PRESENT:
Rosalinda Buchwald, Carol Cone, Jeanne Hamilton, Carol Horton – chair, Eric Magallon, Roseann Manfre-Campillo, Martha McDonald, Rocky Reynolds, Judy Rojas (recording secretary) and Steve Siegel.

ABSENT:
Kathy Bakhit, Karlyn Bradley (student representative), Toby Guebert, Lan Hao, Dennis Korn, Irene Malmgren, Dr. Geraldine Perri, and Linda Welz.

OLD BUSINESS:

2.1 Approval of Minutes of December 2, 2009 – Minutes approved with minor changes.

NEW BUSINESS:

2.2 State Budget Update – Carol Horton distributed two memos regarding the Governor’s Proposed Budget; one from Chancellor Jack Scott and one from Dr. Perri. Dr. Perri asked Carol to analyze the proposed budget to determine how it would affect us. Carol’s initial thought was that the proposal was revenue neutral and after further analysis with Rosalinda Buchwald it proved to be about a $77,000 increase to the general fund which is neutral in the entire budget picture. The 2.2% in growth dollars is unlikely. Most of the time the January proposal is nothing what the budget looks like after the legislature gets through with it in July or August. This is just a starting point. There is a proposal by Scott Lay of the California Community College League that the student fees be increased to $32.00 per unit. His proposal advocates that if we do raise the fees that they stay at the colleges and not get sent to the state. Carol Horton gave a short explanation of Community College financing. The Governor also proposed a back fill for property tax shortfalls. We currently have a little over 10% reserve and we have deficit budget of about 2% this year. If we deficit spend 4% next year, that is about all we can do in order to maintain our required reserve.

Carol Horton stated that this is not the last of our economic problems. We may not see recovery for the next three years and we cannot keep eating away at the ending balance. The Instruction Department is the biggest part of our budget. They are making contingency plans for where we are right now and are trying to plan the entire year out so that students can matriculate. Jody Wise stated that they are meeting with counseling to be sure that they are keeping the right classes for the students. Carol Horton stated that 87% of our expenditures are for employees and their benefits.
Jody asked if we discuss ways for bringing in money at these meetings. Carol Horton stated that we definitely could. Jody Wise asked if we have ever considered charging for faculty/staff parking because many colleges do. Martha McDonald stated that it has been the culture of the college that we have not charged. Carol Horton stated that we do not charge the maximum we can charge at this time. We need to have Martha McDonald and Rosalinda Buchwald do a little study on the effect of what we are losing on not charging the maximum and how many students park in the annex and what it costs us to pay for the annex. Only a certain percentage of funds collected can be used to offset salaries. How much benefit would it actually bring to the college to raise parking fees? The parking improvements that we are doing right now as part of the construction projects are being incorporated into the bond rather than using parking fees.

Steve Siegel asked if a furlough option has been discussed. Carol Horton stated that there are alternatives but we are currently developing some priorities for budget development in cabinet and they will be brought to this committee. Layoffs are a difficult subject to talk about. Until we cut back our on-call employees we should not be talking about full time employees taking a reduction in salary or furlough or step and column decrease at this time. We also need to cut overtime. The Board of Trustees does not want layoffs of full time employees. We have done a tremendous amount of cut backs in on-call employees and adjunct faculty.

Jody Wise asked if we have considered golden handshake retirement incentives. Carol Horton has gotten the data from Keenan on what we could offer and how it would benefit us. We also need updated data to make any determination. Carol Horton also noted that the other colleges that are offering the early retirement incentive may not offer the retiree health benefits that we offer. That is a large liability for us to pay those benefits for those employees up to age 69. Those health care costs will probably go up at least 10% or more next year and at least that each year for years to come. These are all good ideas and have been discussed at cabinet.

2.3 Administrative and Fiscal Services Departments Program Review- This program review was given to this committee at the December meeting and emailed to each member after the corrections. We have received comments from Eric Magallon and corrections have been made. Please look at the emailed document and give us any comments by February 12th. The committee approved the Program Review unanimously and it will be submitted to Steering for the February 22nd meeting.

2.4 Other- We have passed our accreditation process and have been reaffirmed. By October of 2011 we have three recommendations that must be addressed by the college; 1.) Better use of data in planning 2.) Accelerate the timeline of Student Service program reviews and make sure that the General Fund covers the institutionalization of some grants and 3.) Review and update our 5 comprehensive planning documents and incorporate them in budget planning. Jeanne Hamilton stated that we may create one document with five chapters. Without those plans
being done we cannot link them to budget planning. Carol Cone gets information from the Instruction Department program reviews as they relate to budget development whether it is additional faculty, equipment or facility needs. Instruction then needs to prioritize the needs or requests for funds. This same process should be done for Student Services. Carol feels that the second item is a mistake, because Student Services has done more and better reviews and has basically set the ground work for the rest of the college. The one thing that has been discussed in Cabinet is how we would institutionalize, for example, the staff from the HSI grant when the funds run out so that we can continue the program or services offered. We have to have a process in place to get the information from the program reviews back to this committee for planning to the cabinet and to the Board of Trustees for budget purposes. Jeanne Hamilton added that the accreditation letter and the full report will be placed on the website.

Meeting adjourned at 3:01pm