



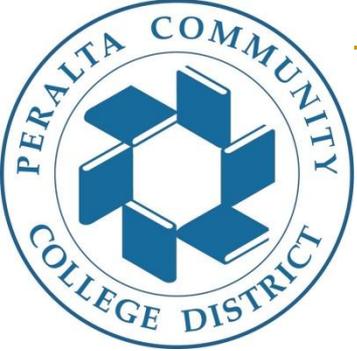
2010-11 BUDGET

Planning and Budgeting Council
Budget Workshop
September 20, 2010



AGENDA

1. FTES and the state's funding model
 2. 2010-11 budget and allocation by location
 3. Changes in the budget model from past years
 4. OPEB
 5. Known significant cost increases
 6. Known significant cost decreases
 7. Budget codes
-



FTES AND STATE'S FUNDING MODEL

1. SB 361 – Three Components
 2. FTES
 3. Property Taxes
 4. Enrollment Fees
 5. Basic Allocation
-



FTES

- What is an FTES?
 - How is it calculated?
 - Are there different types?
 - What is the funding per FTES?
-



2010-11 STRATEGIC GOALS AND OBJECTIVES

- Advance Student Access, Equity, and Success
 - Engage and Leverage Partners
 - Build Programs of Distinction
 - Create a Culture of Innovation and Collaboration
 - Develop and Manage Resources to Advance Mission
-



GUIDING PRINCIPLES

- Fund to the greatest degree possible the strategic goals and short-term institutional objectives outlined for 2010-11
 - Avoid further layoffs, if possible, of permanent full time employees.
 - Maintain and manage FTES. It is important that this be maintained and managed (not too much over our funded cap) to avoid further reductions.
 - Maintain compliance with the 50% law unless this is waived. ED Code 84362 requires that Districts spend at least 50% of their current expense of education on classroom salaries and benefits.
 - Maintain the mission of each entity within the District and ensure that each expenditure is mission critical.
-



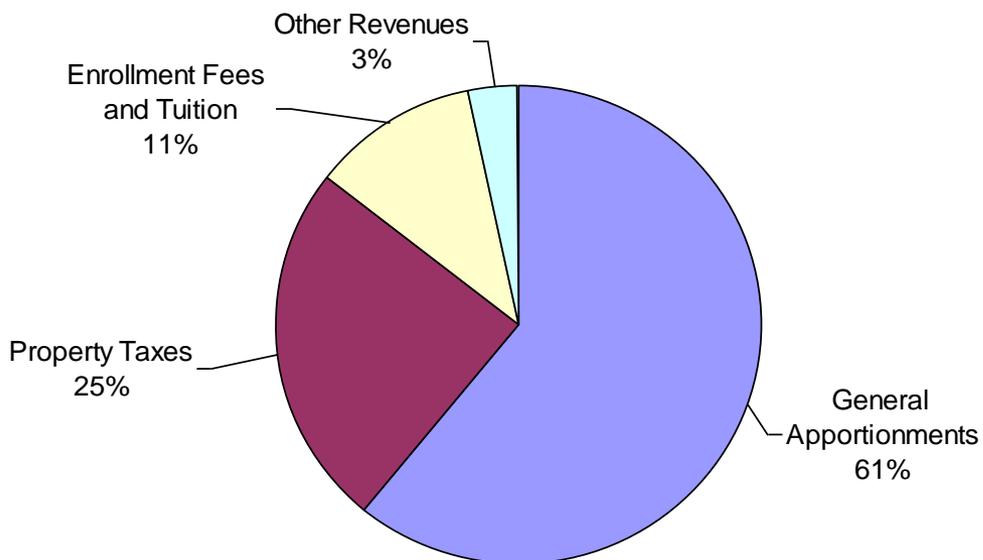
DISTRICT BUDGET - ASSUMPTIONS

- Base funding of 18,800.93 credit FTES and 209.59 noncredit FTES
 - Beginning fund balance of approximately \$6 million
 - Total budgeted revenues of \$115 million
 - Total budgeted expenditures of \$114.7 million
 - Projected ending fund balance of \$6.3 million
 - State revenue is budgeted at 2009-10 funded level
 - Local revenue is budgeted at 2009-10 actuals
 - State categorical funding budgeted at 2009-10 levels
-



