SOCCCD
FY 2013-2014
TENTATIVE BUDGET

BOARD OF TRUSTEES MEETING
June 17, 2013
Overview of Fund Structure
FY 2013-2014 Tentative Budget

• General Fund (GF): $231.0 Million, Including:
  • Unrestricted GF: $211.9 Million
  • Restricted GF: $ 19.1 Million
• Other Funds*: $355.1 Million
• Total All Funds: $586.1 Million

*Other Funds Include: Community Education, Child Development, Capital Outlay (Including Basic Aid Projects), Self-Insurance, Retiree Benefit & OPEB Funds
FY 2013-2014 Tentative Budget Assumptions

- SB361 Revenue Allocation
  - Ongoing Base Budget
    - SB361 COLA = 1.57% (approx. $2 mil)
    - Growth Funding = 1.63% (approx. $2.02 mil)
- General Fund Unrestricted Ending Balance from FY 2012-2013 Carried Forward = $23.2M
- Property Tax revenue increase of 1%
- Enrollment Fees remain at $46/unit
FY 2013-2014 Tentative Budget Assumptions (cont’d)

- $7.5% Reserve for Economic Uncertainties = $11.2M
- PERS estimated at 12.5% to be updated for Final Budget
- STRS at 8.25%
- Unemployment Insurance – decrease from 1.1% to 0.05%
- Worker’s Compensation rate remains at 1.8%
FY 2013-2014 Tentative Budget Assumptions (cont’d)

- Salary Increases – step and column increases built into the budget; COLA increases will be built into the final budget if included in signed state budget
- Health & Welfare Benefits – 7.5% estimated increase for Tentative; to be updated for Final Budget after renewal amounts are known
- Property and Liability Insurance – estimated increase of $50,000; to be updated for Final Budget
Proposition 30 EPA Funds

- The spending plan for Proposition 30 Education Protection Account (EPA) funds must be approved by the Board of Trustees, which is part of this budget and approval.
- Revenue is estimated at $2,780,757.
- Expenses are budgeted for part-time faculty salaries and benefits.
- Final expenses will be reported and posted to the District web-site.
Available “Basic Aid” Funds

<table>
<thead>
<tr>
<th>FY 2012-2013 RESOURCES</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at July 1, 2013*</td>
<td>$25,590,048</td>
</tr>
<tr>
<td>Receipts FY 2013-2014</td>
<td>$38,697,997</td>
</tr>
<tr>
<td>Estimated Property Taxes for Basic Aid</td>
<td>$64,288,045</td>
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<tr>
<td>Contingency (20%)</td>
<td>($7,739,599)</td>
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<tr>
<td>Total Available FY 2013-2014</td>
<td>$56,548,446</td>
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*Estimated (exact amounts will not be available until the end of the fiscal year).
Basic Aid Expenses
Included in Budget

- $3.5M OPEB (Retiree Benefit Expenses)
- $0.1M Insurance Deductibles
- $0.1M Legislative Advocacy Services
- $52.8M Funding for BAARC Allocation
  - $26.5M Construction Projects
  - $2.1M Scheduled Maintenance
  - $10.5M Other Capital Projects
  - $10.8M IT Projects
  - $0.6M ATEP Operations
  - $2.3M IVC Debt Retirement
- $56.5M Total Basic Aid
Important Points to Note

- College FTES targets increased by 1.63%; this increases the colleges’ ability to meet student demand
- State Categorical Funding - budgeted conservatively at .95 of last year’s Final Budget
- Funds 71 and 72 – Retiree Benefits Funds account for Retiree Benefits expenses and Retiree Benefit Trust; OPEB liability is fully funded
Looking Ahead

- State Budget is not final yet but it’s close-The legislature approved it on Saturday.
- Lost purchasing power of 18% from lost state COLAs
- The last state COLA to the CCC system was 4.53% in FY 2007-2008.
- Categorical funding cuts will partially be restored. (Programs with some restoration include DSPS, EOPS, and CalWORKS)
- New funding formula for Student Success and Support Program (formerly Matriculation)
- $30 M in deferred maintenance/instructional equipment (one time) expected
- State Deferral buy-down may provide additional funds (pay down of $30 M in deferrals compared to $63.7 M in May Revise)
- SOCCCD Final Budget FY 2013-2014 will be presented for review and approval at the August Board Meeting
Questions?