

## OHLONE COMMUNITY COLLEGE DISTRICT

## MEMORANDUM

TO: Board of Trustees

FROM: Dr. Douglas Treadway

DATE: May 7, 2008

SUBJECT: Approval of the 2008-09 Tentative Budget

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The Tentative Budget is based on a set of assumptions that was worked out through several planning sessions with managers and college council. It is being brought forward before the faculty leave for summer break. As a result, the Governors May Revise has not yet been released but the District has built in a deficit factor of 1% and will be working over the summer to develop plans for further possible reductions.

The General Fund Unrestricted Fund 10 revenue is budgeted at \$45,883,574 and is based on no COLA or growth. Once the May Revise is released, the Senate and Assembly have both submitted proposals and the current session is closed, the District will work with the constituent groups to finalize the budget.

The General Fund Unrestricted Fund 10 expenditure budget is at \$45,809,052. This budget includes salary adjustments and the costs of the reorganization that was recently Board approved. Provisions for a full year of operations at the Newark Center and the effects of implementing GASB 45 Post Retiree Health Benefits have also been included.

It should be noted that the Tentative Budget assumes the maintenance of the State-recommended 5% contingency reserve and the \$1 million Rainy Day reserve in the General Purpose General Fund Budget. Additional reserves have been added for capital improvement, unspent one time funding and for the photovoltaics. After including all of the reserves, there is ongoing revenue in excess of ongoing expenditures of \$74,522.

The 2008-09 Tentative Budget for all funds assumes budgeted revenues at \$55,118,635 and budgeted expenditures at \$77,810,276. Expenditures are projected higher than Revenue because the unspent portion of the \$110 million in general obligation bonds remains in the beginning Fund Balance of \$33,390,120.

#### RECOMMENDATION

The President/Superintendent recommends that the Board approve the 2008-09 Tentative Budget as shown in the Budget Booklet prepared by staff.