

# OFFICIAL COPY



## CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES SPECIAL MEETING

**MINUTES**  
**September 10, 2019**

### **PLACE**

Chabot- Las Positas Community College District, 7600 Dublin Blvd, Dublin Ca 94568

### **CALL TO ORDER**

The Special Meeting was called to order at 5:00 p.m. by President Maduli, Recording Secretary Debra Nascimento called the roll.

### **PUBLIC COMMENTS**

There were no Public Comments offered at this time.

### **CLOSED SESSION**

#### Motion No. 1

Trustee Gin made a motion, seconded by Trustee Mitzman to adjourn the meeting at 5:01 p.m.

Motion was carried unanimously, 7-0.

### **OPEN SESSION**

The Board re-adjourned in Open Session at 6:30 p.m. Recording Secretary Debra Nascimento called the roll.

### **ATTENDANCE**

Members Present:                   Trustee Dr. Hal G. Gin  
  Trustee Ms. Linda Granger  
  Trustee Ms. Maria Heredia  
  Trustee Mr. Edralin "Ed" Maduli  
  Trustee Dr. Marshall Mitzman  
  Trustee Ms. Genevieve Randolph  
  Trustee Mr. Tim Sbranti

Recording Secretary:               Ms. Debra Nascimento

Managers Present:                   Mr. Ronald Gerhard, Interim Chancellor

Ms. Roanna Bennie, Interim President, Las Positas College  
 Ms. Diane Brady  
 Ms. Guisselle Nunez  
 Ms. Barbara Yesnosky  
 Mr. Dale Wagoner

Others Present: Ms. Sarah Thompson, President, Las Positas College Faculty Senate  
 Mr. Miguel Colon, President, Chabot College Faculty Senate  
 Ms. Rosalie Roque

**PLEDGE TO FLAG**

Ms. Sarah Thompson led the pledge.

**REPORT OUT: ACTION TAKEN IN CLOSED SESSION**

President Maduli reported the Board of Trustees took action in closed session to adopt a Resolution affirming the Administrative Determination of the District denying an appeal by the following vote:

AYES: Gin, Granger, Heredia, Maduli, Mitzman, Randolph, Sbranti  
 NOES: None  
 ABSENTION: None  
 ABSENT: None

**1.6 PUBLIC COMMENTS**

There were no Public Comments offered at this time.

**2.0 PUBLIC HEARING: 2019-20 BUDGETS: GENERAL FUND, CAFETERIA FUND, CHILD DEVELOPMENT FUND, CAPTIAL PROJECTS FUND, SELF- INSURANCE (RUMBL) FUND AND MEASURE B FUND**

President Maduli opened the Public Hearing at 6:33 p.m. on the 2019-20 Budget. Hearing no comments, he closed the Public Hearing at 6:33 p.m.

**3.0 ADOPTION: 2019-20 BUDGETS: GENERAL FUND, CAFETERIA FUND, CHILD DEVELOPMENT FUND, CAPITAL PROJECTS FUND, SELF- INSURANCE (RUMBL) FUND AND MEASURE B FUND**

Motion No. 2

Trustee Gin made a motion, seconded by Trustee Granger, Adoption of the 2019-20 Budget: General Fund, Cafeteria Fund, Child Development Fund, Capital Projects Fund, Self-Insurance (RUMBL) Fund and Measure B Fund.

Motion carried by the following roll call vote:

AYES:	Gin, Granger, Heredia, Maduli, Mitzman, Randolph, Sbranti
NOES:	None
ABSENTION:	None
ABSENT:	None

Interim Chancellor Gerhard introduced acting VC of Business Services Mr. Doug Roberts who presented the Adopted Budget Fiscal Year 2019-20.