REVENUE BY SOURCE

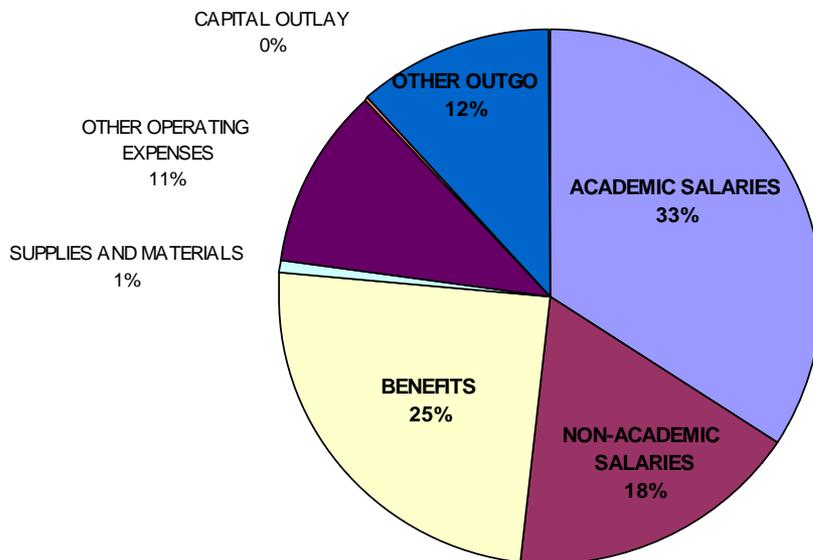
Major Sources of Revenue





EXPENDITURES BY TYPE

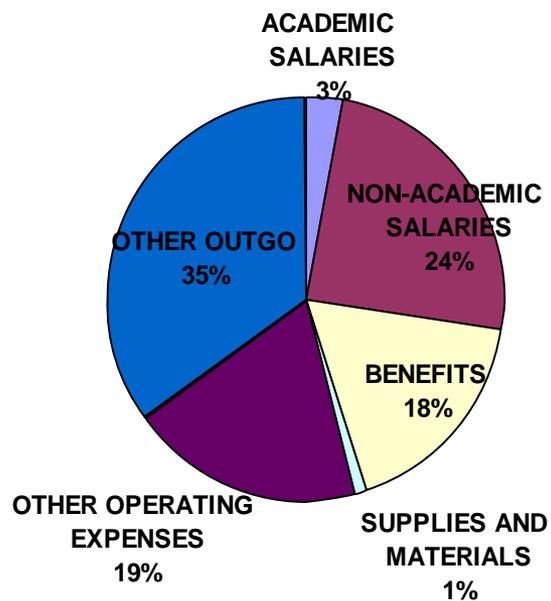
Expenditures by Type





EXPENDITURES BY LOCATION

