# First Monday Report

Focus on the Final Budget:

### Closing the \$21 Million Shortfall if Proposition 30 Fails

In addition to setting aside the two reserves and the deferred maintenance funds, the Board of Trustees acted on a proposal to close a \$21 million budget gap if Proposition 30 does not pass in November. This budget gap is the result of another 7



your personal HRA with the District. It would mean that each employee would only receive \$750 in his or her HRA in January rather than the usual \$1500. Because the HRA is negotiated, to enact this recommendation would require agreement on the part of all the unions.

#### Salary Adjustments

The Board accepted three different recommendations related to salary adjustments for FY 2013 should Prop 30 fail to get over 50% of the vote on November 6. These recommendations were tailored to the different employee groups: 1) faculty; 2) classified; and 3) administrators. Each will be discussed below.

#### <u>Faculty</u>

him, and a presentation and discussion at the District Budget Committee (DBC), it was recommended that the full-time faculty take a 3% reduction in salary and that all adjunct assignments have a 1% reduction. This proposal related to adjunct teaching would apply to all full-time faculty teaching an hourly overload assignment. Naturally, these recommendations are subject to negotiations. You may be curious about how the recommendation for these particular percentages were determined. Attention was given to progressivity in the various proposals with those who make more in salary bearing a higher burden in the reductions. If this recommendation is agreed to, the total faculty adjustment in salary would be \$5.3 million.

#### **Classified Staff**

Applying the concept of progressivity to any salary adjustments in concept, the Budget Task Force and DBC recommended that the Classified Staff bare the smallest share of any reductions. There are two proposals related to the Classified Staff. The first is a recommendation for a 7.5 day furlough. A second proposal is to reduce the number of paid holidays from 15.5 to 9.5 days. Again, any change in compensation would have to be negotiated through the appropriate employee representative.

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**Administrators** 

As with the Classified Staff, there are two proposals for salary adjustments related to the