

– Budget Management were distributed and discussed. After review, DCAS agreed that board policy and administrative procedure require no revisions beyond the minor change recommended

were discussed in great detail, including what should be included in BP versus AP. Several changes were made to the language and sequence of content. A revised draft of the AP and BP will be redistributed shortly for discussion at the next DCAS meeting. Once there is a 'final draft', DCAS members will take the

documents back to their constituencies for review and comment for final DCAS consideration. BP and AP 6200 will be presented to the Policy Committee and Board in early fall.

FY13 TENTATIVE BUDGET

Sue told the group that the Governor's FY12 state budget includes \$116 million in redevelopment agency (RDA) property tax funds for CCC. These funds are not expected to materialize. After a recent survey of counties, the State Chancellor's Office estimates that there is approximately \$1.3 million in excess RDA funds that will be available. If this is so, and the funds are not backfilled, this would result in a one-time deficit factor for the property tax shortfall.

Narrative

Sue reminded the members that a draft version of the FY13 Tentative Budget Narrative was distributed a few weeks prior to this meeting. The narrative highlights the assumption that any revenue shortfalls beyond those budgeted in FY13 will be covered by the use of reserves; and there will be no mid-year reductions to the operating budgets. There were no changes to the narrative recommended.

Districtwide Services

Sue explained that effective Fall 2012, on-line purchase of parking decals will be mandatory for all students. This is a part of the plan for cost-efficiencies and re-structuring of the SBO's. To date, online ordering has been optional and, therefore, a fee of \$3.50 fee is assessed to students opting for the convenience. Because of the new mandate effective for Fall, the District cannot assess the fee and will be absorbing the cost of the administration fee, which is approximately \$150,000 (including the credit card service cost). So that the overall budget for districtwide services was not increased over what had been previously reviewed, this amount was offset by a reduction in the Scheduled Maintenance budget line. There was a brief discussion about whether this cost could be absorbed by the parking fee now or in the future.

Reserves

The Reserves page of the Tentative Budget was discussed. Sue explained that the projected beginning balance of \$18.7 million does not include any adjustment that may occur at P-2. She also noted that the format had been changed, showing an increase of \$2 million for the contingency toward the FY13 triggers and later showing the reduction for the full impact of the estimated triggers. (a net of \$5 million).

General Fund Unrestricted Designated and Restricted

Sue reminded the group that these numbers are tentative and will, most likely, change for Adoption. The 12x fund budgets are built assuming 95% of FY12 actual. The State applies a hold harmless/stability mechanism so programs are not reduced or increased significantly in a single year.

Health Services

The Health Centers currently have fund balances that resulted primarily from the receipt of state mandated cost reimbursements. They are currently deficit spending for general operating expenses and capital.

Sue updated the group on proposed legislation to eliminate the mandated costs reimbursement program. The proposal is to replace the program with a flat \$28/FTES allocation for all mandates. This proposed legislation is expected to carry and would have negative impact of the Health Service Fund.

Police Services

The police services budget continues to utilize remaining fund balance despite recent restructuring and reduction in coverage. Dialog will continue regarding required services. This budget will need to be closely monitored and may encroach on the general fund.

Child Care Centers

All three locations are struggling financially. Dialog will continue regarding desired services. If budget shortfalls continue, it could result in encroachment on the general fund or continued downsizing of the centers.

Bookstore

The bookstore revenues continue to decline as more alternatives are available to students. Sue explained that two recent bills have passed to offer students