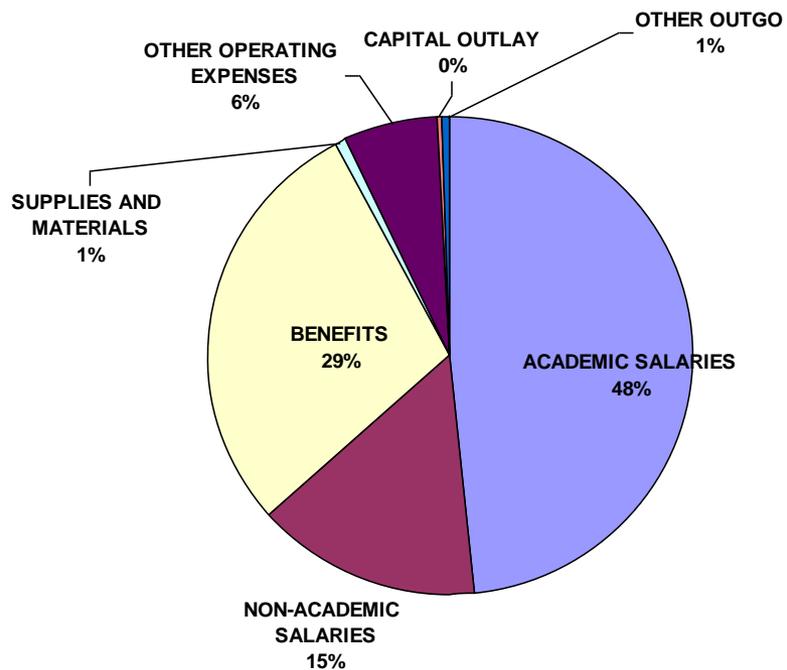
District





EXPENDITURES BY LOCATION

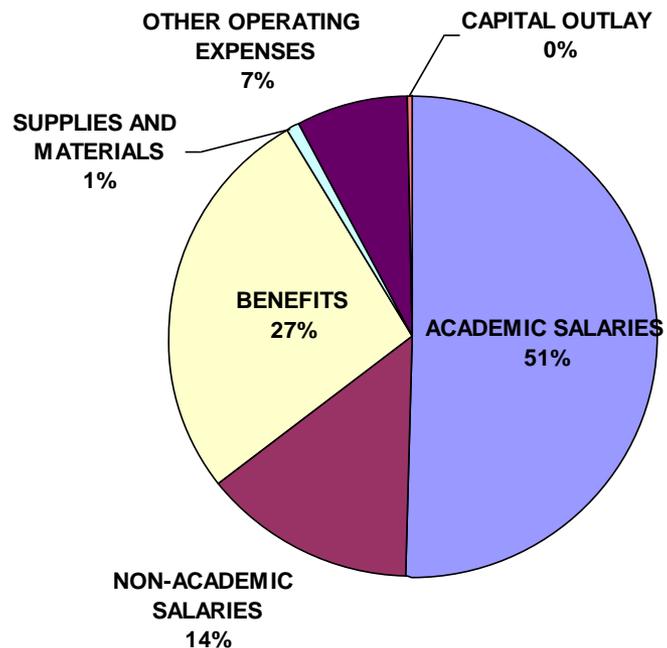
College of Alameda





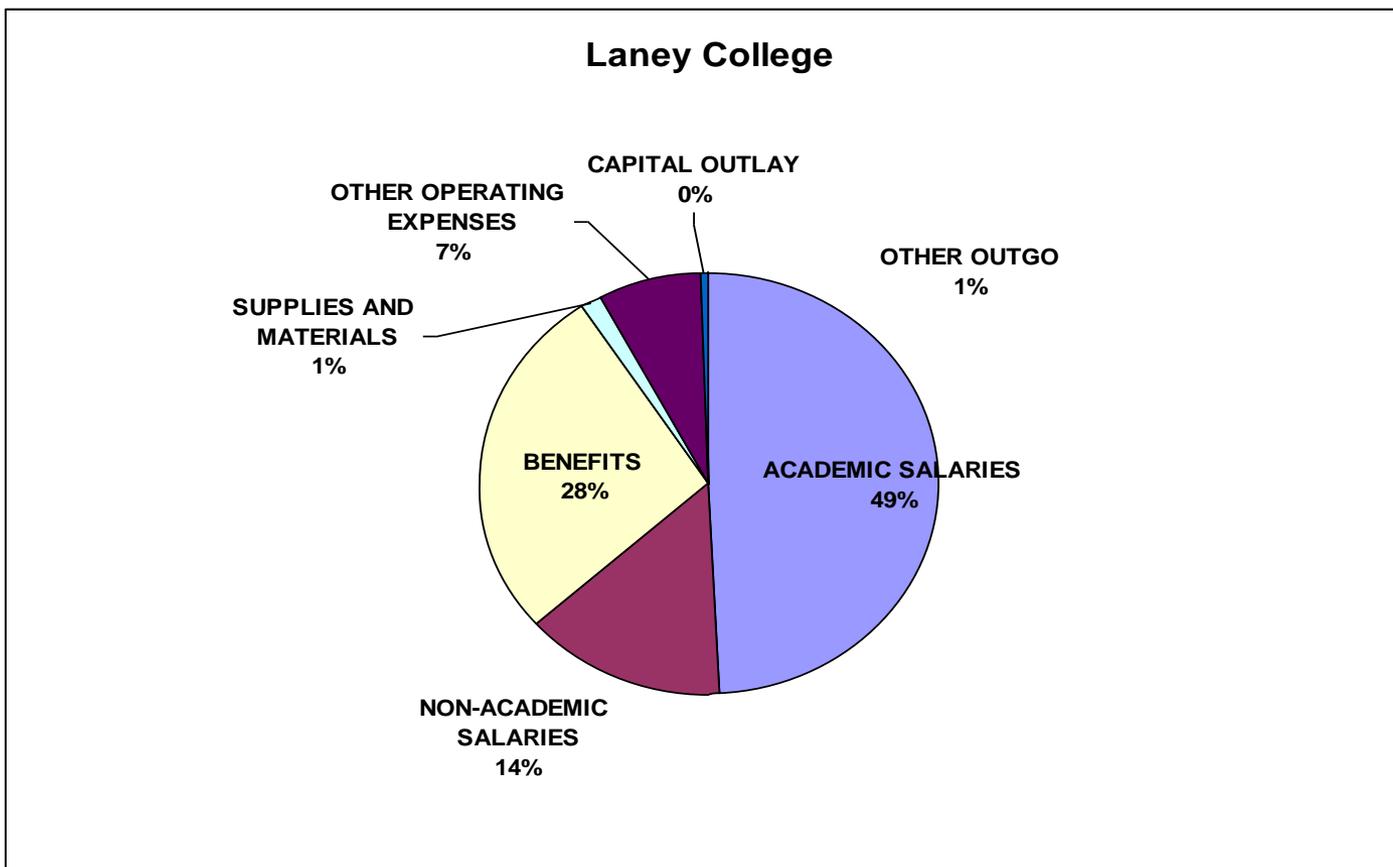
