

College Council Minutes

May 3, 2011

2:30 p.m., Karas Room

College Council Members: Doug Garrison, Carsbia Anderson, VP Acad. Services (vacant), Michael Gilmartin, Steve Ma, Julie Bailey, Gary Bolen, Steve Morgan, Mark Clements, Nancy Goehring, Brenda Lee Kalina, Stephanie Perkins, Fred Hochstaedter, Adria Gerard, Alan Haffa, Lyndon Schutzler, Loren Walsh (CSEA Rep.) Suzanne Ammons, ASMPAC Pres. (vacant), Will Adams, ASMPAC

Absent: Julie Bailey, Carsbia Anderson, VP Acad Svc (vacant), Gary Bolen, ASMPAC Pres. (vacant), Will Adams (ASMPAC)

Guests: Laura Franklin

Campus Community Comments:

- Dr. Garrison reported on last Friday's visit from Congressman Sam Farr. He indicated that while this ties in with efforts related to political advocacy, it was also a very insightful and enlightening visit for all. Congressman Sam Farr visited Lauren Handley's class and toured the campus's many building projects. Of particular relevance was the visit with the Veterans' Club which allowed a unique first-hand opportunity to share and explore the multi-faceted challenges faced by today's veterans whose enrollments here at MPC have tripled in recent years.
- Fred reminded us that on Thursday, May 12 at 2:30, the Foundation's Faculty Advancement Awards as a special Academic Senate Meeting will be held.
- Steve Morgan reported from a recent PERS Pension Facts mailer with interesting information (quick facts) in light of the current scrutiny over PERS Pension payouts. He cited that 78% of all service retirees receive \$36,000 or less per year, with the average retirement for all CALPERS retirees at only \$2,101 per month. Many public employees pay in to Social Security while never receiving any Social Security benefits upon retirement.
- Lyndon reported that the Dance Concert of last Saturday was well attended with 115 participants performing in the last (or one of the last) events in the current MPC Theater.

1) **Minutes – April 19, 2011:** Deferred to next meeting.

2) **Action Items (see available handouts):**

a) **Inst. Committee on Distance Ed – Budget Plan (*Response to ACCJC recommendation*)** 2nd

*Reading:**¹ Laura recapped the information from the 1st reading of the proposed Distance Education Cost Center, with a correction to title of one of the staff persons as *Technology Resource Specialist* instead of *Instructional Technology Specialist*. Additional information/comments shared included the following:

- The server costs currently listed at \$6,500 could fluctuate and we are awaiting word from CSUMB on this. Given the potential for cost fluctuations, the proposal calls for adjustments to be made within the budget should this occur.
- Following the question raised at Budget Committee that there was approximately \$13,000 in new costs, it has since been reaffirmed that no new costs have been introduced.
- The question of load was raised and that faculty coordinators in similar situations are taking on larger workloads.
- All release time is established in conjunction with input and oversight of the bargaining units.
- Additional clarification on the job description of the Administrative Assistant position is forthcoming.

3) **Board Policy Revisions:** <http://mympc.mpc.edu/Committees/PACC/default.aspx>.

a) *None to report on.*

*¹ CC had its 2nd read for the ICDE's proposal to address the ACCJC recommendation at the Dec 16th meeting, inclusive of "the caveat that it does not represent a comprehensive plan for MPC..." This agenda item introduces the budget plan component referenced in the 2nd reading.

4) Information Items (see available handouts):

- a) **College Council membership terms (update?):** College Council has asked each of the membership groups to examine the terms of their current members to determine if it is time to select members based on their time served. The following update was shared:
- **Management/confidential:** Dr. Garrison reported that he addressed the issue of representation from this group at the previous week's Management Team meeting. The MS/MSC group will need to meet and provide a member for representation.
 - **CSEA:** Loren will address CSEA at its May 10 meeting.
 - **Academic Senate:** Fred reported that the AS plans to replace Nancy Goehring.
- b) **Shared Governance and Institutional Planning and Budgeting:** After brief discussion and consensus that our current Planning and Resource Allocation Process does include a budget reduction process in place, it was decided that a re-evaluation be conducted at the end of this year's budget building effort.
- c) **Budget Update 2011-12 (Steve Ma):** Steve provided the *Budget Update-College Council May 3 2011* document and reviewed it in great detail indicating that the May Revise is the next upcoming milestone for relevant budget information which will be studied and reviewed at the ACBO Conference of mid-May. Some of the questions asked today and additional information shared include the following:

