

College Budget Committee
October 28, 2010
Minutes

Attendance: Eric Brenner, Eloisa Briones, Carla Campillo, Caroline Chen, Dennis Eadus, Rick Escalambre, Kathy Fitzpatrick, Nina Floro, Jan Fosberg (for Mike Fitzgerald), Fermin Irigoyen, Barbara Lamson, Heidi Lavelle, Joe Madrigal, Joe Morello, Regina Stanback Stroud, Rick Wallace, Jeff Westfall, Linda Whitten, George Wright, Soodi Zamani. Recorder: Linda Bertellotti

Guests: Students from Linda Whitten's accounting class

Agenda of October 28

The agenda was adopted as written.

Minutes of September 30 and October 14

The minutes of the meetings on September 30 and October 14 were approved as written.

District Committee on Budget & Finance Update

Professor Linda Whitten emailed the CBC the summary of discussions at the DCBF's meeting on October 12, 2010. CBC members were requested to email questions.

Early Budget Scenarios for FY 2011-2012

Eloisa Briones shared the 2010-11 resource allocation that CFO Kathy Blackwood updated to show the increased general fund site allocations as a result of the distribution of position control benefits from Central Services to the sites. Since most of the vacant positions have been unfunded or eliminated, discussions with district staff will continue to determine how benefits will be funded when the sites fill these positions or add new ones. Kathy also provided a very tentative resource allocation for 2011-12 to provide the sites a tool for determining the number of hires for next year. Kathy assumed no COLA for 11-12, 1.8% inflation, 1.19% growth and 2% deficit factor. While recognizing that this early calculation is subject to change depending on the state budget and other resource allocation costs that are unknown at this time, Skyline's tentative allocation will increase by \$239,000 next year. Skyline's FTES goal next year will be 100 higher than this year.

Eloisa presented the budget scenarios starting with a balanced budget for 2010-11. It is assumed that there will be 2 retirements in 2011-12. A post-retirement will be completed this year resulting in an expenditure reduction next year. Individual scenarios were presented with assumptions to hire up to 6 faculty and up to 4 classified staff. These options will result in expenditures exceeding the site allocation by up to \$309K. CBC discussed the scenarios and agreed that the district should begin making faculty hires, if the district will meet its full-time faculty obligation when the state lifts the freeze. The net cost of hiring a new faculty is less than the penalty on the district for each faculty less than the faculty obligation number. Fermin asked how the hiring scenarios would affect costs in future years. One is by attrition. Estimating the hourly instruction cost using the FTES goal of 8,260 and 620 load further generates savings considering Skyline's load is up to 663 this year. Linda Whitten indicated that this is the right

time to hire. Joe raised questions about how increases in benefit costs will be met. The CBOs discussed this with Kathy and talked about a mechanism that they could follow. They too have raised those concerns about benefits for new positions hired, and benefit cost increases. Kathy builds in the allocation an inflation factor for various costs as well as benefits. Discussions with district staff will continue about benefits for additional positions. Linda added that she feels this is not a risk. Jeff commented that this could be managed through retirements and measure G can be used as a buffer. Measure G funds will be used to augment the hourly instruction budget as needed. CBC motioned and approved to recommend to the President to hire 6 faculty and 4 classified staff in 2011-2012. CBC is supportive of more faculty and permanent hires. If there are additional funds later on, CBC would like to review and consider other budget scenarios.

Next meeting: November 4

Both Vice Presidents will present their unit's requests to the committee. Eloisa will send out the executive summaries to CBC on Monday, November 1.