The meeting began at 2:30pm with a welcome from L. McKenzie. President Martinez reported on the budget.

- State revenue is down $3.7B which means an additional $102M cut from the community college budget and an increase in unit fees of $10 effective this summer. It will not affect us locally since the District has agreed to use its reserve to help cover any mid-year cuts.
- The legislative analyst office is projecting a $10B shortfall next year. The Governor is preparing a tax initiative which, if passed, could bring an additional $200M to $400M to community colleges.
- The Board of Governors took action on the FON and voted not to support an increase in faculty members.
- Governor Brown introduced a plan, with much opposition, for pension reform.
- In a poll by the Public Policy Institute of California, community colleges fared well; however parents are concerned about rising tuition costs, but are not willing to pay higher taxes to support community colleges.
- Last year every college had to submit a 5% budget cut, which meant $1.5M for Harbor. Harbor’s expenditures for last year were $30,008,694.00. Our $1.5M cut came from that figure. Harbor met their cut while four other campuses did not. This year Harbor has a $1.1M gap. The DBC agreed to provide gap funding to those who met their 5% cut last year. Our request for gap funding has been submitted to the Chancellor and it looks promising.
- There is discussion about reallocating the resources. We could possibly have our budget rebased. The district is realizing the campuses do not have the dollars to support the additional square footage added through the bond program.
- The President posed the question: “Can we afford to be all things to all people?” In this budget crisis the President does not feel we can. We need make sure we have a budget we can pay for. The budget workgroup, which has been meeting weekly, will report their recommendations today which will give us ideas on “what we can afford to be.” The President thanked A. Tomlinson and L. McKenzie and the budget workgroup.
- Revenue development/generation is going well. New grants will help to balance the budget.
- The President wants decisions for balancing the budget to go through the shared governance process.
The President explained it would cost Harbor $1.3M to buy out the golf range contract. We are in the process of renegotiating.

A. Tomlinson reviewed the monthly report for October and explained our projected expenditures. Based on our expenditures, our projected deficit is $1.65M, rather than $1.1M. She noted in addition to the 5% cut, our allocation was cut over $1M and we got a workload reduction. Harbor has about 800 unfunded FTES. We had 13 retirements last year and have replaced 5. We are committed to cut sub & relief 50% and we have reduced the supply budget. To date, the swap meet has given us $200,000 towards utilities.

L. McKenzie reported the Budget Ad Hoc Taskforce met weekly in September and October and is ready to make recommendations to the CPC. A. Tomlinson noted the campus needs to be proactive in making structural changes or we will have the same problem with the budget year after year. Last year we balanced the budget with grants but that may not always be possible.

The recommendations were distributed for review. L. McKenzie explained the recommendations go to CPC, followed by the clusters, then the units and finally to the President. Concerns were raised that the budget committee was not given an opportunity to examine the recommendations and that the recommendations were lacking in evidence and backup data. It was noted the budget workgroup reviewed all budget data in detail and arrived at these recommendations after much consideration. The President agreed the recommendations could be debated, with a timeline. He added the purpose of the workgroup was to come up with new solutions to cutting the budget rather than trying to balance the budget by cutting classes.

It was decided the recommendations would be reviewed by the appropriate clusters. The VP’s have the backup data to share with their cluster. L. McKenzie and A. Tomlinson offered to attend the cluster meetings to give explanations if necessary.

The items on the recommendation list that addresses the entire college were reviewed. The following were approved by the committee as recommendations that could go forward to CPC:

35. President should review and justify all certificated non-teaching assignments (program 100)
36. President should review and justify all Program 100 memberships
39. College must adopt a revenue budget model
40. Each cluster and unit manager must monitor expenses responsibly using quarterly expenditure reports distributed by Office of Administrative Services
41. Do not enter Protocol assignments or SAP budget requisitions without funds
42. Adjust operations/expenditures in accordance with state funding
43. Engage the student population, via a college climate survey, in making recommendations about current and future course offerings as well as programs.
The next Budget Committee meeting will be in January. The President suggested coming back at that time with at least 90% of the recommendations intact. The meeting adjourned at 4:15 p.m.