

Coast Community College District  
District Budget Advisory Committee  
June 2, 2009, 2:00 – 4:00 p.m.  
Meeting Notes

The District Budget Advisory Committee Meeting was called to order by Acting Chancellor Currie at 2:00 p.m. in the District Board Room. Committee members in attendance were:

1. Minal Ajbani, Classified Representative, CCC
2. Cheryl Babler, Acting President, CCC
3. C.M. Brahmhatt, Vice Chancellor, Administrative Services, District
4. Wes Bryan, President, GWC
5. Susana Castellanos-Gaona, Classified Representative, GWC
6. Ding-Jo Currie, Acting Chancellor, District
7. Bob Dees, President, OCC
8. Rodney Foster, Faculty Representative, OCC
9. Lee Fuller, Student Representative, CCC
10. Janet Houlihan, Vice President, Administrative Services, GWC
11. Nancy Jones, Faculty Representative, CCC
12. Judi Lagerlof, Classified Representative, OCC
13. Dean Mancina, CFE Representative, OCC
14. Michael Mandelkern, CDMA Representative, OCC
15. Kevin McElroy, Vice President, Administrative Services, CCC
16. Rich Pagel, Vice President, Administrative Services, OCC
17. Diane Restelli, Faculty Representative, GWC
18. Lynne Riddle on behalf of Helen Hawthorne, Student Representative, OCC
19. Jeff Weaver on behalf of Amir Shakoorian, Student Representative, GWC
20. Danny Wojciechowski, CFCE Representative, OCC

**Acting Chancellor Ding-Jo Currie** called the meeting to order at 2:00 p.m., welcomed Committee and audience members, and requested introductions from Committee members.

**Dr. Currie** provided a synopsis of the May 21, 2009 District Budget Committee meeting, which included the Committee's efforts to identify a reduction of \$10.3 million to the District's 2009-10 general fund budget for recommendation to the Board of Trustees. Cost-cutting ideas were contributed from committee members and staff throughout the District and College communities. From the original 21 ideas, Committee members focused on identifying the top ten cost-saving measures, and then the top five, to explore in greater depth with attention to feasibility and cost savings.

To facilitate further exploration of the cost-saving measures previously identified, and to solicit additional viable ideas, **Dr. Currie** distributed and reviewed a handout entitled, "Coast Community College District Budget Planning Goals and Guiding Principles," which she created for consideration as an over-arching framework and foundation from which to approach this crisis. The goals and principles recognize the fiduciary responsibility for use of taxpayer money and for following the District's Master Plan, Vision 2010. Preliminary steps have been taken toward development of a new Master Plan 2020. **Dr. Currie** stressed the need for the plan to drive the budget, rather than the budget drive the plan, and her desire to keep the needs of students as a top priority during all aspects of this fiscal crisis. **Dr. Currie** further noted that this financial crisis is a multi-year situation and will require the services of this body for the long haul.

**Dean Mancina** acknowledged the importance of this document and stated his intent to share it with faculty for their feedback. **Dr. Currie** invited all to do the same.

**C.M. Brahmbhatt** provided an overview of the \$20.4 million that the District must cut from the 2009-10 budget; \$10.1 million from categorical programs and \$10.3 million from general funds. Of the \$10 million reduction to general funds, \$7 million are the result of funding cuts from the state and \$3 million are the result of increased costs to the District due to contractual obligations. As the District looks at mitigating the \$10 million general fund reduction for 2009-10, **Mr. Brahmbhatt** offered that consideration could be given for use of \$5 million in one-time monies (\$2 million from stabilization and \$3 million from the reserve from contingency), with the understanding that these funds would not be available in 2010-11, when the need for even greater budget cuts is anticipated. An additional \$2 million in cuts could come from the proportional shared responsibility of reductions at each of the campuses and the district office. The District Budget Advisory Committee has been charged with identifying potential cuts of \$3 million from general purpose funds as a recommendation to the Board of Trustees.

**Mr. Brahmbhatt** distributed a list of the 21 cost-saving suggestions identified and ranked during the May 21, 2009, District Budget Advisory Committee meeting and reviewed the dollar-value cost savings associated with each measure. It was noted that several of the suggestions are negotiable items and would require agreement from the collective bargaining units prior to implementation. There was valuable discussion and audience participation regarding the following items.

- Item #1:** Hiring slowdown. There are currently 67 vacant positions.  
Fiscal Impact: "Real-cost" net savings of \$2 million
- Item #17:** 4-day/8-Hour Work Week, to include mandatory Friday vacations throughout the summer.  
Fiscal Impact: Utility savings of approximately \$120,000 and reduced liability of vacation accrual savings in the amount of \$1.3 million
- Item #2:** Classified hourly staff reduction  
Fiscal Impact: Savings to be applied toward campus/district budget reduction of \$2 million.
- Item #3:** Freeze health benefits for one-year increments. Employee cost to range from \$20-\$80 per month, depending on annual salary, with potential lower net impact due to use of pre-tax dollars.  
Fiscal Impact: Recapture \$580,000 by freezing health benefits at one percent; recapture \$1 million by freezing health benefits at 1 ½ percent.
- Item #8:** No salary increase for 2009-10 and 2010-11.  
Fiscal Impact: Allows District to better manage and balance the budget knowing there will not be salary increases.
- Item #10:** Freeze step and column increases.  
Fiscal Impact: \$1.2 million savings, with a greater impact to newer employees.
- Item #13:** Reduce travel  
Fiscal Impact: Approximately \$250,000 savings on travel reduction, including contract obligation and PDI.
- Item #6:** Re-evaluate all positions upon vacancy.  
Fiscal Savings: No immediate savings.
- Item #12:** Eliminate General Counsel's Attendance at Board Meetings  
Fiscal Impact: \$43,200 savings resulting
- Item #20:** Early-notification retirement incentive  
Fiscal Impact: Consideration of \$5,000 or \$10,000 incentive for 1- or 2-year advance retirement notification

