

District Budget Advisory Committee Report

August 29, 2013

Reported by Ann French

Throughout the State enrollment at community colleges is a mixed bag; some up, some flat, others down.

We are seeing the fruits of Prop 30: the Governor has been very conservative in his budget projections, which has resulted in less uncertainty about our own budget. Since COLA has not been funded by the State we've lost about 16% in collective COLAs in the last several years. Current budget assumptions: COLA has been built in, growth has to be earned. First-day enrollment numbers: up about 8% but we still need to reach 9-11%. How COLA is applied this year will largely be determined by the bargaining units. 87% of budget goes to salary & benefits.

Dr. Jones mentioned the need to look across District at faculty levels; there may be one college with a shortage and another with a surplus. What areas do we want to grow in? How do we retrain current faculty who find themselves in areas with less demand?

FON (full-time faculty obligation number) is currently at about 413 district-wide, while 430 is budgeted. Should the State determine a finding of adequate funds the District will be obligated to have about 460. The method of determining this number is a contentious one and not at all straight forward.

50% law at about 50.09%; it is expected that in the coming year we will be moving toward a more robust number rather than being on the edge.

There are over than 200 fewer employees throughout the District then there were 6 years ago yet we are still attempting to provide the same level of service to the same number of students.

Expectation is that the District will release rest of the Rainy Day Fund to achieve growth

Clarification of term "Certificated": Chancellor down through Deans (1000 category)

Clarification of term "Classified": includes Classified Managers (2000 category)

Health Benefits: no major claims in the past few years, 3rd party negotiator has done a good job for us; providing a modest reduction of .24% for current year (\$90 thousand). There is the need to take a close look at our health plan to contain costs. PERS rate up very slightly. STRS flat: expect employer match rates to go up.

This is the best budget year we've seen in a number of years