

# OHLONE COMMUNITY COLLEGE DISTRICT

## MEMORANDUM

TO: Board of Trustees

FROM: Doug Treadway

DATE: November 14, 2007

SUBJECT: Acceptance of the First Quarter 2007-2008 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.

### **BACKGROUND**

The 1<sup>st</sup> Quarter Financial Report for 2007-2008 includes the following:

- Allocating the carry over
- Review of Revenues
- Review of Expenditures

The District's fall enrollment started the year on a positive trend. While the District has the potential of 1.21% growth factor, the uncertainty is still too great to include in the budget.

The finance department met with the Deans and Directors to begin the process of creating the line item budget cuts outlined in the Final Budget.

The reports that are included reflect the new 311 Q format. The 311 Q will be based on the General Unrestricted programs of the District. The Board Report will continue to show the restricted activity as well.

Included in this packet of information is the:

- First Quarter comparison to the Final Budget Fund 10 Report
- 311Q consolidation report for the General Unrestricted and Restricted Funds
- 311Q
- Budget changes for the General Unrestricted
- Investment Report
- The Bond 1<sup>st</sup> Quarter Report will be hand carried

### **INFORMATION AND DISCUSSION.**

DT:jss  
Attachments

**Variance Analysis of First Quarter to Final Budget**  
**Fund 10**

**NET DECREASE IN FUND BALANCE** \$ 431,088

**NO REVENUE ADJUSTMENTS**

**TOTAL EXPENDITURE INCREASE (increases fund balance)** 431,088

- Advertising for Newark from one time funds
- Training for grant developer
- E-Journals for Newark
- Carry over
- Puente match

**OHLONE COMMUNITY COLLEGE DISTRICT  
2007 - 2008 FIRST QUARTER BUDGET  
Unrestricted General Fund (General Purpose)  
Fund 10 Expenditure Comparison**

Description	2007-2008 Final Budget	Changes in Between Tentative & Final Budget	2007-2008 First Quarter Budget
Revenue	44,982,329	-	44,982,329
Expenditures			
1000 Academic Salaries	14,462,601	-	14,462,601
1000 Part Time Academic Salaries	4,893,281	-	4,893,281
Total 1000 CE Salaries:	19,355,882	-	19,355,882
2000 CL Salaries	11,415,024	2,000	11,417,024
3000 Benefits	6,186,363	-	6,186,363
4000 Supplies	680,495	11,820	692,315
5000 Operating Exp.	4,982,349	61,500	5,043,849
6000 Capital Outlay	72,195	345,768	417,963
	42,692,308	421,088	43,113,396
Other Outgo			
7300 Interfund Trf. Out	783,422	10,000	793,422
Total Expenditures:	43,475,730	431,088	43,906,818
Net Activity:	1,506,599	(431,088)	1,075,511
Beginning Fund Balance:	6,509,688	-	6,509,688
Ending Fund Balance:	8,016,287	(431,088)	7,585,199
<b><u>BREAKDOWN OF ENDING FUND BALANCE:</u></b>			
5% Contingency Reserve	2,173,787	-	2,173,787
Rainy Day Reserve	1,000,000	-	1,000,000
Reserve for NCHST	500,000	-	500,000
Reserve for PV's	500,000	-	500,000
Reserve for Capital Improvement	300,000	-	300,000
Reserve for Office Equipment	300,000	-	300,000
Reserve for One Time from 06/07	1,051,144	(7,808)	1,043,336
Reserve for Salary Adjustments	1,623,955	-	1,623,955
Reserve for Carry Over	337,960	(337,960)	
Unallocated	229,441	(85,320)	144,121
Total Fund Balance:	8,016,287	(431,088)	7,585,199