EXPENDITURES BY LOCATION (Cont.)

Berkley City College





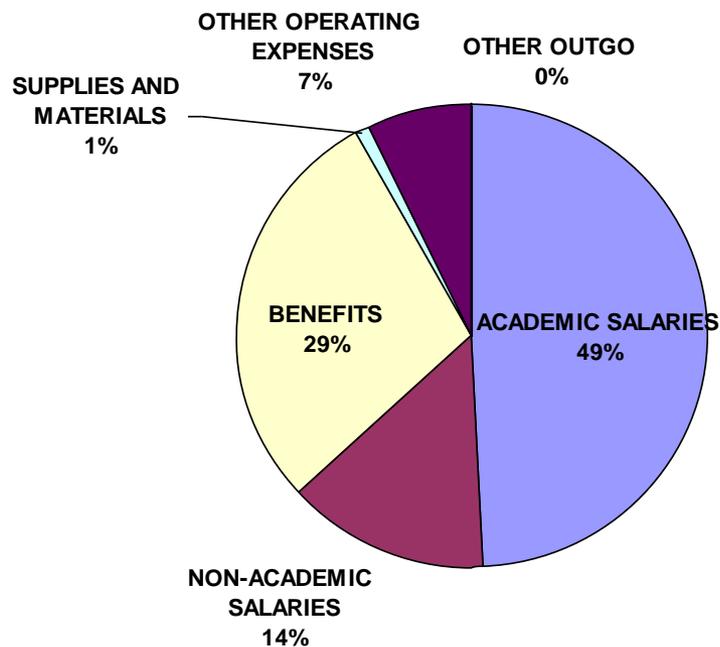
EXPENDITURES BY LOCATION (Cont.)





EXPENDITURES BY LOCATION (Cont.)

Merritt College





A LOOK BACK.....