State Economy and Legislative Update:

- While the State economy seems to be stabilizing, unemployment remains high effecting personal income tax revenues. Consumers remain wary, lacking confidence in the recovery progress and lenders are not lending.
- The March 24th \$11.2 billion in budget solutions are mostly program reductions. The reductions include deferrals in apportionment which is anticipated to create significant cash flow problems.
- The balance of \$13 billion in state revenue and program cuts are identified within the elimination of redevelopment agencies (\$1.6 billion) and extension of temporary taxes and fees (\$12 billion).
- Recent LA Times/USC survey of voters on the state budget indicates an increase in the support for a tax extension along with support for caps on public employee pensions.
- For the first time, the LAO (Legislative Analyst's Office) has made suggestions for consideration for additional cuts which could be made.

MPC's Budget:

- The District has little option based on the current information other than to develop the 2011-12 budget based on a Worst Case scenario which incorporates triggers to ease back on cuts if conditions allow.
- Revenue assumptions include workload reductions (apportionment reduction), a 2.37% statutory COLA which will not be funded, and reduction in nonresident fee due to a decline in the statewide average.
- Expense assumptions include an approximate 18% increase in health benefits costs which follows last year's increase of approximately 25%. While there is some offset to this expense with CHOMP moving to a Tier 3 to Tier 1 hospital, we are still confronting an approximate \$500,000 - \$700,000 gap remaining. Steve recapped a list of over 20 expenses, many for which we have no control over.

MPC 2011-12 UGF Fund projections (document as of May 3rd??) – Steve presented this document depicting Worst, Middle and Best Case scenarios and changes in revenue and expenses, reviewing each item in detail. The wide range of uncertainty is due to the many unknown pieces which are foundation to our budget-building process, including the following:

- CCC Apportionment deficit---is dependent on property tax figures which we will know more about by the time of the May 16 Revise.
- Lottery income—figures not yet available from the CCCCO.
- Self-Insured Medical-- an increase is anticipated, while at the same time, cost containment measures are being examined by the Health & Welfare Cost Containment Committee, and pending negotiations with the bargaining units.
- Early retirement incentive savings---will know more by end of May.
- PERS employer contribution--increase from 10.70% to 11.4%, with possibility of STR increase as well.
- Classified --- 1 year reclass study and payroll increases for Step, Longevity.
- Operational expenses for which we have no control include, Property & Liability, Workers Comp, Utilities, MCOE financial system use fee, Ed Center & PSTC increases for phone/dataline.
- Some one-time expenses include external borrowing expenses (TRAN), Ed Center start-up expenses, Trustee election and demographic review expenses.
- Reductions to expenses include the targeted 15% for 4000-6000 budget categories and reduction in support for the CDC.

Steve also shared the *Summary of the Marina Ed Ctr Budget (4/22/11)* which outlines the first year for the development of this budget as a separate “cost center”. Support for the Marina Education Center is categorized in expense categories for Ed Center staff, utilities, Information Technology along with estimated support for building maintenance, grounds-keeping and custodial. Concerns were shared as to the appropriate level of tracking for the maintenance, grounds and custodial support needed for the center. Currently, estimations appear to be the most practical/feasible method to account for time and workload support of the education center. By first identifying those operating costs already being incurred within its own separate cost center, we can begin developing this operating budget. Should it later be determined that there is a great differential between estimated and actual services provided there, consideration may be given to move to a more detailed tracking method.

Future CC meeting and Budget Development timeline: Steve reviewed the calendar with the May Revise of May 16, and potential dates to correspond with College Council and the Board’s meeting schedule. Consensus was reached for the below CC schedule:

- **May 16 – Governor’s May Revise (Steve at ACBO Conference).**
- **By late May---**more information available on the collective bargaining agreements with MPCTA and MPCEA regarding compensation related and health benefits negotiations.
- **May 31st** – 1st reading by College Council of the 2011-12 Tentative Budget.
- **June 14th** – 2nd Reading by College Council of 2011-12 Tentative Budget.
- **Board Meeting June 28th** – Board adopts Tentative Budget.

5) Discussion items for *future*:

- a) Equipment Refreshment needs campus-wide:

6) Other:

- a) **Committee Reports-**

Next meeting—(May 17).