

Special Meeting

Board of Trustees

Coast Community College District

District Board Room

5:00 p.m. Special Meeting

June 10, 2009

Minutes

1. Call to Order

Board President Jim Moreno called the meeting to order at 5:00 p.m.

2. Pledge of Allegiance

Student Trustee Robert Lane led the Pledge of Allegiance to the United States of America.

3. Roll Call

Trustees Present: Jim Moreno, Jerry Patterson, Mary Hornbuckle, Walter Howald,
Dr. Lorraine Prinsky and Student Trustee Robert Lane
Trustees Absent: None

4. Opportunity for Public Comment (Items on the Agenda)

STUDY SESSION

5. Board of Trustees' Study Session: Coast Community College District Budget

Study Session matters are held for the purpose of providing and receiving information and discussion of issues related to the subject. No substantive votes shall be taken. Procedural votes may occur with respect to matters being referred to Staff for further analysis and reporting back to the Board of Trustees, or to establish additional Study Session dates.

5.01 State Budget Update and Chancellor's Report (30 Minutes)

5.02 Round Table Discussion with Constituency Groups (1 Hour)

5.03 Comments from the Board of Trustees

Mr. Moreno expressed appreciation to everyone for spending time and showing interest in working together to make suggestions to find solutions to the current budget crisis.

Mr. Patterson commented that in times like this, such budget meetings are essential. He stated that we would all feel pain as a result of the economy. He noted that we can't raise taxes if we wanted to, and can't decline students if we want to. Mr. Patterson stated, "We have to educate the students that come to us with fewer dollars. We are focused on eliminating \$20 million from our budget. This is a 10% cut this year. My fear goes beyond this year. I know we can do it this year. We are going to have two more rough economic years. The second and third years are harder to envision at this point. So to me, I am looking at any possibilities of taking out fat where there is fat, tightening belts where we can tighten belts at no cost or risk to students, and avoiding every which way we can that involve personnel. This is my personal goal and I feel that most of the Board feels the same way. The committee that our Chancellor has formed has already given us some good ideas and direction for the future, and we will hear a lot more about that this evening."

Dr. Prinsky commented that she had been following the discussions and reading emails while being out of the country. She indicated that she had been debriefed by Chancellor Currie on the budget. She commented that the students are the first priority and that cuts to classes should be a last resort. She noted that this situation is very painful. She expressed her pride in being part of this District, and seeing that every constituency organization is involved. She commented that the District can manage this year, and that this situation is a multi-year problem. She commented that we should look at this as an opportunity for some reorganization and consolidation that in the long run could make the District better and to keep the colleges the best that they can possibly be.

Mr. Moreno invited the Chancellor to provide an update to the Board.

Dr. Currie commented that after the last study session, she had received many heartfelt comments and encouragement in terms of people offering support and providing new ideas to help the budget. She indicated she would prepare a master list with a goal to get it out in the News Brief and to individuals and campuses where ideas could be studied. Dr. Currie thanked those who took time participating in finding solutions to the budget crisis.

Dr. Currie noted that she took notes of areas that Board members requested to hear more about, as indicated from the Budget Study Session Meeting of June 3, 2009. Dr. Currie provided the Board and audience members with the Coast Community College District Budget Planning report (see Appendix A, pages 11-17).

On the first page, (see Appendix A, page 11) are categories concerning the colleges and the District offices which includes reports on cost reductions. One is on the area of programs and services that probably hasn't been looked at in the past. She suggested that campuses should go through a process to arrive at how they are going to implement various cost cutting measures. She commented that everyone is in consensus to keep the cuts as far away from students as possible. She indicated she would not dictate to the campuses – they would go through their own processes and dialogue. Dr. Currie stated, "At the end of this, however, when we at the District level keep the cuts away, we have to live true to what we commit to." She stated she would ask the campuses to make a report on where they actually make the cuts and requested the campuses keep in mind the following questions when making cuts, "Is it far away from students? Is it with minimal impact to students?" She stated she wanted to see this for accountability purposes.

