



Santa Monica Community College District
**Budget Planning Subcommittee of the District
Planning and Advisory Council (DPAC)**
MEETING MINUTES – May 1, 2024

A Meeting of the Budget Planning Subcommittee will be held Wednesday, May 1, 2024 at 2:00 pm at Santa Monica College's Student Services Center (SSC 396), 1900 Pico Boulevard, Santa Monica, California.

The public may join the meeting via zoom with the following link: <https://smc-edu.zoom.us/j/85009325229>

I. Call to Order 2:07 pm

Members:

- Mitch Heskel, District Rep -Just Cause Exemption Present
- Chris Bonvenuto, District Representative, Co-Chair
- Teresita Rodriguez, District Representative
- Tracie Hunter, District Representative
- Elisa Meyer, Academic Senate Representative
- Jamar London, Academic Senate Rep (Absent)
- Matt Hotsinpillier, FA Representative, Co-Chair
- Peter Morse, Faculty Association Rep (Absent)
- Martha Romano, CSEA Representative
- Kennisha Green, CSEA Rep (Absent)
- Dagmar Gorman, CSEA Representative
- Cindy Ordaz, CSEA Representative
- Cecilia Jeong, Associated Student Representative
- David Duncan, Associated Student Representative
- Vacant, Associated Student Representative
- Vacant, Associated Student Representative

Interested Parties in attendance: JR Stevenson, Jamar London, Stacy Neal, Yasmin Alpay, Eloisa Davis-Ludlow, Scott Silverman, Ferris Kwar

II. Public Comments

III. Approval of Minutes: Motion: Dagmar Gorman Second: Elisa Meyer Minutes were approved.

IV. Reports/Discussion Chris Bonvenuto presented the Third Quarter Budget Update.

Major highlights included:

Recalculation 2022-2023

The CCCCCO has issued the 2022-2023 Recalculation which resulted in a one-time payment of \$1,553,336 in the current fiscal year to repay the District for underpaying Apportionment in 2022-23. Prior Recalculation adjustments were: 2017-2018: <13,026>, 2018-2019: \$50,655, 2019-2020: \$708,695, 2020-2021: \$1,280,923, 2021-2022: \$408,299.

Resident FTES Assumption Update 2023-24 Total Projected Credit Resident FTES = 16,555. This is a 2.99% increase from prior year. The Adopted Budget projection was a 3.00% increase.

Non-Resident FTES Update 2023-24 Total Projected Non-resident FTES = 3,127. This is a 9.96% increase from the prior year. The Adopted Budget projection was a 7.00% increase.

Major Revenue Assumption Updates

Revenue is projected to be \$1,047,076 above the Adopted Budget projections. Major changes include: Interest \$1,637,600, Prior Year Adjustment \$1,553,336, Non-resident \$801,142 Lower Student Fees <\$397,360> Deficit Factor of <\$2,964,403> (Half of current State deficit factor)

Major Expenditure Assumption Updates

Expenditures are projected to be \$5,755,328 above the Adopted Budget projections. Major changes include: Schedule Efficiency Savings \$2,905,628 (Planned 92.3% efficiency, Projected 84.1% efficiency), Attrition Savings \$1,961,786, Hourly Inst. and Non-instructional \$1,177,707, Supplies/Contracts \$573,868, Hiring Freeze <\$820,569>

Three Deficit Scenarios Possible

- Current: <\$11,677,309> Assumes 50% Current Deficit Factor and Covid Block Grant is Pulled Back
- Best Case Scenario: <\$6,000,000> Assumes No Deficit Factor and Covid Block Grant is Not Pulled
- Worst Case Scenario: <\$14,600,000> Assumes Full Deficit Factor and Covid Block Grant is Pulled

Key Take Aways

- Expenditures continue to outpace revenues
- Reserves quickly declining – 2021-2022: \$43.9 million; 2023-2024 Projected \$22.4 million
- Hold Harmless protections end in 2025-2026 – District Ad Hoc Group of all constituencies
- 2024-2025 Tentative Budget in June: Possible <5% Fund Balance

V. Adjournment: 3:23 pm

For all documents, visit www.smc.edu/administration/governance/district-planning-policies/budget-planning-subcommittee.php

Future Budget Planning Committee Meetings: Meetings will be on 1st and 3rd Wednesdays of the month, except as noted, and will begin at 2:00 pm.