

College Council Minutes-DRAFT

June 9 2015

2:00 pm

Rm 216, LTC

College Council Members: Luz Aguirre, Diane Boynton, DJ Singh, Elizabeth Dilkes Mullins, Fred Hochstaedter, Wendy Bates, Scott Gunter, Francisco Tostado, Loran Walsh, Lyndon Schutzler (non-voting), Paola Gilbert, Larry Walker, Michael Gilmartin, Stephanie Perkins, Suzanne Ammons, Walter Tribley, ASMPC Rep.

Absent: DJ Singh, Francisco Tostado, Larry Walker, Stephanie Perkins, ASMPC Rep.

Guests: Joe Bissell, Laura Loop, Susan Kitagawa, Rosemary Barrios, Catherine Webb, Connie Andrews, Jon Mikkelsen.

1. Minutes:

- a. **May 26, 2015:** The minutes were approved. Elizabeth motioned to approve the minutes and Mike seconded; the minutes were approved with none opposed and four abstentions due to absence (Loran Walsh, Wendy Bates, Stephanie Perkins, Scott Gunter).

2. Board Policies:

3. Action Items:

- a. **ARC Instructional Specialist (2nd reading - Larry Walker):**
- b. **ARC Administrative Assistant (2nd reading – Larry Walker):**

Fred motioned to approve the above positions (ARC Instr Spec., and ARC Admin. Asst.), and Luz seconded; the positions were approved with none opposed and one abstention (Stephanie Perkins).

- c. **TracDat (2nd reading):** Discussion followed for clarification on funding resources available for this 5 year expense (\$169,000 approx.), citing this to be an appropriate expenditure for year end, one time funds.

Fred motioned for approval of the TracDat purchase based on (1) Academic Senate's endorsement, (2) 14-15 Year End Funds identified, (3) Direct support of 2014-20 Goals & Objectives # 1.6, 2.1, 2.3, 2.6, and 4.2; Mike seconded; the motion passed with all in favor, none opposed and no abstentions.

4. Information Items:

a. Classified Positions:

- i. **Instructional Technology Specialist (Mike Gilmartin):** Mike reviewed the position as presented.
- ii. **Custodial Supervisor Job Description (Dr. Tribley):** Susan reviewed the position and updates in the job description, indicating that previous recruitment efforts have been unsuccessful.

b. Other Positions

- i. **Director of Child Development Center (Mike Gilmartin):** Mike reviewed the position, indicating the increase from 11 to 12 months.
- c. **Program Review School of Nursing (Exec. Summary – Laura Loop):** Deferred to next meeting.
- d. **Tentative Budget 2015-16 (1st reading-Rosemary Barrios/Joe Bissell / Dr.Tribley):** Joe provided context of the Governor's May Revise and State Budget (pending

approval) to assist the District in developing its 2015-16 budget and reported on the progress of the Draft Tentative Budget 2015-16 with the following highlights:

- The write up (Narrative) and the reports are drafts; these are not yet complete and will need to be reviewed. The UGF is complete and accurate, but the OPEB and Capital Outlay funds still need some work.
- The Tentative Budget is built on the Governor's May Revise which has provided significant additional funding for community colleges and approximately \$6M for MPC. Once the State Budget is approved (early July), more will be known as actual allocations could be different.
- 2015-16 UGF is a rollover budget from 2014-15 with three major differences:
 - ✓ Adjustments included for mandatory changes (PERS, STRS, ACA, Contracts for Step increases). No "wish list" items included.
 - ✓ No "Transfers-In" to balance the UGF; there is a structural deficit which will remain as is for the Tentative Budget. Structural deficit is approximately \$3.1M and the UGF Balance is \$687,149.
 - ✓ Three new revenue items totaling \$6M (new monies) have been added with a corresponding expense budgeted as a contingency.
- The Planning and Resource Allocation Process (PRAP) will need to determine how to use the additional funds and in doing so, there are three areas to address:
 - ✓ Address the structural deficit. Allocating funding to current expenses already budgeted for will reduce the structural deficit.
 - ✓ Prepare for future loss of Prop. 30 funding, as well as increased costs associated with the ACA, PERS, STRS.
 - ✓ Other needs: employee compensation issues, technology refreshment, new positions, marketing plan and more.
- The PRAP will need to match up one time revenue items with one time expenditures, ongoing revenues with ongoing expenses. Once completed, this will help determine where the structural deficit is.

