

# **Solano College Budget Forums**

February 29 and March 1, 2012  
Yulian Ligioso  
Vice President, Finance & Administration

***Proposed Tax Initiative Is Cornerstone of Governor's Budget Proposal***

***Administration Estimates Plan Would Return State Budget to Balance***

***Proposed Trigger Cuts if Voters Reject Governor's Tax Initiative***

**Governor's 2012-13  
Budget Proposal**

- California faces a \$10.3 Billion budget gap

<b>FY 2011-12</b>	<b>\$ 4.1 Billion</b>
<b>FY 2012-13</b>	<b><u>\$ 5.1 Billion</u></b>
<b>Budget Problem</b>	<b>\$ 9.2 Billion</b>
<b>Rebuild Reserves</b>	<b><u>\$ 1.1 Billion</u></b>
<b>Total Budget Gap</b>	<b>\$10.3 Billion</b>

## **Governor's 2012-13 Budget Proposal**

## Governor's Budget General Fund Condition

(Dollars in Millions)

			Proposed for 2012-13	
	Actual 2010-11	Proposed 2011-12	Amount	Percent Change
Prior-year fund balance	-\$5,019	-\$3,079	-\$986	
Revenues and transfers	93,489	88,606	95,389	7.7%
Total resources available	\$88,470	\$85,527	\$94,404	
Expenditures	\$91,549	\$86,513	\$92,553	7.0%
Ending fund balance	-\$3,079	-\$986	\$1,850	
Encumbrances	\$719	\$719	\$719	
<b>Reserve</b>	<b>-\$3,797</b>	<b>-\$1,704</b>	<b>\$1,132</b>	

# Governor's 2012-13 Budget Proposal

**Prop 98**

**\$ 4.8 Billion**

**UC/CSU**

**\$ 400 million**

**Courts**

**\$ 125 million**

**Other**

**\$ 15 million**

**Governor's 2012-13  
Cuts if Tax Measure Fails**

2012-13 Base revenue (before reductions)

\$44,349,804

Number and percent credit FTES

8,501 (99.97%)

<b>Quick Comparison</b>	<b>Scenario A: Governor's Budget and Tax Package</b>	<b>Scenario B: Governor's Budget, with Failure of Tax Package</b>
Net Apportionment Cut:	\$0	<b>\$-2,159,859</b>
Workload reduction percent:	0%	<b>5.56%</b>
TOTAL FTES Reduced	0	<b>-473.21</b>

### Scenario B Details

Reduced credit revenue

\$-2,159,485

Reduced credit FTES

-473.07

**Budget Simulation – Solano CCD**

# 2011-12 State Budget February Surprise

## Community Colleges Hit by February Surprise of Unexpected Additional \$149 Million Budget Cut

*Additional cut brings total 2011-12 reductions to \$564 million; relief would maintain access*

- 2011-12 enacted budget
  - \$313 million in cuts
  - \$102 million in “triggered cuts” in January
  - \$149 million additional cuts
- Revenue from state-determined student enrollment fees were \$106 million below projections, and that property tax revenues included in the budget lagged state estimates.
- Insufficient resources for the state to meet its promised per-student funding and instead a determination that the funding should be deficated by 3.4%.
- Before the latest cuts, 23% less funding since 2008-09.
- “These latest cuts threaten the elimination of even more classes and more faculty and staff layoffs.”

Year		Reported FTES (Projected)	Paid FTES	% Growth (Actual)	\$State Apportionment				
2012-13	Estimates	8600	8030	-6.0	42,186,931				
2011-12	+ (c)	9119	8503	-3.2	43,881,001				
2010-11	++ (b)	9408	9207	-1.4	47,309,143				
2009-10	* (a)	9544	8962	2.5	46,434,688				
2008-09	*	9314	9307	2.4	46,375,619				
2007-08	*	9100	9100	3.3	45,558,043				
2006-07	*	8810	8810	-4.1	44,057,479				
2005-06	*	9182	9182	5.8	38,774,536				
2004-05	*	8681	8681	4.9	33,737,177				
2003-04	*	8271	8271	-0.1	30,484,153				
2002-03	*	8282	8164	4.2	30,202,711				
+ Source: 2011-12 First Period Apportionment; rebenched Base FTES									
++ Source: 2010-11 Second Principal Apportionment									
* Source: Recalculation Apportionment reports Fiscal Years 2002-3 through 2009-10 (a) FTES rebenched downward in 2009-10 by approximately 3.4%									

# FTES and Funding History



### **CCCCO Funding Priorities**

- ◆ Career Technical Education
- ◆ Transfer
- ◆ Basic Skills

### **Strategic Goals**

- ◆ Balance operating revenues and expenditures by 2012-13
- ◆ Preserve student access and services to extent possible
- ◆ Designate/maintain a “stability fund” to mitigate effects of mid-year cuts imposed by State and anticipated continued fiscal challenges in 2012-13
- ◆ Maintain levels of permanent workforce, invest in professional development

