



**FISCAL STABILITY TASK FORCE
MINUTES
SPECIAL MEETING**

February 8, 2005

Joe Newmyer called the meeting to order at 2:00

Roll Call

Members Present: Davis, Doran, Dowd, Forsyth, Frady, Gommel, Gordon, Jay, McCluskey, Neault-Kelber, Newmyer, Smith, Springer, Thompson (for Cuaron), Townsend-Merino

Members Absent: Eckman, Lopez, Madrigal, Miyamoto, Roth,

Guests: Good

A special meeting of FSTF was called to review, discuss, and confirm the FY03-04 ending fund balance to determine how much should be made available for distribution through the normal governance process. The identified funds will be included in a letter the task force has drafted on behalf of President Deegan to communicate this information campus-wide.

Spreadsheets were distributed showing the FY04-05 budget and analysis of the FY03-04 ending balance including commitments against that ending balance.

Discussions involved the appropriate use of one-time funds, the appropriate level of the general fund reserve, and the liability for retiree medical expenses.

Members agreed that funding the retiree medical liability should be a high priority as it impacts all campus constituencies. It is also recommended that FSTF support an increase for the general fund reserve to the recommended 5%.

Motion: FSTF recommends that \$1 Million be made available at this time for distribution for one-time needs. This amount has been determined after setting aside a 5% reserve and providing for the amount anticipated for the proposed salary settlements. These one-time funds are to be distributed through the normal governance process with the planning councils submitting prioritized lists to SPC. As additional funds are identified in FY04-05, FSTF recommends that the first \$2 Million be used to fund the retiree medical liability with any amount above that being reviewed by RAC to determine additional funds available for distribution as either one-time or continuation funds. Any additional funds identified, either one-time or continuation, will also be distributed through the normal governance process. MSC (Thompson/Townsend-Merino)

Discussion on future meetings:

FSTF members agreed that assigned tasks are nearing completion. A draft of the letter FSTF has requested that President Deegan distribute to the campus community was discussed and edited.

Members agreed that if Mr. Deegan does not have any concerns regarding the letter there was no need for FSTF to meet as scheduled on February 15th. However, if Mr. Deegan has some concerns regarding the letter, FSTF will meet next week after SPC and invite Mr. Deegan to join the meeting to discuss those concerns.

The next sub-group meetings would be on February 22nd; however, the date and time overlaps with the FY05-06 budget training workshop to be held from 2:00 to 4:00. Fiscal Services will be sending out a Budget Development Instruction letter the week of February 14th regarding budget development. Two training sessions have been scheduled and will be announced. FSTF members are being encouraged to attend at least one of the sessions to show support of the process and the collaborative effort that has gone into the budgeting model worksheet. The training sessions will be facilitated by Martin Good, Brandi Taveuveu and Bonnie Dowd to explain the budgeting model worksheet developed by sub-group 2 and to communicate the Guiding Principles FSTF has recommended. It was agreed that sub-groups 1, 2 & 4 probably do not need to meet separately again as their tasks are complete with the exception of a few pending items, which can be reported out to and dealt with in RAC. However, group 3 has one last task namely to review of the Education Centers, which as previously discussed will probably be referred to IPC. Therefore, group 3 will meet immediately following the budget training session at 4:00 on February 22nd in its normal meeting location of AA109 (Instruction Office Conference room).

In addition, it was agreed that there would be a transition and wrap up meeting on March 8th to review and approve FSTF minutes and a final report for SPC. A draft of the final report will be sent to all FSTF members for their review in early March prior to the March 8th meeting, which will be a transition meeting dissolving FSTF and resuming RAC. RAC will then resume meeting on the 2nd & 4th Tuesdays from 2:00 to 3:30 (location TBD at this time). It was agreed that RAC meeting days will change from the 1st & 2nd to the 2nd & 4th Tuesdays beginning with the March 8th meeting.

Meeting adjourned at 3:30

Next meeting: 2:00 p.m. *March 8th
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*The FSTF February 15, 2005 meeting scheduled for 3:30 following SPC is subject to cancellation