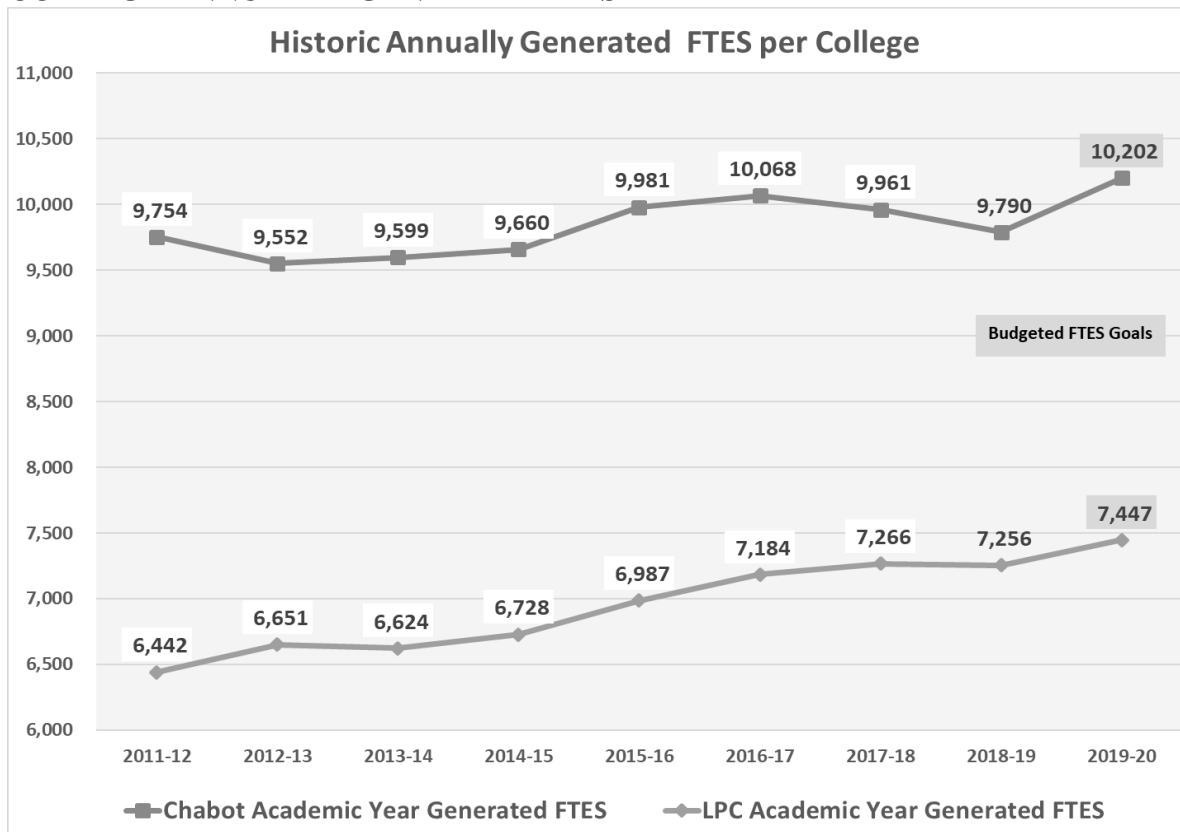
**PRESENTATION SUMMARY**

- Budget Requirement
- Student Enrollment Data
- 2019-20 Student Centered Funding Formula (SCFF)
- 2018-19 Districts Funded through “Hold Harmless”
- 2019-20 CLPCCD Funding-Hold Harmless vs. SCFF
- Major Revenue & Expenditure Assumptions
- Budget Allocation Model Summary
- Budgets for Major District Funds
- Unrestricted General Fund- Fund Balance Break-out
- Looking Ahead- Opportunities and Budget Risks

