

**Membership**

**Academic Senate**

Donald Gauthier\*  
Jeff Hernandez  
Leslie Milke  
Josh Miller  
Joseph Perret  
Dan Wanner

**Faculty Guild**

Nabeel Barakat  
Sandra Lee  
John McDowell  
vacant  
Olga Shewfelt  
Joanne Waddell

**Unions/Association**

Kathleen Becket  
Velma Butler  
Vi Ly  
Leila Menzies  
Hao Xie  
Vacant-Build& Const Trade

**College Presidents**

Kathleen F. Burke\*  
Erika A. Endrijonas  
Larry Frank  
Otto W. Lee  
James M. Limbaugh  
Marvin Martinez  
Renee Martinez  
Denise Noldon\*\*  
Monte Perez

**STUDENT TRUSTEE  
REPRESENTATIVE**

Mandie Dixon

\* Co-chairs

\*\*Interim

**District Budget Committee  
June 14, 2017  
1:30 pm – 3:30 pm  
Educational Services Center, Board Room**

1. Call to Order (*Co-Chair Kathleen F. Burke*)
2. Approval of Agenda
3. Approval of Minutes for May 17, 2017
4. Chancellor's Remarks/Updates
5. ECDBC Reports and Recommendations
6. Enrollment Update (Cornner)
7. FON Update (Román)
8. Supplemental Retirement Plan (SRP) Update (Román)
9. Valley College Debt Waiver Request
10. Adopt 2017-18 DBC Meeting Calendar
11. 2016-17 Year End Balance Projection (Gordon)
12. DBC Recommendations to the Chancellor
13. Items to Be Addressed by ECDBC
14. Other Business

*Future DBC Meetings: tbd*

*Future ECDBC Meetings: tbd*

# Los Angeles Community College District

## District Budget Committee Meeting Minutes

May 17, 2017

1:30-3:30 pm, Educational Services Center, Board Room

**Roll Call** X Indicates Present

### Academic Senate

Kaycea Campbell  
Donald Gauthier\* X  
Jeff Hernandez X  
Leslie Milke X  
Josh Miller  
Dan Wanner X

### L.A. Faculty Guild

Nabeel Barakat X  
Sandra Lee X  
John McDowell  
(Vacant)  
Olga Shewfelt X  
Joanne Waddell X

### Unions/Association

Kathleen Becket; SEIU Local 99 X  
Velma Butler/Shirley Chen Page;  
AFT Staff Guild X  
Vi Ly; Local 911 Teamster X  
Leila Menzies; Class Mgmt Rep  
Hao Xie; Sup Rep Local 721 X  
(Vacant)-Build & Trade

### College Presidents

Kathleen F. Burke\* X  
Erika A. Endrijonas X  
Larry Frank X  
Otto W. Lee X  
James M. Limbaugh  
(Iris Ingram) X  
Marvin Martinez X  
Renee Martinez X  
Denise Noldon X  
Monte Perez X

### Student Trustee Rep

Mandie Dixon

\* DBC CO-chairs

\*\* Interim

### Also Present

#### Resource Persons

Chancellor Rodriquez  
Jeanette Gordon  
Deborah La Teer  
Bob Miller  
Maury Pearl

#### Guests

Violet Amrikhas Kevin Jeter  
Louise Barbato Mike Lee  
Grace Chee William Ramirez  
Angela Echeverri Rolf Schleicher  
Dan Hall Sarah Song

**1. Call to Order** by Don Gauthier at 1:40pm.

**2. Approval of Agenda** – Approved with change. Move Item #11 “**2017-18 May Revise**” to Item #4.

**3. Approval of Minutes for April 12, 2017** – Approved with no changes.

**4. Chancellor’s Remarks/Updates**

- The May Revise reflects an excellent budget year for the Community College system and shows the State’s priorities. There are still efforts in Sacramento redirect some of these resources. The increase in base augmentation was unexpected and could signal leaner years ahead, but these funds come with clear expectations to cover anticipated increases in pension, health benefits and utility costs.
- Assembly Bill 19 (enrollment fee waiver) has passed through the Assembly Committee on Higher Education and is in the Appropriations for discussions and negotiations.
- Baccalaureate bill is continuously being discussed and amended.
- Senator De Leon Bill would integrate student support services and increase Cal Grant B by \$4,000 per student. The bill is slated for \$50 million.
- Erwin Multiple Measures Bill is gaining traction and would allow for other measures to be used to place students into English and Math courses beyond the current available assessment tools.

**5. DBC Co-Chair Nomination (Faculty)**

- Co-Chair Nomination – Jeff Hernandez. Approved by unanimous vote and will begin in July.

