



# Solano Community College District

Governing Board Regular Meeting

June 15, 2011

Tentative 2011-12 District Budgets for Approval

Presentation by Yulian Ligioso, Vice President

Finance & Administration



**Mission:** Solano Community College prepares a diverse student population to participate successfully in today's local and global communities.

**Vision:** Solano Community College will be a recognized leader in educational excellence – *transforming students' lives.*

**Strategic Goals:** Goal 1: Foster Excellence in Learning  
Goal 2: Maximize Student Access and Success  
Goal 3: Strengthen Community Connections  
Goal 4: Optimize Resources

# General Fund Revenue Assumptions

- State General Apportionment revenues are based on the 2010-11 First Principal Apportionment (P-1), which include a net workload restoration for 2010-11 of approximately \$840,000.
- State General Apportionment revenues also includes an approximate \$6.8 million reduction as a result of the proposed 2011-12 State Budget Proposal, assuming an All-Cuts Scenario. FABPAC (Financial and Budget Planning Advisory Council) recommended at its April 6 meeting, that the college move forward with the All-Cuts Scenario for budget planning purposes.
- The budget is based on a funded FTES base of 7,651 after estimated workload reduction of nearly 17%.
- Enrollment fees are \$36 per unit.
- Bookstore outsourcing.
- Categorical Program funding is budgeted at the 2010-11 levels, less one-time and carryover funds.

# Expenditure Assumptions

- Step and column adjustments for all qualifying employees of \$346,624
- Salary increases of 1% for SCFA, CSEA, ALG (Administrative Leadership Group) amount to \$282,108
- Increase of \$837,010 for health and welfare benefits
- Increase of \$206,309 for PERS
- ALG has made the following concessions totaling \$199,294:
  - forego the 1% salary increase
  - suspend step & column movement
  - agree to eight furlough days
- Recruitment of two faculty positions: aeronautics and welding at \$127,596
- Property and liability insurance of \$420,327
- Retiree benefits are budgeted at \$123,000 and are transferred into an irrevocable trust, set up with the Community College League's Retiree Health Benefits JPA in which Solano College is a member district

The District has aggressively pursued several expense reduction strategies over the past year, continuing into 2011-12, with a projected annual savings of \$2,893,962. The college eliminated approximately 9% or 285 course sections of its offerings, realizing savings from adjunct professor salaries. Academic Affairs further implemented a re-organization, merging six instructional divisions into four schools, and reduced faculty release time. Additional savings are anticipated as a result of spending freezes in supplies, other operating expenditures, such as consulting, travel, printing, postage and others, and equipment accounts, as well as expenditure transfers to categorical grants.

Even with the aforementioned reduction strategies, \$1,942,450 in additional reductions are needed (see Page 9 – Unrestricted 2011-12 General Fund Budget), an amount representing concessions needed from the Solano College Faculty Association, its Classified Unions – CSEA and Local 39. And if those reductions are not achieved for fiscal year 2011-12 alternatives likely will include more draconian expenditure decreases, including suspension of all equipment purchases, significant reductions of other operating expenditures, supplies, overtime, temporary help, further considerable cuts to offerings, layoffs, and/or dipping below the 5% reserve levels. It is important to note that falling below the 5% reserve level has serious implications including being out of compliance with state and board guidelines, cash flow, credit rating and accreditation.

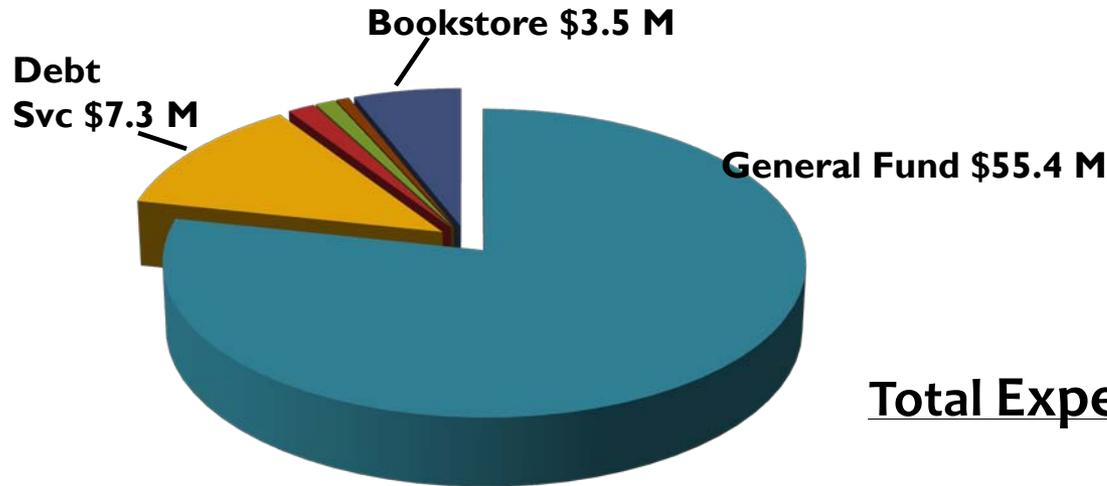
The College is also planning to realign categorical spending to be in line with certified funding and has tentatively budgeted special funds at approximate fiscal year 2010-11 levels.

