
Meeting Agenda

February 14, 2013, 2:00 p.m., District Office, PDC 104

- I. Welcome & Introductions
- II. Approve January 17, 2013 Meeting Minutes
- III. State Budget Update
 - Academic Senate Feedback Regarding Governor's Budget Proposals
 - General Feedback from District Employees?
 - Community College League of California List Serve
- IV. Board Agenda Items
 - Budget Directives per AP 6200: **(Postponed until March 14)**
 - Each February the Board will give direction for budget development to include:*
 1. *Reaffirmation or change in mission;*
 2. *Resource allocation (set level of Reserve for Contingency, Workers' Compensation Reserve, any special project reserve, etc.);*
 3. *Determination of the amount of resources estimated to be available for General Fund expenditure with potential increases or decreases during the budget preparation period;*
 4. *Preliminary establishment of base budget for the District and each site.*
- V. Resource Allocation Model Assumptions
- VI. Review District Budget Revenue & Expenditure Summary
- VII. Subcommittees
 - Policies & Procedures (Charlie)
 - Promote Budget Awareness (Mike)
 - Training (Charlie)
- VIII. Adjournment

Next meeting scheduled for March 14, 2013.

Meeting Minutes

January 17, 2013, 2:00 p.m., District Office, PDC 104

Members Present – Charlie Ng, Ed Millican, Karen Peterson, Kathy Crow, Kellie Barnett, Matthew Isaac, Mike Strong, Rhonda Prater, Rosemarie Hansen, Scott Stark, Susan Ryckevic (for Penny Ongoco), Yendis Battle

Members Absent – Cheryl Marshall, Denise Allen-Hoyt, Ferny Arana Garcia, Girija Raghavan, Glen Kuck, James Dulgeroff, Kyle Hundley, Sheri Lillard, Steve Sutorus, Tanya Rogers

Welcome/Introductions

Charlie welcomed the members who attended and began the meeting. No introductions were necessary.

Approval of December 13, 2012 Minutes

The minutes should be altered to reflect that Mike Strong was present at the December meeting. The committee approved the minutes by consensus with that correction.

State of the District Presentations

Charlie summarized for the committee an update from Scott Lay of the Community College League of California. Based on the Governor's budget, the state is expecting a 3.6% increase in apportionment, to be split somewhere between growth, COLA, and possibly, restricted programs.

The committee discussed its role based on the governor's budget. Mike suggested the committee may want to start thinking about how the potential growth could be allocated throughout the district. Rosemarie mentioned that faculty should be consulted about some of the proposed budget components, i.e. Census-Based Apportionment, Limit of Instruction to 90 Units. Charlie asked the faculty representatives to apprise their Academic Senates and solicit feedback. He further asked members of the committee to "talk up" the budget with district employees, including a possible COLA increase of 1.66%.

Budget Committee members were asked to contact the Community College League of California and request to be added to the mailing list. This will enable each member to receive budget updates from Scott Lay directly.

Board Agenda Items

The committee reviewed the 2014 Budget Calendar and annual Board Investment Policy board items.

It was mentioned that the Investment Policy is under review will most likely be updated for the following year to better reflect best practices rather than just meeting legal requirements.

District Budget Revenue & Expenditure Summary

The committee reviewed the Budget Revenue & Expenditure Summary.

Subcommittees

Charlie mentioned that the policies were being reviewed and he is planning a meeting with the subcommittee members, Ed and Glen.

The budget awareness subcommittee has scheduled a conference call to discuss means of raising budget awareness.

Other Items

Charlie advised that committee members should be aware of the Resource Allocation Model, which can be found online in the [2012-13 Final Budget Book](#) at www.sbccd.org/budget2013. The assumptions in the Resource Allocation Model will be discussed at upcoming meetings.

Adjournment

Charlie adjourned the meeting. The next meeting is scheduled for February 14, 2012 at 2:00 p.m. in PDC 104.

