Budget Council Meeting Notes  
May 17, 2011

Members in attendance: John Bland, Susan Brooks, Ramah Carle, Chris Ervin, Frank Fleming, Elizabeth Hardin, Trey O’Quinn, Jay Raja, Ken Smith, Gary Stinnett, Charisse Turner, and Cleo Widmaier

Where We Are in the State Budget Cycle:

- As stated in our last meeting, the House of Representatives has completed its final budget; the Senate’s budget is now in process. We had anticipated a final legislative budget by June 1; now, it appears it could be later before it is finalized.
- The Governor has stated she will veto any proposed budget, which could occur by June 10. If the Governor held the proposed budget without action for ten days, it would qualify for a non-signature pass; but in that case, it would have to go back to the Legislature and put us well into June without a budget.
- We have heard that cuts in funding for education will be lower for K-12 (8.8% cut) and a little higher for the community-college system (10.3%), with the university system taking the largest percentage of cuts. The Senate will attempt to get the university cut down to between 12% and 13%, but we will not know until after June 1.
- We are not yet seeing the budget improvements historically seen in the Senate, probably due in part to the large number of new members.
- Beth will draft an email informing campus that no final decisions on budget reductions can be made until the State’s 2011-12 Budget is complete and passed into law.
- The good news is that cuts could be smaller; but, unfortunately, the delay will cause people anxiety for a longer period of time.

Layoffs/Reductions in Force (RIFs)

- No final pronouncements of layoffs will be made until we have a final budget, although it does appear we are moving toward fewer than originally thought.
- Along the same lines, no RIF’s are expected on June 1. We do not want to communicate RIFs and then have to pull them back; but, not noticing people of the possibility for a RIF is not a perfect solution either.

State Health Plan
• We still have budget questions and issues out there. One of those is the State Health Plan, on which the Senate, House of Representatives, and Governor could not agree. The State Health Plan office is scheduling an open enrollment because they must have one. The enrollment process is set up so social security numbers will not have to be used; however, the password is case sensitive, and people can be locked out.

• If people do not do anything by June 8 or 9, they will be in the 70/30 plan for the next plan year unless a subsequent enrollment period is called based on what the Legislature does. At this time, we are just not sure what will happen.

• July 1, 2011, is the first day for the new plan year. If nothing is done, a person could be in the 70/30 plan for several months or perhaps for the entire plan year if no further open-enrollment opportunity is held. The timing of the enrollment is not good; therefore, we need to remind people to enroll now.

Beth announced that no further Budget Council meetings will take place until we have more news.