



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

Unadopted Minutes

Present: Pat Killingsworth, Arturo A. Castillo (ASSC), Jeff Lamb for Betsy Julian, Debbie Luttrell-Williams for Galen Tom, Les Hubbard, Lynette Gray, Arturo Reyes, Charlene Snow, Jeff Lehfeldt, Kheck Sengmany, Mary Ann Haley, Chris Guptill, Deborah Mann, Thom Watkins, Peter Bostic, Clyde Murley (Community College League of California's Solar Program Manager), Steve Nielsen (MuniBond Solar), Yulian Ligioso, Janet Leary

As Vice President Ligioso was unable to attend the first part of the meeting, Janet Leary called the meeting to order when a quorum was present at 2:14 p.m.

I. May, 2012, Agenda: Approval

Janet Leary requested that the agenda be amended to move the item requiring approval, Item VI, *Grant Application Review*, to item III. Motion (Chris Guptill), second (Les Hubbard) to approve the agenda as amended. The motion passed unanimously.

II. April 18, 2012 Minutes: Approval

Deborah Mann requested the following sentence under Item V, *These funds are set aside and can only be used for curriculum development, career awareness for **middle school**, career pathway development, and professional development for faculty*, be amended to read, *These funds are set aside and can only be used for curriculum development; career awareness for **middle school, high school, and sometimes college**; career pathway development; and professional development for faculty*. Motion (Deborah Mann), second (Mary Ann Haley) to approve the minutes as amended. The motion passed unanimously.

There was a request at this time for Janet Leary / Vice President Ligioso to bring back to FaBPAC a detailed list / position titles of the 25 job vacancies referenced in the April 18, 2012, minutes.

III. Grant Application Review_Lynette Gray

Lynette Gray provided updates on the two proposals she presented at the April 4, 2012, meeting: 1) The *Middle College High School* proposal received a passing score but fell below the level being funded, and 2) Dr. Laguerre decided to not move forward with the *Strengthening Institutional Programs* proposal application at this time.

Lynette then presented three new grant proposal summaries for review: *Youth Empowerment Strategies for Success—Independent Living Program (YESS-ILP)*, *Academic Tutoring and Leadership Program at Solano Community College*, and *California Biosciences Consortium*. After questions and discussion, (Chris Guptill) made a motion to move approve moving forward with all three proposals. Jeff Lehfeltdt seconded the motion, and it passed unanimously.

IV. Prospective Bond Planning

Peter Bostic and Janet Leary provided an update on the prospective 2012 bond. They reported that a Blue Ribbon Advisory Committee (BRAC) has been formed. The Committee's kick-off meeting was on Friday, April 20, and the BRAC will meet two more times over the summer. The Blue Ribbon Advisory Committee will help members of the District' speakers' bureau get on community agendas for its goal of 100 speaking engagements and will advise on whether or not to recommend to the Governing Board in August to proceed with placing a measure on the November ballot.

Janet distributed copies of the survey that is being completed at community meetings and is online, and she showed the group the *Upgrade Solano College for the Future!* site and the link to the survey which are located here: <http://www.solano.edu/communityreport/>.

Peter Bostic concluded by stating that initial polling for the bond was positive, and additional polling will be done in July.

There was a request for Janet Leary to provide the FaBPAC with a list of the Blue Ribbon Committee Members.

V. Solar Generation / Funding Allocation

FaBPAC members received a briefing from the Community College League of California's Solar Program Manager, Clyde Murley. Mr. Murley is assisting the District in its consideration of solar projects and will be providing support for the RFP and vendor selection process should the District decide to procure the solar systems. Mr. Murley and the League have provided this support to many other community college districts over the past three years. He described two possible options for the College's procurement of a proposed solar generation project under consideration by the District for construction at the District's three campuses. These options were intended to be illustrative, and not definitive, since the District and the League are still analyzing the various options to determine the sizing and location of solar systems that would create the greatest level of General Fund benefits. Mr Murley's illustrative options included a 2.8 megawatt total system size and a 4.0 megawatt system size. The estimated net savings to the District based on these two options range from \$18 to \$30 million over the 30-year operating period of these systems. Mr. Murley's main point was that building solar systems at the District's campuses has the potential to save the District tens of millions of dollars, assuming the District employs a competitive procurement process and secures a strong performance guarantee for the solar systems, both of which the League would help negotiate for the District.

Steve Nielsen, from MuniBond Solar, also provided Council members with a description of the proposed financing plan for the solar project, which included an overview of the District's strategy for securing "Qualified Energy Conservation Bonds" (QECBs"). The District is applying for up to \$16 million of QECBs through a competitive allocation process administered by the State. If successful, the District would issue the QECBs to finance 100% of the turnkey purchase price of the solar project. Mr. Nielsen explained the QECB application process, the value of the QECB subsidy, and the estimated timeline that would bring the decision to proceed with the Project (subject to successful capture of the QECBs in July) back before the Committee and the Governing Board in September 2012 by means of a public hearing and a formal consideration of the solar project's expected economic benefits.

Both Mr. Murley and Mr. Nielsen responded to numerous questions from Committee members, further illustrating the District's solar options, the procurement process, and the potential benefits of procuring solar generation facilities.

VI. Estimated 2012-13 Budget

VP Ligioso introduced the state apportionment simulation that incorporated the apportionment revenue assumptions talked about at the previous FabPAC meeting – these included:

- Apportionment revenue reduction of \$2.16 million, anticipating the November tax measure fails
- An associated re-benching of FTES base from 8,503 to approximately 8,024
- Vacaville Center will achieve 1,000 FTES for 12-12 and center base revenue remains at approximately \$1.1 million
- Property taxes stay flat at \$8.9 million
- Net enrollment fee revenues flat at \$3.7 million
- Given the state's history of over-allocating apportionments, build in a 1% deficit factor into the calculation

He highlighted the various components of the apportionment simulation which include:

- Base revenues, comprised of college as well as center; Solano College receives about \$3.3 million (college with FTES < 10,000) and \$2.2 million for the two centers. He further elaborated that while Vacaville has consistently reported <1,000 FTES, the CCCCCO will hold Solano harmless for 11-12., will prorate funding if 1,000 are not achieved in 12-13, then eliminate center base funding in 13-14, and only restore when such target are reached. Solano currently is addressing this matter by accounting regional north County locations managed by the Vacaville Center dean under Vacaville. This includes Winters, Dixon, the Airport, and Travis. Additionally, the deans are also reviewing to site additional offerings to Vacaville, including online classes, as appropriate.
- Inflation adjustment, where any cost of living adjustment would be reflected.
- Restoration; increasing revenues for colleges coming out of decline
- Growth; last year the system saw an approximate 2% growth (or rather restoration because of the prior year 3.4% base cut)
- Other Revenue Adjustments
- Stability; for colleges in decline.
- Total Computation Revenue (sum of all above). This amount was further reduced via a deficit factor of 1%.
- District Resources, comprised of property taxes, enrollment fees with the remainder coming from the state as apportionment.

- Other Allowances and Total Apportionments.
- Unrestored Declines.

The district's total computational revenues which FabPAC moved forward with for the 2012-13 budget are estimated at \$41.7 million.

VII. Adjournment

The meeting adjourned at 3:50 p.m.