



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL

MEETING NOTES – March 8, 2004

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

ALSO ATTENDING: Z. Close, F. Laveaga (for M. Herman)

ABSENT: H. Eimstad, M. Herman M. Meador

RECORDER: P. Tillery

Strategic Planning

There was no Strategic Planning report.

Budget

- **Budget Update 2003/04**

Austin reported that the 2003/04 fiscal year will end with much smaller ending balances than last year, which translates to less funds available for the 2004/05 fiscal year. The smaller ending balances are attributable to significant increases in health and welfare costs, and the colleges meeting enrollment goals.

Next, Austin discussed State income. He said that there is good news and bad news, and great uncertainty. There are two variables that effect State funding: property tax estimated revenue, and income tax. The income tax receipts are recovering from last year, but still under the State Department of Finance estimates. Property taxes are increasing, but they are not increasing as rapidly as anticipated.

Member Amov asked about the relationship between income tax and property tax as related to funding. Austin gave a brief explanation of Program Based funding based upon income and property tax, and student fees.

In conclusion, Austin said that components of funding will change between now and the end of 2003/04, but said that he does not foresee significant decreases.

- **Budget Update – 2004/05 – Statewide**

Austin distributed a Community College League State Budget Update (Attachment A) and discussed the State budget process and the Governor's proposed budget.

Member Setzer asked whether the Governor's proposal to fold Categoricals into the General Fund would result in noncompliance with the Fifty Percent Law. Austin responded that according to State Vice Chancellor Turnage, that the funds would be considered Categorical, and would not be affected by the Fifty Percent Law.

- 2004/05 Budget

Austin distributed a handout concerning *Potential Unrestricted General Fund State Income for Tentative Budget* (Attachment B.) He reviewed various scenarios for State funding as indicated on the handout, and the components of each. He stressed that the income assumptions are based upon his projections.

Following discussion, Austin said that he would recommend to the Chancellor the *Modified Governor-C* scenario.

Meeting Calendar

A revised 2004 Meeting Schedule (Attachment C) was distributed.

Next Meeting

The next meeting of the Districtwide Strategic Planning & Budget Council will be Monday, April 12, at 2:00 p.m., in the District Annex conference room.