**6. ECDBC Reports and Recommendations**

- Since the State Chancellors Office is in the process of reviewing the State Funding Model, the ECDBC has decided to wait until the State has finished their review before working on any changes to LACCD’s Budget Allocation Model.
- Training on the Budget Allocation Model will be provided before the July or August (tbd) DBC meeting at 12:00pm.

**7. Enrollment Update (Cornner)**

- There was an increase in spring 2017, but it was still lower than the previous year, but the District is still looking to make base this year. Current estimates show the potential to earn 107,900 ftes, but that is using last year’s efficiency rates. Assuming 10% decline in efficiency, the projection is 107,250, which is below base.

**8. FON Update**

- Continuing with the plan of hire replacements with anticipation of no growth, or about 45 faculty hires.

**9. Supplemental Retirement Plan (SRP) Update**

- 356 employees have accepted the SRP, with approximately 145 being faculty. The Board approved the SRP during the May 10<sup>th</sup> meeting.
- To obtain the planned savings of the SRP, only 80% of the retirements can be replaced.

**10. Year End Balance Projection – 3<sup>rd</sup> Qtr Report**

- Information provided in supporting documents.

**11. 2017-18 May Revise (Gordon)**

- Governor's May Revise increases COLA to 1.56% (additional \$300,000 to LACCD), decrease of growth to 1% (-\$2m to LACCD, and an increase in base augmentation (additional \$15.2m to LACCD). There will be a recommendation to set aside this increase toward future CalSTRS and CalPers obligations.
- No change in COLA for EOPS or Guided Pathways since January budget, Prop 39 funds decreased ((\$500,000) to LACCD)
- Scheduled Maintenance and Instructional Equipment dollars were reduced and the Governor proposes to hold the bulk of these funds for distribution in the 2018-19 fiscal year.
- The impact of the May on LACCD is a total increase of \$50.7 million over the prior year.

## **12. 2017-18 Proposed Tentative Budget**

- The 2017-18 Proposed Tentative Budget will go to the Board on June 7, 2017 for approval.
- The assumptions are a Growth target is 1% with an additional 1% over cap, meet the FON obligation, and maintain a 6.5% general reserve and a 3.5% contingency reserve.
- The 1% growth revenue (\$5.5m) will not be distributed to the colleges until it is earned.
- Tentative Budget does not show any balances that colleges are projecting to end the year with. Final budget will include these carryforwards.

## **13. Proposed 2017-18 DBC/ECDBC Meeting Dates**

- A suggestion was made to change the date of DBC meeting from August 16, 2017 to August 2, 2017 and to cancel the July and December DBC meeting as well as the December ECDBC meeting.
- These dates will be discussed at the June meeting.

## **14. DBC Recommendations to the Chancellor**

- No items.

## **15. Items to Be Addressed by ECDBC**

- No items.

## **16. Other Business**

- No items.

The meeting was adjourned at 2:47pm.

*Future DBC Meetings: Jun 14*

*Future ECDBC Meetings: May 30*



DATE: May 30, 2017  
TO: District Budget Committee  
FROM: Dr. Erika Endrijonas *EAE*  
President  
Los Angeles Valley College  
Subject: Petition to Waive Remaining Debt

---

This memo serves as a formal petition from Los Angeles Valley College (LAVC) to the District Budget Committee (DBC) to waive the college's outstanding debt. The college has met all of the parameters outlined in the College Debt Repayment Policy, which was approved by the Board of Trustees on December 11, 2013.

As the attached report demonstrates, LAVC has balanced its budget for three consecutive years, continued to implement corrective action plans in the college's multi-year budget plan, made annual timely repayments, and has paid back more than 50% of its total debt.

The college community is committed to continuing its fiscal stability and having its remaining debt waived will further enhance this mission.

Los Angeles Valley College  
5800 Fulton Avenue  
Valley Glen, CA 91401

*May 1, 2017*



Los Angeles Valley College (LAVC) has made significant progress over the last three years by working with the college community to analyze the budget, to make difficult decisions to reduce expenditures, and to take the actions necessary to move the institution toward achieving fiscal stability. As a result, the college balanced its budget in the fiscal years 2014-15, 2015-16, and is projecting a balanced budget for the fiscal year 2016-17. In light of Board Action Item (Com No. BF4), LAVC is formally submitting its petition to waive the college's remaining debt as it has met all the conditions of the aforementioned Board Action Item (Com No. BF4).