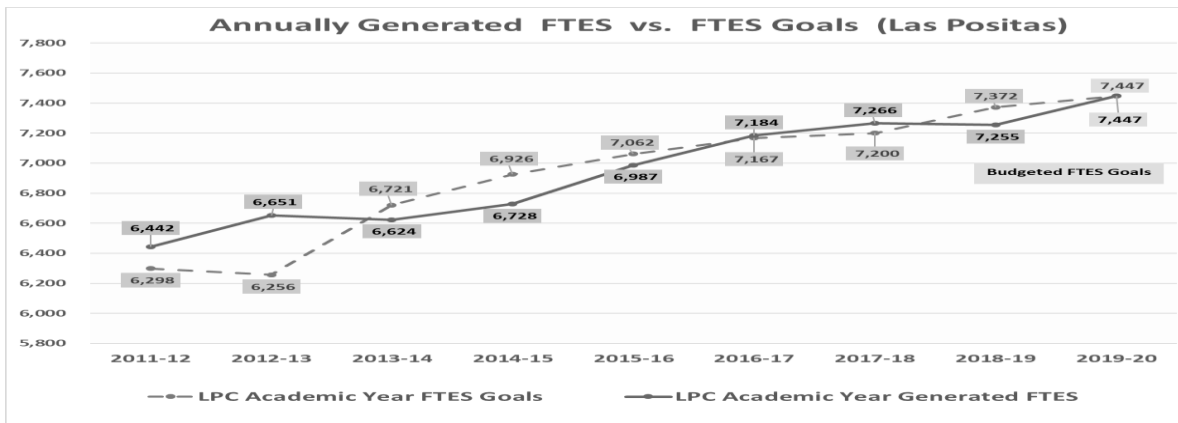
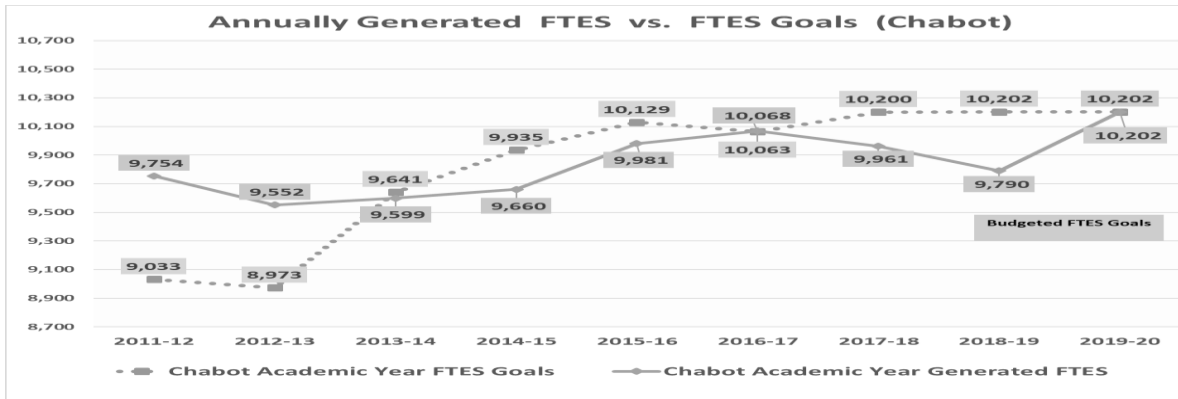
**BUDGET REQUIREMENT**

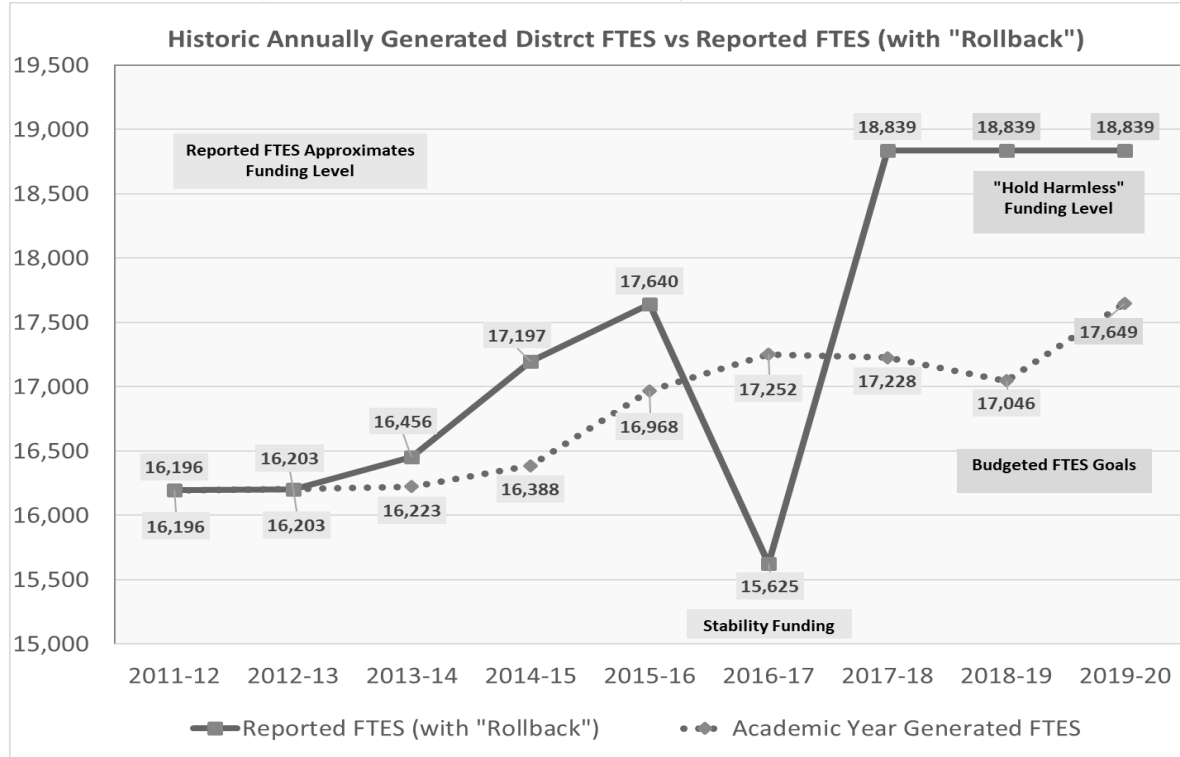
- Title 5 § Section 58305 of the California Code Regulations requires community college districts to:
- Adopt a tentative budget on or before the first day of July each year
- Adopt a final budget on or before September 15th
- Submit a copy of the district’s annual financial and budget report, to the Chancellor’s office, on or before October 10<sup>th</sup>

