000	2,358,295	2,358,295	2,122,466	1,886,636
Interest	1,829,264	701,729	1,650,000	1,485,000	1,320,000
Misc. Student Fees (web processing fee, NSF fee)	100,000	101,170	101,170	101,170	101,170
Land Corporation Lease Revenue Income	656,316	329,938	656,316	656,316	656,316
Total Local Revenues	\$ 160,532,980	\$ 111,928,323	\$ 162,507,242	\$ 146,332,267	\$ 130,157,291
Other Revenues:					
Faculty Re-assign Time Reimbursement	\$ 8,796	\$ -	\$ 8,796	\$ 8,796	\$ 8,796
Student Transcript Fees	161,340	124,857	161,340	161,340	161,340
Student Material Fees	43,565	38,935	43,565	43,565	43,565
CalSTRS On-Behalf Pension Contribution (GASB 68)	3,534,956	3,534,956	3,534,956	3,534,956	3,534,956
Total Other Revenues	\$ 3,748,657	\$ 3,698,748	\$ 3,748,657	\$ 3,748,657	\$ 3,748,657
Total Unrestricted General Fund Revenues	\$ 169,463,003	\$ 118,241,499	\$ 171,334,865	\$ 154,813,030	\$ 138,292,345
EXPENDITURES					
Salaries	80,352,519	64,212,465	80,352,519	80,352,519	80,352,519
Benefits	32,566,488	21,118,482	32,566,088	32,566,088	32,566,088
Operating Expense	14,129,857	8,555,912	14,129,857	14,129,857	14,129,857
Other Outgo	42,528,094	32,778,517	42,528,094	42,528,094	42,528,094
Total Expenditures	\$ 169,576,958	\$ 126,665,376	\$ 169,576,558	\$ 169,576,558	\$ 169,576,558
Net Change to Fund Balance	\$ (113,955)	\$ (8,423,877)	\$ 1,758,307	\$ (14,763,528)	\$ (31,284,213)
Beginning Fund Balance	55,355,442	55,355,442	55,355,442	55,355,442	55,355,442
Ending Fund Balance	\$ 55,241,487	\$ 46,931,565	\$ 57,113,749	\$ 40,591,914	\$ 24,071,229
3% Contingency	\$ 4,998,919	\$ 4,998,919	\$ 4,998,919	\$ 4,998,919	\$ 4,998,919
5% Reserve	8,331,531	8,331,531	8,331,531	8,331,531	8,331,531
CSF Reserve	35,314,613	27,004,691	37,186,875	20,665,040	4,144,355
Other	6,596,424	6,596,424	6,596,424	6,596,424	6,596,424
Total Fund Balance	\$ 55,241,487	\$ 46,931,565	\$ 57,113,749	\$ 40,591,914	\$ 24,071,229

West Valley-Mission Community College District
 Financial Assessment for the 3rd Quarter
 Fiscal Year 2019-2020

Parking Fund

	Working Bud	Actual	Estimate		
	2019-2020	as of 4/8/20	6/30/2020	25%	50%
REVENUES					
Rentals and Leases	\$ 55,000	\$ 76,187	\$ 76,187		
Parking Fees	800,000	640,996	640,966		
Parking Citation	370,000	273,075	273,075		
Daily Parking Tickets Coins	420,000	268,687	268,687		
Processing Fees and Fines	5,000	0	0		
Other Local Revenues	15,000	9,575	9,575		
Total Revenues	\$ 1,665,000	\$ 1,268,520	\$ 1,268,490	1,248,750	832,500
EXPENDITURES					
Salaries	\$ 1,088,973	\$ 680,135	\$ 951,818		
Benefits	461,745	294,548	450,000		
Operating Expense	292,554	148,928	148,928		
Other Outgo	0	0	0		
Total Expenditures	\$ 1,843,272	\$ 1,123,611	\$ 1,550,746	1,550,746	1,550,746
Net Change to Fund Balance	\$ (178,272)	\$ 144,909	\$ (282,256)	\$ (301,996)	\$ (718,246)
Beginning Fund Balance	1,133,331	1,133,331	1,133,331	\$ 851,075	\$ 648,153
Ending Fund Balance	\$ 955,059	\$ 1,278,240	\$ 851,075	\$ 549,079	\$ (70,093)

West Valley-Mission Community College District
 Financial Assessment for the 3rd Quarter
 Fiscal Year 2019-2020

