



Peralta Community College District

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Office of Finance and Administration

Memorandum

To: Dr. José M. Ortiz, Chancellor

From: Ronald P. Gerhard, Vice Chancellor 

Date: March 25, 2013

Subject: March 26, 2013 Board Report

2012-13 Budget Variance Reports

Attached are budget variance reports for the District's largest funds: Unrestricted General Fund; Measure B – Parcel Tax Fund; Restricted General Fund; and Measure A Bond Fund. These reports summarize activities recognized during the period of July 1, 2012 through February 28, 2013. Through eight months of the fiscal year, the District continues to recognize revenue and spend within expectations and budget parameters. It should be noted that for purposes of reviewing and monitoring general operations, the Unrestricted General Fund and Measure B – Parcel Tax Fund should be reviewed collectively as the primary purpose of Measure B is to support and maintain course offerings and services to students.

New OPEB Actuarial Study

Governmental Accounting Standards Board Statement 45 (GASB 45) is an accounting and financial reporting provision that requires governmental agencies to measure and quantify the liabilities associated with Other Post-Employment Benefits (OPEB) and report OPEB related liabilities on the entities' financial statements. OPEB expenditures and liabilities include retirement health and welfare benefits (medical, pharmacy, dental, and vision) that are not associated with typical pension plans.

GASB 45 was enacted by the Governmental Accounting Standards Board in 2004 because of concern surrounding the undocumented magnitude of government employer obligations for post-employment benefits negotiated within employment contracts and collective bargaining agreements.

The requirements under GASB 45 are as follows:

- Provide within the District's financial statements a description of OPEB benefits provided, eligibility requirements, and the number of employees and retirees covered within the plan;
- Provide an Actuarial Accrued Liability (AAL) as determined by a licensed actuarial firm based upon the benefits provided. An actuarial study is required no less than once every two years; and
- Report as an expense the annual liability incurred and, in addition, the cumulative unfunded liability of the actuarial accrued liability on the District's balance sheet.

The new actuarial report dated March 1, 2013 projects a fiscal year end June 30, 2013 liability of \$182,776,103, a reduction of 17% compared to the previous actuarial liability. This reduction is attributed to multiple changes made both in plan design changes (most notably employer expenditure caps) and actuarial assumptions. Once approved, this report will then be used to update the District's substantive plan and funding model and projections.

Peralta Colleges
Income Statement - GENERAL UNRESTRICT OPER
For the Period Ending
February 28, 2013

	Revenue	App Budget	Actuals	% Used	Last Year Actuals
Revenue					
Federal Revenue	\$ -	\$ -	\$ -	NA	\$ -
State Revenue	\$ (66,614,533)	\$ (66,614,533)	\$ (23,316,883)	35%	\$ (35,018,905)
Local Revenue	\$ (40,676,547)	\$ (40,676,547)	\$ (24,503,309)	60%	\$ (24,148,702)
Trans Res Revenue	\$ (11,398,445)	\$ (11,398,445)	\$ -	0%	\$ (8,333,505)
Revenue Total	\$ (118,689,525)	\$ (118,689,525)	\$ (47,820,192)	40%	\$ (67,501,112)
Expenses					
Full Time Academic	\$ 18,337,084	\$ 18,337,084	\$ 9,592,768	52%	\$ 9,939,780
Academic Admin	\$ 3,518,640	\$ 3,518,640	\$ 2,160,684	61%	\$ 2,130,442
Other Faculty	\$ 4,930,045	\$ 4,930,045	\$ 2,681,026	54%	\$ 2,958,871
Part Time Academic	\$ 9,275,349	\$ 9,275,349	\$ 9,504,704	102%	\$ 10,673,486
Classified Salary	\$ 20,775,918	\$ 20,775,918	\$ 13,063,090	63%	\$ 12,671,720
Fringe Benefits	\$ 37,994,845	\$ 37,994,845	\$ 22,443,943	59%	\$ 22,481,933
Books, Supplies, Services	\$ 14,761,183	\$ 14,761,183	\$ 7,462,375	51%	\$ 6,294,745
Equipment Cap Outlay	\$ 165,962	\$ 165,962	\$ 74,810	45%	\$ 39,740
Debt Service Transfer	\$ 5,385,045	\$ 5,385,045	\$ 4,227,390	79%	\$ 2,066,318
Financial Aid	\$ -	\$ -	\$ -	NA	\$ -
Fund Balance	\$ 980,120	\$ 980,120	\$ -	0%	\$ -
Expense Total	\$ 116,124,191	\$ 116,124,191	\$ 71,210,789	61%	\$ 69,257,034

Peralta Colleges
Income Statement - PARCEL TAX, MEASURE B
 For the Period Ending
 February 28, 2013