- Item 21:** Close campuses on Fridays throughout remainder of year.  
Fiscal Impact: \$1 million in savings. Equates to 20 percent salary reduction and impacts PERS/STRS service credit.
- Item #7:** Reduce management expenses by ten percent  
Fiscal Impact: Savings of \$1.4 million
- Item #11:** Eliminate Associate Vice Chancellor of Educational Services position  
Fiscal Impact: \$100,000 savings. Position is currently filled in a temporary capacity.
- Item #4:** Add three LHE for next two years  
Fiscal Impact: Savings of \$2 million
- Item #15:** Sell/Lease excess District property  
Fiscal Impact: No immediate savings. Hope for \$1-2 million of on-going new income in 2013-14. District has significant land to develop.
- Item #16:** Eliminate District advertising/marketing program  
Fiscal Impact: Save \$300,000
- Item #5:** Reduce vacation days to 12 for next two years  
Recapture \$2.2 million, which is equivalent to 32 full-time positions. Impacts classified staff and classified managers
- Item #9:** Implement one-day per month furlough  
Fiscal Impact: Savings of \$2.5 million, or the equivalent of a five percent salary reduction. Impacts PERS service credit for retirement calculations.
- Item #18:** Reduce GASB contribution  
Fiscal Impact: Approximate \$1 million savings by reducing GASB contribution from three percent to two percent. Potential accreditation issue.
- Item #19:** Use accumulated GASB contributions.  
Fiscal Impact: Savings dependent on how much can be withdrawn from GASB funds. Currently expend \$8 million for employees. Potential accreditation issue.
- Item #14:** Eliminate District building and grounds program.  
Fiscal Savings: No savings, whether duties performed by OCC or District staff.

**Dean Mancina** distributed and reviewed a list of cost-saving suggestions from the Coast Federation of Educators, which included the cancellation of contracts that do not involve “stipulated funding such as Measure C monies;” consideration of in-house staff for work currently contracted out; seeking assistance from College and District Foundations and the CCCD Enterprise (swap meet resources); selling assets; deferred replacement of equipment; limited conference attendance; implementation of water-wise xeriscape materials; reasonable and timely settlement of grievances; retention of good part-time faculty; and consideration of refreshments/food consumption.

After significant discussion, Committee members identified the following items for recommendation to Trustees at the June 3, 2009, Board of Trustees’ Budget Study Session.

- **Item #1:** Hiring Slowdown  
(no objections from Committee members)
- **Item #17:** 4/8 Work Week  
(7 objections from Committee members)
- **Item #3:** Freeze Health Benefits  
(3 objections from Committee members)
- **Item #8:** No Salary Increase  
(2 objections from Committee members)
- **Item #13:** Reduce Travel  
(no objections from Committee members)
- **Item #20:** Early Notification Retirement Incentive  
(no objections from Committee members)

- **Item #11:** Eliminate Associate Vice Chancellor of Educational Services Position  
(no objections from Committee members)
- **Item #16:** Eliminate District Advertising/Marketing Program  
(1 objection from Committee members)
- **Item #18:** Reduce GASB Contribution to \$1.5 million from current \$3 million  
(no objections from Committee members)
- **Item #6:** Re-evaluate All Positions  
(no objections from Committee members)
- **Item #7:** Reduce Management Expenses  
(10 objections from Committee members)

**Dr. Currie** also stated the need for \$10 million of cuts to categorical programs, which include tremendous hits to EOPS (Extended Opportunity Program and Services) and DSPS (Disabled Students' Programs and Services). **Dr. Currie** charged categorical program staff to identify their own reductions, since they are most familiar with their programs. Categorical staff has met once and will meet again on June 4. In response to **Dr. Currie's** proposal for categorical programs to absorb cuts up to 20 percent as currently proposed by the state for 2009-10, categorical program leadership staff in the audience offered their support to be prepared for those cuts within their programs. **Dr. Currie** acknowledged their support and the sacrifice that would be required. **Dr. Currie** further stated that if the original state-proposed categorical cuts of 57 percent were to be implemented, programs would be unable to absorb such extensive cuts and she may recommend to Trustees that the District absorb the additional 37 percent from general funds for one year to enable the categorical programs to balance their 2009-10 budget.

**Dr. Currie** offered appreciation for the open discussion about how to best utilize resources. She advised that she would make a recommendation for the Trustees on the 2009/10 tentative budget at the June 17, 2009, Board of Trustees' meeting, in order to be fiscally responsible and start the new fiscal year with direction. The Board is considering additional study sessions throughout the summer months, as needed.

In light of this unprecedented situation and the frequent fiscal changes at the state level, **Dr. Currie** recommended this Committee meet again in the near future. It was agreed that the District Budget Advisory Committee will meet on **June 29, 1:00 – 4:00 p.m., in the District Board of Trustees' Room.**

**Dr. Currie** thanked everyone for staying late and adjourned the meeting at 5:05 p.m.