RESOURCE ALLOCATION FOR FISCAL YEAR 2013

	2011-12 Unaudited Actual			Scenario 1: 2012-13 Budget November Tax Initiative Passes			Scenario 2: 2012-13 Budget November Tax Initiative Fails			Final 2012-13 Budget Total FTES Target of 12,652		
	SBVC	CHC	District Total	SBVC	CHC	District Total	SBVC	CHC	District Total	SBVC	CHC	District Total
State Base Revenue												
1 Base Allocation Revenue per SB361 for Medium and Small Colleges	\$3,875,136	\$3,321,545	\$7,196,681	\$3,875,136	\$3,321,545	\$7,196,681	\$3,875,136	\$3,321,545	\$7,196,681	\$3,875,136	\$3,321,545	\$7,196,681
2 Total District Credit FTES per State Allocation			13,057.30			13,173.37			12,107.39			12,644.54
3 Credit and Noncredit FTES Split (<i>Determined by Chancellor's Cabinet</i>)	70%	30%	100%	70.000%	30.000%	100.000%	70.000%	30.000%	100.000%	70.000%	30.000%	100.000%
4 Total College Credit FTES (<i>multiply line 2 x 3</i>)	9,140.11	3,917.19	13,057.30	9,221.36	3,952.01	13,173.37	8,475.18	3,632.22	12,107.39	8,851.18	3,793.36	12,644.54
5 District Funded Rate Credit FTES per State Allocation			\$4,564.83			\$ 4,564.83			4,564.83			4,564.83
6 Credit Funding (<i>multiply line 4 x 5</i>)	\$41,723,012	\$17,881,291	\$59,604,303	\$42,093,875	\$18,040,232	\$60,134,107	\$38,687,692	\$16,580,439	\$55,268,131	\$40,404,134	\$17,316,057	\$57,720,191
7 Total District Noncredit FTES			8.06			8.13			7.47			7.81
8 Total College Noncredit FTES (<i>multiply line 3 x 7</i>)	5.64	2.42		5.69	2.44		5.23	2.24		5.46	2.34	
9 State Funded Rate Noncredit FTES			\$2,744.96			\$2,744.96			\$2,744.96			\$2,744.96
10 Noncredit Funding (<i>multiply line 8 x 9</i>)	\$15,487	\$6,637		\$15,625	\$6,696		\$14,360	\$6,154		\$14,997	\$6,427	
11 Total State Base Revenue (<i>add lines 1, 6, & 10</i>)	\$45,613,635	\$21,209,473	\$66,823,109	\$45,984,636	\$21,368,473	\$67,353,109	\$42,577,188	\$19,908,139	\$62,485,327	\$44,294,267	\$20,644,030	\$64,938,297
Change in 2011-12 State Base Revenue			n/a			\$530,000			-\$4,337,782			-\$2,452,970
State Revenue With Growth & COLA Adjustments												
12 District Growth Funding per State Allocation			\$0			\$0			\$0			\$0
13 College Growth Funding (<i>multiply line 3 x 12</i>)	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	
14 District Cost of Living Adjustment (COLA) per State Allocation			\$0			\$0			\$0			\$0
15 College COLA (<i>multiply line 3 x 14</i>)	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	
16 Other Revenue Adjustment per State Allocation			\$0			\$0			\$0			\$0
17 College Adjustment (<i>multiply line 3 x 16</i>)	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	
18 Deficit Coefficient/RDA Reconciliation per State Allocation			-\$1,569,970			\$0			\$0			\$0
19 College Coefficient (<i>multiply line 3 x 18</i>)	-\$1,098,979	-\$470,991		\$0	\$0		\$0	\$0		\$0	\$0	
20 Total State Revenue (<i>add lines 11, 13-19</i>)	\$44,514,656	\$20,738,482	\$65,253,139	\$45,984,636	\$21,368,473	\$67,353,109	\$42,577,188	\$19,908,139	\$62,485,327	\$44,294,267	\$20,644,030	\$64,938,297
Other Revenue												
21 District Part-time Faculty per State Allocation			\$309,773			\$309,773			\$309,773			\$309,773
22 College Part-time Faculty (<i>multiply line 3 x 21</i>)	\$216,841	\$92,932		\$216,841	\$92,932		\$216,841	\$92,932		\$216,841	\$92,932	
23 District-wide Lottery Funds per State Allocation			\$1,808,610			\$1,583,540			\$1,583,540			\$1,583,540
24 College Lottery Funds	\$1,246,243	\$562,367		\$1,089,350	\$494,190		\$1,089,350	\$494,190		\$1,035,588	\$443,823	
25 District-wide Interest Income per Fiscal Services Projection			\$117,775			\$120,000			\$120,000			\$120,000
26 College Interest Income (<i>multiply line 3 x 25</i>)	\$82,443	\$35,333		\$84,000	\$36,000		\$84,000	\$36,000		\$84,000	\$36,000	
27 Other Campus Revenue per Campus Projections	\$701,030	\$471,181		\$870,644	\$563,611		\$870,644	\$563,611		\$870,644	\$563,611	
28 Other Campus Revenue District-wide Total (<i>add line 27 for SBVC & CHC</i>)			\$1,172,211			\$1,434,255			\$1,434,255			\$1,434,255
29 Total College Revenue (<i>add lines 20, 22-28</i>)	\$46,761,213	\$21,900,295	\$68,661,508	\$48,245,471	\$22,555,206	\$70,800,677	\$44,838,023	\$21,094,872	\$65,932,895	\$46,501,340	\$21,780,396	\$68,281,737

