

2014-15 BUDGET SCENARIOS

WORK IN PROGRESS

(June 3, 2014)

Descriptions	Footnote	Adopted Budget 2013-14	Estimated 2013-14 Actuals	2014-15 Tentative Budget		
				Conservative	Likely	Optimistic
UNRESTRICTED GENERAL FUND						
Ending Budget Fund Balance Previous Year (2013-14 Adopted Budget)	(1)	23,373,020	23,373,020	19,694,989	19,694,989	19,694,989
Positive (Negative) Variance		1,636,234	1,636,234	5,425,079	5,425,079	5,425,079
BEGINNING FUND BALANCE		25,009,254	25,009,254	25,120,068	25,120,068	25,120,068
ONGOING REVENUE:		137,408,765	137,408,765	137,408,765	137,408,765	137,408,765
2012-13 Growth (Additional Restoration of 2011-12 Workload Reduction)				302,586	302,586	302,586
2013-14 COLA of Additional 2012-13 Growth			4,751	4,751	4,751	4,751
2013-14 Est.Growth (Restoration of 2011-12 Workload Reduction) - at 1.63% Base Allocation				1,842,576	1,842,576	1,842,576
2013-14 Est. Growth (Additional Restoration of 2011-12 Workload Reduction) - If half of the FTES per 320-P2 or 789 FTES are funded the total Growth is estimated at \$3,146,113. The Additional is the difference between \$3,146,113 less \$1,842,576 (1.63%). To be received in February 2015					1,303,537	
2013-14 Est. Growth (Additional Restoration of 2011-12 Workload Reduction) - If all FTES per 320-P2 or 1,467 FTES are funded the total Growth is estimated at \$6,291,839. The Additional Growth is the difference between the \$6,291,389 less \$1,842,576 (1.63%) - To be received in February 2015						4,449,263
Medicare Part D Subsidy will end June 30, 2014				(340,000)	(340,000)	(340,000)
Non Resident Fees-International			548,081	400,000	400,000	400,000
Non Resident Fees-Out-of-state (Incr of \$200,000 based on 2013-14 Revenues as of May 24, 2014)			245,646	200,000	200,000	200,000
Interest - Increase as a result of decrease in apportionment deferrals			60,860	50,000	50,000	50,000
Student Records (incr of \$10,000 based on 2013-14 Revenues as of May 24, 2014)			10,627	10,000	10,000	10,000
2014-15 COLA - Est. Governor's May Revise at 0.85% - \$1,104,042		-	-			
2014-15 Lottery Increase - Prelim incr in FTES per P2 320 is 1,133 which results in \$142,758			-	142,758	142,758	142,758
Various Adjustments: Parking Citations, Performing Arts Tickets, Student Visa Application, BOG Fee Waiver Administration, Administrative Allowance Financial Aid Programs, Prior Year Lottery Adjustment, Self Insured Trust, and Energy Maintenance Projects. (Will be Adjusted when final actuals are know for the FY 2013-14)			407,471	-	-	-
TOTAL ONGOING REVENUE		137,408,765	138,686,201	140,021,436	141,324,973	144,470,699

Descriptions	Footnote	Adopted Budget 2013-14	Estimated 2013-14 Actuals	2014-15 Tentative Budget		
				Conservative	Likely	Optimistic
<b>ONGOING EXPENDITURES:</b>	(2)	(146,853,655)	(143,485,883)	(146,853,655)	(146,853,655)	(146,853,655)
2013-14 Salary & Benefit Increase (1.57% COLA for Managers, Supervisors and Confidential)				(378,967)	(378,967)	(378,967)
2014-15 Salary Schedule Progression full time staff				(1,042,882)	(1,042,882)	(1,042,882)
2014-15 Salary Progression Adjunct Faculty				(233,000)	(233,000)	(233,000)
2013-14 Medical Coverage Opt-out (Faculty, CSEA 262 & CSEA 651)				39,210	39,210	39,210
2014-15 Collective Bargaining Agreements			-			
2014-15 Health Care Act						
Misc. Personnel and Benefit Changes				210,026	210,026	210,026
New Positions (Two Positions, CSEA 262 Article 10.02)				(58,821)	(58,821)	(58,821)
PERS Employer Rate Increase (From 11.442 to 11.771%)				(106,322)	(106,322)	(106,322)
STRS Increase from 8.25% to 9.50 % (Preliminary Estimate \$837,000)	(3)			(837,000)	(492,000)	-
Unemployment Insurance (No Change. Rate remains at 0.05%)				-	-	-
Retiree Health Premiums (Rates will be known at the beg of July 2014)				(200,000)	(200,000)	(200,000)
OPEB Contribution Increase (Per Actuarial Report March 1, 2014)				(117,576)	(117,576)	(117,576)
Worker's Compensation Increase (Based on 2013-14)				(65,501)	(65,501)	(65,501)
Reclassification	(4)			-	(518,306)	(518,306)
Class Schedule Increase (For 2013-14 Growth)				(2,512,570)	(2,512,570)	(2,512,570)
Budget Increases (Adjustment for Compensation of two additional board members)				(1,500)	(1,500)	(1,500)
Rate Driven Increases				-	-	-
Vacant Faculty Positions Eliminated ( All existing positions will be replaced)				-	-	-
Ongoing Backfill for Vacant Faculty Positions Eliminated (All existing positions will be replaced)				-	-	-
<b>TOTAL ONGOING EXPENDITURES</b>		<b>(146,853,655)</b>	<b>(143,485,883)</b>	<b>(152,158,558)</b>	<b>(152,331,864)</b>	<b>(151,839,864)</b>
<b>ONGOING BUDGET SURPLUS/(DEFICIT)</b>		<b>(9,444,890)</b>	<b>(4,799,682)</b>	<b>(12,137,122)</b>	<b>(11,006,891)</b>	<b>(7,369,165)</b>

