



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

DISTRICTWIDE STRATEGIC PLANNING & BUDGET COUNCIL

MEETING NOTES – MAY 12, 2008

ATTENDING: J. Al-Amin, C. Chiriboga, Z. Close, J. Colson, J. Ford, B. Hertel,
C. Hill, W. Hutson, A. Martinez, D. McDade, G. Perri, T. Pitt,
D. Quittner, S. Rearic, R. Rose, A. Satele, B. Tiffany, M. Wangler

ABSENT: F. Al-Shamas, S. Cooke, B. Lastimado, J. Marron, S. Pereira,
D. Simms, O. Suarez

ALSO ATTENDING: B. Eygenhuysen, P. Wright

RECORDER: P. Tillery

Strategic Planning

1. Strategic Planning Update

B. Hertel reported that he would be meeting with the college presidents to share ideas regarding the Districtwide Strategic Plan and to develop a timeline. He said that he would report to the Council members at an upcoming meeting and present the timeline for review.

2. District Services Strategic Plan Update

Hertel distributed a revised District Services Strategic Plan. He explained that the plan was revised since the April 28 Council meeting. He asked the Council members to consider the revised version and send any feedback to Jennifer Danks in the Chancellor's Office.

Budget

1. Governing Board Workshops

S. Rearic discussed upcoming Governing Board workshops:

- A workshop will be presented for Board members on Tuesday, May 20, at 4:00 p.m., (preceding the regular 5:30 p.m. Board meeting) in the Cuyamaca College Student Center. The workshop, based on the *Fiscal Responsibilities* publication of the California Community College League, will provide the Board with an overview of Board responsibilities, and the type of items routinely presented to the Board. Information concerning the State budget will also be presented. Rearic said that college and District budget committees are encouraged to attend.
- Tentative Budget Workshop and budget information item will be held on Tuesday, June 10, 4:00 p.m., in the Griffin Gate at Grossmont College.
- The Tentative Budget will be presented to the Board for approval at the June 17, regular Board meeting.

2. State Budget

Rearic reported that it is anticipated that the Governor's May budget revise would be issued this week. The May revise may not provide more information than what is now known, but any significant changes would be shared with Council members.

3. 2007/08 Reductions

Rearic explained that at the April 28 DSP&BC meeting, 2007/08 State budget reductions were anticipated to be approximately \$84 million systemwide, which resulted in a reduction to the District of \$1,368,840. The State has now increased the systemwide reduction to approximately \$92 million, resulting in an estimated reduction to the District of \$1,492,100. The reduction would be allocated to the three sites based on the site percentage of the 2007/08 Adoption Budget. After the May P2 apportionment is received, the reduction amount will be confirmed or revised. Rearic added that an action item for approval of the reduction to the 2007/08 budget would be presented to the Governing Board at the May 20 Board meeting.

(Subsequent to the 5/12 Council meeting, the P2 simulation was received from the State and adjusted the reduction to the District to \$1,487,649.)

4. State Budget – 2007/08 Growth

Rearic explained that Growth for fiscal year 2007/08 is estimated at \$1.2 million. That number could possibly be higher; however, due to the State budget shortfall, Growth could be affected. More information concerning Growth funding is anticipated from the State in June.

A brief discussion followed regarding funded Growth, the deficit factor, and the impact on the 2008/09 budget. Rearic said she would prepare a chart to provide an explanation of the numbers.

5. 2008/09 Tentative Budget Assumptions

Rearic distributed and reviewed a handout regarding assumptions for the 2008/09 Tentative Budget. Assumptions for the 2008/09 budget estimate an overall State revenue deficit of 3%, zero COLA, and 1% FTES Growth.

6. 2008/09 Tentative Budget Formula

The 2008/09 Income Allocation Formula was distributed. Rearic pointed out that the Formula was revised following the last Council meeting to correct a formula error in the spreadsheet. The revision did not affect the bottom line – the total allocation remains the same at \$96.6 million.

7. 2008/09 Budget Challenges

Rearic discussed budget challenges that would be faced in the 2008/09 budget, including the cost of Step & Column, the increased cost of health benefits, and the increase in State unemployment insurance. The anticipated increase in Step & Column is approximately \$1,056,000, and the increase in the cost of health benefits is estimated to be approximately \$2 million.

B. Eygenhuysen, Director, Risk Management and Benefits, commented on the anticipated increases expected for health plans provided by the District. An increase of approximately 6.1% is anticipated for the District's Direct Health Plan, and 19.8% for Kaiser. Handouts were distributed regarding benefits increases.

Rearic distributed and reviewed a 2008/09 Tentative Budget payroll summary. She explained that the handout reflects salary increase estimates of 7% for United Faculty, Classified Managers and Supervisors, and 3% for all others.

8. 2008/09 Next Steps

D. Quittner briefly discussed the Governor's May budget revise that is expected on May 14. The revise updates the Governor's proposed 2008/09 budget issued in January. The revise will reflect assessments of property tax revenue and sales tax revenue.

Rearic said the next step in the District budget process is development of the Tentative Budget detail at the site levels for presentation at the joint Districtwide Executive Council and Districtwide Strategic Planning & Budget Council budget workshop on Monday, June 9, at 2:30 p.m.

9. Items From the Floor

R. Rose inquired whether the District or colleges are looking for any corporate support because of budget reductions. Rearic responded that this is something that could possibly be pursued. T. Pitt indicated that Grossmont College is looking at possibly pursuing funds available in the private sector.

Next Meeting

The next meeting of the Districtwide Strategic Planning & Budget Council will be a joint Tentative Budget workshop with the Districtwide Executive Council on **Monday, June 9, at 2:30 p.m.** The location will be announced.