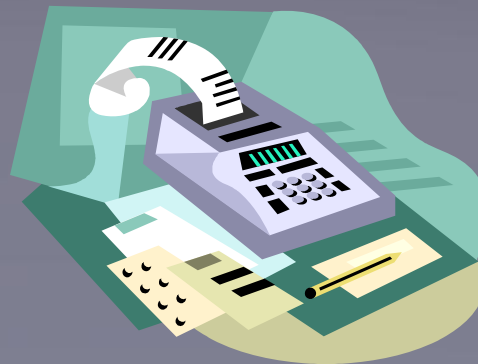




**2011-2012  
BUDGET PRESENTATION**

August 29, 2011



# Presentation Overview

- ❑ State Budget – Enacted Budget
  
- ❑ Citrus College 2010-2011 Unaudited Actuals:
  - ❑ Revenue, Expenditures, Fund Balance
  
- ❑ Citrus College proposed 2011-2012 Adopted Budget:
  - ❑ Funding Priorities
  - ❑ Funded Components
  - ❑ Estimated Revenue, Expenditures and Deficit Spending
  
- ❑ Summary of Funded FTES – (2003 – 2011)
  
- ❑ Budget Calendar for 2011-2012

# Enacted Budget

**A majority-vote budget featuring deep program cuts, deferred payments, assumptions of higher revenues, and the threat of mid-year trigger cuts.**

## **California Community Colleges**

- **\$400 million cut to base apportionments**
- **\$110 million in increased fee revenue owing to an increase in fees from \$26 to \$36 per unit -\$290 million (- 4.9%)**
- **Legislature expressing intent that community college districts will prioritize courses relating to transfer, career/technical education, and basic skills**

# Enacted Budget

- **\$129 million in new deferrals, bringing the total deferrals for CCCs to \$961 million (about 17% of revenue)**
- **The new suspension of two mandates: 1) Sexual Assault Response Procedures and 2) Student Records**
- **No restoration of the categorical program reductions that were enacted in the 2009 Budget Act**
- **An extension of categorical funding flexibility through the 2014-15 fiscal year**
- **No funding was provided for either growth or COLA**

# RECOVERY ?

**State Budget based on:**

- **\$11.8 billion in State revenues in excess of what was estimated in January (A large chunk based on actual current year tax receipts)**
- **Current economic indicators troubling: stock market down, housing down, unemployment up, slow job growth**
- **July revenues came in \$539 million below forecast**
- **This downturn in projected revenues indicates the likelihood that California's community colleges will experience midyear cuts**

# CITRUS COLLEGE

## UNAUDITED ACTUALS: 2010-2011

### Revenue

Federal	\$23,711	.1%
State	\$49,306,507	82%
Local	\$10,965,826	18%
<b>Total</b>	<b>\$60,296,044</b>	

# CITRUS COLLEGE

## UNAUDITED ACTUALS: 2010-2011

### Expenditures

Academic	\$23,251,049	41%
Classified	\$14,186,028	25%
Benefits	\$12,137,752	22%
Supplies	\$1,067,878	2%
Services	\$4,970,458	9%
Equipment	\$401,631	1%
<b>Total</b>	<b>\$56,014,796</b>	

**CITRUS COLLEGE**  
**UNAUDITED ACTUALS: 2010-2011**

Funded FTES	11,618
Actual FTES	11,639
88% Expenditures for Salaries & Benefits	
50% Law @ 50.06%	
2010-2011 Beginning Balance \$8,498,990	
2010-2011 Increase in Fund Balance \$1,880,480	
Ending Balance is 17% of Expenditures	

# 2011-2012

## Funding Priorities

- **Ensure student access to classes in alignment with workload measures**
- **Aim to maintain regular employee positions**
- **Support critical hires**
- **Ensure compliance with state and federal regulations (Full-time Faculty Hiring Obligation, 50% law, categorical funds required match)**
- **Honor institutional planning priorities**

# Funded Components of the 2011-2012 Adopted Budget

- Maintains state required 5% budget reserve
- Funds all employees Step/Column/Class Salary Adjustments
- Funds increases in health care premiums (Kaiser: 13.14% = \$17,593 per employee; Blue Shield: 8% = \$16,909 per employee)
- Funds statutory benefit increases 1.213% (PERS, Unemployment Insurance, and Workers Compensation)
- Supports ongoing categorical program backfill and required funding match