Year	Generated FTES	Funded FTES	Funded Growth	State Apportionment
2005-06	18,443.01	18,443.01	667.72	\$ 52,582,110
2006-07	19,058.09	19,058.09	615.08	\$ 66,727,485
2007-08	19,413.98	19,413.98	355.89	\$ 70,098,481
2008-09	20,359.22	19,805.37	391.39	\$ 69,063,546
2009-10	22,160.58	19,010.52	(794.85)	\$ 66,414,561
2010-11	19,500.00	19,010.52	0	\$ 66,414,561



DISTRICT BUDGET – FUND BALANCE

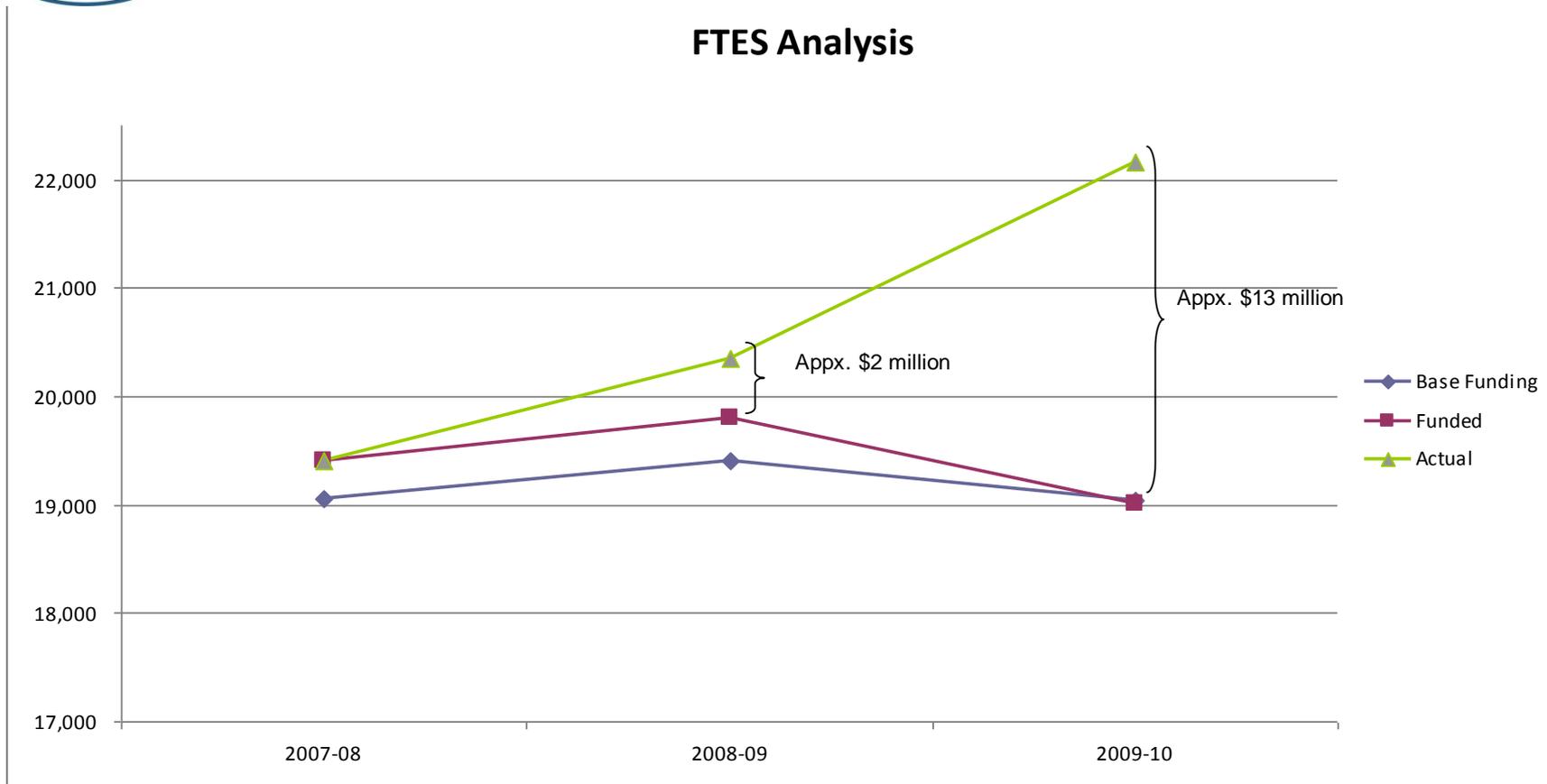
Changes in Unrestricted Balances

Year	Beg Balance	Revenue & Trans.	Expend. & Trans.	Balance	
2008	15,481,521	114,266,043	115,840,026	13,907,538	actual
2009	13,907,538	120,640,551	122,089,271	12,458,818	actual
2010	12,458,818	116,707,385	123,128,200	6,038,003	estimate
2011	6,038,003	114,996,940	114,675,587	6,359,356	budget



LOST REVENUE

FTES Analysis





PRESENT AND LONG-TERM ISSUES & RISK

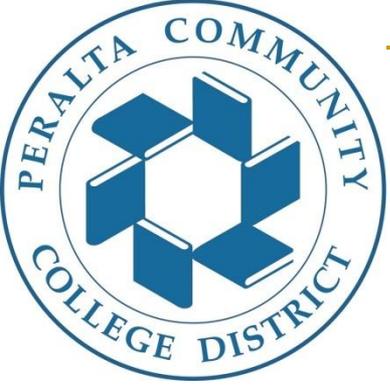
- Maintaining student access and services with fewer resources
 - OPEB – Continued annual cost increases through 2016 - \$1 million increase next year
 - Continued projected increases in medical costs
 - Unknown PERS & STRS rate increases
 - State budget
-



AUDIT

- 2008-09 Audit report was issued on August 5, 2010
 - Unqualified audit opinion
 - Contained 53 audit findings
 - Across all locations and within all funding sources
 - 19 material weaknesses; 34 significant deficiencies

 - 2009-10 Audit has begun
-



GOALS AND OBJECTIVES

