

Budget Update -

FY 2010-11 Projection



Recap FY 2009–10 Final Budget

Total Fund 10 Revenue	\$ 44,151,744
Total Fund 10 Expenditures	<u>47,001,744</u>
Subtotal Net Loss	(\$ 2,850,000)
Additional savings from:	
- SERP (1 st Year)	\$ 650,000
- Anticipated categorical savings	500,000
- Proposed salary reductions	<u>700,000</u>
TOTAL NET LOSS	(\$ 1,000,000)



Known Changes FY 2010-11

Add back salaries paid for by Title III	\$	200,000
Add back salaries paid for by the Bond		130,000
Step/column/longevity increases		450,000
Federal backfill no longer available		100,000
Alameda County BOT election costs		100,000
Washington Hospital grant revenue		112,000
Loss of Parity Funds (categorical)		<u>238,000</u>
Impact from Known Changes	\$	1,330,000

Points to Consider

- ▶ Further revenue reductions ~ \$400K per 1%
- ▶ Be mindful of 50% Law calculation
- ▶ Be at or above Faculty Obligation Number
- ▶ Increasing costs of PERS/STRS contributions
- ▶ Increasing medical/utility/insurance costs
- ▶ Increasing costs for equipment maintenance

Points to Consider (cont'd)

- ▶ Aging and deteriorating vehicle and equipment fleet
- ▶ Potentially no local bond funds for facility improvements
- ▶ Potentially no State funding for new capital outlay projects
- ▶ FY 2011-12 OPEB costs need to be reinstated at today's rate (~\$500,000 per year)

Questions?