Dr. Tribley reported that previously mentioned positions (Dir. of Pub. Inf., Dean of Inst. Effectiveness, Dir. of Facilities) have not been included in the 2015-16 expense budget.

Rosemary reviewed the Summary of All Funds explaining that the Beginning Fund Balances are projected pending closing the books and audit. The new funding of \$6M is outlined on pg. 5 (\$2M is UGF ongoing/undesignated, \$426L is ongoing designated and \$3.56M is one time). The one time funds are intended to provide CCs potential ongoing funds to offset future loss of Prop 30 funds. While the funds are ongoing for the State, whether it will mean ongoing funds for community colleges or not will depend on the governor at the time. Page 7 reflects how the loss of Prop. 30 Revenue will impact the District (\$1.87M loss by 2019-20) and the PERS/STRS increases (\$1.96M by 2019-20). Dr. Tribley reminded all that while there are efforts in place to extend Proposition 30

(legislated to sunset), similar to STRS and PERS increases, we must budget for ***known new/additional*** ongoing expenses.

Joe reminded all that the District has done a number of things to address the decline in enrollment (loss of approximately \$4.3M) since 2010-11, and increased expenses; however, the work is not yet done.

Dr. Tribley asked for insight from Joe on two issues:

- 1) *What about the funding for the healthcare plan?* Joe reported that the 2015-16 Budget uses the same numbers as in this current year (no increase in funding level). Expenses are tracking favorably alongside revenue, so there is optimism for a fund balance at year end. More will be known in July when the District may choose to adjust the funding level prior to approval of the Final Budget.
- 2) *The 2015-16 Tentative Budget, as written without the “Transfers In” to balance, will be presented to the Board for approval.* Joe indicated that the Board will be looking for the Final Budget to be built on a solid plan and sound principles, using ongoing and one time funds appropriately and wisely. The District must make the best use of available funding using the best information at hand.

Joe underscored the favorable budget situation where it can evaluate priorities with available new funding. Joe will be available in person to present the budget to the Board on June 24th.

Discussion followed to include how the District should utilize the funding to hire new faculty in a difficult growth climate. Similar to MPC, many institutions have suffered declining FTES due to State cuts and changes in rules and regulations (repeatability, lifelong learning). Joe gave a review of how growth funding works:

- The State determines available growth money when it approves the budget based on available money in the system. In some years there was no growth funding available to schools regardless of growth.
- A formula based on the growth of the District’s demographics (high school, adult population) is used to determine the amount of growth money. A non-growth area such as Monterey would receive the maximum of 1%. Growth areas would receive more.
- Advance Apportionment: the State assumes we will grow and restore and pays advance apportionment. We are currently estimating approximately 6,500 FTES for 15-16, so the State’s growth estimate uses the figure of 6,880 (\$1.2M for Restoration first). P1 and P2 allow for corrections and in particular, the Annual Report (mid-July), will determine where we are with funding and in time for the District to adjust for the new year’s budget.
- The District has an added difficulty in forecasting FTES due to the high number of Positive Attendance Classes, Short Term classes and Contracts.

Members shared ideas on how to proceed with the new information on funding and implement a plan for allocating those funds. Fred suggested a sub group collaboration to provide an outline or “straw man” plan to assist the College Council 6/23 meeting;

Diane welcomed input, indicating she will provide a document identifying our Mission and Goals and Objectives, and outline the current action plans from all areas (by June 19). This together with the Ed. Plan, Goals and Objectives should help the effort in prioritizing needs with the new available funding. It will then be the responsibility of College Council to use this information in making a recommendation on resource allocation. This activity will need to coincide with the production of a tentative budget for the June 24 Board, and a balanced Final Budget for the Board's approval in August.

5. Meeting Calendar:

a. Next meetings: June 23 –Location TBD (Tentative Budget-Board meets June 24)

6. Campus community comments

Items for future meetings:

- **Campus forums to discuss Ed Master Plan**
- **Technology Bond**
- **Planning and Resource Allocation Process (more discussion)**
- **Auditing courses: exploration of opportunities/challenges**
- **Policy/process for reorganization**