



BUDGET DEVELOPMENT GUIDING PRINCIPLES

The allocation of resources shall accomplish the following goals:

- Support student enrollment, retention and success
 - Maintain high quality instruction and services
 - Meet the legal, contractual and accreditation obligations of the college
1. The college shall balance its budget; ongoing expenses shall be supported by ongoing income. A general fund contingency, as established by the board of trustees, shall be maintained. One-time funds shall not be used to fund programs or activities on an ongoing basis.
 2. The faculty, staff and administrators are the college's greatest resource. If possible, lay-offs of faculty, staff and administrators will be avoided. In the event of funding shortfalls, positions that become vacant may not be filled, and reassignments may be necessary.
 3. In the event of one-time funding shortfalls or unanticipated expenses, reserves and/or one-time funds may be used to facilitate budget adjustments while expenses are reduced in the least disruptive manner. Use of reserves shall be short-term, and the reestablishment of the contingency reserve shall be a high priority.
 4. Cost effectiveness in all areas shall be a major factor in considering reduction/retention of programs and services rather than instituting across-the-board cuts.
 5. The college shall practice open communication and transparency while engaging in institutional planning and budget development.
 6. Meeting the college's FTES goal in a cost effective and strategic manner shall be a priority.
 7. College planning priority objectives will guide decision making on budget priorities.
 8. Fixed and mandated costs (e.g., utilities, liability and property insurance, salary schedule movement, and reserve requirements) shall be projected annually, and allocations will be made to meet these expenses.
 9. College budget development activities shall take total cost of ownership into consideration.

2013-14 INCOME AND EXPENDITURE ASSUMPTIONS

Base	Pessimistic	Most Likely	Most Likely (W/ Prop 30 Passing)	Optimistic
Growth 2012-13				\$400,000
COLA 2012-13	\$0	\$0	\$0	\$0
Prior Year Adjustment	\$0	\$0	\$2,892,176	\$2,892,176
Prior Year One-Time Funding	(\$1,387,561)	(\$1,387,561)	(\$1,387,561)	(\$1,387,561)
Restoration of Prior Year Deficit	\$1,059,978	\$1,059,978	\$1,059,978	\$1,142,282
New Income				
COLA 2013-14	0%	0%	0%	3.70%
	\$0	\$0	\$0	\$1,690,577
Growth 2013-14	0%			215.0%
	\$0	\$400,000	\$400,000	\$984,000
Interest				
Current Rate = .72%	\$0	\$0	\$0	\$25,000
Deficit	3%	2.5%	2.5%	1.5%
	(\$1,271,973)	(\$1,069,978)	(\$1,209,146)	(\$725,488)
TOTAL INCREASED INCOME	(\$1,599,556)	(\$997,561)	\$1,755,447	\$5,020,986

New Expenditures				
Salary Schedule Movement (estimate)	\$440,000	\$440,000	\$440,000	\$440,000
Faculty (new)				
full-year				
mid-year/return to 100%				
Classified Staff (new)				
full-year hires				
mid-year hires				
Administrative Staff (new)				
full-year hires				
mid-year hires				
Growth - Restoration	\$0	\$0	\$982,000	\$982,000
Growth - Expansion (Staffing)	\$0	\$200,000	\$200,000	\$492,000
STRS				
Currently @ 8.25% - Object Code 3100				
PERS	13.417% (17.527% inc)	12.417% (8.75% inc)	12.417% (8.75% inc)	11.917% (4.38% inc)
Currently @ 11.417% - Object Code 3200	\$251,365	\$125,489	\$125,489	\$62,816
Unemployment Insurance	1.65% (50% inc)	1.5% (36% inc)	1.5% (36% inc)	1% (9% dec)
Currently @ 1.10% - Object Code 3500	\$197,260	\$142,027	\$142,027	(\$35,507)
Worker's Compensation	1.9% (70.7% inc)	1.6% (43.8% inc)	1.6% (43.8% inc)	1.5% (34.8% inc)
Currently @ 1.113% - Object Code 3600	\$233,042	\$142,724	\$142,724	\$114,708
Electricity/Gas/Utilities/Fuel	\$0	(\$200,000)	(\$200,000)	(\$285,000)
Absorb Categorical Programs - Title V (estimate)	\$140,000	\$120,000	\$120,000	\$100,000
Technology	\$50,000	\$50,000	\$50,000	\$50,000
Election	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)
Prior Year One-Time Solutions	\$999,657	\$999,657	\$999,657	\$999,657
Maintenance of Reserve Level				
TOTAL INCREASED EXPENDITURES	\$2,281,323	\$1,989,897	\$2,971,897	\$2,890,674

Subtotal Excess/(Shortfall)	(\$3,880,879)	(\$2,987,458)	(\$1,216,450)	\$2,130,312
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2013-2014 BUDGET SUMMARY

ORIGINAL SHORTFALL	(\$2,987,458)
PRIOR YEAR ADJUSTMENT (PROP 30)	\$2,892,176
CHANGE TO DEFICIT	(\$139,168)
COST ASSOCIATED WITH PY ADJUSTMENT	<u>(\$982,000)</u>
NEW SHORTFALL	(\$1,216,450)

2012-13 ONE-TIME BUDGET SOLUTIONS

REVENUE

One-time Transfer to/from Restricted G/F	209,127
2011/12 Saving One-time Transfer to/from Restricted G/F	500,000
Reserve for One-time Funds	533,387
Donation for Machine Tech Instructor	25,000
BACCD JPA Allocation of Assets	84,312
2011-12 Add'l Savings One-time Transfer	<u>35,735</u>

TOTAL REVENUE **1,387,561**

EXPENDITURE

Savings for Salaries Pay by Stem Grant (50% of Dean/40% of Adm Sec III)	114,075
Savings from Hiring Freeze	
Administrative Sec III (Dean's Office)	69,674
Software Dev/Sys Sppt Spec I	70,534
System Analyst	81,660
Welding Instructor	86,707
Math Instructor	86,707
Dean Academic Affairs	133,923
VP, Student Services	<u>145,215</u>
Total Hiring Freeze	674,420
Savings from SERP (mid-year hires)	
Coord, Collective Bargaining & Diversity (6 mo)	40,653
Custodian (3 mo)	<u>12,636</u>
Total Savings from SERP (mid-year hires)	53,289
Savings from Adm Svcs Temp restructuring	157,873

TOTAL EXPENDITURE **999,657**

NET 2012-13 ONE TIME BUDGET SOLUTIONS **2,387,218**