Child Development Center Fund

	West Valley College			Mission College		
	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020
REVENUES						
Federal: Child Development Funds	\$ 15,000	\$ 10,911	\$ 10,911	\$ 26,500	\$ 19,251	\$ 19,251
State: Categorical Funds	169,591	99,268	169,591	260,000	184,882	260,000
State: Child Development Consortium	10,400	6,396	10,400	15,100	7,131	15,100
Interest	0	1,881	2,000	0	2,595	3,000
Fees	390,000	305,171	305,171	1,500,000	900,760	900,760
Transfer In	48,532	34,500	34,500	0	0	0
Total Revenues	\$ 633,523	\$ 458,127	\$ 532,573	\$ 1,801,600	\$ 1,114,619	\$ 1,198,111
EXPENDITURES						
Salaries	\$ 419,128	\$ 309,948	\$ 419,128	\$ 1,217,255	\$ 812,964	\$ 1,006,000
Benefits	166,716	121,460	166,716	590,007	380,909	482,000
Operating Expense	37,279	25,068	25,068	99,254	65,148	65,148
Other Outgo	10,400	6,032	10,400	19,346	10,458	19,346
Total Expenditures	\$ 633,523	\$ 462,508	\$ 621,312	\$ 1,925,862	\$ 1,269,479	\$ 1,572,494
Net Change to Fund Balance	\$ -	\$ (4,381)	\$ (88,739)	\$ (124,262)	\$ (154,860)	\$ (374,383)
Beginning Fund Balance	290,069	290,069	290,069	400,254	400,254	400,254
Ending Fund Balance	\$ 290,069	\$ 285,688	\$ 201,330	\$ 275,992	\$ 245,394	\$ 25,871

West Valley-Mission Community College District
 Financial Assessment for the 3rd Quarter
 Fiscal Year 2019-2020

Campus Center Fund

	West Valley College			Mission College		
	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020
REVENUES						
Café Vending Publication Sales	\$ 45,000	\$ 28,674	\$ 28,674	\$ 23,000	\$ 15,328	\$ 15,328
Rental Leases	7,500	1,520	1,520	0	0	0
Student Fees & Charges	225,000	211,560	201,560	80,000	56,264	56,264
Other Local Revenues	44,948	44,737	44,737	100,000	67,427	67,427
Total Revenues	\$ 322,448	\$ 286,491	\$ 276,491	\$ 203,000	\$ 139,019	\$ 139,019
EXPENDITURES						
Salaries	\$ 200,328	\$ 179,604	\$ 114,505	\$ 321,219	\$ 187,136	\$ 233,920
Benefits	67,067	105,515	106,894	152,761	85,563	106,954
Operating Expense	0	139	139	35,793	11,700	11,700
Other Outgo	55,053	55,053	54,953	0	0	0
Total Expenditures	\$ 322,448	\$ 340,311	\$ 276,491	\$ 509,773	\$ 284,399	\$ 352,574
Net Change to Fund Balance	\$ -	\$ (53,820)	\$ 0	\$ (306,773)	\$ (145,380)	\$ (213,555)
Beginning Fund Balance	0	0	0	306,773	306,773	306,773
Ending Fund Balance	\$ -	\$ (53,820)	\$ 0	\$ -	\$ 161,393	\$ 93,218

West Valley-Mission Community College District
 Financial Assessment for the 3rd Quarter
 Fiscal Year 2019-2020

Health Services Fund

	West Valley College			Mission College		
	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020	Working Bud 2019-2020	Actual as of 3/30/20	Estimate 6/30/2020
REVENUES						
Federal: MAA	\$ 32,883	\$ 32,883	\$ 32,883	\$ 59,824	\$ 60,124	\$ 60,124
Student Health Fees	340,000	349,059	338,219	350,000	337,305	326,305
Other Local Revenues	9,500	5,370	5,370	5,000	7,535	7,535
Tranfer In	200,000	200,000	200,000	203,500	200,220	200,220
Total Revenues	\$ 582,383	\$ 587,312	\$ 576,472	\$ 618,324	\$ 605,184	\$ 594,184
EXPENDITURES						
Salaries	\$ 409,484	\$ 268,167	\$ 390,644	\$ 360,320	\$ 163,260	\$ 215,172
Benefits	140,016	92,841	144,205	127,842	49,575	66,431
Operating Expense	32,883	6,547	6,623	130,130	20,428	20,428
Other Outgo	0	0	35,000	32	32	32
Total Expenditures	\$ 582,383	\$ 367,555	\$ 576,472	\$ 618,324	\$ 233,295	\$ 302,063
Net Change to Fund Balance	\$ -	\$ 219,757	\$ -	\$ -	\$ 371,889	\$ 292,122
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 582,414	\$ 582,414	\$ 582,414
Ending Fund Balance	\$ -	\$ 219,757	\$ -	\$ 582,414	\$ 954,303	\$ 874,536