Descriptions	Footnote	Adopted Budget 2013-14	Estimated 2013-14 Actuals	2014-15 Tentative Budget		
				Conservative	Likely	Optimistic
<b>ONE-TIME REVENUES: (INCREASES)/DECREASES</b>						
2012-13 Growth (Additional Restoration of 2011-12 Workload Reduction)		-	302,586	-	-	-
2013-14 Growth (Restoration of 2011-12 Workload Reduction) at 1.63% Base Allocation. If additional 767 FTEs are funded, the College will receive additional \$1,303,537. If all 1,467 FTES per 320 P2 are funded, the College will receive additional \$4,449,263 in 2013-14.		1,842,576	1,842,576	-	-	-
2013-14 Growth (Additional Restoration of 2011-12 Workload Reduction)		-	-			
2014-15 Growth (Restoration of 2011-12 Workload Reduction). May Revise @ 2.75% \$3,571,901 - Will not be budgeted in 2014-15		-	-	-		
2012-13 Apportionment Statewide Structural Deficit (Deficit reduced from 3.74% to .22%)		-	1,025,815	-	-	-
2012-13 RDA Backfill in dispute (fully recovered)		1,383,392	3,395,599	-	-	-
2013-14 Apportionment Statewide Structural Deficit - Est. at 1%		(1,295,780)	(1,298,873)		-	-
Tax Anticipation Notes		96,086	90,541	-	-	-
Mandated Cost Block Grant ( Based on 2012-13 funded FTES at P2. Need to make election). Will be adjusted with P2 funded FTES.		790,520	790,520	790,520	790,520	790,520
<b>TOTAL ONE-TIME REVENUES</b>		<b>2,816,794</b>	<b>6,148,764</b>	<b>790,520</b>	<b>790,520</b>	<b>790,520</b>
<b>ONE-TIME EXPENTITURES: (INCREASES)/DECREASES</b>						
Carryovers and Purchases in Progress		(1,418,158)	(1,124,322)	(1,776,996)	(1,776,996)	(1,776,996)
One-time Support (Only Child Development Center)		(145,268)	(146,673)	(80,000)	(80,000)	(80,000)
New Positions (One-Time Immediate Needs, One-time Support, New Resources Alloc)				(720,309)	(720,309)	(720,309)
Tax Revenue Anticipation Notes (TRANS)		(201,404)	(201,404)	-	-	-
Salary Increase 1% and annual H&W \$1,500 (Faculty, CSEA 262, & CSEA651)		(2,090,992)	(2,090,992)	-	-	-
Salary Increase 1% and annual H&W \$1,500 (Managers, Confidential, Supervisors)		-	(254,552)	-	-	-
Class Schedule Increase (2013-14 Growth)		(1,105,014)	(2,600,550)	-	-	-
Class Schedule Increase (2014-15 Growth) - Based on 2013-14 cost of class schedule \$2,512,570 will be budgeted in 2014-15		-	-	-	-	-
Immediate Needs Requests - One-time (Includes Spec. Proj Manager)		(400,000)	(301,777)	(200,000)	(200,000)	(200,000)
Election Expense (No Election Cost for 2014-15)		(274,000)	(274,042)	-	-	-
2013-14 New Resources Allocation Requests		-	(886,111)	-	-	-
2014-15 New Resources Allocation Requests - To be determined		-	-	-	-	-
One-time Immediate Needs and Other One-time Approved Expenditures		-	(306,512)	-	-	-
Annual Contribution to OPEB Trust - \$2,630,645 Million payment is included in the Budget		2,513,069	2,513,069	-	-	-
Retiree Benefit Health Premiums Paid by Trust (Savings) Will be paid by OPEB Trust		4,072,474	4,072,474	4,272,474	4,272,474	4,272,474
Savings from Vacant Positions (Based on 2013-14 adopted budget)		363,124	363,124	363,124	363,124	363,124
<b>TOTAL ONE-TIME EXPENTITURES: (INCREASES)/DECREASES</b>		<b>1,313,831</b>	<b>(1,238,268)</b>	<b>1,858,293</b>	<b>1,858,293</b>	<b>1,858,293</b>
<b>ONGOING AND ONE-TIME BUDGET SURPLUS/(DEFICIT)</b>		<b>(5,314,265)</b>	<b>110,814</b>	<b>(9,488,309)</b>	<b>(8,358,078)</b>	<b>(4,720,352)</b>
<b>ENDING FUND BALANCE</b>		<b>19,694,989</b>	<b>25,120,068</b>	<b>15,631,759</b>	<b>16,761,990</b>	<b>20,399,716</b>
<b>2013-14 ESTIMATED VARIANCE-UNRESTRICTED GENERAL FUND</b>			<b>5,425,079</b>			

