



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL

Meeting Notes – March 28 , 2011

ATTENDING: J. Barnes, B. Blanchard, J. Colson, S. Cooke, T. Corcoran, T. Flood, R. Garber, S. Gonda, C. Houston, J. Mahler, C. Miles, S. Pereira, S. Rearic, R. Rose, A. Satele, P. Setzer, R. Steinback, M. Wangler

ABSENT: J. Buckley, M. Copenhaver, C. Ender, J. Luis, B. Nath

ALSO ATTENDING: A. Abushaban, S. Baker, S. DeWolf, M. Golden, C. Hill, O. Holder, L. Jensen, a. Krueger, A. Martinez, M. Ryder, B. Schmiedege, P. Setzer, W. Stewart, S. Topham, D. Yaddow

RECORDER: P. Tillery

1. Follow-Ups from March 7, 2011, DSP&BC Meeting

- Revenue forecast and recognition of revenue:
 - Income 2010/11 updated forecast – An updated income status for the Unrestricted General Fund reflecting income increases from the March 16, 2011, First Principal Apportionment (P-1) was reviewed.
 - Recognize additional revenue via Formula 4/5/2011 – Additional revenue in the amount of \$5.7 million, which includes the 2010/11 4% budget deficit, 2010/11 growth revenue and the unexpected mandated costs, will be recognized in the Income Allocation Formula. The recognition of the revenue will be dedicated as one-time holdback funds to mitigate the 2011/12 projected budget shortfall.
 - 4/5/2011 Governing Board docket item 302- A budget increase docket item for the \$5.7 million additional revenue will be presented to the Governing Board for approval at the April 5, 2011, Board meeting.

- Expenditure forecast: An updated expenditure forecast was reviewed.

2. State Budget Update

Rearic briefly discussed the State budget situation. As outlined in Chancellor Miles' memo of March 24, 2011, we continue to monitor the Governor's proposed tax extensions for the June ballot. Pending outcome of the tax extensions, the District must be prepared to deal with all budget possibilities.

3. 2011/12 Budget

- 2011/12 budget challenges – An updated summary of 2011/12 budget challenges was reviewed. The summary provided information on the reductions included in the Governor's approved tax package and further reductions that would occur if the June tax extension fails, and Prop 98 is funded at the minimum (Scenario B), or if the June tax extension fails and Prop 98 is suspended (Scenario C).
- State estimates – A budget impact simulation for the District, prepared by the Budget Advocacy Action Center, was reviewed. First Principal Apportionment (P1) data is included in the simulation.
- Budget scenarios and options – Updated 2011/12 budget scenarios for the Unrestricted General Fund were reviewed, including budget set asides from 2010/11, and possible solutions for 2011/12, and the remaining budget shortfall based on each scenario.

Following discussion, there was agreement that Scenario B would be recommended for Tentative Budget for the 2011/12 fiscal year. Scenario B is based on a proposed State reduction of \$8.1 million, which results in a projected shortfall for the District of \$255,162 after applying budget solutions.

The Council agreed upon budget solutions presented in budget Scenario B, which included reducing benefits costs by \$500,000, reducing supply costs, reducing services by non-contract employees, and voluntary furloughs. Other cost savings measures were suggested and agreed upon as well, which included reducing currently approved critical hiring, and annual maintenance and facilities repairs.

During the discussion, a question arose concerning the cost of outside consultants. Chancellor Miles responded that the information could be provided to members.

- FTES – Rearic reported that the FTES Task Force recommended that the FTES goal for the 2011/12 Tentative Budget should be set in the range of 16,000 to 17,000 FTES, which results in plus or minus 2 percent. After further discussion, it was determined to set the specific goals for Tentative Budget at the Scenario B level of 16,659.

Additionally, there was general agreement by the FTES Task Force that the 2011 Summer schedule would be reduced by half of the Summer 2010 schedule.

Next Meeting

The Districtwide Strategic Planning & Budget Council (DSP&BC) meeting scheduled for Monday, April 11, 2:30-4:00 p.m., will be cancelled and possibly used for a possible budget forum at each site. Notice will be sent to DSP&BC members.

The next regular meeting of the DSP&BC will be **Monday, May 9, 2011, 2:30-4:00 p.m.** The May 9 meeting will be a joint planning meeting with the Governing Board. The meeting will be held in room I-209 at the Cuyamaca Student Center.