The college has balanced its budget for at least three consecutive years in the fiscal years of 2014-15 and 2015-16 with ending balances of \$1,359,369 and \$2,086,274 respectively, and is projecting to end the fiscal year 2016-17 with an ending balance of \$1,617,599. Additionally, LAVC continues to implement corrective action plans in the college's multi-year budget plan which includes expenditure reductions, expanding revenue generation opportunities, enrollment management efficiencies, and anticipated growth dollars. As with any budget projection, assumptions are made from analyzed data related to institutional trends, institutional capacity, prevailing exemplary practices, and district and state mandates.

The College's multi-year balanced budget approach focuses on attrition, capturing growth funding, and increases in efficiencies. The College's multi-year balanced budget plan assumes:

- COLA funding at 1.48% for FY 2017-18 and 2.4% for FY 2018-19.
- Enrollment growth at 0% for FY 2017-18 and FY 2018-19.
- EPA and Non-Resident funding increase by COLA % FY 2018-19.
- Salary increase at 1.48% for FY 2017-18 and 0% for FY 2018-19.
- Increase in minimum base funding/base revenue for distribution at 0% for FY 2018-19.
- Waiver of annual debt repayment of \$642,436 for FY 2017-18 and FY 2018-19.
- Faculty retirement of 14 in FY 2017-18 and 10 for FY 2018-19.
- Faculty replacement hire of 5 in FY 2017-18 and 10 for FY 2018-19.
- Utilities escalation of 4.5% for FY 2017-18 and FY 2018-19.
- Benefit escalation of 7% for FY 2017-18 and FY 2018-19.
- Supplies and other contracts/services escalation by COLA % for FY 2017-18 and FY 2018-19.

The sum of these assumptions results in the following:

Fiscal Year	2014-15	2015-16	2016-17	2017-18	2018-19
Prior Year Carry- forward	\$0	\$1,359,369	\$2,086,274	\$1,617,599	\$2,214,767
Revenues/Sources	56,058,164	58,522,797	62,565,793	63,925,236	63,052,466
Expenditures	54,698,795	57,795,892	62,534,468	63,328,069	64,691,636
<b>Operating Surplus</b>	<b>\$1,359,369</b>	<b>\$2,086,274</b>	<b>\$1,617,599</b>	<b>\$2,214,767</b>	<b>\$575,597</b>

LAVC has also met its debt repayment obligation by making annual timely payments as well as paid off more than 50% (\$4,378,283) of its total debt of \$8,232,902.

The college should be commended for achieving fiscal stability over the last two years and is on its way to end the 2016-17 fiscal year with a balanced budget. As it is with any plan, there are many assumptions built into the scenarios presented above, over which the College has little to no control. The college community will continue to work together to articulate and implement planning strategies for:

1. Enrollment management
2. Fiscal review and oversight of the college’s budget
3. Containing expenditures within the limits of the college’s budget allocation
4. Generating revenue beyond FTES enrollment
5. Fostering an environment for student learning and achievement

The college community is committed to achieving fiscal stability and strengthening the legacy of an institution referred to as “the gem of the Valley” and having its remaining debt waived will further enhance this mission.

<i>Board Meeting</i>	<b>DBC</b>	<i>Committee Meeting</i>	<b>ECDBC</b>
<i>July 12, 2017</i>	<b>July 19, 2017</b>	-	<b>July 25, 2017</b>
<i>August 9, 2017</i>	<b>August 16, 2017</b>	<i>August 23, 2017</i>	<b>August 29, 2017</b>
<i>September 6, 2017</i>	<b>September 13, 2017</b>	<i>September 20, 2017</i>	<b>September 26, 2017</b>
<i>October 4, 2017</i>	<b>October 11, 2017</b>	<i>October 18, 2017</i>	<b>October 31, 2017</b>
<i>November 1, 2017</i>	<b>November 8, 2017</b>	<i>November 15, 2017</i>	<b>November 28, 2017</b>
<i>December 6, 2017</i>	<del><b>December 20, 2017</b></del>	<i>December 13, 2017</i>	<del><b>December 26, 2017</b></del>
<i>January 10, 2018</i>	<b>January 31, 2018</b>	<i>January 24, 2018</i>	<b>January 30, 2018</b>
<i>February 7, 2018</i>	<b>February 14, 2018</b>	<i>February 21, 2018</i>	<b>February 27, 2018</b>
<i>March 7, 2018</i>	<b>March 14, 2018</b>	<i>March 21, 2018</i>	<b>March 27, 2018</b>
<i>April 4, 2018</i>	<b>April 11, 2018</b>	<i>April 18, 2018</i>	<b>April 24, 2018</b>
<i>May 9, 2018</i>	<b>May 16, 2018</b>	<i>May 23, 2018</i>	<b>May 29, 2018</b>
<i>June 6, 2018</i>	<b>June 13, 2018</b>	<i>June 20, 2018</i>	<b>June 26, 2018</b>