Dr. Currie commented on enrollment management strategies, confirming that the District does not want to cut classes. She stated she had asked the college Presidents to reduce class offerings, and indicated that she did not want to go through a steep cut as we did in 2002. Dr. Currie said she would be asking for a report in terms of what the class offering is for the fall. She commented that the colleges are going to be calling on managers, classified staff, and everyone in the District to go all the way out for our students. She indicated that she could not cut classes without having looked elsewhere first. She noted that library and counseling services are equally important as the classroom instruction.

Dr. Currie commented on the hiring slowdown option (see Appendix A, pages 12 and 13). The pages summarized the vacant positions. The total dollars amount to \$3.9 million for 67 open positions. She directed the campus and district offices to hold hiring until the Board makes a decision. If the Board approved the proposal on June 17, the District would take immediate action. Dr. Currie noted that campuses are being asked to look at temporary placement or reorganization. Dr. Currie commented, for example, that the Vice President of Student Services position at Golden West College is vacant and would not be filled. Dr. Currie noted that Orange Coast and the District Office were also looking at positions to be frozen as part of the slowdown/freeze and the Trustees would receive a report on this.

Concerning business practices, Dr. Currie indicated that while maybe this year, a good chunk of the District cost saving may be done easily by hiring freezes, using reserves, etc, that does not mean that the District would not be forced to re-examine the business practices and costs that are associated with them. She noted that this is the time to make adjustments and cut out the waste. Dr. Currie commented on the use of glasses and pitchers in lieu of bottled water and issues of sustainability. She indicated that the District was trying to be more green across the District. She noted that there would be reductions in purchase, travel and equipment. She commented that the District must focus on revenue generation and would be asking the campuses to look at activities and programs they have in place and see if they have activities that could be added that would generate additional revenues. She also stated she wanted to have more fundraising activities. Dr. Currie stated, "Often times, campuses on ancillary operations generate revenues. This is the time to go to those ancillary operations to look at their business practices, and the income that they are generating. In times like this, where the college cannot subsidize any ancillary operation that is in the red, they must climb out of it. And, in the master planning, do not do this exercise as a onetime short term crisis mode exercise but as a long term plan so that our budget can follow our plans. I am going to ask the campuses when we start this fall; to initiate Master Planning processes, concerning a 2020 Plan. We must not forget that we have to do the planning now. This is what I am recommending – to do a 10 year master plan."

Dr. Currie thanked John Breihan for bringing up the Coast Student Centered initiative. Mr. Breihan suggested that classes could be aligned from one class to another. She advised that Mr. Howald's objective of common course numbering was being pursued in this initiative.

Dr. Currie provided Trustees with an overview of travel charges used at the District and noted that there had been a reduction in travel. The Board had made it clear and everyone had heard this message. Dr. Currie provided Trustees with a summary of travel charges for contractual obligations, noting that those charges amount to \$295,000 – related to professional development for all staff in the District. Dr. Currie noted that there had not been a huge amount of money being spent above what the District had spent contractually.

Dr. Currie described salary increases on page 5 (see Appendix A, page 15). She confirmed that the state has no COLA for FY 2008-09, with no allocation for FY 2009-10.

On Page 6 (see Appendix A, page 16), Dr. Currie provided a historical perspective of retiree health benefit costs. She discussed the increases in retirees and the commensurate cost increases for retiree benefits, as a portion of our total District retirement budget. The District now pays \$8,000,000 per year for retirement benefits. As more retire and people live longer, the total will increase. Dr. Currie noted that there is long term increased cost for retiree benefits. On Page 7 (see Appendix A, page 17), Dr. Currie provided details on what had been done to contribute to GASB 45 issues. In 2004, the District began to work to reduce its retiree benefit liability. She noted that the liability would be fully funded by 2022/23 and then, an annual contribution would no longer be required. So far, \$31 million has been contributed. The District is \$48 million away from reaching the goal of \$80 million. The current contribution this year is based on the actuarial report. The last report indicated that the District needs to pay \$2.976 million which represents 3% of the contracted salary. The District needs to contribute \$8 million per year just to meet the current retirees' obligations.

