



BUDGET COMMITTEE MEETING MINUTES
Wednesday, March 18, 2009
1:30 to 3:30 P.M. – Building 3, Room 142

Members Present: Margie Carrington, Carlene Gibson, Linda Haley, Maria Lara-Blanco, Vickie Nunes, Martin Partlan, Gregory Stoup, Lezlee Ware

Ex-Officio: Thomas Mohr – President, Robert Hood – Director of Marketing

Members Absent: Joan Murphy, Student Reps

Guests: Kathy Blackwood, Regina Blok, Leonor Cabrera, Roberta Chock, David Clay, Patty Dilko, Sharon Finn, Jeanne Gross, Linda Hayes, Carolyn Jung, Gail Kamei, Kathy Kerwin, Barbara McCarthy, Ruth Miller, Michele Morton, Mario Pena, Anne Nichols, Jose Pena, Joan Rosario, Lesli Sachs, Soraya Sohrabi, Maggie Souza, Peter Tam, Ron Trugman, Mike Tyler, Terry Watson,

AGENDA ITEM	CONTENT	PRESENTER
1) APPROVAL OF MINUTES FROM 3/4/09	The minutes were approved as submitted	Joan Murphy & Martin Partlan, Budget Committee Co-Chairs
2) PUBLIC COMMENTS	None	Joan Murphy & Martin Partlan, Budget Committee Co-Chairs
3) BUSINESS I. GASB 45 & District College Allocations	Presented and reviewed GASB 45 - Governmental Accounting Standards Board that sets accounting rules for governments on how we do our accounting and OPEB – Other Post Employment Benefits dealing with medical or other benefits other than pensions. Governments (including SMCCCD) must recognize their liability for future payments to current and future retirees. The SMCCCD liability is about \$150 million. This liability can be amortized like a mortgage over 30 years. This year’s amount is about \$9 million – known as ARC or Annual Required Contribution. Federal rules say that we can only charge the benefits for current employees that they are earning as they work to federal grants and that we can only charge to federal grants if we charge the same way across the district. Proposing that our district will only charge the “current cost” across the board. Fund 1 is currently covering 100% of the costs for retirees and will have to cover whatever portion of the ARC that we choose to fund. Charging this out would cover the current cost for non-Fund 1 employees in the future. During the phase-in-period, the impact on Fund 1 would be negligible. After the phase-in period, Fund 1 would have more resources. The proposed plan as to how all appropriate funds would be charged was	Kathy Blackwood, SMCCCD Chief Financial Officer

<p>II. CurriUNET Budget Implications</p> <p>III. Research Analyst Position</p>	<p>explained in detail.</p> <p>Informed those present that as Chief Financial Officer, budget assumptions for our District are built out for five years. This is required by Accreditation and also is important for the District and the Colleges to be looking at more than one year at a time. The State budget is very volatile right now and we need to consider the variables in the amount of swing from one year to the next as we do not know what is going to happen.</p> <p>The budget assumptions for the Current Year 9/10 were reviewed along with the possibilities of becoming Basic Aid, allocations for growth, benefits, fixed costs, and other items considered in determining the resource allocation. Our District is facing an \$11.7 million deficit for 2009/10. This would gradually decrease in 2010/11, 2011/12, and 2012/13 with the total deficit coming to approximately \$17 million over four years. Allocation deficits have been applied to the District sites with the largest reduction occurring in 2009/10.</p> <p>The District has recommended that all sites look at reducing their budgets by 10% just to see what they would look like.</p> <p>Kathy Blackwood's entire presentation is available for viewing on the District Portal Page under iTunes University (iTunesU)</p> <p>Our District is looking into the possibility of purchasing CurriUNET program/software which would assist with curriculum development. The cost for the program/software would be \$90,000 with an additional annual maintenance fee of \$15,000. Discussion occurred on the benefits provided by the program and what Cañada already has in place.</p> <p>Reported that the need for adequate college planning and data continues to grow with Accreditation, SLOs, Program Review, and Grants. President Mohr proposed hiring a short term hourly Research Analyst to assist Greg Stoup now. He would also like take this position through the hiring process as a permanent position. Looking at using the salary savings from open positions that can fund this right now. He will be looking into funding options to make this a feasible expenditure.</p>	
<p>4) ADJOURNMENT</p>	<p>The meeting was adjourned at 3:22 p.m.</p>	<p>Joan Murphy & Martin Partlan, Budget Committee Co-Chairs</p>