



Financial and Budget Planning Advisory Council (FaBPAC)
Wednesday, March 7, 2012
2:00 p.m., Board Room

Minutes

Present: Galen Tom, Richard Crapuchettes, Charleneé Ott, Les Hubbard, Deborah Mann, Peter Cammish, Kevin Anderson, Kheck Sengmany, Mary Ann Haley, Lily E. Espinoza (Representing Betsy Julian), Chris Guptill, Thom Watkins, Arturo Reyes, Peter Bostic, Patrick Killingsworth, Yulian Ligioso, Janet Leary

Quorum was met at 2:11 p.m., and Vice President Ligioso called the meeting to order.

I. March 7, 2012, Agenda: Approval

Motion (Chris Guptill), second (Galen Tom) to approve the agenda.
The motion passed unanimously

II. January 18, 2012 and February 1, 2012 Minutes: Approval

Motion (Lily E. Espinoza), second (Chris Guptill) to approve both sets of minutes.
With the abstention of Kevin Anderson, who was not in attendance at either meeting, the motion passed.

III. Strategic Proposals: Peter Cammish

Peter Cammish presented a grid ranking the five strategic proposals that were chosen and moved forward by the Shared Governance Council (SGC). (Ten proposals were submitted, but SCG moved forward the top five only to FaBPAC.) The next step is for FaBPAC to vet the proposals from a financial perspective, and Peter provided a rubric to do so. Vice President Ligioso added that FABPAC will use the rubric to rank proposals emphasizing the fiscal impact, whereas SGC ranked and rated submittals from a qualitative perspective tying them to our institutional goals.

Peter noted that the funding for the strategic proposals - \$100,000 - came from the Barnes & Noble sign-on bonus and that the five proposals, totaling \$195,633, exceed the available funding. FabPAC thus will need to discuss, determine and recommend a funding approach for those proposals to stay within the \$100,000 set aside.

Peter will send FaBPAC the proposals, the budget, and the ranking survey. Given the funding limitations, he suggested the group consider the fiscal impact (optimizing resources), fund proposals at a lesser \$ amounts and/or approve some this year and some next year.

FaBPAC will invite the authors to present and answer specific questions. As the proposals' will be implemented next fiscal year, funding recommendations will need to be made by the middle of May.

IV. Budget Update

Patrick Killingsworth, Interim Director of Fiscal Services, distributed copies of a pie chart depicting the District's total 2011-12 budgeted resources and expenditures by fund, showing their respective proportion, noting the magnitude of the general fund. The chart showed an estimated \$78.4 million coming in versus \$88.8 million going out which was attributed to mainly Measure G; i.e. all bonds have been issued and the district is expending dollars constructing/modernizing the campus. Ensuing discussion on expenditures exceeding revenues ended with a request by Dean Espinoza to in the future also provide the cash balances and balance sheets for clarity/understanding.

Next, Mr. Killingsworth handed out the Unrestricted General Fund (Fund 1100) revenue and expenditure reports for the eight months ending February 2012. VP Ligioso highlighted major revenue items and explained questions about the workings of various property tax categories; he also spoke about the college's enrollment fees and offsetting Board of Governor fee waivers, and relationship to the state's February Surprise.

In reviewing the expenditure report, several members pointed out that budgets in several areas were not aligned to expenditures, i.e. benefits. Additional comments included and a request made that for FabPAC purposes a monthly report summarized by major object code was preferred, that could then be supplemented with the detailed report, on a semi-annual or annual basis. Mr. Killingsworth and VP Ligioso agreed to bring fund 1100 unrestricted and other selected state categorical funds data to future meetings in the requested formats and reporting frequency.

Vice President Ligioso stated that next to salaries and benefits, utilities are our next highest expenditure. He is closely evaluating utilities costs and is working with Facilities to implement building-by-building energy monitoring. VP Ligioso added that he is in discussions with PG&E and other utilities consolidators to better understand and optimize energy consumption for the College. When asked if the campuses will be closed on Fridays during the summer to save energy, he stated that this decision has not been made.

VP Ligioso elaborated on *The February Surprise* that California's community college districts would have to absorb an additional \$149 million mid-year cuts, due to lower-than-projected property tax and student enrollment fee revenues. This cut comes on top of the \$313 million cut included in the 2011-12 enacted budget and the \$102 million made in January as part of the "budget triggers." The February Surprise means an additional \$1,262,000 revenue loss for Solano College for this year, which translates into an estimated extra \$815,000 the college has to achieve in added revenues and/or expenditure cuts in the next three and a half months to remain at a minimum 5% reserve level. VP Ligioso stated he is looking at all budget areas to achieve that, including any potential revenue increases, savings in supply spending, and holding vacancies.

He also spoke to the February 27 press release from the Legislative Analyst's Office (LAO) and its projected \$3 billion in lower revenues in the current year and \$3.5 billion less in the budget year. This means that the Governor's proposed 12/13 budget is already \$6.5 billion out of balance.

In moving forward and addressing these difficult times, VP Ligioso stressed that we will continue to be guided by the college's strategic goals of fostering excellence in learning, optimizing student access and success, fiscal stability, and community partnering as well as the state's three prong priorities of Transfer, Career Tech, and Basic Skills.

More detailed information on both the February Surprise and the LAO's press release are located here:

<http://www.solano.edu/administration/budget.html>

<http://www.solano.edu/administration/fabpac.html>

V. Adjournment

Motion (Les Hubbard), second (Chris Guptill) to adjourn the meeting. The motion passed unanimously, and the meeting adjourned at 4:00 p.m.