

# Very Tentative Budget 2012-13

## Preliminary Assumptions and Unknowns

### Budget Assumptions:

- No restoration of prior year cuts
- No COLA (estimated at 3.243%)
- No growth funds
- Fee increase to \$46 in the Fall of 2012
- Mid-year trigger cut of \$1.76M if tax initiative is not approved
- If tax initiative does pass, no new money but deferral would be reduced

### Unknowns and Uncertainties:

- Governor's May Revision
  - April revenues are way off – typically a big month because of income and property taxes are due
- Outcome of tax initiative(s)
  - Will it make the ballot?
- Medical savings from 2011-12?
  - Will the trend continue?
  - How about medical premium renewal?
- Will we make FTES cap in 2011-12?
  - Projections are that we may be 200 FTES below cap
- Impact of fee increase on FTES generation in 2012-13
- Impact of Student Success Task Force Recommendations
- Impact of repeatability legislation

Tentative **Increases** in 2012-13:

TRAN Cost	\$50,000
SIS Fee Increase	\$75,000
PERS Increase (0.61%)	\$46,567
Employee Related Expense (Step / Col / Long and Classified Reclass / Equity)	\$387,015
Search Consultant	\$25,000
Costs related to increasing FTES	??
Other	??

Possible **Savings** in 2012-13:

Collective Bargaining Agreements	??
Attrition, vacancy, and reorganization	??
Savings from medical plan	??
Reduce GF support of CDC	\$125,000
Reduce adjunct if workload / trigger cut	??
Other	??

District **One-Time** Funds:

Use of 1X funds is problematic with a structural imbalance between revenues and expenses.

# Analysis of UGF Changes - Revenues and Expenses

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Object Code	2008-2009 Actual	2009-2010 Actual	Change	2010-11 Actual	2011-2012 Adopted Budget	2011-2012 Revised Budget	Change Actual 10-11 to 11-12 Revised
<b>Unrestricted General Fund:</b>							
<b>Income</b>							
Federal 8100	\$8,977	\$11,043	\$2,066	\$13,177	\$10,700	\$10,700	(\$2,477)
State 8600	\$23,875,935	\$21,807,935	(\$2,068,000)	\$22,780,479	\$20,561,741	\$19,739,638	(\$3,040,841)
Local 8800	\$18,325,567	\$17,699,306	(\$626,261)	\$17,317,910	\$16,960,947	\$16,960,947	(\$356,963)
Total Income	\$42,210,479	\$39,518,284	(\$2,692,195)	\$40,111,566	\$37,533,388	\$36,711,285	(\$3,400,281)
<b>Expense</b>							
Academic Salaries 1000	\$15,745,978	\$15,236,907	(\$509,071)	\$15,229,482	\$13,842,699	\$14,142,699	(\$1,086,783)
Classified Salaries 2000	\$7,740,028	\$7,656,182	(\$83,846)	\$7,662,700	\$7,326,059	\$7,326,059	(\$336,641)
Fringe Benefits 3000	\$4,159,078	\$4,205,163	\$46,085	\$4,379,524	\$4,706,505	\$4,706,505	\$326,981
Books and Supplies 4000	\$820,607	\$735,357	(\$85,250)	\$636,490	\$586,784	\$586,784	(\$49,706)
Operating 5000	\$6,330,251	\$4,590,839	(\$1,739,412)	\$4,798,069	\$4,724,893	\$5,269,444	\$471,375
Capital Outlay 6000	\$232,857	\$176,308	(\$56,549)	\$162,768	\$184,056	\$184,056	\$21,288
Transfers 7000	\$7,092,698	\$6,831,758	(\$260,940)	\$7,797,461	\$6,159,152	\$6,284,152	(\$1,513,309)
Total Expenses	\$42,121,497	\$39,432,514	(\$2,688,983)	\$40,666,494	\$37,530,148	\$38,499,699	(\$2,166,795)

**(\$1,788,414)**

**\$37.5M in rev.** = includes 1X funds totaling \$1,104,282 transferred from Capital Outlay and Self Insurance (Obj. 8900)

**State Rev.** = reduced by \$822K for deficit coefficient

**Incr. adjunct** = increase adjunct budget \$300K

**Incr. operating** = increase operating expenses for ISA + dept savings - trustee election \$544K

**Incr. transfer** = increase GF support for CDC \$125K

Object Code	2011-2012 Adopted	2012-13 Very Tentative	Worst Case
<b>Unrestricted General Fund:</b>			
<b>Income</b>			
Federal 8100	\$10,700	\$10,700	
State 8600	\$20,561,741	\$18,795,741	Assumes workload / trigger cut of \$1.766M
Local 8800	\$16,960,947	\$15,856,665	Assumes no district 1X funds of \$1.1M
Total Income	\$37,533,388	\$34,663,106	
<b>Expense</b>			
Academic Salaries 1000	\$13,842,699	\$14,482,286	Assumes no wage concession (\$379K) + restores 3 ZZ faculty positions
Classified Salaries 2000	\$7,326,059	\$7,587,654	Assumes no wage concession (\$261K)
Fringe Benefits 3000	\$4,706,505	\$4,446,505	Assumes retirement incentive payout used to fill 3 ZZ faculty positions
Books and Supplies 4000	\$586,784	\$586,784	
Operating 5000	\$4,724,893	\$4,724,893	
Capital Outlay 6000	\$184,056	\$184,056	
Transfers 7000	\$6,159,152	\$6,159,152	Assumes no increase in renewal of medical premium
Total Expenses	\$37,530,148	\$38,171,330	
		<b>(\$3,508,224)</b>	*Management wage concession of \$70K split in 1000&2000 Deficit before budget responses including attrition, collective bargain agreements, increases / decreases, other, and 1X funds