# RISKS/MID-YEAR TRIGGERS

- **Tier 0** – No midyear cuts if at least \$3 billion of the \$4 billion of the higher revenues materialize
- **Tier 1** - \$2 billion to \$3 billion of the revenues materialize: **\$30 million** General Fund reduction to the California Community Colleges offset by an increase in fees to \$46 per unit
- **Tier 2** – If less than \$2 billion of the revenues materialize: The Community Colleges could receive a reduction to apportionments of up to **\$72 million** beyond the Tier 1 cuts
- **Fee Shortage** – Increase in the percentage of waivers granted to students. A conservative estimate of the shortage is approximately **\$25 million**

# Workload Reduction Citrus College

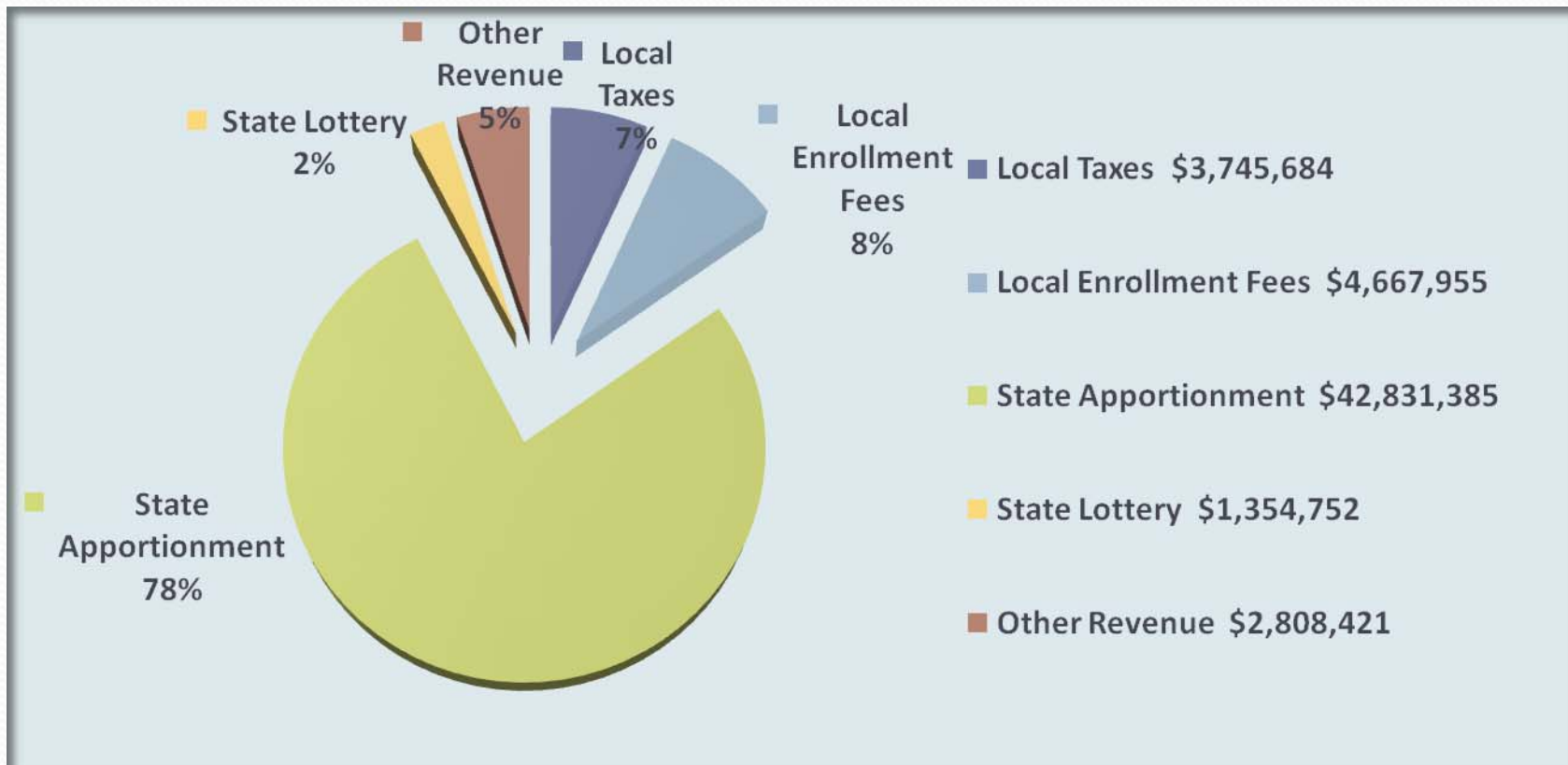
- State Budget *\$290 million*
- Structural Shortfall Basic Allocation *\$23 million*  
*\$3,197,516*      *6.2%*
- Total Base FTES  
*11,618 FTES – 722 FTES = 10,896 FTES*
- Tier 1 Reduction *\$30 million*  
*\$306,471*      *69 FTES*
- Tier 2 Reduction *\$72 million*  
*\$735,531*      *166 FTES*
- Applied Deficit Factor – Short Fall Enrollment Fees  
*\$250,000*

