



State Center Community College District

2011-12 Budget Update

Overview of Adopted 2011-12 Budget

Previous Assumptions:

- No mid-year reductions for 2010-11 even though there will be apportionment deficits due to shortfall in property tax and state revenues
- \$400 million reduction for state apportionment funding
- Student enrollment fee increase from \$26 to \$36 per unit (estimated to generate \$110 million)
- Defer an additional \$129 million to the next fiscal year for a cumulative total of \$961 million over the past several years
- Extend categorical flexibility an additional two years through 2014-15
- No cost of living increase

New Assumptions:

- Projected student fee revenue shortfall (\$25m estimate)

How does the Adopted 2011-2012 Budget Affect the State and SCCCD Revenue?

2011-12 Statewide Community College System Scenarios Developed and Distributed by the League

| | Adopted Budget Scenario A | Additional Revenues > \$2 B, but less than \$3 B Scenario B - Tier 1 | Additional Revenues \$2 B < Scenario B - Tier 2 |
|--|---------------------------------|--|---|
| Adopted Budget | | | |
| Apportionment Reduction | (\$400,000,000) | (\$430,000,000) | (\$502,000,000) |
| Increase in Student Fees | \$110,000,000 | \$140,000,000 | \$140,000,000 |
| Projected Student Fee Shortfall | (\$25,000,000) | (\$25,000,000) | (\$25,000,000) |
| Net Loss in Revenue to Community College System | (\$315,000,000) | (\$315,000,000) | (\$387,000,000) |

Effects on the State Center CCD Revenue from 2010-11 P-2

| | | | |
|--|----------------------|----------------------|----------------------|
| Net Loss in Revenue to State Center CCD | (\$7,628,000) | (\$7,628,000) | (\$9,372,000) |
|--|----------------------|----------------------|----------------------|

What Would a SCCCD Budget Look Like Using These Scenarios?

| | League Projected Scenarios for 2011-12 | | |
|---|--|---|---|
| | Adopted Budget Scenario A | Additional Revenues > \$2 B but less than \$3 B Scenario B - Tier 1 | Additional Revenues \$2 B < Scenario B - Tier 2 |
| Unrestricted General Fund | | | |
| Revenue | | | |
| State Apportionment | \$131,900,000 | \$131,900,000 | \$131,900,000 |
| State Restoration of FTES Funding to Apportionment | \$3,035,000 | \$3,035,000 | \$3,035,000 |
| Net State Appt. Funding | (\$7,628,000) | (\$7,628,000) | (\$9,372,000) |
| Other Miscellaneous Revenue | \$8,398,197 | \$8,398,197 | \$8,398,197 |
| Total Revenue | \$135,705,197 | \$135,705,197 | \$133,961,197 |
| Expenditures | | | |
| Certificated Salaries | \$67,704,249 | \$67,704,249 | \$67,704,249 |
| Classified Salaries | \$28,368,425 | \$28,368,425 | \$28,368,425 |
| Employee Benefits | \$28,927,776 | \$28,927,776 | \$28,927,776 |
| Supplies and Materials | \$3,155,812 | \$3,155,812 | \$3,155,812 |
| Other Operating Expenses | \$11,312,308 | \$11,312,308 | \$11,312,308 |
| Capital Outlay | \$1,229,277 | \$1,229,277 | \$1,229,277 |
| Other Outgo/Contingency | \$297,248 | \$297,248 | \$297,248 |
| Total Expenditures | \$140,995,095 | \$140,995,095 | \$140,995,095 |
| Revenues Over/(Under) Expenditures | (\$5,289,898) | (\$5,289,898) | (\$7,033,898) |

Note:

Revenue assumes all misc. revenue remaining the same and no deficit to apportionment funding into 2011-12.

Expenditures have not been adjusted for property/liability insurance, CalSTRS or CalPERS increases, step/column increases or any other expenditure cost the District may need to consider increasing to operate.

What Other Budget Revenue or Expenditures Must Be Included?

| | League Projected Scenarios for 2011-12 | | |
|--|--|--|---|
| | Adopted Budget Scenario A | Additional Revenues >\$2 B but less than \$3 B Scenario B - Tier 1 | Additional Revenues \$2 B < Scenario B - Tier 2 |
| Projected Deficit | (\$5,289,898) | (\$5,289,898) | (\$7,033,898) |
| Other Revenue Adjustments | (\$675,000) | (\$675,000) | (\$675,000) |
| Other Annual Expenditure Increases | | | |
| Step/Column Increases (All Employees) | \$1,200,000 | \$1,200,000 | \$1,200,000 |
| CalPERS (0.216%) | \$60,000 | \$60,000 | \$60,000 |
| Worker's Comp (Rate fixed thru 2011-12) | \$0 | \$0 | \$0 |
| Utilities | \$250,000 | \$250,000 | \$250,000 |
| SUI | \$840,000 | \$840,000 | \$840,000 |
| Total Annual Expenditure Increases | \$2,350,000 | \$2,350,000 | \$2,350,000 |
| Revenues Over/(Under) Expenditures | (\$8,314,898) | (\$8,314,898) | (\$10,058,898) |
| Other Expenditure Considerations, but Not Estimated for this Presentation | | | |
| CalSTRS (No Indication of Change) | ?? | ?? | ?? |
| Property/Liability Insurance | ?? | ?? | ?? |
| Other Expenses | ?? | ?? | ?? |

Questions?