# Tentative 2011-12 General Fund Budgets – Unrestricted and Restricted

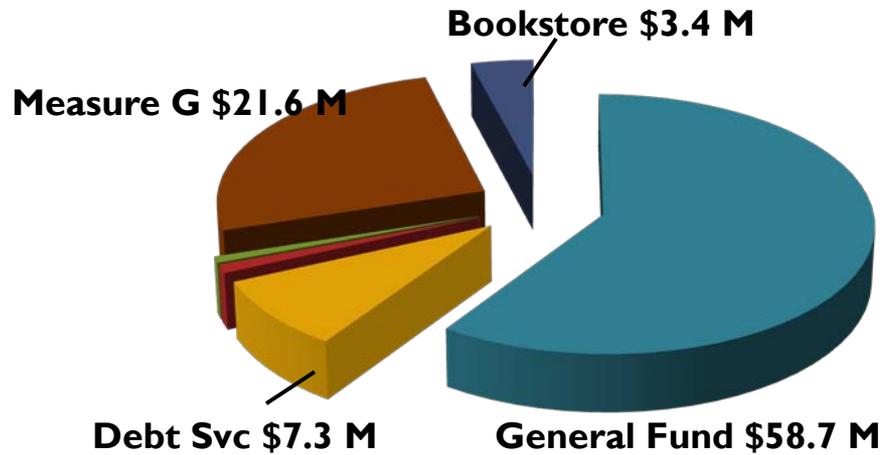
	Current Year Budget			Tentative Budget		
	2010-11			2011-12		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
<b>Revenue</b>						
Federal Revenue	0	780,700	780,700	0	415,000	415,000
State Revenue	34,220,153	2,248,557	36,468,710	30,101,901	1,908,422	32,010,323
Local Revenue	15,588,954	544,774	16,133,728	13,373,008	530,000	13,903,008
Other Revenue	0	3,258	3,258	0	0	0
<b>Total Revenue</b>	<b>49,809,107</b>	<b>3,577,289</b>	<b>53,386,396</b>	<b>43,474,909</b>	<b>2,853,422</b>	<b>46,328,331</b>
<b>Expenditures</b>						
Academic Salaries	20,161,973	279,407	20,441,380	19,141,185	316,548	19,457,733
Classified Salaries	9,804,067	1,194,941	10,999,008	9,300,052	1,005,207	10,305,259
Employee Benefits	12,197,793	543,257	12,741,050	13,650,715	642,367	14,293,082
Supplies and Materials	1,134,590	447,846	1,582,436	751,901	170,617	922,518
Other Operating Exp and Services	6,681,209	474,015	7,155,224	5,700,571	407,355	6,107,926
Capital Outlay	288,534	424,692	713,226	202,754	89,369	292,123
Other Outgo		213,131	213,131		327,008	327,008
<b>Additional Reductions Needed</b>	0	0	0	<b>(1,942,450)</b>	(105,049)	(2,047,499)
<b>Total Expenditures</b>	<b>50,268,166</b>	<b>3,577,289</b>	<b>53,845,455</b>	<b>46,804,728</b>	<b>2,853,422</b>	<b>49,658,150</b>
Net (Decrease) in Fund Balance	(459,059)	0	(459,059)	(3,329,819)	0	(3,329,819)
Estimated Beginning Balance	3,162,710	0	3,162,710	5,670,055	0	5,670,055
Ending Balance	2,703,651	0	2,703,651	2,340,236	0	2,340,236
<b>5% Reserve Balance</b>	<b>2,513,408</b>	<b>0</b>	<b>2,513,408</b>	<b>2,340,235</b>	<b>0</b>	<b>2,340,236</b>
Undesignated Reserve Balance	190,243	0	190,243	0	0	0

