

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

Date of meeting: August 24, 2020

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 5:30pm 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, Danny Nguyen

1.2 Approval of the Order of the Agenda

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

1.3 Oral Communication

None.

2.0 Regular Order of the Agenda

2.1 Approval of the May 26, 2020, meeting minutes (A)

The May 26, 2020, meeting minutes were approved as presented. (Fish/Kinman, 3/0/0)

2.2 FY 20/21 GANN Limit (A)

Ms. Chim reported that the GANN Limit calculation is not usually presented to ABOC for review, but this year the District exceeded its appropriations subject to limitation which triggers the need for a Board resolution and a letter to the State's Department of Finance. The Board resolution is needed to increase the District's calculated appropriations limit, and the letter to the Department of Finance is needed to inform it of the District's action.

There was a motion by Kinman, seconded by Fish, to "accept the FY 20/21 GANN Limit calculation." The motion passed unanimously.

2.3 FY 19/20 4th Qtr. Budget Adjustments and Financials (A)

Ms. Chim reviewed the 4th Qtr. Budget Adjustments and Financials. The financials reflect year-end totals, and all funds should be in balance. She highlighted the following funds:

- Fund 110 Unrestricted General Fund. Revenues were received as expected and exceeded expenditures. However, WVC closed the year with a \$2.2 million deficit, primarily due to over-spending in academic salaries, and will have to borrow from the fund balance. WVC has made arrangements to pay back the deficit amount within 3 years.
- Funds 12x & 13x – Restricted General Fund (Grants). Revenues and expenditures are at approximately 63%, which is a normal trend; unspent revenue is deferred to the following year.
- Fund 137 – Eco Pass Fund. The fund is only at Mission College and must have a zero balance at year-end. If there are any funds remaining at year-end, they must be returned to the students.
- Fund 138 – Health Services Fund. This fund ended with a surplus primarily due to salary savings, but it is deficit spending. Consolidations of the departments are being considered to help control expenses. This fund will continue to be closely monitored.
- Fund 139 – Parking Fund. The revenue stream for this fund has declined due to COVID. The Public Safety department has worked hard to offset the decrease by reducing expenditures and showed a slight increase in its fund balance. This fund will continue to be closely monitored.
- Fund 291 – Retiree Health Benefit Fund. Both retiree costs and rates are decreasing.
- Fund 330 – Child Development Fund. Expenses exceeded revenues so this fund is deficit spending. COVID has impacted the revenue stream and the fund will need to be closely monitored. WVC has suspended its operation and has reassigned staff and MC may need to do the same, at least for the fall semester.
- Fund 731 – Student Body Center Fee Fund. The revenue stream has been impacted due to COVID. Expenditures in this fund have decreased, but the fund will still be closely monitored.
- Fund 741 – Student Financial Aid Trust Fund. This fund is typically out of balance throughout the year because the District does not draw down funds to cover the expenditures until year-end. The District does this purposely so it does not have to pay interest. This fund is in balance.
- Fund 791 – OPEB Trust Fund & Fund 792 – Pension Stabilization Fund. These are investment funds and both did well in the 4th quarter.

The 4th Quarter was very good for the District. With the exception of WVC's unrestricted general fund, all funds were in balance.

There was a motion by Fish, seconded by Kinman, to “accept the FY 19/20 4th Qtr. Budget Adjustments and Financials and recommend them to the Board for approval.” The motion passed unanimously.

3.0 Staff Members Comments

Chancellor Davis commended Ms. Chim for her work since taking on her new position. He also mentioned that the District is working with many different agencies to help colleagues impacted by the California wildfires.

4.0 Committee Members Comments

Ms. Fish and Ms. Kinman also thanked Ms. Chim for the seamless transition moving away from Vice Chancellor Maduli. Ms. Kinman added that she would like to have a discussion regarding COVID-19 budget and expenditures, and also a discussion on emergency funds, specifically how to obtain them and then leverage them. Ms. Chim indicated that she would report on COVID-19 as part of the upcoming budget presentation. The discussion on emergency funds will likely take place at a regular Board meeting.

5.0 Adjournment

The meeting adjourned at 6:13 PM.