**COLLEGE ANNUALLY GENERATE FTES**



**COLLEGE ANNUALLY GENERATED FTES vs GOALS**



**DISTRICT FTES (GENERATED & REPORTED)****STUDENT CENTERED FUNDING FORMULA (SCFF)**

Implemented to Support the Six Goals of the California Community Colleges' Vision for Success:

- Increase awarded Degrees, Certificates and Credentials by 20%
- Increase the number of Student Transfers to UC and CSU by 35%
- Decrease the average number of units accumulated by the students earning associated degrees from 87 total units to 79 total units
- Increase percentage of CTE students getting employed in their field from 60% to 76%
- Reduce "Equity Gaps" across all of the above measures through faster improvements among traditionally underrepresented student groups by 40% in 5 years, closing the gaps in 10 years
- Reduce "Regional Achievement Gaps" across all of the above measures through faster improvements among colleges in regions with the lowest educational attainment of adults

**STUDENT CENTERED FUNDING FORMULA (SCFF)**

- A "Base Allocation" based on a district's colleges and the FTES at those colleges...plus funding for FTES (similar to previous SB361 model, but a lowered rate per credit FTES)

- A “Supplemental Allocation” based on the number of PELL and Promise Grant recipients, plus AB 540 students
- A “Success Allocation” based on the number of students: awarded degrees, certificates, and transfers; completing transfer level Math and English, competing 9 units of CTE units, and attaining a regional living wage

The model allows for “Hold Harmless” Funding (through 2021-22) equal to prior year funding plus COLA.

### GOVERNOR’S BUDGET FY2019-20

- Student Centered Funding Formula (FY 2019-20)
  - 70% for the Base Allocation
  - 20% for the Supplemental Allocation
  - 10% for the Student Success Allocation
- Funding rates (for 2019-20) will be the 2018-19 rates increased for COLA
- Student Success Allocation is capped at 10% (over 2018-19 totals)
- “Transfers” for the student success allocation would only count if the student completed 12 or more units in the district in the year prior to transfer

### SCFF FUNDING RATE

<b>BASIC ALLOCATION</b>	
Funding Categories	Dollars Per Unit Funding for 2019-20
Multi-College Per College Funding	
$\geq 10,000$ & $\leq 20,000$ FTES	4,719,730
$\leq 10,000$ FTES	4,045,480
FTES Funding	
Credit	3,848.50
Special Admit Credit	5,634.56
Incarcerated Credit	5,634.56
CDCP	5,634.56
Noncredit	3,456.62

### SCFF FUNDING RATES

<b>SUPPLEMENTAL ALLOCATION</b>	
Funding Categories	Dollars Per Unit Funding for 2019-20
Pell Grants Recipients	948.96
AB 540 Students	948.96
California Promise Students	948.96