# All District Funds

Total Revenues \$68.2 million



Total Expenditures \$92.7 million



- General Fund
- Debt Service Fund
- Child Development Fund
- Capital Outlay Fund
- Measure G Fund
- Bookstore Fund
- Self Insurance

## Other District Funds

- **Debt Service Fund 21**: The Debt Service Fund is established to account for repayment of the Measure G Bond. Expenditures are covered by proceeds of the ad valorem property tax which is billed and collected by the Solano County Tax Assessor's Office.
- **Child Development Fund 33**: The Child Development Fund is the fund designated to account for all revenues for, or from the operation of, Child Care and Development Services, including student fees for child development services. Costs incurred in the operation and maintenance of the Child Care and Development Services are paid from this fund.
- **Capital Outlay Fund 41**: The Capital Outlay Fund is used to account for the collection of redevelopment property tax revenues allocated exclusively for educational facilities, which are exempt from inclusion in the calculation of the District's revenue level for each fiscal year.
- **Measure G Bond Fund 42**: The Measure G Bond construction fund is the fund designated for the deposit of proceeds from the sale of all community college revenue bonds. Such deposits are used to meet the costs of acquisition or construction and all expenses of authorized projects.
- **Bookstore Fund 51**: The Bookstore Fund is the fund designated to receive the proceeds derived from the District's operation of a community college bookstore. Necessary expenses, including salaries, wages and cost of capital improvements for the bookstore may be paid from the generated revenue.
- **Self-Insurance Fund 61**: The Self-Insurance Fund was established from excess equity from the District's membership in the Northern California Community Colleges Self-Insurance Authority JPA. Its purpose is to pay for potential property and indemnity claims not covered by the JPA.
- **Financial Aid Fund 74**: Financial Aid funds are intended to help students pay educational expenses including tuition and fees, books and supplies, etc. for education and are comprised of federal and state sources and available amounts are primarily driven by the number of FAFSA (Free Application for Federal Student Aid) applications submitted by students and processed by the college.

**DEBT SERVICE - FUND 21  
PROPOSED BUDGET  
FISCAL YEAR 2011-12**

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget</b>	<b>Proposed Budget</b>
		<b>2010-11</b>	<b>2011-12</b>
<b>REVENUES:</b>			
	<b>Federal Sources</b>	\$ -	\$ -
	<b>State Sources</b>	-	-
	<b>Local Sources</b>	<b>6,750,756</b>	<b>6,750,756</b>
	<b>Total Revenue</b>	<b>\$ 6,750,756</b>	<b>\$ 6,750,756</b>
<b>EXPENDITURES:</b>			
	<b>Academic Salaries</b>		
	<b>Other Staff Salaries</b>	-	-
	<b>Employee Benefits</b>	-	-
	<b>Supplies &amp; Materials</b>	-	-
	<b>Services &amp; Other Operating</b>	-	-
	<b>Capital Outlay</b>	-	-
	<b>Debt Service - Principal</b>	<b>3,515,000</b>	<b>3,515,000</b>
	<b>Debt Service - Interest</b>	<b>3,824,197</b>	<b>3,824,197</b>
	<b>Total Expenditures</b>	<b>\$ 7,339,197</b>	<b>\$ 7,339,197</b>
	<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$ (588,441)</b>	<b>\$ (588,441)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
	<b>Other Sources</b>		
	<b>Other Uses</b>	-	-
	<b>Total Other Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FUND BALANCE INCREASE (DECREASE)</b>	<b>\$ (588,441)</b>	<b>\$ (588,441)</b>
<b>BEGINNING FUND BALANCE</b>			
	<b>Beginning Balance</b>	<b>5,765,063</b>	<b>5,176,622</b>
	<b>Prior Year Adjustments</b>		
	<b>Adjusted Beginning Balance</b>	<b>\$ 5,765,063</b>	<b>\$ 5,176,622</b>
	<b>ENDING FUND BALANCE</b>	<b>\$ 5,176,622</b>	<b>\$ 4,588,181</b>

