



Santa Monica Community College District
Budget Planning Committee a Subcommittee of the
District Planning and Advisory Council

**AUGUST 19, 2009
MINUTES**

A meeting of the Santa Monica Community College Budget Planning Committee, a subcommittee of the District Planning and Advisory Council (DPAC) was held on Wednesday, August 19, 2009 at 2:04 p.m. at Santa Monica College, Library Conference Room (275), 1900 Pico Boulevard, Santa Monica, California.

I. Call to Order 2:03 p.m.

II. Budget Planning Committee Members

Chris Bonvenuto, Administration
Bob Isomoto, Administration, Co-Chair
Eric Oifer, Academic Senate Representative
Richard Tahvildaran-Jesswein, Academic Senate Representative (Absent)
Mona Martin, Management Association Representative
Leonard Crawford, Management Association Representative (Absent)
Mitra Moassessi, Faculty Association Representative
Howard Stahl, Faculty Association Representative
Tamorah Thomas, CSEA Representative (Absent)
Bernie Rosenloecher, CSEA Representative (Absent)
Leroy Lauer, CSEA Representative
Connie Lemke, CSEA Representative
Kyle Szesnat, Student Representative (Absent)
Ian Skjervem, Student Representative (Absent)
Cameron Henton, Student Representative (Absent)
Vicky Qian Jiang, Student Representative (Absent)
Christabella Adams, Student Representative (Absent)

Interested Parties:

Randy Lawson, Administration

III. Review of Minutes: Minutes of August 5 approved as perfected.

A. Discussion Of Dr. Tsang Response To Committee's Budget Recommendations

The Committee reviewed the Superintendent/President's Response to all 21 savings recommendations submitted as of July 8, 2009. 4 recommendations were rejected. 4 recommendations were listed as "under study" or "under consideration". 13 recommendations were approved. VP Lawson and VP Isomoto answered questions about the status and implementation of the approved recommendations. The Committee expressed a desire for further information regarding the recommendations listed as "under study" or "under consideration", so that any new savings that materializes from these items can be tracked and monitored. Individual Committee members expressed disappointment that the District has chosen to implement many of the savings recommendations on such a lesser scale than what was originally passed by both this Committee and DPAC.

B. Discussion Of District Categorical Backfill

Chris Bonvenuto shared financial data related to the District's plan to backfill half of the expected Categorical Program cuts incorporated into the State budget. The recent State budget reduces various Categorical Program funding by between 16% and 32% while funding for the Scheduled Maintenance and CASHEE programs have been completely eliminated.

The District contribution is based upon the assumption that federal stimulus monies from ARRA (the American Recovery and Reinvestment Act) will amount to \$130 million. By backfilling half of the state reduction, the District will be contributing an extra \$900,000 from the general fund to cover unfunded categorical program costs. If ARRA funding is less than \$130 million, then the District backfill costs may have to be increased or potentially reevaluated.

C. Closing of Academic Year 2008-2009

Chris Bonvenuto shared financial data related to the close of 2008-2009. While the numbers are still being revised, it appears that the District served 22,859 FTES. The Chancellor's Office applied a deficit factor of 1.48% to District revenue this year. In dollars, this deficit factor amounted to a revenue reduction of \$1,618,218. While numbers are still very preliminary and subject to change, District savings efforts appear to be yielding results.

D. Outlook for Academic Year 2009-2010

The District ended 2008-2009 with 1200 unfunded FTES. The Workload Reduction plan implemented by the Chancellor's Office has added an additional 800 unfunded FTES. The District's unfunded FTES for 2009-2010 now exceeds 2,000. In addition, the District is planning for expected state cash deferrals to the Community College system. For 2009-2010, apportionment deferrals are expected to exceed \$700 million for the Community College system. There is no COLA or Growth for 2009-2010 (Statutory COLA would have been 4.2% - Growth would have been 3%).

In 2009-10, a Workload Reduction plan of 3.39% has been implemented by the Chancellor's Office. Various statewide organizations have been predicting a mid-year reduction due to the faulty assumptions in the State budget, as tax revenues continue to come in below projections.

Fiscal Affairs will be bringing the 2009-2010 Adopted Budget to the Committee's next meeting (September 2). DPAC will be reviewing the 2009-2010 Adopted Budget on September 9. There may be a need to call a Special Budget Committee meeting prior to DPAC on September 9. The Board Of Trustees will be reviewing the Adopted Budget on September 15.

Adjournment at 4:17 p.m.