Descriptions	Footnote	Adopted Budget 2013-14	Estimated 2013-14 Actuals	2014-15 Tentative Budget		
				Conservative	Likely	Optimistic
UNRESTRICTED GENERAL FUND - REVENUE GENERATED ACCCOUNTS						
BEGINNING FUND BALANCE		2,720,704	2,720,704	2,898,668	2,898,668	2,898,668
ONE-TIME REVENUES: (INCREASES)/DECREASES		1,585,602	2,926,798	1,585,602	1,585,602	1,585,602
ONE-TIME EXPENTITURES: (INCREASES)/DECREASES		(4,306,306)	(2,748,834)	(4,484,270)	(4,484,270)	(4,484,270)
REVENUE GENERATED ACCOUNTS BUDGET SURPLUS/(DEFICIT)		(2,720,704)	177,964	(2,898,668)	(2,898,668)	(2,898,668)
ENDING FUND BALANCE		-	2,898,668	-	-	-
2013-14 EST. VARIANCE-UNRESTRICTED GENERAL FUND-REVENUE GENERATED ACCOUNTS		2,898,668				
UNRESTRICTED GENERAL FUND BALANCE - TOTAL						
ONGOING AND ONE-TIME BUDGET SURPLUS/(DEFICIT)		(8,034,969)	288,778	(12,386,977)	(11,256,746)	(7,619,020)
TOTAL ENDING FUND BALANCE		19,694,989	28,018,736	15,631,759	16,761,990	20,399,716
2013-14 ESTIMATED VARIANCE		8,323,747				
SUMMARY						
BEGGINNING BALANCE		27,729,958	27,729,958	28,018,736	28,018,736	28,018,736
TOTAL REVENUES		141,811,161	147,761,763	142,397,558	143,701,095	146,846,821
TOTAL EXPENDITURES		(149,846,130)	(147,472,985)	(154,784,535)	(154,957,841)	(154,465,841)
SUMMARY OF FUND BALANCE:						
Assigned Fund Balance-Revenue Generated Accounts		-	2,898,668	-	-	-
Assigned Fund Balance		1,238,791	-			
Unassigned Fund Balance - 10% Board Policy		14,984,613	14,747,299	15,478,454	15,495,784	15,446,584
Unassigned Fund Balance		3,471,585	10,372,770	153,306	1,266,206	4,953,132
TOTAL FUND BALANCE		19,694,989	28,018,736	15,631,759	16,761,990	20,399,716
TOTAL FUND BALANCE PERCENTAGE		13.14%	19.00%	10.10%	10.82%	13.21%

## 2014-15 BUDGET SCENARIOS DEFINITIONS AND FOOTNOTES

### Definitions:

#### Conservative:

- Information available at the time the budget is prepared
- Worst case scenario of state - at risk
- Historical patterns for revenues and expenditures

#### Likely:

- Worst case scenario may not happen because they do not materialize and are mitigated during the year. Example: revenues are backfilled, or economic situation changes.
- Offline conversations with decision makers

#### Optimistic:

- Most favorable outcome of every situation

Footnote	Narrative
(1)	This is Ending Balance of the 2013-14 Adopted Budget included in 2013-14 Adopted Budget, page 24 under the column "Scenario 2 Will Recover \$1.4 M 2013-14 Adopted Budget" for a total of \$19,694,989 or 13.14%.
(2)	The 2013-14 Salary Increase of 1.57% for Faculty, CSEA 262 and CSEA 651 was included in the 2013-14 Adopted Budget.
(3)	<p>The calculations are as follows:</p> <p><b>Conservative:</b> Per May Revise Governor's Budget the proposed rate increase is from 8.25% to 9.5% , the employer contribution is estimated to increase by \$837,000.</p> <p><b>Likely:</b> After May Revise, per Senate Budget Committee, the proposal is to increase the rate from 8.25% to 8.88%, which is an estimated increase of \$492,000.</p>
(4)	The very preliminary estimate for the Reclassification is \$418,306 plus and additional \$100,000 in employer contributions for a total of \$518,306