Mr. Patterson asked about the \$8 million annual contribution. Dr. Currie clarified that the figure is what the benefits for retirees cost the District. Mr. Brahmbhatt noted that all employees and retirees are in a blended plan that amounts to \$12,500 per employee. Mr. Brahmbhatt noted that the District is spending \$12,500 for 692 retirees. Actual cost for the retirees and active employees are all lumped together. Actual cost could be completely different if you set out all of the retirees. Mr. Patterson asked if the number was derived not by actual expenditure but instead by a budget plan. Mr. Patterson asked for more information on the GASB 45 contributions. Mr. Brahmbhatt brings this report back to the Board on every even year. He commented that KOCE cost savings, and land development fees were being used to contribute to this plan. For 2009/10, the only dollars going into this pool of money will be from employee contributions, as other revenues are being used to balance the budget. Mr. Brahmbhatt noted that the largest single cost in the budget was health care benefits. Mr. Brahmbhatt noted that the escalation in retirement benefit costs would continue in the years to come. Dollars will be taken from operational dollars on a greater scale.

Mr. Patterson confirmed the contribution for the GASB participation. Mr. Patterson would like to see if GASB options could be looked at to reach the contribution objective, but perhaps later. He commented that the District should not dip into the Joint Powers Authority Fund, but he would like to see a suspension, so that the District still participates, but that it cannot be done in the short years. Dr. Currie indicated that the number of retirees would increase with retirees living longer. Mr. Patterson noted that the District should have looked at demographic trends when the original plan was included.

Trustees discussed retirement benefits. Mr. Brahmbhatt confirmed that the District pays \$4,000 for retirees after the age of 70. The retiree pays the rest. Mr. Brahmbhatt commented at age 65, Medicare becomes the primary provider, with the District being the secondary provider. Mr. Howald commented regarding the misunderstanding of GASB. He noted that the issue was related to pension plans for private enterprises. Ms. Hornbuckle commented that the auditors would comment as to whether or not the District has funded GASB 45.

Mr. Moreno asked if there was anything to report on the State budget. Mr. Brahmbhatt noted that there were two components at the state level. He indicated that as of this morning, no final decision

had been made. The deadline would be set for June 30, 2009 for the budget. Mr. Brahmbhatt noted that the deadline would probably be pushed back. With respect to K-12, there was flexibility language for categorical programs. Mr. Brahmbhatt noted that the District also needs flexibility to implement categorical programs and that there could be fee increases for tuition. Mr. Brahmbhatt confirmed that all fee increases would be used to backfill the categorical programs. Also, the new budget does not have any growth dollars. At the same time, Mr. Brahmbhatt noted that there have been conversations for apportionment for each college district. The state is also looking at FTES reductions across the board and whatever the number that will be finalized; the District has to balance that out downwards. That is the only way that the District has flexibility. Each student is 1/10th of a FTES. If we have 1,000 less FTES then that means there are 10,000 less students in the District. There are already 1,200 unfunded FTES, and if the workload measures are sent downward, there will be impacts.

Mr. Patterson asked about FTES, and the state's role. Mr. Brahmbhatt clarified that FTES and growth are related and the state could make negative growth, by reducing FTES and overall workload. If the state reduced the FTES, fees increase, and on top of that, there would be additional budget cuts, according to Mr. Brahmbhatt. Mr. Howald asked if the fee increases would be accounted separately, and would be totally backfilled to support reduced classes. Mr. Brahmbhatt said that the issue was still being worked out.

Mr. Moreno began the roundtable discussions.

Dean Mancina of CFE wanted to share that he had put together a six page letter to summarize the state's budget situation and how it affects the Coast Community College District. It was mailed to all unit members of the CFE.

Mr. Mancina wanted to express concern about the \$2,000,000 proposed cut from the colleges. He indicated that Dr. Currie provided good clarification on how the cuts are taking place. He noted that cuts in the non-classified hourly staff can affect programs and faculty because the faculty members rely on these staff members and that they are now at the bare minimum. Mr. Mancina indicated that a further reduction in the GASB 45 contributions could be tapped.

