



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL

MEETING NOTES – February 9, 2004

ATTENDING: D. Agosto, P. Anderson, J. Austin, J. Buckley, C. Chiriboga, D. Colli, J. Custeau, H. Eimstad, D. Fitzsimons, M. Herman, D. Laughlin, T. Martinez, C. McMahan, S. Nichelson, G. Perri, B. Phillips, A. Satele, P. Setzer, B. Smith, O. Suarez, B. Tiffany, P. White

ALSO ATTENDING: E. Aharoni, R. Ibarra, J. Minner, D. Simms, T. Webb

ABSENT: M. Amov, M. Meador, D. Quittner, S. Rearic
RECORDER: P. Tillery

Strategic Planning

There was no Strategic Planning report.

Budget

• **Gafcon Quarterly Report – Proposition R**

J. Austin introduced Joe Minner, Gafcon Program Manager, who reported on the Gafcon Program Management quarterly report on *Proposition R*. A similar presentation was given to the Governing Board at the January 20, 2004, Board meeting. The report represented the end of the first calendar year for *Proposition R*.

Minner briefly reviewed the highlights of the quarterly report for the period ended December 31, 2003. Minner commended the work of the District for putting all of the program elements in place.

Minner also discussed upcoming events and actions:

- The first Proposition R Citizens' Bond Oversight Committee annual report
- Architect selection recommendations for various projects
- Development of technology specifications
- Secondary effects planning
- Proposition 55 school bond measure

• **State Budget Update**

○ Chancellor's Overview

Chancellor Suarez explained that the Governor is interested in helping the Community College system, and that it appears that the system will receive better treatment than other higher education institutions. He said that the Governor supports equalization over a three-year period and is proposing \$80 million in equalization funds for the system.

Additionally, Suarez informed the members that the Governor supports growth, and the proposed State budget includes funded enrollment growth of three percent. Suarez continued saying that the Governor's budget proposal provides COLA to the K-12 system at 1.84 percent, but there is no COLA provision for community colleges.

Suarez said that the District's budget hinges on passage of the State Budget Propositions 57 and 58 that will appear on the March 2 election ballot. Passage of the propositions is critical to the District. If the propositions don't pass, the District could experience reductions of between 20-25 percent. Suarez asked the Council members to convey to their constituencies the importance of the propositions to the District, and to urge their constituencies to vote on March 2.

In conclusion, Suarez asked the Council members to send letters to the Governor thanking him for his support of education and the Community College system.

- Legislative Update

Austin explained that Dana Quittner was in Washington, D.C. at the National Legislative Summit, so there was no legislative update.

- Fiscal Update

Austin reiterated the Chancellor's comments that the passage of Propositions 57 and 58 in the March election are critical to the District. He said that if the Governor's proposed budget passes in full, it would mean up to a \$4.3 million gross increase in funds to the District, but that nobody expects the signed budget to be exactly like the proposal. If the proposed budget partially passes, it could mean anywhere between a \$500,000 and \$4.3 million increase to the District. If the propositions fail, it would mean a loss to the District of approximately \$15 million.

- District Budget 2003/2004

- No mid-year reductions if two propositions pass

Austin explained that if Propositions 57 and 58 are passed, there will be no mid-year reductions to the system. Further, if the propositions pass, there may be additional resources at the May Revisé.

- Concurrent Enrollment

Austin explained that the District is blameless regarding the Concurrent Enrollment problems in the Community College system; however, as a result of the problems in other districts, there will be a reduction to the District of \$203,506. He informed the Council that \$200,225 was already deducted in the Adoption Budget in anticipation of the reduction, so no further reduction in budget will be necessary. He also said that as a result of the reduction, Base FTES is reduced by 70 FTES.

- District Budget

- 2004/05 Budget Preparation Calendar

The 2004/05 Budget Preparation Calendar (Attachment A) was distributed. Austin asked the members to review the calendar and to inform him or Sue Rearic of any changes, conflicts, etc.

- Preliminary Assumptions

Austin distributed and reviewed the 2004-2005 *Budget Development Assumptions* (Attachment B.) He explained that based on information from the Fall term, we are already 391 over 2004-05 projected CAP. He cautioned the members that 2003-04 actual FTES estimate is prior to Spring census. Austin said more information would be forthcoming after census.

There was a brief discussion of the major components of fixed cost increases presented in the assumptions. The fixed cost increases may be greater than any illusory increase in funding. C. McMahan explained that GASB (Governmental Accounting Standards Board) 34 requires that by 2007, retiree health care costs must be fully funded, and that a reserve must be established for this purpose. Austin commented that \$750,000 has been budgeted for the current year for GASB 34 implementation, and that a reserve of \$3.5 million must be achieved for full implementation.

- District Parking Committee Recommendation – Proposed Increase of Parking Fees

Austin explained that although the Governing Board approved a four-year plan to increase the regular-term parking fee to \$40 by 2003-04, the fee was not increased in 2003-04 due to the increase in enrollment fee. The District Parking Committee is now proposing that the multi-car permit fee be increased from \$35 to \$40, and the daily permit fee be increased from \$1 to \$2.

The Council members discussed the proposed increases. There was no consensus concerning the proposed increases.

In response to questions, Austin indicated that he would do the following:

- Distribute a summary of Parking Fund activity
- Distribute a comparison to other districts of student parking permit fees
- Determine mix of single/multi-car permits for other districts

- Meeting Calendar

The 2004 Meeting Schedule (Attachment C) was distributed. Austin pointed out conflicts on the June 7 and September 13 meeting dates. The conflicts will be resolved and an updated meeting schedule will be distributed at the next DSP&BC meeting.

- Next Meeting

The next meeting of the DSP&BC will be **Monday, March 8, 2:00 p.m., at the Heritage of the Americas Museum at Cuyamaca.**