



BUDGET COMMITTEE MEETING

Oct. 7, 2020

Zoom: <https://shastacollege-edu.zoom.us/j/92203357323>

3:00-4:00 p.m.

MINUTES

CALL TO ORDER: The meeting was called to order at 3:00 p.m. by Committee Chair, Greg Smith.

ROLL CALL:

x	Jill Ault	x	Katie Littlepage	x	Thomas Martin (Sub)	Student Rep.
				x	Casey Schurig	
x	Heidi Dias	x	Sue Loring	x	Tom Masulis	
x	Andy Fields		Crystal Mair	x	Greg Smith	

APPROVAL OF MINUTES: None

PUBLIC COMMENTS: None

REPORTS: None

DISCUSSION/ACTION:

Committee Membership

It has been verified with Academic Senate that Casey Schurig was serving for Tom Masulis and then was subsequently appointed by Academic Senate to replace Tom Martin.

A). Budget Committee role within Integrated Planning and Participatory Governance Processes

The following is an open discussion that included: OPEB Liability Budget Planning, Capital Outlay Budget Planning and Budgeting and Data and Informational Items.

Greg shared the bylaws and opened up for members to address the topic. Jill said we went over this three week ago and how it all fits together with our participatory processes. Where decisions are made that influence the process, staffing levels, and all flows into what needs to be budgeted.

Greg said there was lot of conversation around proper role and function of the Budget Committee.

Jill said she has always considered herself as serving in an active role, and said her primary focus is overall fiscal responsibility. Jill said she believes it has proven to be a healthy approach to the budgeting process and the goals of the committee also take this into consideration. Tom Martin asked if the committee has a stated purpose. Jill said yes it is stated in the bylaws.

Sue said she the bylaws relate more to conversation recently in the committee, but the second bullet in the bylaws states “assess the effective use” and that is a judgement there. What is an effective use? And it also states “underlying assumptions” which has been a focus of conversation recently.

Greg said the bylaws are on the website and showed the path to the committee.

Casey said the 3rd bullet says it is participatory, but it hasn't felt like that. Jill said for this conversation if we could get to a common ground going forward, that is the goal to day and into the future, and come to a common agreement.

Sue said for her it would be helpful to get budgets a few days in advance in order to understand what is going On. Jill suggested that the 3rd bullet point might be helpful, when we development a calendar that takes us through the normal calendar process, and there are multiple presentations, but this year the challenges were a lot with the state making changes. In a typical year we have had the budgets to the committee timelier.

Tom Masulis said seeing the budget last minute this year wasn't ideal, but since I have experience on the committee it helped. Tom Masulis added that he doesn't feel as he is representing a constituency, but more in the terms of the overall the best interest of the District, and this is crucial to the function in the last bullet.

Andy said we have a process, and agreed the information should have come sooner, but we followed the process and voices were heard and discussion and a vote happened. Andy said we have to make assumptions, and we don't know all the circumstances, but he wants to trust the process and respect that the members who came before he was on the committee.

Casey said if we take it as trust we are following the process, what we lose is the critical mind to evaluate to see if it was done right. Casey said he is okay that we look critically, and it allows everyone to look at the different groups who may have been impacted by the budget as it is put forth and how it is used in all facets at the college.

Sue said when she thinks from a District wide perspective, there are lots of different things that come into play that have an impact on or relationship to the budget.

Sue said it is one thing to have a budget that gives the District the best financial health, and the college has been very good from that perspective, but that doesn't mean it was always the best use of funds because there is a level of money that is sufficient, but may not have a positive impact on staff.

Sue said no one wants to jeopardize the financial standing of the District, but we can still get a great financial standing. Casey said he agreed with Sue on this, but believed we are skirting the issue, because it appears we have been creating a financial portrait with reserves, such as OPEB and Cap Outlay. We look great on paper, and we won't need to borrow for a while, and that is impressive. But, there is a cost that comes with that type of planning, and it has impacted the faculty. Faculty pay at the District is the lowest in the state, and this is a decision that comes out of budgeting conservatively, and something that will not change until the committee advocates collectively to change how things are done. Casey said the climate surveys have several measurable results and he believes it stems from what happens in the budget

committee. Casey said the budget is used as a tool in negotiations, and it seems to always appear that there is not enough funds each year, but looking back there has been sufficient budget.

Tom Martin said all staff are also impacted not just faculty

Jill said moving forward it is important that we align ourselves with our groups and the committee, and that all the members really are on these committees to make sure the budget is aligned within scope and working principles and climate. Jill said it may seem like we are saving dollars and putting ourselves in a good financial position, but it may not be the best in the long run. Jill said the league and recommendations from outside consultants. Recommends that it is best to budget conservatively, but she understand it can be stifling,

Katie said she sees the role of the committee to ensure that our budget aligns with District priorities, but she doesn't believe we have authority or responsibly to change those priorities, that this might be for the Board to decide.