- Stay within balanced budget
 - Keep prudent level of reserve
 - Adhere to deadlines
 - Budget development
 - Fiscal Reporting
 - Resolve audit findings
 - 53
 - Begin the development of a clear, transparent, and equitable budget allocation model
-



CURRENT YEAR CHANGES IN BUDGETING

- Budgeting for revenues
 - Consolidation of Funds
 - Health and Welfare budgets follow positions
-



OTHER POST-EMPLOYMENT BENEFITS FUND

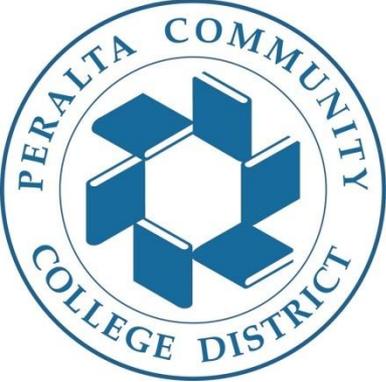
- Estimated market value of investments as of April 2010 - \$149,755,914
 - Estimated value of debt - \$185,215,280
 - Estimated deficit - \$35,284,842
 - Budgeted bond payments of \$7.1 million
 - Estimated 2010-11 retiree expense exceeds \$9 million
-



BUDGETED INCREASES

- Budgeted increases include:
 - Health Benefit Increases of approximately 11%
 - PERS rate increase to 10.707% (increase of approximately 10%)
 - OPEB bond payments of \$7.2 million





DISTRICT BUDGET – BUDGETED DECREASES

- Budgeted decreases include:
 - Reduction of adjunct budget by \$2.1 million
 - Benefit audit savings of \$813,000
 - Attrition \$1 million
 - Staff reductions \$848,000
 - College reductions \$2 million
 - District reductions \$4.5 million
-



BUDGET CODES

- 23 digit account number used
 - X – XX – XXX – XXXX – X – XXXXXX – XXXX – XX
 - Location
 - Fund
 - Cost center
 - Object
 - Program
 - Activity (Type)
 - Project
 - Line
-