



**FISCAL STABILITY TASK FORCE
MINUTES**

September 21, 2004

The meeting was called to order at 3:30 by Joe Newmyer

Roll Call

Members Present: Cuaron, Davis, Doran, Dowd, Eckman, Forsyth, Frady, Gommell, Gordon, Jay, Kratcoski (for Lopez) Madrigal, McCluskey, Metzger, Miyamoto, Neault-Kelber, Newmyer, Roth, Smith, Townsend-Merino, Wick (for Springer)

Members Absent: Versaci

Guests Present: Good, Grasso, Jones

I. **Approval of Minutes** - (MSC Jay/Roth) The minutes of September 7, 2004 were approved with corrections and will be posted on the Palomar web page - www.palomar.edu/committees.htm

II **Action Items/Second Reading**

a. Advancement/Foundation Office Discussion

The agenda was moved to Item IV-c in order for Dr. Jones to address the Task Force members with his recommendations for this position. Dr. Jones has recommended that the Advancement Officer's job description be changed to include advocacy on legislative matters at all levels of government, pursuit of grant opportunities and removal of the Marketing/Public Information Office responsibilities. Dr. Jones also reported that he recommends the position be announced and recruited immediately because existing college donors as well as potential donors are uncomfortable with the fact that the position is vacant. Dr. Jones also reviewed a spreadsheet that outlines the current cost to the district and the Foundation Office for the four employees. He has discussed the matter with the Executive Board of the Foundation and has reached mutual agreement as to how the costs would be shifted between the District and Foundation fiscally. The proposed reorganization would also include elimination of the current arrangement of an annual payment of \$25,000 to the Foundation for processing of scholarships. Dr. Jones anticipates that his reorganization will result in a District savings of \$33,224 and increased cost to the Foundation of \$31,979.

Discussion followed with Dr. Jones indicating that the Advancement Officer will be given goals tied to an annual contract. A recommendation was made that to avoid confusion as to this position appearing to be a Vice President of the District perhaps the title could be changed to "Executive Director." It was also brought to Dr. Jones attention that the

payment for future retiree health benefits for the two employees that would be moved to the District does not appear to have been considered in his spreadsheet analysis. Dr. Jones indicated that he would go back to the Executive Board of the Foundation to discuss further. The cost for retirement benefits for the two employees was quoted as being approximately \$5300 which would impact the cost savings and increase the original cost savings reported above. Dr. Jones indicated that he would go back to the Executive Board of the Foundation to discuss.

Dr. Jones advised that while he intends to move forward immediately with this position he will not be moving forward with filling the Vice Presidents of Administrative Services or Human Resource Services because he feels the new President would like to do his/her own recruitment for those positions.

Because Dr. Jones has indicated that he will be going forward with the hiring of the Advancement Officer, there was no need for this item to remain on FSTF's agenda.

b. FSTF Process

The Task Force reviewed and discussed a Proposal for a process FSTF might take to achieve the SPC directive of a plan that "right sizes" the budget for FY2005/06. This proposal was created based upon discussion at the last FSTF meeting and outlines four working sub-groups with members being asked to volunteer to work on at least one sub-group. A proposed timeline was discussed and it was agreed that it seemed somewhat aggressive and perhaps should be pushed to February 2005 prior to budget development for FY2005-06. This would have to be taken to SPC in October as a change to the Governance Structure form as they established the end of fall deadline. It was also mentioned that FSTF is a *recommending* task force so there is no guarantee that any recommendations made by the sub-groups or FSTF at large would be accepted by SPC. After further discussion, it was agreed that this proposal be accepted and that the sub-groups begin meeting immediately as outlined in the proposal.

FSTF will continue to meet the 1st and 3rd Tuesdays of each month at 3:30 following SPC and the sub-groups would meet on the 2nd and 4th Tuesdays from 2:00 to 5:00. FSTF members were asked to volunteer and let Bonnie, Joe or Jo Anne know their choice for working in a sub-group(s). Once the working sub-groups have been established, they will be notified as to the meeting location.

Motion: Approve proposal as submitted with timeline to be adjusted and recommended to SPC as necessary. MSC (Madrigal/Townsend-Merino).

III. First Reading

IV. Other

The updated 2004-05 General Fund Budget Deficit (score sheet) document was distributed and discussed. Changes have been made to Equalization Revenue and the Block Grant match. An ASG Augmentation was added since the ASG is giving up the game room, which will be converted to allow for classroom use. This will result in lost revenue for ASG from the loss of the machines. ASG agreed that \$17,000 should cover their loss net of any placement of game machines in various other campus locations. The other change expected to this document is the settlement for the Adjunct Salary. The deficit balance currently is \$1,193,613. The balance and numbers can and will change once the books are finalized.

Meeting adjourned at 5:00

The next meeting is scheduled for 3:30 p.m., October 5, 2004
Room SU-18