

District Governance Council
Special Budget Meeting Minutes
August 25, 2009

Classified Staff:

Present: Krista Ducharme, Michael Gong, Linda Kohler, Mercy Pono, Mike West
Absent: None

Faculty:

Present: Richard Akers, Glenn Appell, Laurie Lema, Jeff Michels, Michael Norris, Ruth Sison
Absent: None

Management:

Present: Yvonne Canada, Linda Cherry, Robert Estrada, Lyn Krause, John Wade, Lindy Wille
Absent: None

San Ramon Campus:

Present: Russ Holt

Students:

Present: Christine Cannon
Absent: None

Guests: Judy Breza, Deborah Blue, Charles Gibson, Tim Leong, Kindred Murillo, Roy Stutzman

1. Call to Order

The meeting was called to order at 1:17 p.m.

2. Review of August 25, 2009 agenda

The agenda was approved.

3. Impacts of the state budget on 4CD/Adoption Budget presentations

Presentation-Kindred Murillo/Judy Breza (hand-outs)

What we know:

- California Community Colleges reduced an additional \$544 million from the February Budget Act.
- Budget deferrals for 2009-10 will be over \$703 million, which could amount to \$17 million in apportionment deferrals for Contra Costa Community College District (4CD).
- Student fees were raised starting in the Fall 09 from \$20 per unit to \$26 per unit.

What this means to the Contra Costa Community College District:

- FY 2008-09 and 2009-10 reductions
 - FY 2008-09 - \$2.2 million deficit due to property tax and apportionment shortfall (projected since January).
 - FY 2009-10 - \$4.7 million reduction in apportionment funding.
- Workload reduction of 3.39%

- New FTES Base is 29,837.29 FTES

What is still a big question:

- Mid Year Reductions
 - The State cannot reduce community college further without losing federal money.
- Federal Backfill issues
 - Originally projected at \$130 million
 - Now projected at \$60 million

Categorical Programs

- Protected Categoricals
 - All program requirements and mandates continue and funds may not be used for any other purpose.
 - Unprotected Categoricals- Following a public hearing and a vote of the governing board, the funding can be transferred to any other categorical purpose listed in the protected and unprotected categoricals.

“The Perfect Storm”

- Realignment of the Police Budget
- Clean up of restricted accounts
- Implementation of new allocation fixes for technology funding, C hourly, custodial, and management allocations for all the colleges
- Working on allocation as “whole model”
- Unprecedented budget reductions.

The Changes

- Revenues dropped due to:
 - Ongoing workload reduction - \$4.7 million
 - Reduction in interest earnings due to more deferrals made by the state (approximately \$800,000 loss).
 - Loss of \$821,729 Part time parity pay that is budgeted in the unrestricted general fund.

4. Feedback from DGC

- We need to have discussions now, to plan for next semester.
- We need to have discussions of where cuts should happen, using the budget guidelines we discussed in February 2009.
- The DGC Chair will make a report at the Board meeting to influence cuts and make recommendations for the use of the reserves.
- Identify areas of concerns of the adoption budget:
 - Cuts to Schedule
 - Part Time parity pay
 - Categorical reductions
 - Impacts on students and services
 - Sense of parity, equity and responsibility across the district.

- Cuts to TTIP/Library, DSPS, EOPS are of great concern
- Use of undesignated reserves
- DGC Priorities for funding with 4CD Reserves:
 - DSPS/EOPS/tutoring, TTIP, Nursing, instructional equipment/scheduled maintenance
 - Student success
- What can we live without/reduce?
 - Consultants, travel, “other”-all acct#5000
 - Change to 16 week schedule?
 - High reserve banked (use rainy day fund). But be very careful when using the reserve, not knowing what the future holds. Less of an undesignated reserve, as is prudent.
 - Reduce energy costs. Investigate the impact of a 4 day week schedule. Analyze energy usage across the district (block vs. conventional schedule)

Each group identify speakers and send to Chair, for further discussion.

5. Allocation formula status-Kindred Murillo

- Roy Stutzman presenter-Allocation Models (hand-outs)
- Feedback from DGC/Role of DGC
 - Please review the “A proposal to revise the budget development process” document.
 - Add to Sept. 1 agenda a proposal to extend DGC, for one hour, this year for budget discussions.

6. Announcements:

Bring all printouts of agenda items to meetings.

Linda Cherry speaker for Mgmt
 Michael Norris speaker for Faculty
 Classified: not chosen
 Students: Christina Cannon

7. Adjourned at 3:36 p.m.