Mr. Mancina indicated it would be helpful showing the increase or status of where the employee contribution amounts total up over the last 15 years. He also noted that there had been talk about accreditation and GASB 45 – there was specific mention of LACCD being cited for their failure to have an active GASB 45. He discussed this issue with Mr. Carl Frielander who clarified that the question was merely raised by the Accreditation Committee, it was answered by the District, and that there was no concern that accreditation would be lost. Mr. Mancina indicated that a delay in a contribution to GASB 45 would not touch students and could be made up in more robust years and through the suggestion when the actuarial study is done to have lengthier times to achieve the District's goals. Mr. Mancina suggested that other organizations could perform the actuarial studies to make sure that there is a clear picture. On April 22, Mr. Mancina had asked for a comparison of the amount other districts contribute to GASB. Mr. Mancina noted that Coast is in a much better situation than other districts. Mr. Mancina commented that the hiring slowdown should proceed in a timely manner. He noted that about \$2 million will come from that slowdown. He asked what the pros and cons were for waiting until July 15. Mr. Moreno asked if the Chancellor could evaluate a timeline and see if the District could move in a similar timeline.

Mr. Patterson indicated that he concurred with a longer time frame, but that there could be steps in the direction of formulating a budget, as opposed to passing a budget. Dr. Currie noted that if the District starts taking action in this direction, it would not only be for 09/10, but also 10/11 so that the District would be in a healthier position.

Ms. Nicholson of CFCE commented that many classified staff had contacted her and suggested innovative ways in looking at cuts. Ms. Nicholson received a few concerns about the 4/8 plan and cuts to the hourly staff, and how those cuts would affect student services, especially in the admissions processes and paperwork that would affect the students. She stated that the proposed cuts would set the entire process back and would have a big impact on students. Another concern that had been expressed was to see that cuts are done equitably and across the board to all constituents. Ms. Nicholson also encouraged the Board to look at cost saving measures in non-personnel sections. Ms. Nicholson commented on the large volume of rumors going around among staff, and indicated additional and accurate information would be out to others soon.

Dr. Prinsky commented on Ms. Nicholson's statements about the importance of reducing infighting, and that the District needs to stay ahead of the cuts. Dr. Prinsky commented on the GASB issue, concerning a delay. Dr. Prinsky would like to see what other Districts are doing in terms of contributions to GASB 45.

Mr. Brahmhatt confirmed that the Board must adopt a tentative budget on June 17. He indicated that the state already had an approved budget for the District. Ms. Hornbuckle commented that city governments must have a budget by June 30, and that the District should adopt a budget. If it is a tentative budget, it can be changed as necessary.

Dr. Mandelkern commented that managers also feel the impact of the budget. He stated that cuts should be fair, equitable and across the board, without any one group being singled out and that includes management positions being reviewed as part of the slowdowns.

Mr. Kris Cutting of the Associated Students of Orange Coast College discussed the possibility of cutting classes. He asked the Board to thoroughly examine the class situations before they start to cut. Mr. Cutting also stated that cuts to programs such as EOPS and other special services should be avoided as they help students get through the system. Mr. Cutting discussed the issue of sustainability and emphasized the importance of taking the time to look at the entire picture.

Dr. Currie commented in response to Mr. Cutting's remarks. She was aware that Cal State Fullerton cut back on utilities, landscaping, etc, and that these issues could be looked at, as the totals add up and could have a major impact. Dr. Currie concurred with Mr. Cutting and indicated that a District-wide review was under way to look at utility bills. At the District office, usage of lights, water, etc, were currently being reviewed.

Dr. Restelli commended the Board for its leadership. Throughout this, Dr. Restelli noted that there would be promise and there could be new ideas and opportunities that would be beneficial as cost saving measures for the future. She stated, "All in all, the District would like to restore themselves when there are better times. If they continue to document what has been done and the actions that are being taken, the District will be stronger in the long run." She mentioned the importance of suggestion boxes for cost saving items and that the District should implement them.

Ms. Holliday of the Coastline Community College Academic Senate asked the Board to consider other cuts before making any to student services. She noted that there are a variety of services that are important to students such as tutoring and student success centers and that those services offer some experiences at college that provide students with the extra thing that they need to get them to the job that they want. Ms. Holliday noted that the Coastline Community College student representatives were attending class and were unable to attend tonight's meeting.

