



Budget and Fiscal Planning Committee

September 4, 2012

Members present:

√John Lau, VP for Business Services, Co-Chair
√Kathy Berry, Administrative Representative
√Jessica Waddell, College Council Representative
√Eric Jacobson, Faculty Representative
√Dave Drury, Faculty Representative
√Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

√Kevin White, Academic Senate Rep., Co-Chair
√Jeff Cantwell, CMCA representative
√Frances Arce-Gomez, CSEA Representative
√Matthew Thale, CSEA Representative
_ASG Representatives

Call to Order

The special meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Kevin White at 1:05 p.m. on Tuesday, September 4, 2012. The meeting was held in the board room.

2012-13 Budget

M/S/C Fletes/Lau (no: Jacobson) to recommend approval of the 2012-13 Budget.

Discussion: Committee member Jacobson asked about the revised cost of the health insurance. VP Lau stated that the estimate is based on information available at the present time. Employees have until mid September to select their level of coverage. If employees do not select a level of coverage, they will default to the basic plan. Jacobson asked if retirees pre-age 65 are being charged for the insurance, VP Lau responded that they were. Jacobson asked about the Director of Nursing costing less; Director Fletes stated that the position is being budgeted for nine months this fiscal year. Member Jacobson asked about the \$600,000 carry-over; VP Lau stated that departments have been discouraged from spending any savings, the variance is a little over 2% and it is a one-time savings. Member Jacobson asked if the amounts under part-time and classified negotiations were estimates; VP Lau stated that they were.

The committee discussed the importance of restoration of FTE. VP Lau stated that last year the college missed its base FTE by 480 FTE and now has 3 years to recover those FTE. The goal of restoring 100 FTE for 2012-13, and 175+ FTE for the each of the following years will be a challenge.

The committee discussed whether or not distance education classes would be offered in the Fall; VP Berry stated that the college is awaiting a decision from the state which is expected in

mid November. As a point of information, Member Thale stated that on-line classes generate 8% to 10% less FTE than regular classes.

Co-chair White stated that the college will not have any reserve to use for next year so the College needs to be even more judicious in its planning going forward. VP Lau stated that the committee must begin to discuss scenarios in case the tax measure fails at the upcoming November election. The College stands to lose \$2 million in revenue, and will have to make cuts that will impact the last six months of the year. Another discussion will be needed on cash flow. The College has an \$8 million TRANS payment due in December at which time the College will be out of cash. Another TRANS in the amount of \$10 to \$14 million will be needed in December for cash flow purposes.

Meeting adjourned at 2:50 p.m.