

Minutes of the Planning and Budgeting Council
Ocean Avenue Campus, Room R518
2005 September 20
3:13-4:30 p.m.

Present Nicolas R. Atencio, Ann T. Clark, Philip R. Day, Jr., Carlota del Portillo, David Gallerani, Robert Gabriner, Peter Goldstein, Don Q. Griffin, Stephen J. Herman, Marc Kitchel, Susan Lopez, Keith McAllister, Madeline Mueller, Jose J. Padilla, James Rogers, Fred Teti

I. Budget Saga

Vice Chancellor Peter Goldstein reported:

- The 2004–2005 resources were ~\$161.48M.
- The 2004–2005 expenses were ~\$161.45M.
- The District took \$300K from Workers' Comp to augment the balance.
- The District added another \$250K in old block grants.
- Goldstein added in \$80K from various sources.
- Thus, the District "closed out" ~\$661K for 2004–2005.
- For 2005–2006, Goldstein projects ~169.2M for both resources and expenses, and hence a ~\$0 ending balance.
- As of June 30, 2005, the District reserve was ~\$3.7M. Goldstein projects as of June 30, 2006, a reserve of ~\$2.97M.

Goldstein made these observations:

- The deficit factor improved.
- Income from nonresident tuition decreased significantly from 03–04 to 04–05.
- The cost of benefits continues to increase dramatically.
- The District can get FTES from Police and Fire Academy training seminars.
- Contract Ed made ~\$800K in 04–05; half of this will go into the General Fund.

Goldstein asked the PBC for approval to distribute a memo announcing these cost-saving plans:

- 20% of non-personnel budget will be put on reserve.
- If the cost of natural gas increases as predicted, some buildings will have less heat.
- All out-of-District travel must be approved by a Vice Chancellor; only travel that is absolutely necessary will be approved.
- There will be no new reassigned time.
- There will be no new hires to replace Fall retirees, and possibly no LTSs.
- There will be a moratorium on Classified overtime after the first 2 weeks of the Spring semester.

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| In light of the serious budget challenges, the PBC consented to Goldstein's cost-savings plan memo. |
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Dr. Day and Dr. Griffin reported:

- A group of Classified staff is meeting to discuss the Classified vacancies.
- The District may consider closing several under-enrolled noncredit classes.
- The District plans to hire a powerful consultant to help promote Noncredit funding formula improvements in the legislature.

Goldstein continues to work on the 2006–2007 budget. His assumptions on resources include:

- 3% COLA from the State
- <1% growth
- 4.5% increase in sales tax income
- 3% increase in lottery income
- nonresident tuition steady (with more out-of-staters compensating for fewer international students)
- \$0 starting balance
- no private donors

His assumptions on expenses include a continued increase in cost of benefits

II. Faculty Position Allocation Committee (FPAC) Report

Vice Chancellor Griffin reported: In 2004–2005, FPAC dealt with 52 positions.

- 32 people were hired as either replacements or consolidations.
- 17 people were deferred to Fall 2006.
- 3 were “banked”.

In 2005–2006:

- He anticipates ~35 retirees.
- We must hire the 17 formerly-deferred candidates (assuming they are still interested).
- FPAC may determine that a retiree’s former position is no longer “viable”.
- FPAC will maintain a careful history of the banked positions. Griffin said that FPAC can “renege” on banked positions.

III. Approval of Minutes

The PBC approved minutes from its March and May meetings.

IV. End-of-Year Assessment Report

Chancellor Day reported that he has concerns about the usefulness of the End-of-Year reports both for the Board and for promoting discussion at the College level. He stated that, while some offices (e.g., Marketing) need the full report, most people and Trustees might get all they need from the Highlights. The Chancellor said he would form a small working group on this.

V. Program Review Committee (PRC) Report

Dean Gabriner distributed the current Program Review Framework and the Inventory Second Cycle (1999–2004). The PRC is now meeting with department chairs before they begin the program review process. Dr. Gabriner was asked about incorporating student success data by ethnicity as part of the process and he said he would provide that data to the departments for their use.