

College Council Minutes – March 22, 2019

Attendance:

X	Margaret Hamilton President- Vice-Chair	X	Jessica Alvarado - Chair Faculty Council Co-Chair	X	Grant Matthews Manager	X	Chris Rehn Manager
X	Brian Kelly VP Operations	X	Elizabeth Andrade Classified		Diego Wilson Student	X	Guests: Deborah Butler
X	Paul Jarrell VP ASA	X	Kyle Schmidt Classified		Michael Gillette Student		Jen Steele Tatiana Bahktina
X	Craig Taylor Assoc Dean ALS	X	Adrienne Mitchell LCCEA President	X	Recorder: Donna Zmolek		Robin Geyer Kenny Ascheri

Subjects	Agreements Reached and Actions Taken
Budget Development Subcommittee Proposal	<p>Alvarado asked members to consider e-mail decisions for future discussion.</p> <p>The question arose whether the Budget Development Subcommittee submits their proposal directly to the board. In the past, the BDS has submitted their proposal to the board because of timing. That was one of the reasons for moving up the timeline. Once a decision is made today, College Council will forward that to administration to take to the board.</p> <p>Mitchell reported that the BDS met for seven hours on Wednesday. The BDS updated figures and achieved consensus on each individual item except tuition to arrive at a complete proposal to address the \$8.5 million deficit. There was one thumbs down. Others were sideways or up. There was full participation with two students attending.</p> <p>The proposal includes a decrease in M&S through a significant reduction in travel, centralizing telephone costs, reducing Printing and Graphics expenses, and a 10% reduction of M&S across the board. Other items include the governor's investment budget tuition increase, tuition increase, enrollment adjustment, withhold capital outlay, using the ending fund balance, changes to major maintenance funding, budgeted vacancies and separation incentives, savings from outsourcing Food Services, capital funds transfer, fundraising, swirl, increase revenue, and additional</p>

personnel and program reductions.

Kelly clarified that the M&S decrease is closer to a 25% reduction in department level spending.

Hamilton stated that the board is not likely to support the \$6 tuition increase. She also asked for clarification on spending college funds for the first phase of the bond. Kelly responded that before we register for the bond, the money can come from multiple college areas, but not after registering. Jarrell noted that the idea for was that there are general expense funds that are paid by the Foundation. That money would be able to supplant the dollars, freeing them up to replace general fund dollars for student success. The bond campaign was just one possible idea.

It was noted that the college will need a plan for replenishing the ending fund balance. The board has requested what programs will be considered for reductions if there is no tuition increase. High cost programs, such as nursing, dental, aviation, etc., are a benefit to the community.

Andrade noted that these changes will have a significant impact on classified staff, and there will likely be pushback. She advised attending department meetings to see where cuts can be made.

Rehn noted that a 25% cut to M&S seems nonstrategic and punishes responsible departments. Hamilton responded that there has to be some rationale for cuts and would rather see it done strategically. The BDS made the recommendations for the reduction in M&S, but the administration will be making those decisions strategically.

The BDS had found consensus on 2.25% as the swirl amount, even though historically it has been a little higher but is unknown.

Jarrell noted that the \$500,000 revenue piece of the BDS proposal had been double counted and moved that College Council change the proposal to reflect that Mitchell seconded.

	<p>Motion passed unanimously.</p> <p>The proposal did not allow for any bargaining parameter for salary increases, so the college will need to find additional funds if there are any salary increases for FY19. There would likely be some savings if there are changes to the classified and management health insurance carrier.</p> <p>The BDS had not reached consensus on tuition. The student body president had dissented. Jarrell moved that the tuition increase be adjusted to \$4. Mitchell seconded.</p> <p>It was noted that students need to be aware of what reductions could happen if there is no tuition increase. Andrade was not in favor of a tuition increase. She stated that, from an equity lens, students are the poorest class and that there are positions at the college that can be cut.</p> <p>Mitchell noted that the board has not agreed on the Higher Education Price Index. A \$4 increase is essentially the HEPI rate.</p> <p>Motion failed.</p> <p>Jarrell moved that the tuition increase change from \$6 total to \$4.50 total. Andrade seconded.</p> <p>Discussion included possible reductions to higher priced programs, but those programs have a major impact on the community as well as driving other areas within the institution. Hamilton stated that there are programs that are in less demand, but the time to cut those programs is not during budget season. That needs to be done over time with the input of faculty and deans. However, if the board does not vote in favor of a tuition increase, there will have to be some programs put on the table. The board may also question the personnel reductions. It was estimated that it would amount to 20-25 contracted positions and 75 part time positions, but that would be for the administration to determine. Every program is important to some sector of the community. It will be difficult to improve at progression, completion, and</p>
--	---

