



Financial and Budget Planning Advisory Council (FABPAC)
Wednesday, November 16, 2011
2:00 p.m., Board Room
Meeting Notes_Informational Meeting

FABPAC Members

Present

Peter Bostic	Executive Director, Institutional Advancement
Sabrina Drake	CSEA
Chris Guptill	Classified Manager
Les Hubbard	SCFA
Jeff Lehfeldt	Local 39
Sheryl Scott	CSEA
Cynthia Simon	CSEA
Charlene Snow	SCFA President
Thomas Watkins	Academic Senate

Resources Present

Lynette Gray	Interim Grants and Resource Development Manager
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Also Present

Janet Leary	Interim Executive Assistant, Finance and Administration
Yulian I. Ligioso	Vice President, Finance and Administration

As quorum was not met at 2:15 p.m., VP Ligioso called to order an informational meeting. The agenda item which required votes for approval, the November 02, 2011 Minutes, was postponed and needs to be added as an item for the December 7, 2011 Agenda.

- I. November 2, 2011 Minutes: Approval**
Posptoned.

II. Legislative Analyst's Office (LAO) Fiscal Outlook

VP Ligioso discussed the bleak LAO Fiscal Outlook that had just been released. As feared, the revenue outlook is quite bad for both the current year and for the 2012-13 fiscal year. As the LAO forecasts current year revenues to be about \$3.7B below budget assumptions, this would indicate that both Tier 1 and Tier 2 triggers would be pulled by the Department of Finance. (The Tier 1 trigger also enacts a fee increase to \$46 per unit, effective with the summer of 2012).

The LAO forecast estimates revenues at \$84.8B. Further, the LAO also projects a 2012-13 budget deficit of almost \$13B, signaling that the current year triggers may not be the end of the bad times. Below is a link to the full LAO forecast.

http://www.lao.ca.gov/reports/2011/bud/fiscal_outlook/fiscal_outlook_2011.aspx

The next step is to await the Department of Finance's forecast, which is traditionally completed in early December.

VP Ligioso asked the group how to frame this news to the campus community. The feedback was to be up-front and straightforward. The FABPAC requested that VP Ligioso inform the scheduling and instructional folks and the students as well, so they can get used to the facts and be prepared for the administrative nightmare that will result with the fee increase.

Peter Bostic commented that, regardless, we face the challenge of an increase in expenses—because of our systemic issues such as the costs of benefits, etc.— as revenues decrease.

III. Discretionary Budget Distributions

VP Ligioso shared some good news, the Revised Budget Distribution spreadsheet which follows:

Solano College Budget Augmentation FABPAC								
11/16/2011								
Accounts	Board of Trustees	Superintendent/President	Finance & Administration	Instruction	Student Services	Technology	Human Resources	TOTAL
Classified Hourly, Overtime	15,040	12,996	129,546	367,304	168,844	27,598	13,426	734,754
Supplies	9,109	29,753	159,332	289,838	34,519	13,258	33,086	568,895
Other Operating Expenditures	17,572	83,561	3,557,747	1,124,271	13,179	920,821	43,463	5,277,455
	41,721	126,310	3,846,625	1,781,413	216,542	961,677	89,975	7,064,263
Prop 20				278,000				
Inst Equip				19,000				
								Estimated Savings
						-5.0%	6,711,050	353,213
						-7.5%	6,534,443	529,820
						-10.0%	6,357,837	706,426

VP Ligioso stated that pending the closing of the 2010-11 books, he held off on fully distributing out in the areas of *Classified Hourly, Overtime; Supplies; and Other Operating Expenditures*. Much of the pattern reflected is consistent with the 2010-11 expenditure patterns and represents about 75% of the spending level from the prior year. For the most part, the mandated and required costs = *Other Operating Expenditures*, and this \$3.5M budget includes utilities; insurance; repairs and maintenance; and licenses for ecollege, SunGard, Oracle, Microsoft, and Adobe, etc.

VP Ligioso said he was planning to present this spreadsheet at the November 30 Deans' meeting, and he would ask the instructional folks to prioritize needs and fund accordingly. Once he knows these priorities, he will have them loaded into Banner. VP Ligioso also said he would request that the Deans allocate a portion of the \$278,000 in additional Prop 20 funds for the Library's electronic data bases.

He clarified that the "*Classified Hourly, Overtime*" amount under "*Instruction*" reflects temporary, hourly help: student tutors, student assistants, e.g., not regular classified positions.

Sheryl Scott addressed utility costs and said she realized, while reviewing the recent warrant listings, how much the District pays PG&E. Discussions ensued about buildings being uselessly heated/cooled on weekends and whether buildings could be individually metered. Concern for close scrutiny of utility bills was expressed, and VP Ligioso concurred that a thorough review of utilities is warranted and assured the group that an in-depth analysis of utility costs is ongoing. He noted that he has asked Dave Froehlich and Lester Young to separately meter each campus building and reported that he met on November 15 with the Business Development Director from the School Project for Utility Rate Reduction (SPURR) to evaluate costs and savings and learn what SPURR could offer relative to what the District currently receives from PG&E.

IV. Discretionary Budget Distributions (continued)

Next to salaries and benefits, utilities are our largest expense. VP Ligioso reported that the Facilities Master Planner, Architecture/vbn, is conducting a detailed utilities costs analysis. The hope is that the FMP will tie in our facilities data to Fusion via ONUMA to begin making the best facilities data-driven decisions.

Jeff Lehfeltdt clarified that the chillers installed with Measure G funds are currently used in place of air conditioners, and this is one step toward campus-wide energy efficiency.

V. CCFS-311Q Financial Quarterly Report, First Quarter (July 1-September 30), FY 2011-12:

VP Ligioso reviewed the report and highlighted these year-to-date actuals:

Total Unrestricted Revenue:	\$9.5M
Total Unrestricted Expenditures:	\$12.3M

There was a question regarding the “no” answer to this question: “*Does the District have significant fiscal problems that must be addressed next year?*” which is in the narrative section of the report. VP Ligioso stated that the answer should be “yes.”

The CCFS-311Q Financial Quarterly Report, First Quarter, FY 2011-12 is located here: <http://solano.edu/administration/fiscal.html>.

There was no formal adjournment, but the meeting ended at 2:48 p.m.