Dr. Arismendi-Pardi indicated that he had comments and would forward them to the Board. He also discussed Dr. Jack Scott's Memorandum to the colleges. Dr. Scott emphasized that tough times are ahead: he commented that this is a forecast, and that solutions have to be equitable: Dr. Scott emphasized three things as a guideline if he were to solve this problem, to optimize the best approaches. Dr. Arismendi-Pardi emphasized the issue of not replacing staff for retirements and resignations, and also to reduce administrative costs by having fewer administrators oversee larger areas.

Mr. Moreno stated that in bad years, the District works through the process just to survive. He stated, "With what we are learning through this process, we will develop skills, learn efficiencies, and we will be able to supersede and end up with a real good product."

Mr. Patterson commented that the Board had learned a great deal in the last two weeks. He noted that good progress had been made, but wanted to emphasize the issue of being equitable and fair, and no infighting, will help go a long way. Mr. Patterson would like the priority to be in non-personnel cuts, and asked that this be pursued. He commented that the hiring slowdown should happen sooner rather than later, and could save \$2,000,000 – and he asked whether or not it was being brought before the Board. He also indicated he would like to see some deep cuts to the travel budget.

Mr. Patterson asked about the different numbers pertaining to vacant positions listed on page 3 (see Appendix A, page 13) as 67, however the current non-filled position seemed to be 41. Dr. Currie clarified that the 41 positions were part of the 67 total. Dr. Currie noted that some recruitment may be stopped mid-process as part of the slowdown. Mr. Patterson asked Dr. Currie what the Board would be seeing a week from the June 10 meeting. Dr. Currie noted that a tentative budget would be fully prepared. Dr. Currie noted that the tentative budget would help the District move forward to 2010/2011. Mr. Brahmbhatt noted that there would be significant changes in the final budget.

Mr. Patterson asked about GASB. Mr. Brahmbhatt indicated that the current contribution would be proposed.

Dr. Currie noted that she intended to present a tentative budget of what is being recommended to the Board and that the Trustees would be able to consult and make changes.

Ms. Hornbuckle commented that a tentative budget is just that, -"tentative". The Board adopts a proposed plan, but it is tentative, because the Board does not know what the state is going to do. Ms. Hornbuckle felt that the Board should move ahead in adopting a tentative budget and that the Board could make changes to what the Administration proposes at a later time. Regarding GASB 45 Ms. Hornbuckle stated that the District had been responsible toward putting money to this

responsibility. She wanted to pat us all on the back for that as it is an important liability for the District. It is the District's responsibility to the employees that we pay for those post-employment benefits. However, she said that she recognized in tough times you are able to cut back in places where you ordinarily would not, and she would support a reduction to the contribution – but that the District should stick with its plan. She noted that the District could revise the plan but that it should be based on a plan, not based on the fact the District is going through a bad budget year. She supports cutting the contribution now, but she does not see that as a permanent cut, but one only for bad times.

Mr. Howald commented that he agreed with the idea of a suggestion box. He emphasized that the District would be interested in new revenue opportunities. Mr. Howald also noted that he would like to see more community members involved in the process and would like the Board to take steps to involve them.

Mr. Howald commented that overall travel expenditures have been reduced and that it is kudos for good management and self-discipline to those who have cut back on travel. In addition, he emphasized that a budget needed to be adopted – and that a budget can be changed. He expressed a reduction in the GASB contribution, and commented that the Chancellor would come up with the remaining \$1.5 million to make up reductions in general funds. He commends the good work and looked forward to an adopted budget.

Dr. Prinsky commented that everyone recognized that we have to cut back, and that there would be sacrifices with everyone doing more with less. Dr. Currie emphasized that the District has to have a plan with a philosophy attached to it, with cuts that are equal and fair, so that the District could carry itself through this year and subsequent years.

Mr. Lane thanked Dr. Currie for her words for not wanting to cut classes. Mr. Lane commented that students have worked to have sustainability. Mr. Lane supported additional ideas of metering buildings to improve the electricity performance.

