PRESIDENT’S BUDGET ADVISORY COMMITTEE

November 19, 2015

MEMBERS PRESENT:
Larry Furukawa-Schlereth  CFO, Vice-President for Administration and Finance, Co-Chair
Andrew Rogerson  Provost, CAO, Vice-President for Academic Affairs, Co-Chair
Bonnie Cormier  Proxy for Dan Condron, Vice-President, University Affairs
Erik Greeny  Vice-President, University Development
Anthony Gallino  Proxy for Matthew Lopez-Phillips, Vice President for Student Affairs
Ian Hannah  University Treasurer, Administration and Finance
Laura Lupei  Senior Director for University Budget, Administration and Finance
Carlos Ayala  Dean, School of Education
Brandon Mercer  President, Associated Students
Kevin McMahon  Vice-President, Finance, Associated Students

STAFF PRESENT:
Shawn Kilat  Director of Budget, Academic Affairs and Student Academic Services
Katie Robinson  Budget Manager, Administration and Finance

GUESTS PRESENT:
Christopher Dinno  Associate Vice-President, Capital Planning Design Construction
Mike Ogg  Senior Associate Athletics Director, Athletics Department
Hayley Ross  Assistant Budget Analyst, Administration and Finance
Natalie Sanchez  Budget Manager, Administration and Finance

MEMBERS ABSENT:
Ruben Armiñana  President, SSU, Chair
Henry Amaral  Staff Representative, Facilities Services
Elaine Newman  CFA Representative, Mathematics Department
Richard Senghas  Faculty Chair, Anthropology Department
Jason Wenrick  AVP & Chief Information Officer, Administration and Finance
Carmen Works  Vice-Chair of the Faculty; Chemistry Department
AGENDA

I. APPROVAL OF THE MINUTES

Larry Furukawa-Schlereth called the meeting to order at 8:31 am. He introduced the agenda and asked if there were any additions to the agenda. Hearing none, Schlereth asked for a motion to approve the minutes of the October 22nd, 2015 meeting. Minutes were approved unanimously.

III. TRUSTEES BUDGET PLANNING: 2016-2017 SUPPORT BUDGET

(Please see the November 19th, 2015 agenda packet for related documents)

Schlereth reviewed the 2016-2017 Draft Trustees’ Budget Request. While the Trustees requested a $297M increase, it is more likely the CSU will receive $110M, which is listed in the Governor’s Office multi-year funding plan. The requested $297M includes increases in mandatory costs and the employee compensation pool; a 3% increase in enrollment growth; and $75M to address student success and completion initiatives, and facilities and infrastructure needs. A 3% enrollment growth for Sonoma would amount to $2.5M in additional revenue. Schlereth reminded the committee that any additional capital projects will need to be in part financed by the campus, which will play into a discussion of priorities as new revenue arrives.

IV. FIVE YEAR CAPITAL OUTLAY PLAN

(Please see the November 19th, 2015 agenda packet for related documents)

Schlereth introduced Christopher Dinno, Associate Vice-President for Facilities and Construction Management, who presented the Five Year Capital Outlay & Capital Improvement Program for the years 2016/17 - 2020/21. This program had previously been a planning tool for the Chancellor’s Office to estimate future bonds; however, it is unlikely there will be any further General Obligation Bond issuances going forward. Campuses will now be expected to provide approximately 10% of the project cost in order to be considered for financing from the Chancellor’s Office. Non-State Funded Capital Projects may be funded through State Revenue Bond, but they will then be responsible for the associated debt service.

Dinno reviewed the Major Capital Outlay Projects, which include the Professional Schools Building, Stevenson Hall Renovation, Ives Hall Renovation, Art Building Renovation, and Instructional Support Expansion, which total about $227M. Many of these projects are placeholders, meaning there is still a need for the projects; however, feasibility studies have not been completed, with the exception of the Professional Schools Building, which requires an update. Schlereth added that it will be up to the campus to determine which of these projects is a priority, or if any of them are. Minor Capital Outlay projects totaled $2M over five years and included classroom renovations, ADA projects, and deferred
maintenance. In the field of Energy Projects there is a request of $100k for a Living Lab Energy Management System, the funding for which has already been received from the Chancellor’s Office. Additionally, there is about a $6.3M need for Capital Renewal Projects such as replacing the domestic water tanks, chillers, roof replacement, and Central Plant upgrade. The domestic water tanks and roof replacements have already been approved to be funded by the Chancellor’s Office. Dinno provided explanations for the $5.3M worth of deferred maintenance and $4.9M worth of Cap and Trade projects, none of which have had funding identified. Cap and Trade projects are related to AB32, which will help reduce the campus’ greenhouse gas footprint. The Non-State Funded Major Capital Outlay projects need to be funded via State Revenue Bond and have a corresponding debt service. These include the Wine Business Institute, Baseball Stadium and the Aquatic Center, totaling $29.9M. Faculty Staff Housing was included in this category for many years, but it is no longer a priority in the current housing market.

Schlereth adjourned the meeting at 9:00 am.
Minutes prepared by Katie Robinson.