

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Dr. Douglas Treadway

DATE: June 14, 2006

SUBJECT: Approval of the 2006-07 Tentative Budget

---

The Tentative budget is not materially different from the Preliminary Budget. The changes will be highlighted in a presentation during the regularly scheduled Board Meeting.

The General Fund Unrestricted Fund 10 revenue at \$39,931,451 is still based on the Governor's January Budget. Since that time the Governor's May Revise had been published and the Senate and Assembly both have proposals on the floor. Staff will present a review of the different proposals and their potential effects on Ohlone's revenue.

The General Fund Unrestricted Fund 10 expenditure budget at \$41,301,632 has changed by the service contracts that have been analyzed. A full contract analysis will be completed for The Final Budget. This Budget also includes any salary adjustments that have been Board Approved.

It should be noted that the Tentative Budget assumes the maintenance of the State-recommended 5% contingency reserve and a Rainy Day reserve in the General Purpose General Fund Budget. The noted imbalance is likely to be corrected by increased revenue and additional expenditure savings for the Final Budget.

The 2006-07 Tentative Budget for all funds, assumes budgeted revenues at \$50,034,610 and budgeted expenditures at \$157,846,332. Expenditures are projected considerably higher than Revenue because the unspent portion of the \$110 million in general obligation bonds remains in the beginning Fund Balance of \$111,219, 553.

Included in the packet is an overview of the May Revise, a comparison of the three state budget proposals and a summary of the budget process survey as well as the Tentative Budget Book.

RECOMMENDATION

The President/Superintendent recommends that the Board approve the 2006-07 Tentative Budget as proposed in the Budget Booklet prepared by staff.