



GROSSMONT-CUYAMACA  
COMMUNITY COLLEGE DISTRICT

## ***DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL***

### ***Special Meeting Notes – February 7, 2011***

ATTENDING: J. Barnes, B. Blanchard, J. Colson, S. Cooke, T. Corcoran, T. Flood, R. Garber, S. Gonda, C. Miles, S. Rearic, R. Rose, A. Satele, R. Steinback, M. Wangler, K. Widdes

ABSENT: J. Buckley, N. Comer, M. Copenhaver, C. Enders, J. Luis, J. Mahler, B. Nath, S. Pereira, P. Setzer,

ALSO ATTENDING: S. Abushaban, F. Allen, S. Baker, C. Clay, S. Donnelly, M. Golden, A. Herrmann, C. Hill, C. Houston, L. Jensen, K. Kilber, P. Murray, J. Osborne, M. Rider, B. Schmiede, D. Yaddow

RECORDER: P. Tillery

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S. Rearic welcomed members and other attendees to the special meeting. She explained that the purpose of the meeting was part of the continued effort to improve budget communications. The District has also provided budget forums and budget communications from the Chancellor to communicate budget information to staff. Rearic added that feedback regarding communication efforts would be welcomed.

Copies of documents electronically reviewed were provided to Council members and other attendees.

#### 1. 2010/2011 Budget Status

- State Overview - Rearic discussed the proposed State budget. She explained that as part of the State budget shortfall of \$25 billion, the community college system is facing a proposed \$400 million reduction. Other proposed changes at the State level include an increase in enrollment fees from \$26 to \$36 per unit, and a change in the traditional census date to one that would reduce funding by a calculation reflecting student withdrawals later in the term.

Chancellor Miles underscored the significance of the State budget shortfall and the resulting impacts on the community college system and risks to the District. She said that one bit of good news is that lobbying efforts to stop the change in the census date is receiving attention and there is 80-90% in favor of killing the change.

- Revenue Update – Rearic reported that we would be receiving the official State 2010/11 P1 soon and that we are not anticipating any mid-year reductions at this time.

She electronically reviewed updated Unrestricted General Fund income information for the 2010/2011 fiscal year and explained that the following revenue would be recognized in 2010/11:

• 4% budgeted deficit built into 2010/2011 Adoption Budget in anticipation of mid-year reductions	\$3,758,328
• 2.2% Growth funds	\$2,024,574
• Unexpected revenue from Mandated Costs claims	<u>\$ 372,267</u>
Total revenue to be recognized in 2010/11	<u>\$6,154,902</u>

Rearic indicated that the revenue increase would go to the Governing Board for approval, and would be dedicated to partially offset the 2011/12 budget shortfall.

## 2. Scenarios for 2011/2012

Rearic reviewed three possible budget scenarios for 2011/2012 based on the proposed State budget:

Scenario 1 – If the June State tax package is approved, the potential net reduction to the District would be \$4.6 million;

Scenario 2 – If June tax package fails and Prop 98 is funded at minimum, the anticipated net reduction to the District would be \$8.1 million;

Scenario 3 – If June tax package fails and Prop 98 is suspended, the worse case reduction to the District would be \$12.6 million.

Rearic also reviewed budget models based on the three revenue scenarios discussed and based on a 1.9% and 4% deficit factor for building the 2011/2012 budget.

Lengthy discussion followed concerning options for addressing the 2011/2012 budget shortfall. Chancellor Miles asked members and others to offer suggestions for possible savings measures that might be implemented to address the shortfall. Suggestions included:

- Voluntary furloughs
- Do not fund vacant positions
- Close non-essential facilities to save costs
- Faculty overload – consider teaching by adjunct (lower pay rate)
- Drop summer school
- Offer Early Retirement Incentive (ERI) – hire retired faculty at adjunct rate
- Check on dual benefits coverage
- Shoot for under CAP
- Consider compressed calendar
- 4/10 work schedule year round
- Run programs through Contract Education
- Increased class size
- Mentor program for students (to assist with reduction in student services)
- Assume other job responsibilities on voluntary basis

## 3. Cost of FTES

A 2011/12 FTES forecast for the first period and cost of FTES over CAP were distributed.

### Next Meeting

The next regular meeting of the Districtwide Strategic Planning & Budget Council will be Monday, February 14, 2:30-4:00 p.m., in the Griffin Gate at Grossmont College.