

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

**Date of meeting: November 4, 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, John Dominguez – Auditor, Danny Nguyen, Linda Wilczewski

**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 September 28, 2020, meeting minutes (A)**

The September 28, 2020, meeting minutes were approved as presented. (Kinman/Fish, 3/0/0)

**2.2 FY 19/20 District Audit (A)**

John Dominguez, audit partner with the firm CWDL, CPA's, attended the meeting to review the FY 19/20 audit. He reported that the audit presented fairly, with an unmodified opinion, which means he found the information submitted by the District to be accurate and complete. He further reported that the District has met its future fiscal responsibilities due to prudent fiscal management.

There was one audit finding, which was a repeat from the prior year, related to the District's Apprenticeship program. Management has acknowledged the issue and has already taken steps to correct the problem.

There was a motion by Kinman, seconded by Fish, to "accept the FY 19/20 District Audit and recommend acceptance of the audit to the full Board." The motion passed unanimously.

### **2.3 FY 20/21 1<sup>st</sup> Qtr. Budget Adjustments and Financials (A)**

Ms. Chim reviewed the 1<sup>st</sup> Quarter Financial Report and indicated that expenses and revenues should be at 25%. She highlighted the following:

- Fund 110 – Unrestricted General Fund. Revenues are a little less than 5% because property tax revenue has not yet been realized. Property tax apportionment will be released in December. Cash flow must be closely monitored until that time, generally from July through December. Expenditures currently exceed revenue by \$24 million. Fund balance will be used to cover cash flow through the 2<sup>nd</sup> quarter.
- Funds 12x & 13x – Restricted General Fund (Grants). Revenues are approximately 33% and expenditures are approximately 15%. This is a normal trend, and these funds will balance at year end.
- Fund 137 – Other Restricted General Fund (ECO Pass). This fee is only collected at Mission College. Revenues are at 55%, which is normal as this student-paid fee is collected at the beginning of each semester. Due to COVID, expenditures are below normal. Ms. Chim inquired if the college should still be collecting this fee from its students. Mr. Nguyen indicated that VP Murillo is dealing with the situation.
- Fund 138 – Health Services Fund. This fund has been an issue in the past but looks good currently. The fund will continue to be closely monitored.
- Fund 139 – Parking Fund. This fund has more expenses than revenues since parking fees cannot be collected because there are no students on campus. This fund will rely on fund balance to cover expenditures throughout the year.
- Fund 330 – Child Development Fund. This fund has almost no revenue as both CDC's are closed due to COVID-19 and are not collecting any fees. Expenses appear to be high because the Final Budget has taken into account budget reductions. Due to restructuring and fund balance, this fund should balance at year-end.
- Fund 722 – Student Representative Fee Trust Fund. There is no activity in this fund because there are no students on campus.
- Fund 731 – Student Body Center Fee Fund. Although this fund has had problems in the past, it is currently in good shape.
- Fund 791 – OPEB Trust Fund & Fund 792 – Pension Stabilization Fund. Both of these investment funds show earnings for the 1<sup>st</sup> quarter.

There was a motion by Fish, seconded by Kinman, to “accept the FY 20/21 1<sup>st</sup> Qtr. Budget Adjustments and Financials and recommend them to the Board for approval.” The motion passed unanimously.

**2.4 FY 20/21 1<sup>st</sup> Qtr. 311 Report (A)**

Ms. Chim reviewed the 1<sup>st</sup> Qtr. 311 Report. Adjustments to revenue were made to reduce property tax by \$3.2 million. During the 1<sup>st</sup> quarter, the county notified the District of a significant reduction of \$6.2 million to the residual RDA; however, there was an increase of \$3 million to secure, unsecure, and supplemental property tax combined. The net change was \$3.2 million reduction. This will reduce the fund balance by the same amount.

There was a motion by Kinman, seconded by Fish, to “accept the FY 20/21 1<sup>st</sup> Qtr. 311 Report and recommend it to the Board for approval.” The motion passed unanimously.

**3.0 Staff Members Comments**

None.

**4.0 Committee Members Comments**

Ms. Kinman requested an overview of COVID-19 revenues and expenditures. She specifically wants to know where funding is coming from. Additionally, she would like to have a conversation on future planning should COVID persist.

Ms. Kinman also questioned if Mission College students should still be paying the ECO Pass fee considering that the majority of classes are being taught on-line and the shelter-in-place mandate has limited public transportation. She also mentioned that there is a new program being offered by VTA that may be a better value to students. Ms. Chim responded that this issue is currently being looked at by Mission College’s VP of Student Services.

**5.0 Adjournment**

The meeting adjourned at 6:23 PM.