**Los Angeles Community College District  
2016-17 Current Budget Allocation and Projected Expenditures  
Unrestricted General Fund  
by College as of March 31, 2017**

College	Current Budget as of Mar 31, 2017	Current Expenditure as of Mar 31, 2017	Projected Expenditure as of June 30, 2017	Addition College Revenues	Other Savings	Projected Growth Funding/(Reduction)	Revised Total Budget with College Augmentation	Projected Balance
	a	b	c	d	e	f	g = a + d + e + f	h = g - c
City	62,118,391	45,326,405	63,335,429	0	0	(1,299,196)	60,819,195	(2,516,234)
East	118,118,927	78,514,695	116,745,950	1,855,179	0	0	119,974,106	3,228,156
Harbor	36,023,330	27,592,564	37,881,275	0	0	(698,965)	35,324,365	(2,556,910)
Mission	35,020,385	23,954,195	35,171,657	283,524	0	(330,521)	34,973,388	(198,269)
Pierce	82,979,308	51,525,875	76,973,195	0	0	(1,399,630)	81,579,678	4,606,483
Southwest	31,095,266	23,015,973	32,958,277	0	0	(454,317)	30,640,949	(2,317,328)
Trade-Tech	66,113,257	44,252,227	64,666,474	0	0	(1,328,144)	64,785,113	118,639
Valley	64,515,779	42,461,730	61,707,280	0	0	(1,190,900)	63,324,879	1,617,599
West	43,390,569	27,714,961	42,696,660	0	0	0	43,390,569	693,909
ITV	1,177,216	922,715	1,229,383	0	0	0	1,177,216	(52,167)
ESC	40,427,695	35,923,412	40,329,311	0	0	0	40,427,695	98,384
<b>Total</b>	<b>580,980,123</b>	<b>401,204,752</b>	<b>573,694,891</b>	<b>2,138,703</b>	<b>0</b>	<b>(6,701,673)</b>	<b>576,417,153</b>	<b>2,722,262</b>



**Enrollment Update  
Budget and Finance Committee  
June 21, 2017**

**1. Summer 2017 District-wide Credit Enrollment Comparison (Exhibit A)**

As of 1 day before the start of the semester (Day -1), comparing Summer 2017 to Summer 2016:

- **Duplicated Enrollment** is 1% higher,
- **Credit Section Count** is 13% higher, and
- **Enrollment per Section** is 10% lower

**2. 2016-2017 Enrollment Update**

Summer II -	5,553
Fall -	46,013
Winter-	5,557
Spring -	43,725
Summer I -	6,193
Total -	107,041
Additional ISA -	300
Projection -	107,341

The adjusted base is 107,489.45 after the final 2015/2016 audit was completed. The projection is 149 FTES below 2016/2017 base. The current calculations do not include courses that have not submitted positive attendance and does not include those planned summer I bridge courses for which enrollments will be entered in the next two weeks. The final determination of whether base is met will occur in the next two-three weeks following the census for all summer I sections.

**SUMMER 2017: CREDIT ENROLLMENT COMPARISON**

**Relative Day**                   **0**                   *Census day for most sections: 6/15 and 6/18-20 for Summer 1 and 7/20 for Summer 2*  
**Calendar Dates**                   **Monday, June 12, 2017**                   Monday, June 13, 2016

<b>ENROLLMENT</b>	<b>Session</b>	<b>City</b>	<b>East</b>	<b>Harbor</b>	<b>Mission</b>	<b>Pierce</b>	<b>Southwest</b>	<b>Trade</b>	<b>Valley</b>	<b>West</b>	<b>ITV</b>	<b>Total</b>
<b>2017 Summer</b>	1	6,922	11,856	3,759	2,766	6,522	2,245	5,726	7,260	7,475	586	55,117
	2	2,466	5,811	437	1,470	4,850	1,702	1,722	1,656	796	0	20,910
	<b>Total</b>	<b>9,388</b>	<b>17,667</b>	<b>4,196</b>	<b>4,236</b>	<b>11,372</b>	<b>3,947</b>	<b>7,448</b>	<b>8,916</b>	<b>8,271</b>	<b>586</b>	<b>76,027</b>
2016 Summer	1	8,416	11,276	3,835	2,615	7,992	2,556	5,721	7,382	5,746	615	56,154
	2	2,057	5,640	168	1,164	5,232	2,190	1,915	101	205	0	18,672
	<b>Total</b>	<b>10,473</b>	<b>16,916</b>	<b>4,003</b>	<b>3,779</b>	<b>13,224</b>	<b>4,746</b>	<b>7,636</b>	<b>7,483</b>	<b>5,951</b>	<b>615</b>	<b>74,826</b>
<b>2017 % of 2016</b>	1	82%	105%	98%	106%	82%	88%	100%	98%	130%	95%	98%
	2	120%	103%	260%	126%	93%	78%	90%	1640%	388%	NA	112%
	<b>Total</b>	<b>90%</b>	<b>104%</b>	<b>105%</b>	<b>112%</b>	<b>86%</b>	<b>83%</b>	<b>98%</b>	<b>119%</b>	<b>139%</b>	<b>95%</b>	<b>102%</b>

