



Budget Planning Subcommittee of the District Planning and Advisory Council (DPAC) MEETING MINUTES – January 29, 2025

A Meeting of the Budget Planning Subcommittee will be held Wednesday, January 29, 2025 at 2:00 pm at Santa Monica College's Student Services Center (SSC 396), 1900 Pico Boulevard, Santa Monica, California.

The public may join the meeting via zoom with the following link: <https://smc-edu.zoom.us/j/85009325229>

I. Call to Order 2:07 pm

Members:

- Mitch Heskel, District Representative
- Chris Bonvenuto, District Representative, Co-Chair
- Teresita Rodriguez, District Representative
- Tracie Hunter, District Representative
- Vicenta Arrizon, Academic Senate Representative
- Jamar London, Academic Senate Representative (Present – Just Cause Exemption- Remote)
- Matt Hotsinpiller, Faculty Assoc Rep, Co-Chair
- Peter Morse, FA Rep (Proxy-Elaine Roque)
- Martha Romano, CSEA Representative
- Kennisha Green, CSEA Representative (Present – Emergency Exemption – Remote)
- Dagmar Gorman, CSEA Representative
- Cindy Ordaz, CSEA Representative
- David Duncan, Associated Student Representative
- Jordan Davis, Associated Student Rep (Absent)
- Vacant, Associated Student Representative
- Vacant, Associated Student Representative

Interested Parties in attendance: 102 guests (Staff, Faculty, Administrators) attended via zoom

II. Public Comments

III. Approval of Minutes:

October 2, 2024 Motion: Cindy Ordaz Second: Mitch Heskel Abstention: Vicenta Arrizon
November 6, 2024 Motion: Dagmar Gorman Second: Tracie Hunter
Minutes were approved

IV. Reports/Discussion

1. Chris Bonvenuto presented the 2nd Quarter Budget Update;

Governor's 2025-2026 Budget Proposal and 2nd Quarter Budget Update on 2023-24 Savings Measures

The Governor's Budget 2025-2026 has no Hold Harmless extension, therefore the district will not receive any new unrestricted funding in the 2025-26 proposed budget.

In 2023-2024 the Budget committee suggested budget savings measures including efficiency and attrition savings. For 2023-2024 a 92.3% efficiency was the goal for the schedule, but we achieved 83.4% efficiency for the year. For FY 2024-2025 the goal was 90.6% efficiency and currently the projection is 88.1% efficiency. Attrition savings in 2023-2024 were also not achieved as FTE remained relatively the same.

2024-25 Adopted Budget to Second Quarter Projections

Projected Changes in Revenue Increase in Revenue of <\$1,387,481>

Projected Changes in Expenditures Increase in Expenditure of \$1,599,413

International non-residents have been growing but domestic non-residents have been declining. Without immediate action the projections show the district does not meet the 5% Fund Balance recommended by the Chancellor's office for 2025-2026.

The Board of Trustees will need to implement immediate and wide-reaching reductions as no extension of hold harmless, no additional State funding and decline in non-resident FTES coupled with increased expenses places the District in financial insecurity.

The current budget deficit is projected ~\$15.493 million for the 2025-2026 Fiscal Year.

Immediate Actions Are Needed

The district will need to reduce expenditures equal to 6.6% of all expenditures to balance the budget. With no extension of hold harmless, no additional unrestricted State funding and decline in non-resident FTES necessitates the following recommended immediate action:

- Freeze all approved hiring unless the position would stop a vital District function.
- Eliminate overtime unless reimbursed by outside entity or public safety.
- Freeze any new contracts unless the contract is needed to continue a vital District function.
- Reductions in Spring schedule and counseling hours to reflect not meeting FTES projections (5% reduction for Spring).

The District and the Board of Trustees needs to take action to keep the college in fiscal stability. The immediate reductions need to take effect before July 1, 2025.

V. Adjournment: 3:45 pm

For all documents, visit www.smc.edu/administration/governance/district-planning-policies/budget-planning-subcommittee.php

Future Budget Planning Committee Meetings: Meetings will be on 1st and 3rd Wednesdays of the month, except as noted, and will begin at 2:00 pm.