Tom Martin said he disagrees, and believes that it is the role of the committee and the chair to look at underlying reasons. Katie said she believes priorities should be discussed at a higher level.

Sue said robust financial health is subject to interruption. We do have robust financial health even there were \$5 million less in OPEB. What we have currently is low morale, and staff are now hesitating to go above and beyond if they are not going to be compensated fairly, because they feel unappreciated from a financial perspective. Equity, means being treated fairly, and as faculty at a community college look to their peers at other community colleges. Katie said she understands the frustration but doesn't believe the Budget Committee is the platform for solving salary issues.

Andy said when we bring in our own agenda, it doesn't work, and conversations around salaries do not belong in this committee.

Casey said he has learned what happens in negotiations and if this committee should be allowed to make recommendations to the Board. What we have is an opportunity to make voices heard.

Casey said he understands these conversations can be difficult, but change needs to happen.

Casey said he believe the Board receives the budget and looks at the recommendation, but he doesn't believe the Board has a grasp as to what goes on with the budget. Casey said he would question as to whether or not this committee is fulfilling its duties.

Jill said what might be helpful is the exercise we went through a year or two ago with FCMAT assessment. It's a tool and it might be helpful to go through this exercise again, especially for the newer members.

Jill said she agrees the budget can be difficult to communicate because there are so many factors that go into it. It might be helpful if we spend time discussing what the overall liabilities are because we never really talk about it. The best time to use the assessment tool is right after we close out the year, and it could be

something that helps expand on the bigger budget picture.

Tom Masulis said he remembers using the FCMAT assessment and we put a lot of work into it with vigorous discussions, what appropriate measures should be, and it drilled down in the detail, Jill said she will find this for the next committee meeting.

Tom Masulis said he is personally confused because he doesn't know how to draw a line between his role on the committee and his roll in collective bargaining. It feels like he is straddling both of those worlds.

Sue said negotiations is about the budget and it is global. Sue said budget is overall priorities and intent, and negotiations are up to each team to negotiate specific amounts.

Tom Masulis said he would feel uncomfortable if we recommend salaries should be a certain amount, that something like that should be broad and be a recommendation.

Sue said the Board set the priorities, and to her undermines the entire process of participatory planning. The administration should be bringing recommendations that are coming out of participatory meetings.

Heidi said she sees both sides, and feels her role is to inform her constituents, and answer questions that they may have.

Tom Martin said we should be hearing questions and/or concerns from each of the members of the committee, and according to bylaws we should have a student rep as well. Jill said we always ask the Student Senate for a student but there hasn't been an interest the last few semesters.

Tom Martin said he believes all groups should bring their concerns, and then administration should bring the concerns to the Board, that this is the purpose of shared governance. Questions and concerns may be difficult, but they need to happen so recommendations can be made. This is the place where all perspectives are critical before a budget is moved forward, we are not a rubber stamp committee. As members we need to allow people to ask the hard questions. We shouldn't minimize questions or discussions. This is a hot topic each year, from division budgets to District overall budgets.

Andy said it seems like there is a possibility of holding the two items separate from each other, the approval process and the priorities, what matters most and in what order. Maybe priorities could be given to this committee from Board and Cabinet, and then we pass it back to we see if the budget could match the priorities. Sue said she agrees, but we need to determine the priorities first, and then align the budget with those priorities.

Andy said it feels we were up against a tight timeline, and if we had the priorities 6 months ago it could have helped inform the budget.

Sue said yes, and it is important to start that conversation about priorities soon, because it is the role of this committee to make recommendations.

Andy said he agrees it could give more framework on examining the budget which would be good.

The FCMAT tool was put into the chat box for the committee to review, and will be discussed at future meetings.

Greg said it's not a matter of setting priority for increases in salaries, that is strictly purview of negotiations, but discussing the fiscal impact of programs we are offering is absolutely appropriate at the committee level as well as being able to access revenue streams and understand where the volatility and resources are in those streams, and how to manage them.

Sue said she likes looking at the underlying assumptions and threats about budget, and maybe we should build a budget around both a worse case and best case scenario, or just a more realistic case instead of always worse case.

Greg said long term planning goes to the heart of the value the Budget Committee can decide by using our best resources.

Greg said he its recognizes the Budget Committee can never set the expectations for salary increases because that gets into collective bargaining, but if the college was going to budget a one-time salary, maybe that recommendation would be more appropriate to this committee.

Greg thanked everyone for their input, and said that he appreciates conversation that is helpful and constructive.

OTHER/ANNOUNCEMENTS: The final proposed budget went to College Council yesterday, and they made the recommended to send forward to the Board. There was one no vote and other votes were yes.

ADJOURNMENT: 4:28 pm.

NEXT MEETING: TBA

Recorded by:

Sherry Nicholas

Sherry Nicholas

Executive Assistant

Administrative **Services**