<b>SECTIONS</b>	<b>Session</b>	<b>City</b>	<b>East</b>	<b>Harbor</b>	<b>Mission</b>	<b>Pierce</b>	<b>Southwest</b>	<b>Trade</b>	<b>Valley</b>	<b>West</b>	<b>ITV</b>	<b>Total</b>
<b>2017 Summer</b>	1	202	399	104	81	229	69	223	219	213	10	1,749
	2	92	237	13	43	166	59	82	77	35	0	804
	<b>Total</b>	<b>294</b>	<b>636</b>	<b>117</b>	<b>124</b>	<b>395</b>	<b>128</b>	<b>305</b>	<b>296</b>	<b>248</b>	<b>10</b>	<b>2,553</b>
2016 Summer	1	221	351	102	73	243	76	197	211	143	11	1,628
	2	73	190	13	38	156	72	70	21	22	0	655
	<b>Total</b>	<b>294</b>	<b>541</b>	<b>115</b>	<b>111</b>	<b>399</b>	<b>148</b>	<b>267</b>	<b>232</b>	<b>165</b>	<b>11</b>	<b>2,283</b>
<b>2017 % of 2016</b>	1	91%	114%	102%	111%	94%	91%	113%	104%	149%	91%	107%
	2	126%	125%	100%	113%	106%	82%	117%	367%	159%	NA	123%
	<b>Total</b>	<b>100%</b>	<b>118%</b>	<b>102%</b>	<b>112%</b>	<b>99%</b>	<b>86%</b>	<b>114%</b>	<b>128%</b>	<b>150%</b>	<b>91%</b>	<b>112%</b>

<b>ENROLLMENT DIVIDED BY SECTION</b>	<b>Session</b>	<b>City</b>	<b>East</b>	<b>Harbor</b>	<b>Mission</b>	<b>Pierce</b>	<b>Southwest</b>	<b>Trade</b>	<b>Valley</b>	<b>West</b>	<b>ITV</b>	<b>Total</b>
<b>2017 Summer</b>	1	34.3	29.7	36.1	34.1	28.5	32.5	25.7	33.2	35.1	58.6	31.5
	2	26.8	24.5	33.6	34.2	29.2	28.8	21.0	21.5	22.7	NA	26.0
	<b>Total</b>	<b>31.9</b>	<b>27.8</b>	<b>35.9</b>	<b>34.2</b>	<b>28.8</b>	<b>30.8</b>	<b>24.4</b>	<b>30.1</b>	<b>33.4</b>	<b>58.6</b>	<b>29.8</b>
2016 Summer	1	38.1	32.1	37.6	35.8	32.9	33.6	29.0	35.0	40.2	55.9	34.5
	2	28.2	29.7	12.9	30.6	33.5	30.4	27.4	4.8	9.3	NA	28.5
	<b>Total</b>	<b>35.6</b>	<b>31.3</b>	<b>34.8</b>	<b>34.0</b>	<b>33.1</b>	<b>32.1</b>	<b>28.6</b>	<b>32.3</b>	<b>36.1</b>	<b>55.9</b>	<b>32.8</b>
<b>2017 % of 2016</b>	1	90%	92%	96%	95%	87%	97%	88%	95%	87%	105%	91%
	2	95%	83%	260%	112%	87%	95%	77%	447%	244%	NA	91%
	<b>Total</b>	<b>90%</b>	<b>89%</b>	<b>103%</b>	<b>100%</b>	<b>87%</b>	<b>96%</b>	<b>85%</b>	<b>93%</b>	<b>92%</b>	<b>105%</b>	<b>91%</b>

*Enrollment and Section count: Includes Credit PA, WSCH, DSCH, and Ind Study. Excludes Work Exp, Non-Credit Adult Ed, and Non-Credit Tutoring.*

*Summer 1: Acctg method 1 or 4 used census date before 7/1. Acctg method 3 used end date before 7/1. Summer 2: Acctg method 1 or 4 used census date after 6/30. Acctg method 3 used end date after 6/30.*