



**FINANCIAL STABILITY TASK FORCE
NOTES/MINUTES**

June 24 2004

The meeting was called to order at 2:00 p.m. by Jerry Patton.

Roll Call

Members Present: Cuaron, Davis, Doran, Dowd, Eckman, Forsyth, Gommel, Jay, Kratcoski, Lopez, Madrigal, McCluskey, Miyamoto, Morrisette, Newmyer, Patton, Roth, Springer, Thompson

Members Absent: Frady, Kelber, Metzger, Smith, Townsend-Merino, Versaci

Guests Present: Good

I. Discussion:

Jerry Patton began the meeting by giving a brief budget update.

FTES at P1 for 04-05 was 20-25 short of CAP

FTES at P2 for 04-05 is 450 short of CAP

This is a serious shortfall. Herman Lee is researching. If this is accurate it means \$843,000 loss of revenue.

Jerry then turned the meeting over to Joe Newmyer.

- √ Bonnie Dowd was elected co-chair
- √ Two goals were discussed:
 1. Reduce deficit financing for FY2004-05 to less than \$1 million
 2. Increase allocation for retiree medical to realistic level
- √ Discussion for Goal #2 would be a revision on how retiree health benefits are paid. The plan discussed would be to charge each budget for the current cost of funding per employee for the projected future liability for that year's service. This will enable us to charge restricted programs their costs for employees and their share of retiree health benefits. Currently the Unrestricted General Fund pays for the health benefits for restricted programs retirees. The group was receptive to the concept, but asked for additional data for the next meeting.
- √ For Goal #1 it was agreed that all vacancies should be carefully reviewed and only filled when absolutely necessary. All discretionary budgets will also be given careful review. For Capital Outlay it was agreed that all budgets should be reduced to the bare essentials. Additional data will be brought to the next meeting.
- √ The proposed subsidy to the Child Development Fund was discussed and a proposal to eliminate it will be considered.
- √ It was agreed that the Designated Funds should be reviewed with serious consideration given to reducing the number of accounts.
- √ Suggestions for increasing revenue will be considered along with reductions in expenditures.
- √ The final discussion involved the utilization of classrooms. Additional data will be provided at the next meeting.

FSTF – June 24, 2004
Page Two

The task force will meet on the following dates during the summer: July 13, July 27, & August 12 in Room SU-18.

**The next meeting is scheduled for July 13, 2004
Room SU-18**