	Revenue	Expenses	App Budget	Actuals	% Used	Last Year Actuals
Revenue						
Federal Revenue	\$ -		\$ -	\$ -	NA	\$ -
State Revenue	\$ -		\$ -	\$ -	NA	\$ -
Local Revenue	\$ (7,517,517)		\$ (7,517,517)	\$ (4,043,376)	54%	\$ -
Trans Res Revenue	\$ -		\$ -	\$ -	NA	\$ -
Revenue Total	\$ (7,517,517)		\$ (7,517,517)	\$ (4,043,376)	54%	\$ -
Expenses						
Full Time Academic	\$ -		\$ -	\$ -	NA	\$ -
Academic Admin	\$ -		\$ -	\$ -	NA	\$ -
Other Faculty	\$ -		\$ -	\$ -	NA	\$ -
Part Time Academic	\$ 5,156,109		\$ 5,156,109	\$ 2,216,543	43%	\$ -
Classified Salary	\$ 461,083		\$ 461,083	\$ 724	0%	\$ -
Fringe Benefits	\$ 535,993		\$ 535,993	\$ 212,398	40%	\$ -
Books, Supplies, Services	\$ 1,364,332		\$ 1,364,332	\$ 1,176,446	86%	\$ -
Equipment Cap Outlay	\$ -		\$ -	\$ -	NA	\$ -
Debt Service Transfer	\$ -		\$ -	\$ -	NA	\$ -
Financial Aid	\$ -		\$ -	\$ -	NA	\$ -
Fund Balance	\$ -		\$ -	\$ -	NA	\$ -
Expense Total	\$ 7,517,517		\$ 7,517,517	\$ 3,606,112	48%	\$ -

Peralta Colleges
Income Statement - General Restricted Fund
For the Period Ending
February 28, 2013

	App Budget	Actuals	% Used	Last Year Actuals
Revenue				
Federal Revenue	\$ (9,299,039)	\$ (3,401,154)	37%	\$ (3,228,986)
State Revenue	\$ (9,249,344)	\$ (5,417,563)	59%	\$ (6,816,758)
Local Revenue	\$ (2,190,788)	\$ (1,047,815)	48%	\$ (847,038)
Trans Res Revenue	\$ (1,334,653)	\$ -	0%	\$ (1,157,655)
Revenue Total	\$ (22,073,824)	\$ (9,866,532)	45%	\$ (12,050,437)
Expenses				
Full Time Academic	\$ 478,501	\$ 305,128	64%	\$ 267,126
Academic Admin	\$ 616,179	\$ 278,290	45%	\$ 321,136
Other Faculty	\$ 1,661,630	\$ 838,026	50%	\$ 840,490
Part Time Academic	\$ 3,083,166	\$ 1,842,105	60%	\$ 1,825,715
Classified Salary	\$ 5,449,206	\$ 3,456,721	63%	\$ 3,330,501
Fringe Benefits	\$ 3,438,105	\$ 1,951,257	57%	\$ 1,865,267
Books, Supplies, Services	\$ 5,402,362	\$ 1,410,862	26%	\$ 1,305,909
Equipment Cap Outlay	\$ 1,236,500	\$ 574,896	46%	\$ 302,280
Debt Service Transfer	\$ -	\$ -	NA	\$ -
Financial Aid	\$ 943,338	\$ 468,170	50%	\$ 383,761
Fund Balance	\$ 17,642	\$ -	0%	\$ -
Expense Total	\$ 22,326,629	\$ 11,125,456	50%	\$ 10,442,184

Peralta Colleges
Income Statement - Bond Measure A
For the Period Ending
February 28, 2013

	App Budget	Actuals	% Used	Last Year Actuals
Revenue				
Federal Revenue	-	-	NA	-
State Revenue	-	-	NA	-
Local Revenue	(450,000)	(167,946)	37%	(328,973)
Trans Res Revenue	-	-	NA	-
Revenue Total	(450,000)	(167,946)	37%	(328,973)
Expenses				
Full Time Academic	-	-	NA	-
Academic Admin	-	-	NA	-
Other Faculty	-	6,759	NA	6,611
Part Time Academic	-	-	NA	-
Classified Salary	826,973	395,271	48%	540,209
Fringe Benefits	479,575	205,939	43%	269,175
Books, Supplies, Services	36,109,908	627,873	2%	1,042,951
Equipment Cap Outlay	176,771,841	7,698,862	4%	15,839,675
Debt Service Transfer	-	-	NA	-
Financial Aid	-	-	NA	-
Fund Balance	-	-	NA	-
Expense Total	214,188,297	8,934,704	4%	17,698,621