**SCFF FUNDING RATES**

<b>STUDENT SUCCESS ALLOCATION</b>			
	Dollars Per Unit Funding For 2019-20		
		Pell Grant	Promise Grant
	All Students	Recipients	Recipients
Funding Categories	(Base)	(Added Premium)	(Added Premium)
Associate Degrees for Transfer	1,817.38	687.71	458.47
Associate Degrees	1,363.03	515.78	343.86
Baccalaureate Degrees	1,363.03	515.78	343.86
Credit Certificates	908.69	343.86	229.24
Transfer Level Math & English	908.69	343.86	229.24
Transfer	681.52	257.89	171.93
Nine or More CTE Units	454.34	171.93	114.62
Regional Living Wage	454.34	171.93	114.62

**CLPCCD FUNDING- HOLD HARMLESS VS. SCFF**

Funding for 2019-20- (The Higher of Option #1 or Option #2)	
Option #1- Funding per SCFF	
Section I- Base Allocation	
FTES Revenue	\$66,827,795
FTES Growth	-
Basic/Foundation	\$8,765,210
<b>Total</b>	<b>\$75,593,004</b>
Section II-Supplemental Allocation*	\$16,169,742
Section II-Student Success Allocation*	\$10,420,920
SCFF Total	\$102,183,666
Option#2- Funding per "Hold Harmless"	
2018-19 Total Available Revenue (TAR)	\$110,597,916
2019-20 COLA= 3.26%	\$3,605,492
Hold Harmless Total	\$114,203,408
Based on the ratio of Allocation funding per "Generated" FTES for 2017-18	



**SYSTEM FUNDING-HOLD HARMLESS DISTRICTS**

2018-19 State Funding for Community Colleges

The 26 Districts that Maintain Total Funding Through “Hold Harmless” at P-2

District	Hold Harmless Funding above SCFF (in Millions)	District	Hold Harmless Funding above SCFF (in Millions)
Cabrillo	3.5	Palomar	4.3
Chabot-Las Positas	14.7	Peralta	3.4
Compton	1.2	San Francisco	5.5
Contra Costa	13.8	San Luis Obispo	1.4
Foothill De-Anza	10.2	San Mateo	3.6
Gavilan	0.2	Santa Clarita	1.1
Glendale	3.1	Santa Monica	3.8
Long Beach	2.0	Sierra Joint	3.4
Marin	2.3	Solano	4.2
Mendocino-Lake	0.2	Sonoma	5.9
Monterey	1.4	South Orange	3.0
North Orange	14.1	Southwestern	1.7
Ohlone	7.7	West Valley	6.5

**MAJOR REVENUE ASSUMPTIONS**

ASSUMPTION	AMOUNT
Higher of SCFF Calculation Amount or Hold Harmless	\$114,203,408
Lottery Revenue	\$2,737,328
Mandated Cost Block Grant	\$533,380
Part Time Faculty Allocation	\$394,245
Non-Resident Tuition	\$2,434,490

**MAJOR EXPENDITURE ASSUMPTIONS**

- Based on serving 17,649 FTES
- Step/column and longevity included
- Premium increases for health & welfare, assumes status quo employee contributions
- Retiree Health Benefits budget of \$7,377,725 is based on the 2018 actuarial study and represents an increase of 39% over the prior year’s budget
- STRS/PERS increased rates from 16.28% to 17.10% and 18.06% to 19.72% respectively
- Property & Liability Insurance budget of \$650,028 (\$519,605 base + \$130,423 due to SCFF-Rollback FTES increase)
- Utilities budget (electricity, natural gas, water, and disposal services) of \$2,909,678

Full Time Equivalent Students (FTES) determined by District	17,649
↓	
Calculate State Funding Apportionment, COLA, Lottery, Mandated Costs, Other State Revenues	\$109,549,042
↓	
Fund District-wide Expenses Contractual, Regulatory, Retiree Health Benefits, Insurance, Utilities & Audit	\$13,098,458
↓	
Fund District Office @ 10.48%	\$10,107,812
Fund Maintenance and Operations @ 8.53%	\$8,227,064
↓	
Allocated Balance of Funds to Colleges Based on FTES	
Chabot College @ 57.80%	\$45,552,687
Las Positas College @ 42.20%	\$33,353,311
↓	
Local Site Revenues to be Added	