Ms. Tamar Goldman addressed the Board regarding the high utility costs incurred for air cooling systems throughout the District. She suggested that each campus and the District offices adjust their settings in effort to reduce the cost. Ms. Goldman pointed out to the Board how cool it was in the Board Room and how many of the attendees had jackets and sweaters on. She noted that even adjusting the thermostat a few degrees could save the District thousands of dollars per year.

Mr. Moreno thanked everyone for their input and the hard work put forth in the budget planning process during these tough times.

END STUDY SESSION

6. Adjournment – In memory of Noah Krom and Father Emory Tang of St. Simon and Jude Parish in Huntington Beach.

There being no further business, it was moved by Mr. Howald and seconded by Mr. Patterson that the meeting be adjourned.

Aye: Mr. Moreno, Ms. Hornbuckle, Dr. Prinsky, Mr. Howald and Mr. Patterson

No: None

Absent: None

The meeting was adjourned at 7:19 p.m.

Secretary of the Board of Trustees

Appendix

Page

Appendix A – Acting Chancellor, Dr. Currie and Vice Chancellor, Administrative Services, C.M. Brahmbhatt – Coast Community College District Budget Planning..... 11-17

Appendix A

Coast Community College District Budget Planning

Board Study Session – June 10, 2009
College/District Office Approaches and Reports on Cost Reductions

Programs and Services

- ✍ Process for Decisions on Cuts
- ✍ Support Service reductions, consolidations, and changes
- ✍ Class offerings projections, productivity, and impact

Hiring Slow Down/Freeze

- ✍ Process and decisions on positions being moved forward, slowed down or frozen.
- ✍ Management positions for temporary and/or long-term reorganization/replacements
- ✍ Six and twelve month plans for 09/10
- ✍ One and two year staffing plans for 09/10 – 10/11

Business Practice

- ✍ Changes in business practices and processes
- ✍ Sustainability practices
- ✍ Reduction in purchases, travel, equipment, etc.

Revenue Generation

- ✍ Activities and plans to increase revenues
- ✍ Fund raising/Foundation activities
- ✍ Ancillary operations

Master Planning

- ✍ Initiate District/College Master Plan for 2010-2020
- ✍ Coast Student-centered Initiative

STATUS OF DISTRICT POSITIONS NOT FILLED AS OF 5/21/09

GWC**Position**

- 1 Secretary Sr.
- 2 Registered Nurse
- 3 Systems Analyst Specialist
- 4 Nursing Innovation Grant Technician
- 5 Systems Network Analyst 2
- 6 Cosmetology Dispensary Technician
- 7 Cosmetology
- 8 Chemistry
- 9 Computer Science
- 10 Counselor
- 11 English
- 12 Math
- 13 Vice President of Student Services

Status

- Level 1 complete
- Level 1 complete
- Level 2 complete
- Level 2 complete
- Posted
- Posted
- Position Closed
- Screening 1st batch
- Posted
- Posted
- Posted
- Posted
- Routing

OCC**Position**

- 1 Instructor, Mass Communication
- 2 Instructor, Geography
- 3 Dean, Math & Science
- 4 Dean, Business, Computing, & Career Services
- 5 Instructor, Philosophy & Religious Studies
- 6 Instructor, Digital Fabrication
- 7 Instructor, Dietetic Technology (Program Coordinator)
- 8 President of Orange Coast College
- 9 Instructor Physical Educ/Crew
- 10 Research Analyst, Senior
- 11 Instructional Associate (Fitness/Exercise Programs)
- 12 Food Service Worker III
- 13 Admissions & Records Technician II
- 14 Registered Nurse, Lead
- 15 Instructional Associate - Success Center
- 16 Instructional Associate - Success Center (Reading/Writing)
- 17 Accounting/Fiscal Specialist

Status

- Interviewing
- Interviewing
- Interviewing
- Interviewing
- Interviewing
- Posted
- Posted
- Routing
- Interviewing
- Interviewing
- Interviewing
- Screening Level 2
- Waiting Screening 1
- Posted
- Posted
- Posted
- Routing

