



## **BUDGET DEVELOPMENT TIMELINE AND PROCESS**

The Budget Development Timeline and Calendar was reviewed and discussed. The Budget development calendar is closely tied to state budget. The calendar was agreed to by consensus.

## **BUDGET ALLOCATION MODEL (REVIEW)**

The Allocation Model Events and Elements document (dated September 2013) was distributed and discussed. The District Budget Officer explained the document was created by a former Vice President of Business Services some time ago and has been updated. The document reflects the way the resources are allocated for FY2014. The District Budget Officer explained because certain revenues are volatile, they shouldn't be counted on an ongoing basis. The IMF and general allocations are handled differently. It was further explained that utilities, including telephones, are taken off the top. The District Administrative Center (DAC) allocation is also off the top. For FY14, that equates to 8.1% of revenue.

There was a suggestion to indicate the DAC percentage is flexible and not fixed. There was also a brief discussion regarding international students and revenue associated with such students.

The District Budget Officer explained that this month is an introduction of the two models. Next month we will delve into any recommended changes. One thing that is typically looked at is the carryover. For the past several years, it has been 2% through the Budget Assumptions.

The District Budget Officer reminded the group of the mechanics of carry-over.

## **INFRASTRUCTURE FUNDING MODEL (REVIEW)**

The Infrastructure Funding Model was reviewed and discussed. Most of the current DCAS members were part of the process of developing the IFM. Some volatile revenues were pulled from the general allocation and put into IFM because of need. There are five areas to focus the need for the funds. For FY15, less breakage is projected compared to prior years. It is anticipated that it will be \$732,000 for IFM. That will be budgeted in the following year (third year – 2014-15). The IFM helps deal with stabilizing the general allocation model because we can deal with the changes better through IFM as opposed to general fund.

There was a brief discussion on how the District plans to deal with unfunded liabilities such as OPEB and scheduled maintenance. The IFM was partially created with the elimination of IELM, TTIP, etc., we created IFM to partially deal with those needs even though the money was gone.

## **FTES REPORT**

Current FTES are generated every week until Census. After census, the report is generated every two weeks. There was a discussion about the district's unfunded FTES goal, which is currently 300-500. What are the plans for spring?

## **OTHER BUSINESS**

There was a question on the timing of Full-time Obligation Number (FON). The data is captured on September 30. District is making FON for this year. We will begin looking at FON in November. FON reports will be brought to the October DCAS meeting.

Meeting was adjourned at approximately 10:15 a.m.

Next meeting – Thursday, October 17, 2013 - 9:00 a.m.

Agenda Topics include:

- Budget Allocation Model – beginning stages of annual review
- Infrastructure Allocation Model – beginning stages of annual review
- FON
- FTES