OHLONE COMMUNITY COLLEGE DISTRICT  
UNRESTRICTED FUNDS  
FIRST QUARTER 311Q  
FOR FISCAL 2007/08

Budget

	UNRESTRICTED DESIGNATED						TOTAL UNRESTRICTED
	10 GENERAL FUND	12 PROGRAM DISTRIBUTIONS	13 ENTREPRENEURIAL VENTURES	15 SMITH CENTER	16 ADJUNCT PARITY	18 CIVIC CENTER FLEA MARKET	
REVENUE	44,582,329	960,000	218,000	366,647	157,000	46,283,976 <sup>(A)</sup>	
OTH FINANCING SOURCES	400,000	67,004	32,000			499,004 <sup>(B)</sup>	
EXPENDITURES	43,113,396	595,675	634,904	227,300	151,000	44,722,275 <sup>(C)</sup>	
OTHER IN/OUT GO	793,422	30,000	400,000			1,223,422 <sup>(D)</sup>	
NET ACTIVITY	1,075,511	(528,671)	295,096	22,700	(33,353)	837,283 <sup>(E)</sup>	
PRIOR YR ADJ						0	
BEGINING F/B	6,509,688	528,671	590,559	144,245	440,728	8,423,916 <sup>(F)</sup>	
ENDING F/B	7,585,199	0	885,655	166,945	407,375	9,261,199 <sup>(G)</sup>	

OHLONE COMMUNITY COLLEGE DISTRICT  
SUMMARY BY FUND TYPE  
FOR FIRST QUARTER 2007/08

Budget

	UNRESTRICTED	DESIGNATED	TOTAL UNRESTRICTED	RESTRICTED	TOTAL GENERAL FUND
REVENUE	44,582,329	1,701,647	46,283,976	7,929,536	54,213,512
OTHER FINANCING SOURCES	400,000	99,004	499,004	68,334	567,338
EXPENDITURES	43,113,396	1,608,879	44,722,275	8,476,302	53,198,577
OTHER OUT GO	793,422	430,000	1,223,422	0	1,223,422
NET ACTIVITY	1,075,511	(238,228)	837,283	(478,432)	358,850
PRIOR YR ADJ	0	0	0	0	0
BEGINING F/B	6,509,688	1,914,228	8,423,916	928,859	9,352,775
ENDING F/B	7,585,199	1,676,000	9,261,199	450,427	9,711,625

OHLONE COMMUNITY COLLEGE DISTRICT  
 RESTRICTED FUNDS  
 FIRST QUARTER 311Q  
 FOR FISCAL 2007/08

Budget

	RESTRICTED				TOTAL RESTRICTED
	20 CATEGORICAL RESTRICTED	21 GRANTS RESTRICTED	25 PARKING FUND	26 HEALTH SERVICES	
REVENUE	4,496,047	2,660,489	475,000	298,000	7,929,536
OTHER FINANCING SOURCES	58,334	10,000			68,334
EXPENDITURES	4,628,573	3,035,024	525,000	287,705	8,476,302
OTHER OUT GO (IN)					0
NET ACTIVITY	(74,192)	(364,535)	(50,000)	10,295	(478,432)
PRIOR YR ADJ					0
BEGINNING F/B	186,371	410,542	284,819	47,127	928,859
ENDING F/B	112,179	46,007	234,819	57,422	450,427

OHLONE COMMUNITY COLLEGE DISTRICT  
311Q FUND BALANCE ANALYSIS  
FIRST QUARTER 311Q  
FOR FISCAL 2007/08

Budget

	UNRESTRICTED	DESIGNATED	TOTAL UNRESTRICTED	RESTRICTED	TOTAL GENERAL FUND
5% CONTINGENCY RESERVE	2,173,787		2,173,787		
Proposed Rainy Day Reserve	1,000,000		1,000,000		
	3,173,787		3,173,787		3,173,787
RESTRICTED				450,427	450,427
RESERVE + RESTRICTED	3,173,787	0	3,173,787	450,427	3,624,214
GENERAL FUND BALANCE					
Board Approved Minimum		150,000	150,000		150,000
RESERVE for One Time	1,043,336		1,043,336		1,043,336
RESERVE NCHST	1,000,000		1,000,000		1,000,000
RESERVE for salary adjustments	1,623,955		1,623,955		1,623,955
RESERVE for Capital	600,000				
Unallocated	144,121		144,121		144,121
			0		0
DESIGNATED		1,526,000	1,526,000		1,526,000
TOTAL GENERAL FUND BALANCE	4,411,412	1,676,000	5,487,412	0	5,487,412
TOTAL FUND BALANCE	7,585,199	1,676,000	8,661,199	450,427	9,111,625

CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q  
VIEW QUARTERLY DATA

CHANGE THE PERIOD

Fiscal Year: 2007-2008

Quarter Ended: (Q1) Sep 30, 2007

District: (430) OHLONE

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2004-05	Actual 2005-06	Actual 2006-07	Projected 2007-2008
<b>I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:</b>					
<b>A. Revenues:</b>					
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	36,980,413	40,194,531	45,031,381	46,283,976 (A)
A.2	Other Financing Sources (Object 8900)	0	316,435	1,206,633	499,004 (B)
A.3	<b>Total Unrestricted Revenue (A.1 + A.2)</b>	<b>36,980,413</b>	<b>40,510,966</b>	<b>46,238,014</b>	<b>46,782,980</b>
<b>B. Expenditures:</b>					
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	36,054,070	37,738,466	42,688,490	44,722,275 (C)
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	253,525	642,810	1,495,493	1,223,422 (D)
B.3	<b>Total Unrestricted Expenditures (B.1 + B.2)</b>	<b>36,307,595</b>	<b>38,381,276</b>	<b>44,183,983</b>	<b>45,945,697</b>
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	672,818	2,129,690	2,054,031	837,283 (E)
D.	Fund Balance, Beginning	3,543,332	4,240,197	6,369,885	8,423,916 (F)
D.1	Prior Year Adjustments + (-)	29,820	0	0	0
D.2	<b>Adjusted Fund Balance, Beginning (D + D.1)</b>	<b>3,573,152</b>	<b>4,240,197</b>	<b>6,369,885</b>	<b>8,423,916</b>
E.	Fund Balance, Ending (C. + D.2)	4,245,970	6,369,887	8,423,916	9,261,199 (G)
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	11.7%	16.6%	19.1%	20.2%

**II. Annualized Attendance FTES:**

C.1	Annualized FTES (excluding apprentice and non-resident)	6,769	8,081	8,045	8,197
-----	---	-------	-------	-------	-------

**III. Total General Fund Cash Balance (Unrestricted and Restricted)**

Line	Description	As of the specified quarter ended for each fiscal year			
		2004-05	2005-06	2006-07	2007-2008
H.1	Cash, excluding borrowed funds				10,001,983
H.2	Cash, borrowed funds only				0
H.3	<b>Total Cash (H.1+ H.2)</b>	<b>5,583,129</b>	<b>8,929,975</b>	<b>6,933,460</b>	<b>10,001,983</b>

**IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
<b>I. Revenues:</b>					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	46,283,976	46,283,976	12,784,604	27.6%
I.2	Other Financing Sources (Object 8900)	499,004	499,004	10,000	2%
I.3	<b>Total Unrestricted Revenue (I.1 + I.2)</b>	<b>46,782,980</b>	<b>46,782,980</b>	<b>12,794,604</b>	<b>27.3%</b>
<b>J. Expenditures:</b>					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	44,291,186	44,722,275	10,694,767	23.9%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,223,422	1,223,422	10,805	0.9%
J.3	<b>Total Unrestricted Expenditures (J.1 + J.2)</b>	<b>45,514,608</b>	<b>45,945,697</b>	<b>10,705,572</b>	<b>23.3%</b>
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	1,268,372	837,283	2,089,032	
L	Adjusted Fund Balance, Beginning	8,423,916	8,423,916	8,423,916	
L.1	<b>Fund Balance, Ending (C. + L.2)</b>	<b>9,692,288</b>	<b>9,261,199</b>	<b>10,512,948</b>	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	21.3%	20.2%		

V. Has the district settled any employee contracts during this quarter? **NO**

If yes, complete the following: (If multi-year settlement, provide information for all years covered.)

Contract Period Settled	Management	Academic	Classified

(Specify) YYYY-YY	Permanent		Temporary	
	Total Cost Increase	% *	Total Cost Increase	% *
<b>a. SALARIES:</b>				
Year 1:				
Year 2:				
Year 3:				
<b>b. BENEFITS:</b>				
Year 1:				
Year 2:				
Year 3:				

\* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)? **NO**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII. Does the district have significant fiscal problems that must be addressed? **NO**  
 This year? **NO**  
 Next year? **NO**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

