



SPECIAL BUDGET COMMITTEE
MEETING NOTES

May 11, 2010

A special meeting of the Cuyamaca College Budget Committee was held on Tuesday, May 11, 2010 at 2:00 p.m. in the President's Conference Room.

Members Present: Julie Kahler, Jesus Miranda, Lyn Neylon, Rocky Rose, Arleen Satele, Michael Wangler and Kari Wergeland

Members Absent: Stuart Savin

Recorder: Jane Lytle

VP Satele chaired the meeting in President Savin's place. She welcomed new committee member, Jesus Miranda, Counselor.

1. **Approval of Minutes** – The minutes from the last meeting of May 4, 2010 were approved as submitted.
2. **Tentative Budget FY 10/11** -. VP Satele presented information from the Budget Discussion Meeting of Joint Districtwide Executive Council (DEC) and Districtwide Strategic Planning & Budget Council (DSP&BC)(Items A-I) on May 10, 2010. The following are highlighted items. A complete document of the above referenced meeting's notes can be found on the GCCCD Intranet (www.gcccd.edu/intranet) by clicking on Budget, then DSP&BC and then Meetings.
 - A. **Assumptions for 2010/11 Tentative Budget**
Income :
 - State revenue based on 18,052 FTES CAP
 - No COLA
 - No Growth
 - 4% Contingency Deficit on all income – reflected in all sites
 - 09/10 Contingency plus Dedicated Income
 - Beginning Balances at prior year TB level.Expenditures:
 - Fund initial portion of the Multi-Year Critical Staffing Plan – 10 positions.
 - Include previously approved 09/10 positions pending completion of hiring process.
 - All other vacant positions are not funded.
 - Fund contractual & fixed cost increases.
 - B. **2010/2011 Budget Scenarios**
The following budget scenarios were discussed at the April 12, 2010 DSP&BC meeting.
Scenario A-Governor's 1/2010 (same as 09/10 assumptions),

Approval of Minutes

*Tentative Budget
FY 10/11*

projected income of \$92,948,108 resulting in (\$14,399,872) shortfall.

Scenario B-2% deficit, projected income of \$94,827,976 resulting in (\$12,520,004) shortfall.

Scenario C-6.5% deficit, projected income of \$90,598,273 resulting in (\$16,749,707) shortfall.

Scenario D-8.5% deficit, projected income of \$88,718,406 resulting in (\$18,629,574) shortfall.

The above scenarios are all based on projected expenses of \$107,347,980.

C. 2010/2011 Tentative Budget – Scenario A

Scenario A was updated on May 10, 2010 as follows:

Projected Income - \$92,970,405

Projected Expenses - \$107,949,460

Shortfall – (\$14,979,055)

D. Tentative Budget Reduction Strategies

Shortfall – (\$14,979,055)

Budget solutions include:

- Beginning balance: \$2,166,618
- 09/10 contingency + dedicated income: \$3,968,859
- Total sections reduction: \$2,836,934
- Summer 4/10 schedule savings: \$60,000
- Total vacant positions not in 10/11 budget: \$5,500,214
- District Services reorganization savings: \$530,881
- Total Tentative Budget Solutions: **\$15,063,506**
- Difference: **\$84,450**

Among the many other potential solutions not enacted in TB were:

- Another Early Retirement Incentive
- Closure over winter break
- 10% total operations reduction
- 50% supply budget reduction
- Voluntary furloughs

E. Staffing Plan and Approved Positions

- Total approved positions: 945
- Positions filled: 797
- Vacancies: 148
- 10/11 TB positions to be filled: 10 (4 Grossmont, 4 Cuyamaca, 2 District)
- Remainder staffing plan: 12
- Approved critical positions to be filled in 10/11 TB total \$901,755.

F. Employee Benefits Rate Overviews

- 09/10 Budget:
Total General Fund Health & Welfare Budget
\$10,092,662
- 09/10 Projections:
Total General Fund Health & Welfare Budget

- \$10,906,736
- 10/11 Tentative Budget
Total General Fund Health & Welfare Budget
\$10,909,365
- 09/10 Projection Over Budget: \$814,074

G. 2010/2011 Budget Preparation Calendar

VP Satele highlighted today's date on the calendar, May 11th, which reflects that the Tentative Budget Allocation Formula and holdings will be issued to sites. May 21, 2010 is the deadline for posting restricted and unrestricted budgets.

H. District Services Reorganization

The goal is to re-focus on services and accountability to employees, students & community by:

- Restructure of 3 management positions
- Restructure of 2 associate vice chancellors
- One key administrator per site
- Creation of Districtwide Advancement System

I. District Services Reorganization-Budget Savings, Managers & Impacted Support Positions Summary Overview

- Previous positions: 11
Total salaries/contract services \$1,716,402
- Transitional: 8
Total salaries/contract services \$1,362,525
- Total salaries & benefits savings: \$530,881

VP Satele distributed *Handout #1, 2010-2011 Income Allocation Formula*. This handout includes additional detailed information for Dedicated Income, Calculation of "Districtwide Commitments" Line Item, Comparative Information, Districtwide Commitments by Account Key Code and Site Holding Accounts & Comparisons to Prior Year.

Cuyamaca College total FTES goal - 5,635 (Resident FTES goal – 5535)

- 29.45% of total FTES (to distribute Districtwide commitments)
- 30.66% of Resident FTES (to distribute Total State Income).
- Total income, which includes state income 10/11 and dedicated income 10/11 - \$27,183,428.
- Projected beginning balance - \$427,408.
- Total funds available for Cuyamaca - \$27,610,836.

After adjustments are calculated to the Gross Allocation, the total Allocation for Cuyamaca is \$26,273,915 which is 26.51% of total District allocation.

VP Satele pointed out that Cuyamaca has a total 2010/2011 TB Holding of \$5,408,791.

Handout #2, Template for Tentative Budget FY 10/11 Cuyamaca College, was distributed.

FY 09/10 Adoption Budget Allocation -	\$26,529,214
FY 10/11 Tentative Budget -	\$26,273,915
Variance from FY 09/10 -	\$ (255,299)

FY 10/11 Base Budget Requirements - \$27,398,076

Total Budget Shortfall from FY 10/11 TB Allocation -	\$(1,124,161)
---	---------------

Budget Reductions to Balance Allocation

- Reduction of classes & hourly instructors \$ (239,883)
- Reinstate FT 09/10 division reductions \$ (884,278)

Total Budget Adjustments	\$(1,124,161)
--------------------------	---------------

Adjusted Budget	\$26,273,915
------------------------	---------------------

A breakdown of FY 10/11 TB Shortfall was included in *Handout #2* as well as a list of Status of Positions to be filled memo dated 10/9/09. Cuyamaca College has 5 positions, 2 were filled and 3 are in the recruiting phase. Additionally, there is a list of unanticipated changes for 09/10 which included Dean of Counseling & Enrollment, Acting A & R Supervisor, VP Student Services, Grounds Maintenance Worker Sr. and General Maintenance Worker Sr. for Cuyamaca.

Handout #3, Tentative Budget Development FY 2010-2011, was distributed. This document was distributed last week, May 7, 2010 and shows Scenario 1 with a -4.1% shortfall and Scenario 2 with a -5.5% shortfall. This estimate was very close to the actual 2010-2011 Tentative Budget.

Handout #4, P2 2009-2010 FTES Comparison dated 4/23/10 was distributed. This is the official document that was submitted to the state.

Adjournment

Meeting adjourned at: 3:00pm