## CHILD DEVELOPMENT FUND 33

## PROPOSED BUDGET

FISCAL YEAR 2011-12

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget 2010-11</b>	<b>Proposed Budget 2011-12</b>
<b>REVENUES:</b>			
	Federal Sources	66,844	32,300
	State Sources	709,495	622,822
	Local Sources	55,821	17,883
	<b>Total Revenue</b>	<b>\$ 832,160</b>	<b>\$ 673,005</b>
<b>EXPENDITURES:</b>			
	Academic Salaries		
	Other Staff Salaries	462,834	418,855
	Employee Benefits	276,287	281,217
	Supplies & Materials	23,270	7,296
	Services & Other Operating	69,769	7,964
	Capital Outlay	-	-
	Additional reductions needed	-	(42,327)
	<b>Total Expenditures</b>	<b>\$ 832,160</b>	<b>\$ 673,005</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>		<b>\$ -</b>	<b>\$ -</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
	Other Sources		
	Other Uses	-	
	<b>Total Other Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCE INCREASE (DECREASE)</b>		<b>\$ -</b>	<b>\$ -</b>
<b>BEGINNING FUND BALANCE</b>			
	Beginning Balance	-	-
	Prior Year Adjustments		
	<b>Adjusted Beginning Balance</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ENDING FUND BALANCE</b>		<b>\$ -</b>	<b>\$ -</b>

**CAPITAL OUTLAY - FUND 41**

**PROPOSED BUDGET**

**FISCAL YEAR 2011-12**

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget 2010-11</b>	<b>Proposed Budget 2011-12</b>
<b>REVENUES:</b>			
	Federal Sources	\$ -	\$ -
	State Sources	-	-
	Local Sources	571,356	485,653
	<b>Total Revenue</b>	<b>\$ 571,356</b>	<b>\$ 485,653</b>
<b>EXPENDITURES:</b>			
	Academic Salaries		
	Other Staff Salaries	-	-
	Employee Benefits	-	-
	Supplies & Materials	-	-
	Services & Other Operating	15,000	350,000
	Capital Outlay	100,000	-
	<b>Total Expenditures</b>	<b>\$ 115,000</b>	<b>\$ 350,000</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>		<b>\$ 456,356</b>	<b>\$ 135,653</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
	Other Sources		
	Other Uses	(97,887)	-
	<b>Total Other Sources (Uses)</b>	<b>\$ (97,887)</b>	<b>\$ -</b>
<b>FUND BALANCE INCREASE (DECREASE)</b>		<b>\$ 358,469</b>	<b>\$ 135,653</b>
<b>BEGINNING FUND BALANCE</b>			
	Beginning Balance	3,038,841	3,397,310
	Prior Year Adjustments		
	<b>Adjusted Beginning Balance</b>	<b>\$ 3,038,841</b>	<b>\$ 3,397,310</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 3,397,310</b>	<b>\$ 3,532,963</b>

**MEASURE G BOND FUND 42**

**PROPOSED BUDGET**

**FISCAL YEAR 2011-12**

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget 2010-11</b>	<b>Proposed Budget 2011-12</b>
<b>REVENUES:</b>			
	Federal Sources	\$ -	\$ -
	State Sources	-	-
	Local Sources	240,000	204,000
	<b>Total Revenue</b>	<b>\$ 240,000</b>	<b>\$ 204,000</b>
<b>EXPENDITURES:</b>			
	Academic Salaries		
	Other Staff Salaries	-	100,000
	Employee Benefits	-	35,000
	Supplies & Materials	-	-
	Services & Other Operating	1,500,000	1,500,000
	Capital Outlay	11,087,702	7,500,000
	<b>Total Expenditures</b>	<b>\$ 12,587,702</b>	<b>9,135,000</b>
	<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$ (12,347,702)</b>	<b>\$ (8,931,000)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
	Other Sources		
	Other Uses		
	<b>Total Other Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FUND BALANCE INCREASE (DECREASE)</b>	<b>\$ (12,347,702)</b>	<b>\$ (8,931,000)</b>
<b>BEGINNING FUND BALANCE</b>			
	Beginning Balance	24,433,159	19,145,883
	Prior Year Adjustments		
	<b>Adjusted Beginning Balance</b>	<b>\$ 24,433,159</b>	<b>\$ 19,145,883</b>
	<b>ENDING FUND BALANCE</b>	<b>\$ 12,085,457</b>	<b>\$ 10,214,883</b>

