

SOLANO COMMUNITY COLLEGE
Financial & Budget Planning Advisory Council (FABPAC)
September 3, 2008 – 2:00 pm
Board Room

Adopted Meeting Minutes

PRESENT:

Brewington, Mazie	Chair
Christensen, Rich	Classified Managers
Lamb, Jeff	Academic Senate
Larsen, Janice	CSEA
Nelson, Michael	ASSC
Rinne, Susan	Interim Director, Fiscal Services
Simon, Cynthia	CSEA, Alt
Steinback, Robin	VP, Academic Affairs
Trolinder, Marge	Classified Managers
Urrutia, John	Ed. Administrators
Waits, Lisa	VP, Student Services

ABSENT:

Alcala, Sal	Minority Coalition
Bailey, Sally	CSEA
Grube, Tom	CTA
Hawkes, Dorothy	Academic Senate
Kropp, Gail	Academic Senate
Lehfeldt, Jeff	Local 39
Nikkel, Larry	Local 39
Pavao, Barbara	Academic Senate
Redfield, Dave	Ed. Administrators
Watkins, Thom	Academic Senate
White, Diane	CTA

I. Approve September 3 Agenda:

- Due to lack of a quorum, agenda was not approved.

II. Approve Meeting Minutes from March 19, April 2, May 7, May 21:

- Due to lack of a quorum, minutes were not approved.

The meeting proceeded as informational only. The ASSC representative for 2008-09 was introduced to the members.

III. Accreditation Update – Fiscal Standards:

- VP Mazie Brewington provided a progress update on finishing the accreditation mid-term and special report. She distributed Draft #3 to members, asking them to submit comments to their respective stakeholder representatives by September 5.
- The reports are due to the ACCJC by October 15. A timeline was distributed on when the reports will be brought for action to college governance bodies.
- Mazie reminded the Council there are four areas to address; however, she wanted FABPAC to look on page 22, Recommendation 7: Plan and timeline to address long-term financial obligations to include debt retirement, capital lease options, and establishing a reserve for retiree benefits. She stated that this was on the last progress visit, and it contains basically the same information.
- Mazie stated that a FABPAC subcommittee met to draft comments. Drafts #1 and #2 have been available for quite some time to comment on. The mid-term report contained approximately 85 planning agendas.
- The Chair reported that \$917,000 was deposited into the League's Retiree Health Benefits JPA. No other resources were identified, even though addressing the matter is a Board goal for 2008-09. A firm was contracted to produce the retiree benefits actuarial study (currently in draft form) that reports the District has a \$16 million liability for retiree health benefits. The consultant who produced the study will get a copy of the District's portfolio (where the \$917,000 was invested) so he can create an analysis of pay-as-you-go or 30-year-payout scenarios. This will go to the Board in October for review.
- The other long-term debt involves Measure G, but that has no impact on the college's general fund. The accreditation report makes reference to this.
- At this time, the District is not considering any more long-term debt. Another Board goal is the greening of the campus, and the District is exploring third party resources related to energy-saving measures because it's very costly.
- Discussion took place on the topic of long-term debt, retiree benefits liability, and the lack of definitive solutions.
- VP Robin Steinback reported that some people are seeing the accreditation document for the first time. Since it's in the best interests of the District not to assume any more long-term debt, staff should insert the comments into the document.
- Jeff Lamb remarked about the Health Benefits Committee: what has it done and where are we going with it? Maybe the District could show more evidence for inclusion into the report. Unfortunately, the responses and evidences do not show how the District will correct the deficiency.
- A work-to-rule practice resulted from ongoing union negotiations, and standing committees such as FABPAC and Shared Governance did not achieve meeting quorums so discussions and actions on items could not take place. Consequently, the draft report was largely produced in isolation. For example, the response to Recommendation 7 has no faculty input. Cynthia Simon also commented that because of the start of the semester, the timing was difficult for everybody. VP Steinback stated that the timeline was revised and became very compressed due to not having quorums last semester.
- The draft report is on the SCC Intranet and feedback is requested by September 5.

IV. District Budget Update:

- VP Brewington reported that she gets daily updates from the League on the budget status. If there is major variance from the May Revise, it will be very problematic for the District.
- Mazie commented that due to potential cash flow challenges, Fiscal Services is screening all vendor payments. The college is paying essential operational expenses such as utilities, insurance, new vendors, etc. S/P Fisher will provide a budget update report to the Board at tonight's Board meeting.
- On Thursday, September 4, a TRAN (Tax Revenue Anticipation Note) may be considered to keep cash flow going. The college can make its September payroll, and October payroll will be more compounded by Local 39 ratifying its contract and the resulting retro payments.
- She urged everyone to contact their local legislators and urge them to pass a budget. The State faces a \$17 billion deficit that may be addressed by either a sales tax increase (would require a 2/3 vote) or lottery endowment process (would require passage by voters).
- John Urrutia asked how long does disbursement take to all agencies? Mazie replied the wire transmission to counties is a five-day process. It will get critical with vendors at the 60-day mark.
- Budget managers will be notified and sent their final figures, but with a spending ceiling. VP Brewington intends to take the budget to the Board's October 1 meeting. If anything extreme occurs, it will be delayed to October 15.
- Mazie noted that an ongoing item on FABPAC's agenda is the equipment repair and replacement process (ERRP). She understands that some areas have needs that are important health and safety issues (such as in DSP&S), and that ERRP dollars are appropriate for those kinds of expenditures.
- VP Lisa Waits stressed that even though FABPAC is advisory only, it could proceed with creating a process.
- Mazie added that the District's Board Policy 3005 contains a provision for setting aside dollars for ERRP. As for the District's institutional priorities that are supposed to be tied in with the District's Strategic Plan, staffing issues are the primary need.
- There is not a clear process for ERRP and the item needs to be back on the table with a subcommittee to revisit the matter. Volunteers include: Cynthia Simon, Susan Rinne, Marge Trolinder, and Lisa Waits.

V. Issues/Items for the Next Agenda:

- None forwarded.

Meeting adjourned at 3:20 pm.

jka