Notes and Assumptions

- Line 2. Workload/budget reduction from state Chancellor's Office
- Line 5. FTES rate from state Chancellor's Office
- Line 7. Workload/budget reduction from state Chancellor's Office
- Line 9. FTES rate from state Chancellor's Office
- Line 11. FTE Based Computational Revenue Includes State Apportionment, Student Fees (98%), and Property Taxes

	2011-12 Unaudited Actual			Scenario 1: 2012-13 Budget November Tax Initiative Passes			Scenario 2: 2012-13 Budget November Tax Initiative Fails			Final 2012-13 Budget Total FTES Target of 12,652		
	SBVC	CHC	District Total	SBVC	CHC	District Total	SBVC	CHC	District Total	SBVC	CHC	District Total
Assessments												
30 District Office Operations Expenditure			\$11,107,410			\$12,216,227			\$12,216,227			\$12,216,227
31 Assessment for District Office Operations Expenditures (multiply line 3 x 30)	-\$7,775,187	-\$3,332,223		-\$8,551,359	-\$3,664,868		-\$8,551,359	-\$3,664,868		-\$8,551,359	-\$3,664,868	
32 Property & Liability Insurance per Fiscal Services Projection			\$750,000			\$750,000			\$750,000			\$750,000
33 Assessment for Property & Liability Insurance Cost (multiply line 3 x 32)	-\$525,000	-\$225,000		-\$525,000	-\$225,000		-\$525,000	-\$225,000		-\$525,000	-\$225,000	
34 KVCR Operations Expenditure Budget			\$1,659,764			\$964,084			\$964,084			\$964,084
35 Assessment for KVCR Operations Expenditures (multiply line 3 x 34)	-\$1,161,835	-\$497,929		-\$674,859	-\$289,225		-\$674,859	-\$289,225		-\$674,859	-\$289,225	
36 Supplemental Employee Retirement Plan per Fiscal Services Projection			\$1,100,468			\$0			\$0			\$0
37 Assessment for SERP (multiply line 3 x 36)	-\$770,328	-\$330,140		\$0	\$0		\$0	\$0		\$0	\$0	
38 GASB 45 Compliance Retiree Obligation per Fiscal Services Projection			\$500,000			\$750,000			\$750,000			\$750,000
39 Assessment for GASB 45 (multiply line 3 x 38)	-\$350,000	-\$150,000		-\$525,000	-\$225,000		-\$525,000	-\$225,000		-\$525,000	-\$225,000	
40 Economic Development & Corporate Training (EDCT) Expenditure Budget			\$262,187			\$239,652			\$239,652			\$239,652
41 Assessment for EDCT Operations Expenditures (multiply line 3 x 40)	-\$183,531	-\$78,656		-\$167,756	-\$71,896		-\$167,756	-\$71,896		-\$167,756	-\$71,896	
42 District Reserve per Contribution			\$0			\$0			\$0			\$0
43 Assessment for District Reserve (multiply line 3 x 42)	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	
Individual Site Budgets												
44 Total Site Budget Allocation for Colleges (add lines 29, 30-43; for District add lines 30-42)	\$35,995,333	\$17,286,346	\$15,379,829	\$37,801,497	\$18,079,217	\$14,919,963	\$34,394,049	\$16,618,883	\$14,919,963	\$36,057,366	\$17,304,407	\$14,919,963
45 1000 - Academic Salaries	\$19,129,479	\$8,656,075	\$890,807	\$19,260,042	\$8,934,220	\$1,028,907	\$19,260,042	\$8,934,220	\$1,028,907	\$19,260,042	\$8,934,220	\$1,028,907
46 2000 - Classified Salaries	\$6,737,801	\$4,076,441	\$4,527,085	\$7,329,239	\$4,388,498	\$4,927,625	\$7,329,239	\$4,388,498	\$4,927,625	\$7,329,239	\$4,388,498	\$4,927,625
47 3000 - Benefits	\$7,178,672	\$3,617,859	\$2,082,463	\$7,863,209	\$3,987,630	\$2,439,437	\$7,863,209	\$3,987,630	\$2,439,437	\$7,863,209	\$3,987,630	\$2,439,437
48 4000 - Supplies	\$496,437	\$195,120	\$185,974	\$542,580	\$204,623	\$211,246	\$542,580	\$204,623	\$211,246	\$542,580	\$204,623	\$211,246
49 5000 - Other Expenses and Services	\$3,221,661	\$1,156,590	\$3,515,359	\$3,607,019	\$1,302,448	\$3,777,414	\$3,607,019	\$1,302,448	\$3,777,414	\$3,607,019	\$1,302,448	\$3,777,414
50 6000 - Capital Outlay	\$365,295	\$22,692	\$167,910	\$232,787	\$69,447	\$71,250	\$232,787	\$69,447	\$71,250	\$232,787	\$69,447	\$71,250
51 7000 - Other Outgo	\$154,407	\$0	\$8,863,145	\$76,894	\$0	\$2,464,084	\$76,894	\$0	\$2,464,084	\$76,894	\$0	\$2,464,084
52 Site Budgeted/Est. Actual Expenditures 2010-11, Site Budgets 2011-12	\$37,283,752	\$17,724,777	\$20,232,743	\$38,911,770	\$18,886,866	\$14,919,963	\$38,911,770	\$18,886,866	\$14,919,963	\$38,911,770	\$18,886,866	\$14,919,963
53 Excess/(Deficit) (line 44 minus line 52)	-\$1,288,419	-\$438,431	-\$4,852,914	-\$1,110,273	-\$807,649	\$0	-\$4,517,721	-\$2,267,983	\$0	-\$2,854,404	-\$1,582,459	\$0
54 Site Fund Balance July 1, Year Beginning	\$5,065,952	\$1,537,487	\$0	\$3,777,533	\$1,099,056	\$0	\$3,777,533	\$1,099,056	\$0	\$3,777,533	\$1,099,056	\$0
55 Site Fund Balance June 30, Year Ending (line 53 plus line 54)	\$3,777,533	\$1,099,056	-\$4,852,914	\$2,667,259	\$291,407	\$0	-\$740,188	-\$1,168,927	\$0	\$923,129	-\$483,403	\$0