**ADOPTED BUDGET 2019-2020-UNRESTRICTED**

REVENUE	
State General Apportionment, State/Local/Federal Revenue and Transfers	\$144,375,417
EXPENDITURES	
Total Expenditures	\$137,165,026
Net Increase/(Decrease) in Fund Balance	\$7,210,391
Beginning Balance	\$25,512,330
Ending Balance	\$32,722,721

**ADOPTED BUDGET 2019-2020- RESTRICTED**

REVENUE	
State General Apportionment, State/Local/Federal Revenue and Transfers	\$164,090,636
EXPENDITURES	
Total Expenditures	\$163,368,770
Net Increase/(Decrease) in Fund Balance	\$721,866
Beginning Balance	\$5,990,415
Ending Balance	\$7,712,281

**ADOPTED BUDGET 2019-2020-SELF INSURANCE FUND (RUMBLE)**

REVENUE	
State General Apportionment, State/Local/Federal Revenue and Transfers	\$7,417,725
EXPENDITURES	
Total Expenditures	\$7,377,725

Net Increase/(Decrease) in Fund Balance	\$40,000
Beginning Balance	\$5,197,310
Ending Balance	\$5,237,310

Per the 6/30/19 GASB 74/75 Actuarial Report, the District's Unfunded Liability for Retiree Health Benefits is \$200,280,667.

#### **ADOPTED BUDGET 2019-2020- CHILD DEVELOPMENT FUND**

REVENUE	
Transfer & Interest	\$1,990,584
EXPENDITURES	
Expenditures and Transfers	\$2,080,343
Net Increase/(Decrease) in Fund Balance	(\$89,759)
Beginning Balance	(\$51,131)
Ending Balance	(\$140,890)

Any Net Decrease to Fund Balance will offset by a Transfer-in form the College Unrestricted General Fund. As a reminder, the Books for 2018-19 are still in the process of closing.

#### **ADOPTED BUDGET 2019-2020- BOND FUND**

REVENUE	
Interest & Proceeds-Sale of Capital Assets	\$2,336,641
EXPENDITURES	
Total Expenditures	\$75,478,862
Net Increase/(Decrease) in Fund Balance	(\$73,142,221)
Beginning Balance	\$128,789,075
Ending Balance	\$55,646,854

#### **ADOPTED BUDGET 2019-2020-CAPITAL PROJECTS FUND**

REVENUE	
State/Local/Federal Revenue and Transfers	\$910,000
EXPENDITURES	
Expenditures	\$787,000
Net Increase/(Decrease) in Fund Balance	\$123,000
Beginning Balance	\$10,559,809
Ending Balance	\$10,682,809

**A WORD ABOUT FUND BALANCE**

Breakout of District's Unrestricted General Fund- Ending Fund Balance for 2018-19  
(\$25,512,330)

8% Reserve	\$11,836,094
SCFF Reserve	\$4,609,917
Chabot	\$2,395,146
M&O	\$2,279,046
Chabot	(\$1,802,114)
Las Positas	\$3,198,094
EDCE	\$1,757,301
EDCE-Due to RUMBL	\$774,279
EDCE-Due to District	\$464,567

**LOOKING AHEAD- BUDGET OPPORTUNITIES AND RISKS**

- What is Working for Us:
  - Rollback Money to fund SCFF Metrics Increases (FFC/PBC Efforts)
  - Time to Improve SCFF Metrics during Hold Harmless Period (Thru 2021-22)

- What is Working Against Us:

Known Cost Increases	2020-21	2021-22	Cumulative
STRS & PERS	1,161,348	369,111	1,530,459
OPEB	469,966	394,633	864,599
Step/Column/Longevity	986,482	999,345	1,985,827
Total	2,617,796	1,763,089	4,380,885

- Economy/Recession- (10% of the State's Current Revenue is Dependent on Capital Gains)
- The SCFF-Cliff- (In 2022-23 the District is no longer on "Hold Harmless")

**ADJOURNMENT**Motion No. 3


Trustee Mitzman made a motion, seconded by Trustee Gin to adjourn the meeting at 6:50 p.m.

Motion was carried unanimously, 7-0.

**NEXT MEETING**

The next meeting of the Board is a Regular Meeting scheduled for September 17, 2019 at the District Office

Minutes prepared by:



Debra Nascimento  
Recording Secretary



Secretary, Board of Trustees  
Chabot-Las Positas Community College District