Budget and Planning Committee Minutes
Thursday, September 27th 2012
Campus Center, Room 4

Voting Members Present: Tobin Sparfeld, Joe Ramirez, Gayane Godjoian, Joanne Grey, Steven Nerud, Hanh Tran, Daniel Villanueva, Steve Ruys, Bamdad Samii, Tara Ward
Voting Members Absent: Cathy Brinkman, Estela Miranda, ASO Appointee
Resource Members Present: Frances Nguyen
Guests: Suzanne Mignosi, Angela Aghajanian, Ludi Villegas-Vidal

Call to Order by: Tobin Sparfeld at 11:30 pm

Review / Update/Approve Minutes of May 3, September 6 meetings
Hahn Tran introduced a motion to approve the minutes from May 3rd and September 6th meetings with corrections and they were seconded by Steve Ruys. Tobin Sparfeld, Budget and Planning Committee Chair, will follow up with the College Council regarding Angela Aghajanian, a Classified Manager, becoming a voting member.

College Financial Update – Daniel Villanueva, VP Administrative Services
If Prop 30 does not pass on Nov 6th, the district may be faced with $31M cut in current FY. LAMC may have to additionally reduce its class offerings by 100 to 150 sections. The District is exploring a wide variety of options regarding potential cuts/savings including but not limited to salary rollbacks, furloughs, redundancy of positions, centralization and regionalization of services, retirement incentives, reduction of assignments from 12 to 10 months, two tier retirement system, changes to medical benefits, progressive cuts in pay, increase in parking fees for students from $20 to $40 and charging staff for parking. Some of the proposed cuts may go into effect immediately should the November ballot measure fail.

The DO has developed different plans and scenarios such as furloughs and salary rollbacks in case of fiscal emergency. However, these cuts will need to be negotiated with the unions and be presented to the Board of Trustees. The unions are actively advocating for prop 30. Based on past accreditation recommendations, the college may have to reserve funds for corrective items should the need arise and be able to show cash availability for its operation versus the budget. The DO is also developing a plan for colleges with surplus to manage and maintain a certain percentage of their reserves.

All the programs will be looked at and advised to offer minimal level of services. Due to increase in tax delinquency factor from 2% to 5%, the state property taxes are coming at a lower rate than were estimated which accounts for a large portion for community colleges funding.

It was recommended for the budget and planning committee to develop a reduction plan to be ready to respond to potential cuts, however, most anticipated reductions will have to be made at the district level in negotiations with the unions.
Daniel Villanueva stated that there are no plans for layoffs this FY.

**Timeline of Budget OP Plan Process**
Operational Plan deadlines are derived from the district provided deadlines
The motion to focus on stability when reviewing this year’s plans was introduced by Daniel Villanueva and was second by Steve Ruys. This recommendation is going to be presented to the College Council on the day of the retreat.
In the current fiscal climate, maintaining budget stability while meeting our FTES goal is crucial, especially considering the liabilities that have been accrued with the construction of the new buildings. Budget Op Plan Process timeline and calendar was distributed.

**Prioritization Process for Potential Restoration of Funds/Reduction of Funds**
Daniel Villanueva emphasized the importance of reexamining and utilizing internal resources in case reductions should be made. If the budget initiative passes, priority has to be given to restoration of classes, since earnings will come through FTES. Remaining funds will be distributed to programs/services that were cut last FY.

Adjourned: 1:09 pm
Minutes Submitted by: Angela Aghajanian