CCC**Position**

- 1 Dean of Instruction
- 2 Dean, Military Contract Education Programs
- 3 Contract Education Operations Coordinator, Senior
- 4 Military/Contract Education Technician III
- 5 Guidance Assistant
- 6 Workforce Specialist
- 7 Workforce Specialist

Status

- Interviews Complete
- Offer Made
- 2nd Interviews
- Waiting Screening 1
- Screening Level 2
- Interviewing
- Interviewing

DIST**Position**

- 1 Custodian
- 2 Senior Director, Facilities, Planning & Construction
- 3 CTE Community Collaborative Grant Coordinator
- 4 (Associate) Vice Chancellor (Educational Services)

Status

- Routing
- Offer Declined
- Posted
- Hold

6/10/2009

Page 2

CCCD Vacant Positions

OCC	1,667,590
GWC	1,466,565
CCC	278,623
DIST	395,812
DW	163,079
	3,971,669

Instructors	27
Deans	3
Managers	4
Classified	33
	67

TRAVEL ANALYSIS

	<u>2007/08</u>		<u>2008/09</u>	
	Adj Budget	Actual	Adj Budget	Actual
Total District Unrestricted General Fund	\$214,360,192	\$195,209,958	\$217,108,773	\$166,248,186
District Unrestricted General Fund Travel	\$618,873	\$389,696	\$585,910	\$334,788
Travel Percent of Total	0.29%	0.20%	0.27%	0.20%

Contractual Obligations Budget for Professional Development 08/09
 Full-Time Faculty 110,500
 Part-Time Faculty 22,000
 Classified 108,923
 Confidential 4,000
 CDMA 50,000
\$295,423

Board Members 25,000

	# Requests	Amt Board Approved	Amount of Expenditure	Percent
Travel Requests for March 2008	32	\$23,913	\$18,829	78.74%
Travel Requests for September 2008	25	\$11,908	\$9,641	80.96%

SALARY INCREASES

	2008/09	2009/10
Original State COLA	0.68%	0.00%
Prior Year Growth funds	1.46%	1.10%
Salary Increase Calculation		
<u>Full Time Faculty</u>		
COLA rounded up	1.00%	0.00%
1/2 Prior year growth	0.73%	0.55%
Additional increase provided	<u>1.00%</u>	<u>0.75%</u>
	2.73%	1.30%
<u>All Other Employee Groups</u>		
COLA rounded up	1.00%	0.00%
1/2 Prior year growth	0.73%	0.55%
Additional increase provided	<u>0.38%</u>	<u>0.38%</u>
	2.11%	0.93%
State Reduced COLA to 0%	0.00%	
Cost of 1% Salary Increase from COLA <i>(Since no funds were provided by the state, these costs came from reserves for 08/09)</i>	\$ 1,200,000	
Estimated Cost for Salary Increase		\$ 1,300,000

Historical Perspective on Retirees Health Benefit Costs

	<u>1993/1994</u>	<u>1998/1999</u>	<u>2003/2004</u>	<u>2008/2009</u>
Retirees	403	455	598	692
Active Employees	1,475	1,464	1,467	1,498
Total	1,878	1,919	2,065	2,190
	21%	24%	29%	32%
	79%	76%	71%	68%
Pay As You Go	2,499,497	3,192,735	7,176,000	8,650,000
Total Budget	132,768,970	152,425,215	179,550,310	217,066,999
% of Budget	1.88%	2.09%	4.00%	3.98%

GASB 45 Other Post Employment Benefits

Current Accrued Liability as of May 1, 2008	<u>\$80,045,719</u> *
Total Funds Set Aside for Liability	\$31,463,555
Shortfall	<u>\$48,582,164</u>
Current Contribution	
Required Active Employee Contribution	\$2,976,741
3.0% Contract Salary 2008/2009	\$3,000,000
Current Pay As You Go	\$8,650,000

* Liability will be fully funded by 2022/23 if the District continues to fund the plan as approved by the Board.
According to the plan, the District does an actuarial study every 2 years and the plan is revised for approval by the Board.