OHLONE COMMUNITY COLLEGE DISTRICT  
FIRST QUARTER BUDGET CHANGES

REVENUE/ EXPENSE CLASSIFICATION	RECOMMENDED BUDGET CHANGE INCREASE	DECREASE	EXPLANATION
FUND 10			
1000 ACADEMIC SALARIES	37,891	-	Budget transfers
2000 CLASSIFIED SALARIES	-	46,571	Budget transfers and salary adjustments
3000 BENEFITS	-	21,557	Benefit adjustments
4000 SUPPLIES	56,612		Increasing supply and contract services for facility in Newark, Budget transfers
5000 OPERATING EXPENSES	48,945		Increasing Grant program, Newark advertising and budget transfers
6000 CAPITAL OUTLAY	345,768		Carry over from 06/07 and Increasing for building #9
7000 TRANSFERS OUT	10,000		Add budget for Puente program
TOTAL CHANGES	<u>499,216</u>	<u>68,128</u>	
FUND 12			
2000 CLASSIFIED SALARIES	23,000		Add position for International Student Office
3000 BENEFITS	7,000		Add position for International Student Office
5000 OPERATING EXPENSES	10,000		Increasing budget for Suzhou Center
6000 CAPITAL OUTLAY		595	Adjusted carry over from 06/07
	<u>40,000</u>	<u>595</u>	
FUND 13			
2000 CLASSIFIED SALARIES	7,500	-	Budget transfers
4000 SUPPLIES	28,540		Budget transfers
5000 OPERATING EXPENSES	187,460		Increasing budget for network workshop, ELI and Foundation

OHLONE COMMUNITY COLLEGE DISTRICT  
FIRST QUARTER BUDGET CHANGES

REVENUE/ EXPENSE CLASSIFICATION	RECOMMENDED BUDGET CHANGE INCREASE DECREASE	EXPLANATION
7000 TRANSFERS OUT	10,000	Support Suzhou Center
	233,500	
<b>FUND 20</b>		
1000 ACADEMIC SALARIES	229,783	Carry over from 06/07
2000 CLASSIFIED SALARIES	126,740	Carry over from 06/07
3000 BENEFITS	63,393	Carry over from 06/07
4000 SUPPLIES	118,576	Carry over from 06/07
5000 OPERATING EXPENSES	343,759	Increasing for Matriculation, DSPS and carry over from 06/07
6000 CAPITAL OUTLAY	476,869	Carry over from 06/07
7000 TRANSFERS OUT	41,631	Increasing for EOPS, CARE and carry over from 06/07
<b>TOTAL CHANGES</b>	<b>1,400,751</b>	
<b>FUND 21</b>		
1000 ACADEMIC SALARIES	120,999	Carry over from 06/07
2000 CLASSIFIED SALARIES	34,880	Carry over from 06/07
3000 BENEFITS	4,844	Carry over from 06/07
4000 SUPPLIES	363,882	Carry over from 06/07 and budget transfers
5000 OPERATING EXPENSES	-	79,860 Increasing budget for early child care and TANF, budget transfers
6000 CAPITAL OUTLAY	233,000	Increasing budget - Morgan family and carry over 06/07
7000 TRANSFERS OUT	10,800	Carry over from 06/07
<b>TOTAL CHANGES</b>	<b>768,405</b>	<b>79,860</b>

Ohlone Community College District  
 INVESTMENT DISCLOSURE

**Investment Report  
 For the 1st Quarter 2007-08**

INVESTMENTS	HOLDER	AMOUNT	PURCHASE DATE	MATURITY DATE	YIELD		LIMITATIONS PER DISTRICT POLICY
					RATE	AS OF	
1. Alameda County Treasurer Cash pool investments All Funds ( includes Capital Funds of \$2,2,933,071.431 and Bond Redemption Funds of \$717,533.87)	County Treasurer	\$ 17,059,024	N/A	N/A	5.400%	6/30/2007	None
NOTE: No Tax Revenue Anticipation Notes were issued in the current year							
2. Certificate of Deposit Bookstore	Fremont Bank						Institution must be fully collateralized
3. Certificate of Deposit Bookstore	Fremont Bank						Institution must be fully collateralized
4. Certificate of Deposit ASOC	Fremont Bank	\$ 100,000	6/1/2007	12/1/2007	4.510%	6/1/2007	Institution must be fully collateralized
5. Guaranteed Investment Contract	AIG	\$ 50,824,517	11/30/2005	8/24/2008	4.745%	11/17/2005	Bid based on regulations established by Board Resolution