

# OHLONE COMMUNITY COLLEGE DISTRICT

## MEMORANDUM

TO: Board of Trustees

FROM: Doug Treadway

DATE: February 8, 2006

SUBJECT: Acceptance of the Second Quarter 2005-2006 Financial Report and Bond Report and Acceptance of Related Budget Changes

In accordance with Education Code Section 72413(g), The District is required to submit to the State Chancellor's Office a quarterly financial report and the status of the employment contracts report. Since tentative agreements were reached after 12/31/2005, the date of this report, staff has included the effects of the agreements as a reserve to the fund balance. The effect on expenditures will be presented in the third quarter.

### **BACKGROUND**

The District is in an enrollment restoration period. The District has one year to restore FTES to the base level with out experiencing a permanent revenue reduction. Additional Revenue adjustments will be done after the P1 Apportionment Certification is made available in March. Staff reviewed the other revenues of the General Fund. All the other funds looked on target with the exception of the Parking Fund. After a thorough analysis Staff will include necessary adjustments in the third quarter.

The 2nd Quarter Financial Report for 2005-06 includes the following:

- Review revenue sources
- Review for salary savings
- Add cost of contracts
- Adjust expenditures from review
- Allocate Fund Balance for tentative agreements

The Second Quarter Bond Report includes the recognition of interest earnings to-date. The report will be provided to the Bond oversight committee and is reconciled to the bond manager's reports.

Included in this packet of information is the:

- Second Quarter Fund 10 Report
- 311Q consolidation report
- 311Q
- Budget changes for the General Unrestricted
- Investment Report
- The Bond 2<sup>nd</sup> Quarter Report
- Bond and Additional Funding Grid

### **INFORMATION AND DISCUSSION.**

**Variance Analysis of Second Quarter to Actuals**  
**Fund 10**

**NET DECREASE IN FUND BALANCE** (\$ 53,773)

**TOTAL REVENUE NET INCREASE** 101,904

- Reduce Lottery
- Increase Non-Resident
- Increase Interest

**TOTAL EXPENDITURE INCREASE (decreases fund balance)** 155,677

- Add Salary Savings
- Increase Advertising
- Adjust for contracts
- Increase Utilities