**BOOKSTORE FUND 51  
PROPOSED BUDGET  
FISCAL YEAR 2011-12**

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget 2010-11</b>	<b>Proposed Budget 2011-12</b>
<b>REVENUES:</b>			
Retail Sales		\$ 3,670,000	\$ 3,661,281
Cost of Goods Sold		2,900,000	2,929,025
Net Sales		\$ 770,000	\$ 732,256
<b>EXPENDITURES:</b>			
Academic Salaries			
Other Staff Salaries		\$ 425,275	\$ 403,743
Employee Benefits		160,000	224,627
Supplies & Materials		17,000	24,721
Services & Other Operating		160,000	119,700
Capital Outlay		25,000	0
Additional reductions needed		0	(21,102)
Total Expenditures		\$ 787,275	\$ 751,689
<b>EXCESS REVENUES (EXPENDITURES)</b>		<b>\$ (17,275)</b>	<b>\$ (19,433)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Other Sources			
Other Uses		(35,000)	
<b>Total Other Sources (Uses)</b>		<b>\$ (35,000)</b>	<b>\$ -</b>
<b>FUND BALANCE INCREASE (DECREASE)</b>		<b>\$ (52,275)</b>	<b>\$ (19,433)</b>
<b>BEGINNING FUND BALANCE</b>			
Beginning Balance		640,781	588,506
Prior Year Adjustments			
<b>Adjusted Beginning Balance</b>		<b>\$ 640,781</b>	<b>\$ 588,506</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 588,506</b>	<b>\$ 569,073</b>

## SELF-INSURANCE - FUND 61

## PROPOSED BUDGET

## FISCAL YEAR 2011-12

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<b>Adopted Budget 2010-11</b>	<b>Proposed Budget 2011-12</b>
<b>REVENUES:</b>			
	Federal Sources	\$ -	\$ -
	State Sources	-	-
	Local Sources	-	5,000
	<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ 5,000</b>
<b>EXPENDITURES:</b>			
	Academic Salaries		
	Other Staff Salaries	-	-
	Employee Benefits	-	-
	Supplies & Materials	-	-
	Services & Other Operating	419,362	-
	Capital Outlay	-	-
	<b>Total Expenditures</b>	<b>\$ 419,362</b>	<b>\$ -</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>		<b>\$ (419,362)</b>	<b>\$ 5,000</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
	Other Sources		
	Other Uses	-	-
	<b>Total Other Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCE INCREASE (DECREASE)</b>		<b>\$ (419,362)</b>	<b>\$ 5,000</b>
<b>BEGINNING FUND BALANCE</b>			
	Beginning Balance	878,089	458,727
	Prior Year Adjustments		
	<b>Adjusted Beginning Balance</b>	<b>\$ 878,089</b>	<b>\$ 458,727</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 458,727</b>	<b>\$ 463,727</b>

**FINANCIAL AID FUND  
PROPOSED BUDGET  
FISCAL YEAR 2011-12**

<b>REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE</b>		<i>Projected</i> <b>2010-11</b>	<i>Proposed Budget</i> <b>2011-12</b>
<b>REVENUES:</b>			
	Federal Sources	11,691,681	14,472,083
	State Sources	463,216	503,000
	Local Sources	-	-
	Total Revenue	\$ 12,154,897	\$ 14,975,083
<b>EXPENDITURES:</b>			
	PELL	9,671,891	10,500,000
	FSEOG	164,470	172,083
	ACG	36,213	
	Direct Loans	1,819,107	3,800,000
	Cal Grants	463,216	503,000
		-	-
		-	-
	Total Expenditures	\$ 12,154,897	\$ 14,975,083
<b>EXCESS REVENUES (EXPENDITURES)</b>		\$ -	\$ -
<b>OTHER FINANCING SOURCES (USES)</b>			
	Other Sources		
	Other Uses	-	
	Total Other Sources (Uses)	\$ -	\$ -
<b>FUND BALANCE INCREASE (DECREASE)</b>		\$ -	\$ -
<b>BEGINNING FUND BALANCE</b>			
	Beginning Balance	-	-
	Prior Year Adjustments		
	Adjusted Beginning Balance	\$ -	\$ -
<b>ENDING FUND BALANCE</b>		\$ -	\$ -

# Questions / Comments

