



GROSSMONT-CUYAMACA  
COMMUNITY COLLEGE DISTRICT

**JOINT**

**DISTRICTWIDE EXECUTIVE COUNCIL**

and

**DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL**

**ADOPTION BUDGET WORKSHOP**

**MEETING NOTES – SEPTEMBER 10, 2007**

ATTENDING: J. Al-Amin, Z. Close, J. Colson, S. Cooke, J. Ford, B. Hertel,  
C. Hill, B. Lastimado, J. Marron, A. Martinez, G. Perri,  
D. Quittner, S. Rearic, A. Satele, D. Simms, M. Wangler

ABSENT: C. Chiriboga, S. Farhan, W. Hutson, D. McDade, S. Pereira,  
T. Pitt, O. Suarez, B. Tiffany

ALSO ATTENDING: J. Fenningham (for B. Tiffany)

RECORDER: P. Tillery

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S. Rearic distributed an Adoption Budget Workshop package that included the 2007/2008 Adoption Budget (Workshop Edition), FTES information included in the Adoption Budget, and an ending balance summary for fiscal year 2006/07. She briefly reviewed the handouts and discussed the format of the Adoption Budget document.

Rearic reported that total funds available in the Adoption Budget are \$298 million, which include \$133 million in the General Fund and \$153 million in the Capital Projects Fund. She explained that the General Fund is based on State revenue that has been updated since Tentative Budget, and that the 2006/07 books are closed; therefore, all revenue, expenditures and balances are final. She referred to the ending balance summary handout that provides more information.

Rearic discussed the major assumptions regarding State provided income that are included in the 2007/08 Adoption Budget: State apportionment is per SB361 calculations; 4.53% COLA on State revenue; restoration of enrollment to Base of 18,049; and a 5% contingency reserve. She explained that the 4.53% COLA included in the Adoption Budget equals \$3.8 million, and that COLA is provided on certain components of State revenue only. Rearic added that the COLA needs to fund increased costs, such as compensation.

Continuing, Rearic discussed State Growth funds. Although the State budget includes 2% Growth, the District goal is to restore to Base 18,049; therefore, the District is not budgeting Growth.

Rearic reviewed the FTES impact on 2007/08 referring to the handout that was distributed. She explained that we would need to teach 954 FTES in order to make-up FTES and continue restoration.

J. Al-Amin inquired whether it would be advisable to build in a Growth factor to restore to 18,049 FTES. Rearic responded that it could be considered; however, the recommendation from the FTES Task Force was to achieve Base.

The workshop continued with a presentation by Dr. Cooke regarding the development of the Grossmont College budget. She discussed the college's Strategic Plan goals and how the 2007/08 Adoption Budget furthers the college's vision, mission, and goals. Dr. Cooke also discussed how the 2007/08 budget would allow the college to stabilize and increase enrollment, address staffing needs, and renovate and build new facilities. She said that the 2007/08 budget would impact students by allowing for increased sections, offering an enhanced variety of courses in all divisions as a result of new buildings and staff, and the construction of a new parking structure to address the lack of adequate parking.

President Perri gave a presentation regarding the Cuyamaca College budget development process and the plans which guide the budget process, including budget criteria. She explained that the 2007/08 Adoption Budget funds increased mandatory expenses (payroll, benefits, utilities, contracts), the restoration of FTES activities, and faculty and staff hiring commitments. Further, she said that the budget benefits students by increasing student access, enhanced support services and the quality of the overall educational experience which provides more access to full-time faculty and counselors, state-of-the-art equipment, and increased lab supplies.

Rearic continued with a discussion of District Services and Districtwide budgets contained in the Adoption Budget, including a discussion of Restricted funds.

D. Quittner briefly discussed the State budget, and the Federal bill regarding tuition sensitivity. She explained that the President is expected to sign the bill and that although it does not effect the General Fund, it does effect students.

In conclusion of the General Fund presentation and discussion, Rearic summarized by saying that Adoption Budget funds available for distribution are based on the Income Allocation Formula, and reiterated that the restoration of FTES is the most critical assumption.

Rearic informed the members that the next steps in the budget process are a State update on one-time funds and categorical funds.

Continuing, Rearic briefly reviewed the supplemental funds portion of the Adoption Budget, which included discussion of the Capital Outlay Projects Fund 40.

Rearic also discussed the GASB 45 Post Retirement Benefits Fund. She explained that under GASB 45, the District is required to report future obligations and any unfunded amounts for retiree benefits. The amount of unfunded liability is approximately \$11.5 million, but is expected to increase. During the 2007/08 fiscal year, the actuarial study for retiree benefits will be updated and a plan will be developed for funding the liability. The District must be compliant with GASB 45 at the start of the 2008/09 fiscal year.

In conclusion, Rearic informed the the members that the Governing Board Adoption Budget Workshop would be September 12, 2007, where the budget would be presented for information. The Adoption Budget will be presented to the Board for approval at the September 18 meeting.