



GROSSMONT-CUYAMACA  
COMMUNITY COLLEGE DISTRICT

**JOINT**

**DISTRICTWIDE EXECUTIVE COUNCIL**

and

**DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL**

**MEETING NOTES – August 29, 2005**

ATTENDING: J. Austin, C. Chiriboga, D. Colli, J. Ford, T. Gilson, M. Herman,  
B. Lastimado, T. Martinez, D. McDade, V. Meneses, G. Perri,  
D. Quittner, S. Rearic, A. Satele, D. Simms, B. Smith, B. Tiffany

ABSENT: O. Suarez, R. Walker, P. White

ALSO ATTENDING: K. Khalil

RECORDER: P. Tillery

---

J. Austin distributed a draft Adoption Budget Workshop package that included the 2005/2006 Adoption Budget (DSP&BC/DEC Edition), 2005/2006 Income Allocation Formula (Adoption Budget-B), and other supporting documents.

Austin explained that the income estimates presented in the Income Allocation Formula and supporting documents are final. However, he said that data entry is still on-going and that it would be another week before finalized. Only General Fund information was presented in the 2005/06 Adoption Budget document that was distributed. Austin said that the workshop should be considered a preliminary workshop because final information would be presented to the Councils at the September 12 DSP&BC meeting. The September 12 meeting will also be a joint meeting with DEC.

Using a slide presentation, Austin reviewed highlights of the 2005/2006 State budget. D. Quittner briefly commented on the current State budget status and environment.

Austin provided an overview of the components of the 2005/06 Adoption Budget. He said that although the Adoption Budget is technically balanced, it does not adequately fund the goals of (1) funding fixed cost increases, (2) meeting employee compensation expectations, (3) filling previously filled position, and new positions, (4) a 5% Contingency Reserve, and (6) beginning to meaningfully fund retiree health and welfare costs as required by GASB 45. Austin added that even with the most optimistic income assumptions, the income will be inadequate to fund the needs of the District and its colleges. He discussed strategies for addressing the challenges presented by inadequate funding and cost increases.

Austin briefly discussed the workshop edition of the Adoption Budget (Handout A). He said the booklet contains only General Fund information and is incomplete due to the early timing of the workshop. However, Unrestricted General Fund income and allocations to the colleges and sites will not change. Austin continued with an analysis of total District income (Handout C), site holding accounts (Handout D), and beginning balances (Handout E). He also discussed the

effects of United Faculty holding accounts, and the effects of Purchase Order Carryovers (POCOs). Additionally, Austin discussed increases to Adoption Budget, compared to prior year, for the total District, colleges, and District Services.

President Perri commented on the Cuyamaca College budget process and strategies used to balance budget. Those strategies included freezing vacant positions, divisional reductions, and department cuts.

President Martinez commented on the Grossmont College budget process, and the college's priority of filling vacant faculty positions.

S. Rearic discussed changes to the District Services and Districtwide budgets compared to prior year. She also explained that Restricted General Fund budgets and Supplemental Fund budgets are not finalized yet.

In conclusion, Austin said that the 2005/06 budget is far better than the 2004/05 budget, but that even the most optimistic assumed income will be inadequate. He said that the major income challenge is earning Growth dollars, and the major operational expenditure challenges are compensation and benefits costs, and costs related to filling positions.

Member Smith asked if the Councils could be provided with information used by the Rating Agencies in connection with the recent *Prop R* Series B issue. Austin responded that he would provide the Councils with that information.

Additionally, member Smith suggested that the funding for more full-time faculty should be a higher-priority item. Austin suggested that the appropriate avenues for her follow-up would be the Grossmont College Budget Committee and the Districtwide Funding Formula Task Force, of which she is a member.

Member Smith also requested a line-by-line review of the Districtwide Budget site, the definition of each line item, the basis for each budget line item, and the cost increases since the Tentative Budget. Sue Rearic pointed out that the majority of changes were due to the purchase order carryovers. Austin said that her request would be added to the agenda for the September 12 meeting.