# GENERAL FUND ADOPTED BUDGET 2011-2012

## Revenue

Federal	\$21,500	.00%
State	\$44,535,876	80%
Local	\$10,850,821	20%
<b>Total Revenue</b>	<b>\$55,408,197</b>	

# Total Revenue \$55,408,197



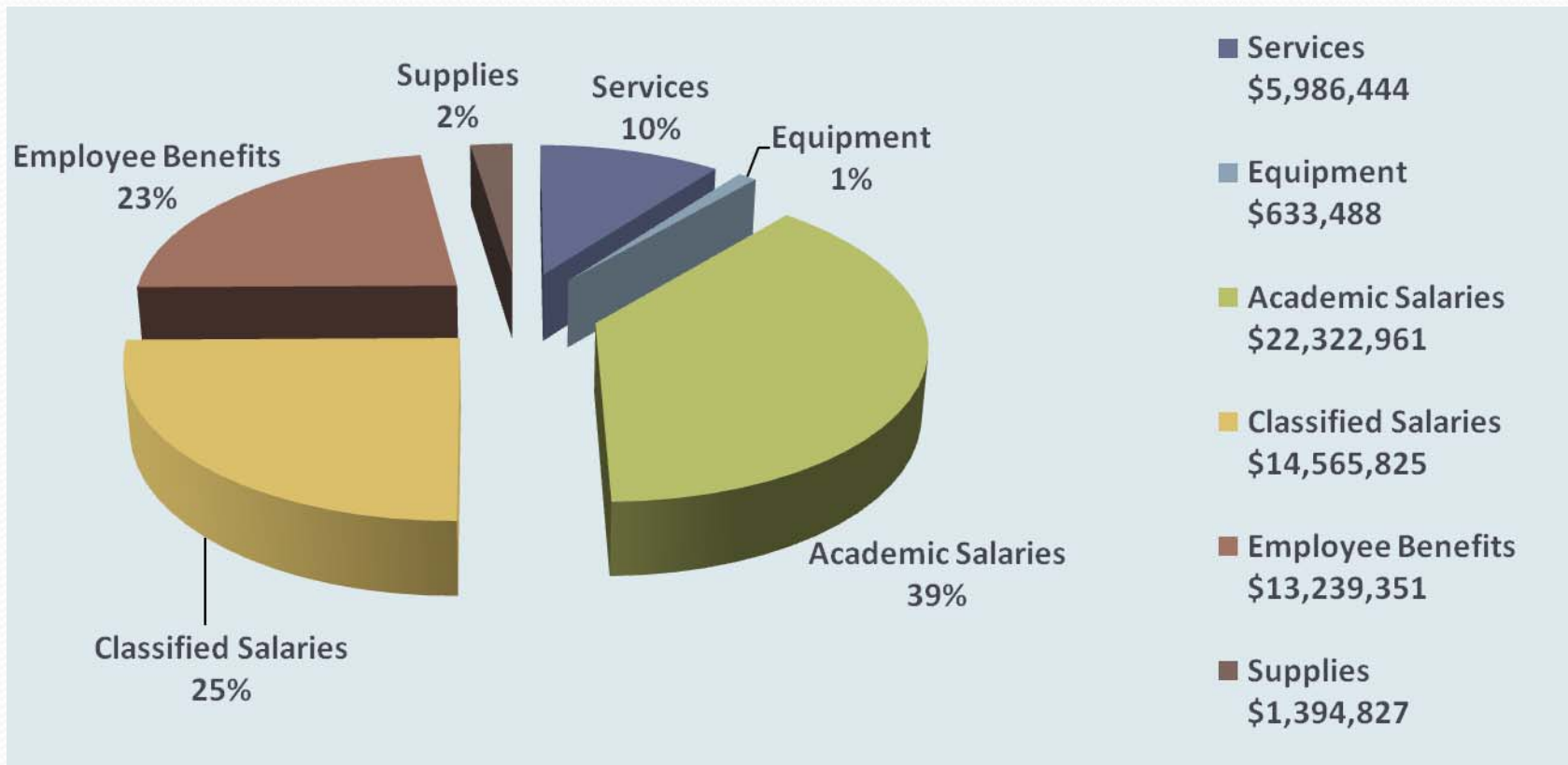
# GENERAL FUND BUDGET 2011-2012

## Expenditures

Academic	\$22,322,961	39%
Classified	\$14,622,161	25%
Benefits	\$13,183,015	23%
Supplies	\$1,394,827	2%
Services	\$5,986,444	10%
Equipment	\$633,488	1%
<b>Total</b>	<b>\$58,142,896</b>	

