



2007-2008

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TENTATIVE BUDGET

WORKSHOP

**June 13, 2007**



**2006-2007**

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**TENTATIVE BUDGET**

**UNRESTRICTED GENERAL FUND**

**GENERAL PURPOSE**

**REVENUE**

**\$45,072,768**





# *Revenue Assumptions*

*(Page 4)*

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**FTES for 2006-07 will be 8,207**

**Enrollment fees will remain at \$20**

**There will not be a state deficit**

**One time funds will be included in the final budget when more is known.**

# *Revenue Assumptions*

*2007-08 Comparison to the 2006-07 budget (page 5)*

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<b>COLA 4.53% net</b>	~	<b>\$1,691,765</b>
<b>One time funds</b>	~	<b>(\$ 735,364)</b>
<b>Reduce Interest</b>	~	<b>(\$ 50,000)</b>
<b>Non resident tuition</b>	~	<b>\$ 12,577</b>
<b>Parity – transfers in</b>	~	<b><u>(\$ 8,513)</u></b>
<b>Total changes</b>		<b>\$ 910,465</b>



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**2007 - 2008**  
**TENTATIVE BUDGET**

**TOTAL DISTRICT EXPENDITURES**

**\$44,654,702**



# *Expenditure Assumptions*

*(Page 6 & 7)*

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Step, column and longevity	\$559,623
New positions at Newark 1/2 year (includes \$80,276 of benefits)	\$402,504
GASB 45 Retiree Health Benefit	\$531,184
9% half year increase in H&W	\$125,864
Plus the mandated cost increase	\$206,140
Half of a year of operating expenses at Newark	\$138,000
Salary savings have been reduced from \$785,000 to \$300,000	
Reductions to Operating Expenses represents reductions to: lease expense, carry over, election expenses, other contracted services	



## Net effect of the changes

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Projected net activity 06-07      \$ 815,933

Net Increase in Revenue              \$ 910,465

Net Increase in Expenditures      ( 1,308,332)

Net change in Activity              ( 397,867)

Projected net activity 07-08      \$ 418,066



# 2007-2008 Tentative Budget

	2006-2007	2006-2007	Estimated	
	Final	Estimated	Actuals	2007-2008
Description	Budget	Actual	to Tentative	Tentative
			Budget	Budget
Revenue	41,806,875	44,162,303	910,465	45,072,768
Expenditures				
1000 Academic Salaries	14,248,458	14,252,928	322,376	14,575,304
1000 Part Time Academic Salaries	4,479,582	4,892,022	1,260	4,893,282
Total 1000 CE Salaries:	18,728,040	19,144,950	323,636	19,468,586
2000 CL Salaries	10,631,077	10,378,141	1,160,708	11,538,849
3000 Benefits	5,863,154	5,898,111	471,555	6,369,666
4000 Supplies	672,186	763,056	(19,562)	743,495
5000 Operating Exp.	5,167,551	5,653,219	(244,729)	5,408,490
6000 Capital Outlay	290,555	586,480	(219,285)	367,195
	41,352,563	42,423,957	1,472,323	43,896,280
Other Outgo				
7300 Interfund Trf. Out	446,182	922,413	(163,991)	758,422
Total Expenditures:	41,798,745	43,346,370	1,308,332	44,654,702
<b>Net Activity:</b>	<b>8,130</b>	<b>815,933</b>	<b>(397,867)</b>	<b>418,066</b>



# Fund 10 Summary

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Total Revenues	\$ 45,072,768
Total Expenditures	<u>44,654,702</u>
Net Activity	418,066
Beginning Fund Balance	<u>5,741,430</u>
Ending Fund Balance	\$6,159,496

# 2007-2008 TENTATIVE BUDGET



**RESERVE ASSUMPTIONS**

# Fund Balance Breakdown



• The District will maintain its Reserve at the State-recommended Level of 5 %	\$2,253,638
• The District will continue the Rainy Day	800,000
• Reserve for NCHST (PV panels)	500,000
• Reserve for Capital Improvement	100,000
• Reserve for One Time Expenditures	1,102,364
• Reserve for Salary Adjustments	<u>1,403,494</u>
<b>Total Fund Balance</b>	<b>\$6,159,496</b>



# What does it all mean

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We have a net activity of **\$418,066**

represents ongoing revenues

Reserve for salary adjustments

**\$1,403,494** that is **\$985,428** in excess  
of ongoing revenues.

The salary increase would assist us in the  
meeting the 50% calc but we need to  
cut ongoing expenses



# What does it all mean cont.

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2007-08 has \$300,000 in salary savings 2006-07 had \$785,000

Proposed limited hiring freeze to achieve an additional \$600,00 in savings

2006-07 budget has a potential of additional expenditure savings

Subcommittee of the College Council to review possible budget cuts for the remaining imbalance



# Restricted Funds

Pages 29-33

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- Fund 25 Currently Budgeted at break even but with out a fee increase there is the possibility of a deficit
- Fund 26 does not include the Board approved \$1 increase. That will be added as part of the Final Budget.



# Other Funds

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- Book store needs a new software/hardware system
- Based on cash flow analysis only support \$1,122,605 for PV panels
- Fund 69 reserves for future retiree health benefits reflects the increase in the actuarial study



# Total Budget 2007-08

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■ Total Revenues	\$ 54,590,842
■ Total Expenditures	<u>\$ 97,809,008</u>
Deficit	\$ 43,218,166
■ Beginning Fund Balance	\$71,645,119
■ Ending Fund Balance	\$28,426,953



# Questions?

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