# **Addressing the budget gap**

# Solano College

			Fund Balance	
<b>FY 2010-11</b>				
Fund Balance CCFS 311			5,713,219	
Audit Adjustments			<u>(1,411,172)</u>	
			4,302,047	
<b>CCCCO Recalc 2/17/12</b>			<b><u>(214,660)</u></b>	
Adjusted Fund Balance FY 2010-11			4,087,387	
<b>FY 2011-12</b>				
Estimated Revenues	46,376,146			
Estimated Expenditures	47,839,383			
<b>Minimum Expenditure reductions needed</b>	<b><u>(815,000)</u></b>			
Expenditures > Revenues			(648,237)	
SCCD - Adoption Budget/workload reduction	(3,461,857)			
SCCD - Adoption Budget/0.50% deficit factor	(218,548)			
<b>CCCCO - P1 workload reduction</b>	<b>(3,209,356)</b>			
<b>CCCCO - P1 3.42% deficit factor</b>	<b>(1,516,296)</b>			
Both Enrollment fee (BOG) and Prop Tax Shortfalls	-			
Net Reduction	-		(1,045,247)	
<b>ESTIMATED FUND BALANCE FY 2011-12</b>			2,393,903	<b>5.00%</b>
<b>FY 2012-13</b>				
Estimated Revenues before workload reduction	46,628,647			
Workload Reduction	(2,159,859)			
B&N Commissions	400,000			
Adjusted Revenues	<u>44,868,788</u>			
Estimated Expenditures	47,839,383			
Estimated Increase - Health/Welfare	850,000			
Estimated Increase - Step/Columns	600,000			
Estimated Increase - Trustee Elections	400,000			
<b>Minimum Expenditure reductions needed</b>	<b><u>(4,820,595)</u></b>			
	<u>44,868,788</u>			
Expenditures= Revenues			-	
<b>ESTIMATED FUND BALANCE FY 2012-13</b>			2,393,903	<b>5.34%</b>

- People & Things
  - Freeze discretionary accounts
  - Review vacancy list
  - Summer School
  - Athletics
  - Close pool
  - Additional section reductions
  
- Encroachments on General Fund
  - Theater, Community Education, Contract Education, Child Care
  
- Other
  - Foundation
  - Restructure
    - IT
    - Reprographics
  - Revenue Opportunities
    - Grants
    - International Student
  - Utilities

# Proposed Reductions

**Capitol Days Advocacy Events  
March 28 or April 24**

**March in March  
March 5<sup>th</sup>**

**Contact your State Representative and/or  
Senators**

**Vote in November**

**Targeted Advocacy**

- **California State Senators**

- **Noreen Evans**

(Dem – 2<sup>nd</sup> Senatorial District)

**District Office**

444 Georgia Street  
Vallejo, CA 94590  
Phone: (707) 648-5312

**Capital Office**

State Capitol Building, Room 4081  
Sacramento, CA 95814  
Phone: (916) 651-4002

[Senator.Evans@senate.ca.gov](mailto:Senator.Evans@senate.ca.gov)

Website: [sdz.senate.ca.gov](http://sdz.senate.ca.gov)

- **Lois Wolk**

(Dem – 5<sup>th</sup> Senatorial District)

**District Office**

555 Mason Street, Suite 230  
Vacaville, CA 95688  
Phone: (707) 454-3868

**Capital Office**

State Capitol Building, Room 5114  
Sacramento, CA 95814  
Phone: (916) 651-4005

[Senator.Wolk@senate.ca.gov](mailto:Senator.Wolk@senate.ca.gov)

Website: [dist05.casen.govoffice.com](http://dist05.casen.govoffice.com)

- **California State Representatives**

- **Michael Allen**

(Dem – 7<sup>th</sup> Assembly District)

**District Office**

1713 Sonoma Blvd  
Vallejo, CA 94590  
Phone: (707) 649-2307

**Capital Office**

State Capitol Building  
PO Box 942849  
Sacramento, CA 94249-0007  
Phone: (916) 319-2007

[Assemblymember.Allen@assembly.ca.gov](mailto:Assemblymember.Allen@assembly.ca.gov)

- **Mariko Yamada**

(Dem – 8<sup>th</sup> Assembly District)

**District Office**

555 Mason Street, Suite 275  
Vacaville, CA 95688  
Phone: (707) 455-8025

**Capital Office**

State Capitol Building  
PO Box 942849  
Sacramento, CA 94249-0008  
Phone: (916) 319-2008

[Assemblymember.Yamada@assembly.ca.gov](mailto:Assemblymember.Yamada@assembly.ca.gov)

# Solano County Elected Officials