# Total Expenditure

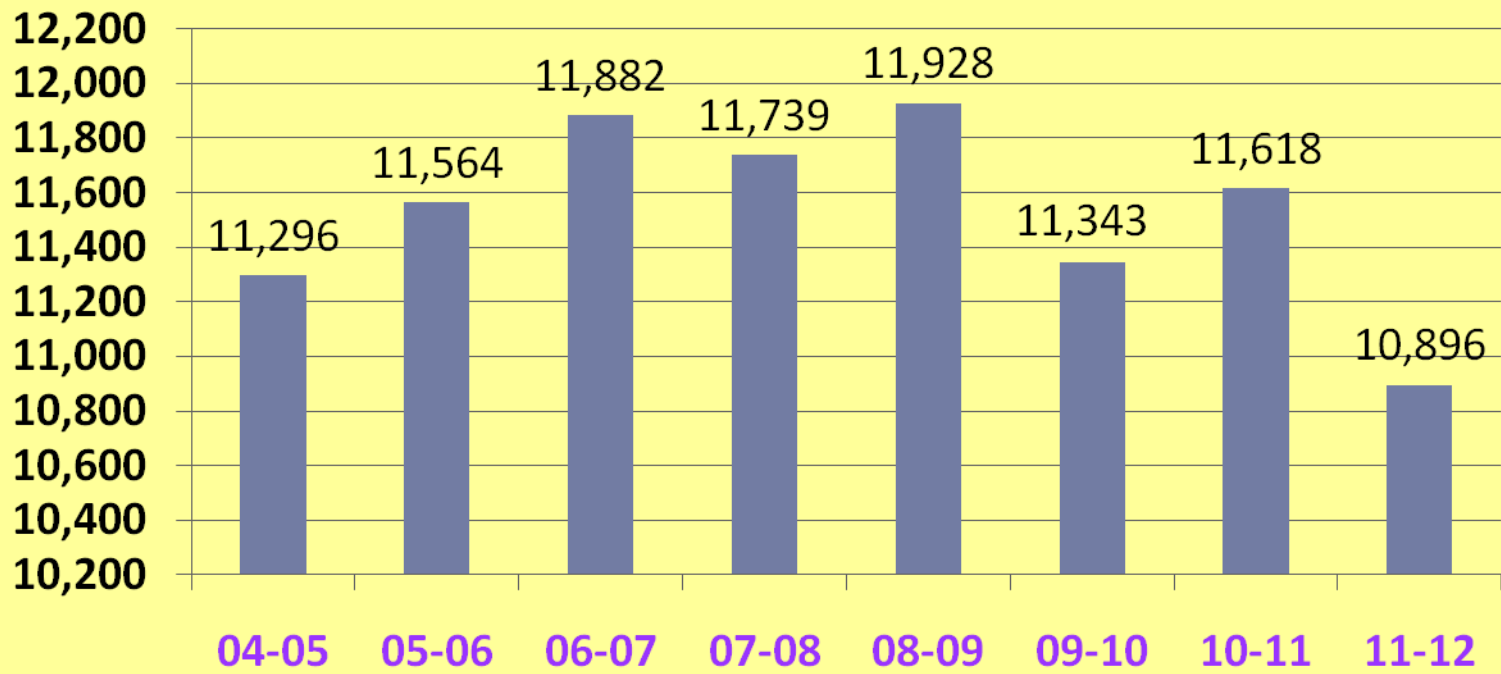
## \$58,142,896



# GENERAL FUND ADOPTED BUDGET 2011-2012

Estimated Ending Balance	\$5,893,193 @ 9%
<b>Deficit Spending</b>	<b>\$4,486,279</b>
Estimated Funded FTES	10,896

# Citrus Community College District Summary of Funded FTES



# Budget Calendar 2011-2012

- 3/02/11** Budget Calendar & Budget Assumptions approved by Financial Resources Committee
- 3/29/11** Financial Forum
- 4/05/11** Budget Calendar and Budget Assumptions provided to Board of Trustees
- 4/07/11** Budget worksheets out to Superintendent, Vice Presidents and Cost Center Managers
- 5/11/11** Budget worksheets due to Business Office
- 6/01/11** Tentative Budget reviewed by Financial Resources Committee
- 6/06/11** Budget Forum
- 6/21/11** Adoption of Tentative Budget by Board of Trustees
- July/Aug** Monitor State budget developments making modifications to Tentative Budget
- 8/29/11** Budget Forum
- 9/07/11** Budget reviewed by Financial Resources Committee
- 9/13/11** Adopt District Budget for 2011-2012