

Budget Committee Meeting
February 23, 2011
Minutes

Present: John Oester (Administrative Services), Betsy Regalado (Student Services), Yvonne Simone (Academic Senate), Dionne Morrissette (AFT Classified), Olga Shewfelt (AFT Faculty Guild), Vidya Swaminathan (AFT Faculty Guild), Marilyn Ingram (AFT Classified), Maureen O'Brien (Resource), Hansel Tsai (Resource), Fran Leonard, Helen Lin, Robert Hager, Seta Kabaklian, Colleen Matsuhara

1. Mr. Oester called the meeting to order at 3:04pm. Minutes of the February 2, 2011 Budget Committee meeting were approved as written.

2. **2011-2012 Budget Projection- Summary of changes since Sept 15, 2010:**
 - a. WLAC received fund restoration/growth of 2.21% from governor's budget in the amount of \$682,863.
 - b. Increase in dedicated revenues of \$20,000, primarily from oil royalties.
 - c. Reimbursement for District Academic Senate representative release time \$21,523.
 - d. Budget augmentation of \$85,706 from district chancellor for expenses related to newly built buildings.
 - e. ARRA funds of \$20,102.
 - f. Spring adjunct salaries reduced by approximately \$267,000.
 - g. Certificated salaries reduced by approximately \$370,000 to reflect vacancies.
 - h. Non-certificated salaries reduced by approximately \$220,000 to reflect vacancies.
 - i. District's original projection of employee benefit costs has been reduced by approximately \$576,000. Actual savings have not yet been verified by the District.
 - j. Reductions of other expenses by approximately \$121,000. Assumptions have been made about typical end of year savings.
 - k. WLAC will be able to recover some electrical expenses caused by contractors' usage of electricity during the construction of new facilities.

3. **2011-2012 Budget Projection assumptions compared to 2010-11:**
 - a. If the legislation to extend tax increases passes in June, WLAC will face a 4.9% reduction in revenue. This will cost approximately \$1.849 million and produce a \$1,052 million deficit.
 - b. We are assuming an increase of \$38,000 in non-resident tuition.
 - c. We are assuming a modest \$21,000 growth in dedicated revenue
 - d. We are assuming a \$50,000 contribution to 10100 from the bookstore
 - e. We are assuming a reduction of 5.7% in the District assessment
 - f. Although not yet assumed by the District, the Sheriff's contract may increase by 5.4%
 - g. Adjunct salaries in the projection have been prorated assuming our target FTES will be reduced by a workload reduction.
 - h. Assumes an increase of \$112k in other certificated salaries due to step and column advances. No FON or retirees are funded.
 - i. The benefits projection from District assumes an increase of \$300k over 2010-11.
 - j. The college reserve requirement is reduced in accordance with our total revenue.
 - k. Other expenses, although reduced by \$46,000, increases because of a utility cost increase of \$150,000 associated with the two new buildings.

4. **2011-2012 Budget Projection assumptions compared to 2010-11:**
 - a. If the legislation to extend tax increases does not pass in June, WLAC will face a 13.1% reduction in revenue. This will cost approximately \$4.820 million and produce a \$2.880 million deficit.
 - b. The district chancellor is calling for a balanced budget in 2011-2012. The District has current reserves of \$87 million with approximately \$17.5 million unallocated. For the Board to decide to distribute some of the unallocated reserves, the Board would need to see that the colleges have done everything possible to reduce their expenses.
5. **Review of handout from the College Joint Council meeting:** “Ideas from breakout groups on closing the deficit” The list included suggestions in the areas of: fees, classes, operations/processes, personnel, and revenue enhancement.
6. Olga Shewfelt gave the committee a handout of feedback from faculty on the Planning Committee’s proposal entitled “Principles for Prioritizing Programs and Services.” This document will be placed on the forthcoming College Council agenda.
7. Next meeting: Wednesday March 23rd at 2:00 p.m. in Winlock.