graduation rates with fewer staff members, but if we are not able to increase revenue and are not able to reduce services such as the bookstore we will need to look at positions.

Motion passed. Schmidt and Andrade voted sideways.

It was noted that there was no student vote. However, at the BDS meeting, the proposal included a \$6 increase. One student voted in favor and one student voted against, so it is logical to assume that at least one student would not have voted it down.

Hamilton moved to increase the "Personnel and Programs Reductions" amount to offset the deficit. Mitchell seconded.

Motion passed unanimously.

With these changes, the balance for FY19 at a positive \$482,000.

Several items were considered, including the major maintenance and fundraising. One BDS idea regarding the fundraising had been that board members be responsible for fundraising at \$50,000 each. Kelly advocated for major maintenance and pointed out that the additional funding spent on the Building 16 roof replacement was money well spent as we averted additional costs that would have occurred due to damage from the snowstorm.

Another consideration was to leave a positive balance given that the board may not approve a tuition increase and there was BDS consensus on the other items.

(At this point, Donna Zmolek left and Deborah Butler recorded the remainder of the meeting.)

Hamilton stated that the "Fundraising" line was still problematic for board discussion. It was suggested that it be re-labeled, but no matter what it is called, it will need to be explained to the board. Mitchell explained that it is a BDS long-term goal to have the

board members actively raise funds in the community. In the meantime, Foundation balances could be used to fill that gap. Steele noted that a Foundation fund review was performed last year, and there weren't a lot of dollars generated in that process, and now there will be fewer dollars there.

Jarrell moved to collapse the "Budgeted Vacancies and Separation Incentive," "Program and Service Reductions," "PT Budgets," and "Additional Personnel and Program Reductions" into one line and combine the totals. These are operational decisions, so it makes sense to put them together and allow the administration to develop a plan rather than break up amounts into different areas that might intersect. Matthews seconded.

That would allow a reduced "Fundraising" line and also focus on the people, programs, and services that affect the college.

Motion passed unanimously.

Mitchell moved that the \$482,000 now listed in the "surplus" bottom line be moved to offset the \$4 million reductions.

Kelly did not support the decision to use \$300,000 for capital expenditure while also instructing the board to replenish that amount within the next two years as required by board policy.

Alvarado amended the motion to reduce capital expenditure to \$100,000 and take the other \$200,000 out of "Additional Personnel and Program Reductions." Mitchell seconded.

Motion failed.

Alvarado moved to take the \$280,000 of "Additional Personnel and Program Reductions" from the \$482,000 surplus. Mitchell seconded.

Motion passed. Jarrell and Kelly voted sideways.

Hamilton moved to take \$102,000 off of the

	<p>Fundraising line from the surplus total. Schmidt seconded.</p> <p>Motion failed.</p> <p>Jarrell moved to take the \$102,000 remaining in surplus and move it to “Major Maintenance.” Hamilton seconded.</p> <p>Mitchell amended the motion to move \$100,000 to “Major Maintenance Funding” and \$2,000 to “Swirl” since it is an estimate. Hamilton seconded.</p> <p>Motion passed. Kelly voted sideways.</p> <p>Jarrell moved that College Council officially support the BDS budget recommendations as amended. Hamilton seconded.</p> <p>Kelly requested that the record reflect that the board instructed the BDS to bring a budget that does not use one-time funds. This budget includes \$550,000 of one-time funds in Capital Funds and Fundraising. Mitchell requested that the record to reflect that those one-time funds are for one-time expenses.</p> <p>Motion passed. Kelly and Matthews voted sideways.</p> <p>Meeting adjourned at 5:00 p.m.</p>
Next Meeting	April 10, 2019