I. ACTION ITEMS

Ruth Ann Hansen called the meeting to order at 3:32 p.m.

a. Consider approval of 10/06/09 and 11/03/09 Minutes.

The minutes of the 10/06/09 meeting were approved as presented. The minutes of the 11/03/09 meeting were approved as amended.

II. DISCUSSION

a. Budget Update

Trevor provided an update on the state of the economy as we don’t have any news on the state budget. The December 11, 2009 Fiscal Report from School Services states that while the U.S. is emerging from the recession, the path to recovery is expected to be weak due to high unemployment and slow growth in the GDP. The national unemployment rate will peak at 10.5% for the first quarter of 2010. The state's unemployment rate is predicted to peak at 12.7% during the final quarter of 2009 and average 12% for 2010. Personal income will decline 2.5% in 2009 and will show a weak increase of 1.9% in 2010. The state budget is expected to end 2010-11 with a $21 billion shortfall if no corrective action is taken.

Andy reviewed an e-mail from Erik Skinner regarding property tax shortfalls. As of November, the numbers would indicate that property taxes are slightly higher than expected for the state.

Andy attended a CPEC meeting today regarding center status for the Chico Center which we received today. The Board of Governors approved the center status several months ago and CPEC was the last approval needed. Center status for Chico means that we will receive an additional $1M to the base part of our apportionment. No additional services are needed at the Chico Center until enrollment grows.

With all of the retirements and vacancies, depending on the number of positions filled, eliminated or back-filled, we could realize a salary savings of about $2M which will cover our fixed costs. Potential reductions for next year is estimated as an additional 3.5% - 4%, however, if we don’t see that additional reduction, we have the $1 from center status and we have the possibility of restoration available. The President's Leadership Team continues to plan and review and to look at all our options. We also have reserves to help get us through for at least another year.

b. Charter Review – Andy

At the last meeting, Andy reviewed the charter, roles and responsibilities. Further discussion was requested by Kenneth Bearden, Jo Anne Cripe and Terri Jo Buckman. Kenneth expressed his concern regarding wording under Duties of Committee Members and the Role of the Planning & Budget Committee. After discussion, it was recommended that the following changes be made to the Charter, contingent upon the President's approval:
Duties of Committee Members
d) Use a “District” perspective (as opposed to as well as a “constituent” perspective) in discussions and in decision-making activities.

Role of the Planning and Budget Committee
c) Informs and enhances rather than impedes the decision making process

c. Continuous Improvement Calendar 2009/10
Les reviewed each line item of the Continuous Improvement Calendar with timelines and areas of responsibility for each item.

III. ITEMS FOR NEXT AGENDA
- Budget Update
- Balanced Scorecard
- Demographics and survey
- Vote on Charter revisions

IV. ADJOURNMENT

At 4:47 p.m. the meeting was adjourned.