As of 8/27/2012 (includes 2nd Principal Apportionment posted 6/21/2012).

Notes and Assumptions

Lines 30 & 31. District Office Operations Costs include HR, Fiscal Services, Police, and Distributed Education & Technology Services (DETS)
 Lines 32 & 33. District-wide Costs Include Property & Liability Insurance
 Lines 34 & 35. KVCR TV and Radio Operations Costs
 Lines 36 & 37. Total Cost of Retiree Salaries Plus Benefits from SERP fully funded and expensed in 2011-12
 Lines 38 & 39. District-wide Costs for GASB 45 (Other Post Retirement Benefits)
 Lines 40 & 41. Economic Development and Corporate Training (EDCT) Operations Costs

Rules

District Office savings realized during the year result in a budget reduction to match actual expenditures, in effect reducing the colleges' assessments.
 College and district sites incurring deficit fund balances are required to balance the deficit within three years of the year of the deficit.

Account Codes Included in the Resource Allocation Model

Fund: 01; Site: 01 ,02, 03, 15, 25, 35; Subprogram: 0000; Life Span, Program, Object and Type: All Available



Budget Revenue & Expenditure Summary

Year to Date 2/1/13

Revenues by Fund	Budget	YTD Revenues	% Received	% of Year
01 General Fund*	91,029,085	35,877,465	39.4	58.3
21 Bond interest & Redemption	13,755,000	752,439	5.5	58.3
41 Capital Outlay Projects Fund	686,215	29,829	34.9	58.3
42 Bond Construction Fund	200,000	127,207	63.6	58.3
68 Retiree Benefit Fund	763,000	754,983	98.9	58.3
69 Employee Load Banking Trust Fund	450	109	24.2	58.3
72 Child Development Fund	2,247,010	1,093,172	48.7	58.3
73 Student Body Center Fee	211,800	139,269	65.8	58.3
74 KVCR Fund	8,266,240	4,451,517	53.9	58.3
78 Self Insurance-Liability Fund	753,000	751,312	99.8	58.3
84 Workers Compensation Fund*	1,260,000	363,859	28.9	58.3

Expenses by Fund	Budget	YTD Expenses & Encumbrances	% Expensed & Encumbered	% of Year
01 General Fund*	95,469,259	52,558,970	55	58.3
21 Bond interest & Redemption	24,670,888	0	0	58.3
41 Capital Outlay Projects Fund	10,180,475	1,806,817	17.7	58.3
42 Bond Construction Fund	67,389,023	34,726,203	51.5	58.3
68 Retiree Benefit Fund	2,411,699	1,239,893	51.4	58.3
69 Employee Load Banking Trust Fund	450	0	0	58.3
72 Child Development Fund	2,444,369	1,132,866	46.3	58.3
73 Student Body Center Fee	284,725	130,575	45.9	58.3
74 KVCR Fund	8,385,988	4,460,864	53.2	58.3
78 Self Insurance-Liability Fund	795,000	545,387	68.6	58.3
84 Workers Compensation Fund*	1,397,000	563,991	40.4	58.3

*Regular patterns of activity throughout the year.