

2008/2009  
TENTATIVE BUDGET

June 10, 2008

# \$15 Billion!



Our fiscal health depends on the State solving this deficit with new revenue rather than budget cuts



WHEN WILL THE  
STATE'S FINAL  
BUDGET BE  
REAL???



# DISTRICT ACCOMPLISHMENTS

- Enrollment Growth
- New and Improved Student Services
- Employees Are Valued
  - Compensation Above COLA
  - Improved Adjunct Parity Pay
  - Collaborative Leadership
- Comprehensive Capital Project Master Plan
- Critical College Vacancies Filled
- M.I.S. Improvements

# DISTRICT ACCOMPLISHMENTS

## Collaborative Leadership

EVC Senate:

Gee

SJCC Senate:

Scales

Faculty Association, AFT 6157

Yancey

Newton

Hanfling

CSEA, Chapter 363:

Lynch

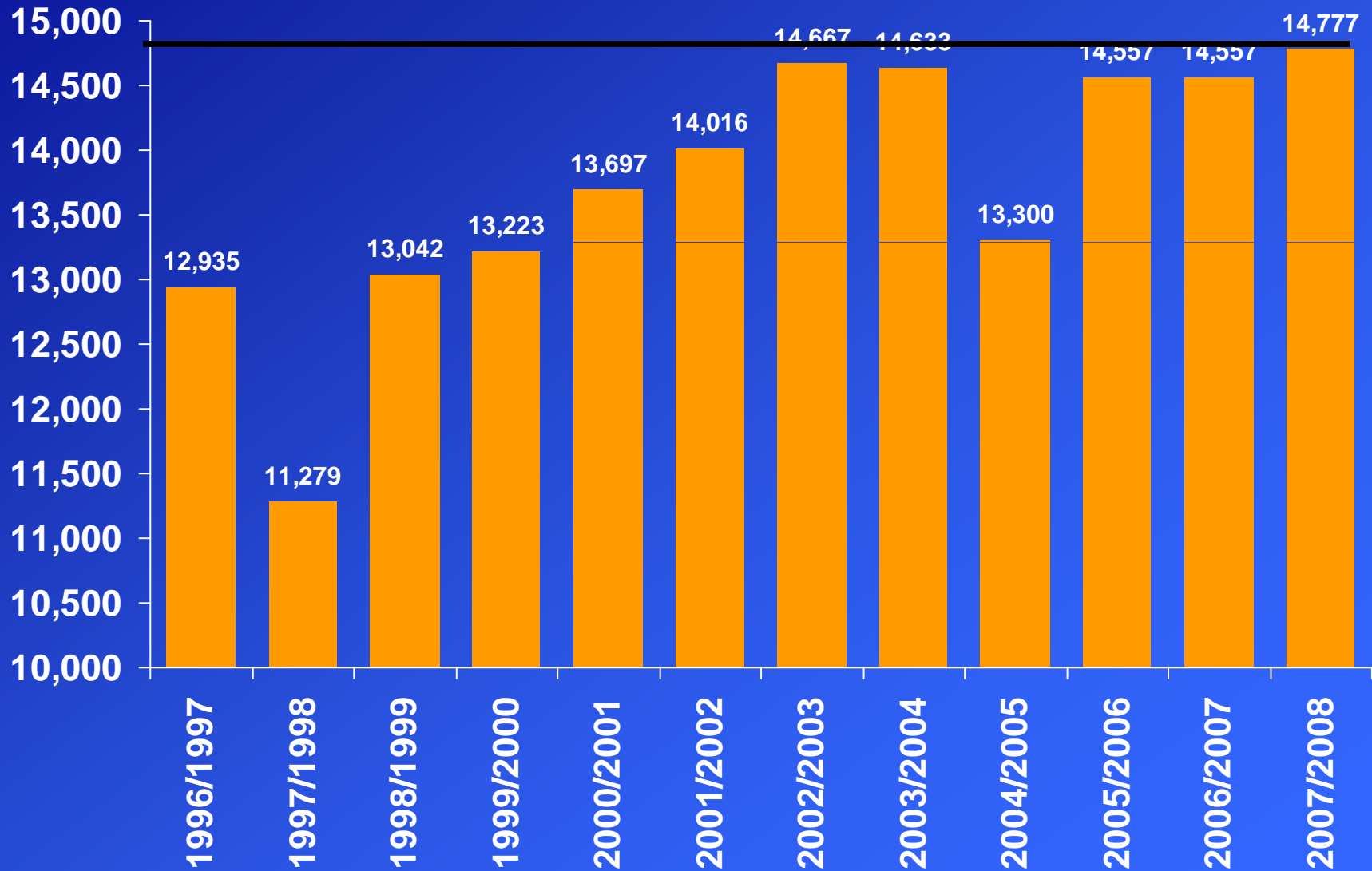
Velasquez

# FISCAL PRESSURES

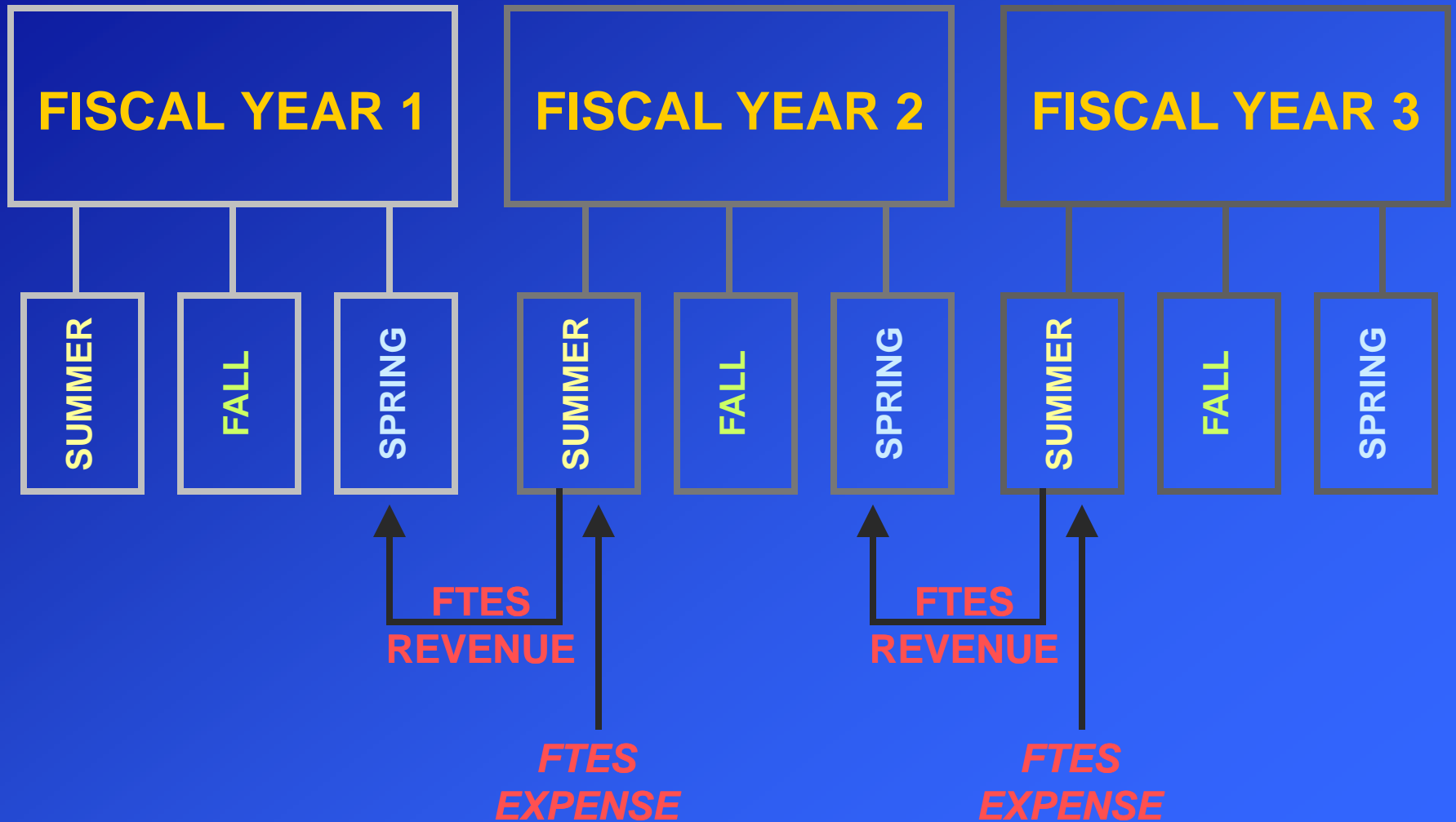
## Optional Responses:

- Freeze Hiring
- Reduce Student Services
- Cut Courses and Programs
- Layoffs
- Use Fund Reserves

# FUNDED ENROLLMENT



# GENERAL APPORTIONMENT REPORT



# GROWTH BY ACADEMIC PERIOD

2007 Summer 19.0%

2007 Fall 2.52%

2008 Spring (est.) 5.71%

# ATTACHMENT #1

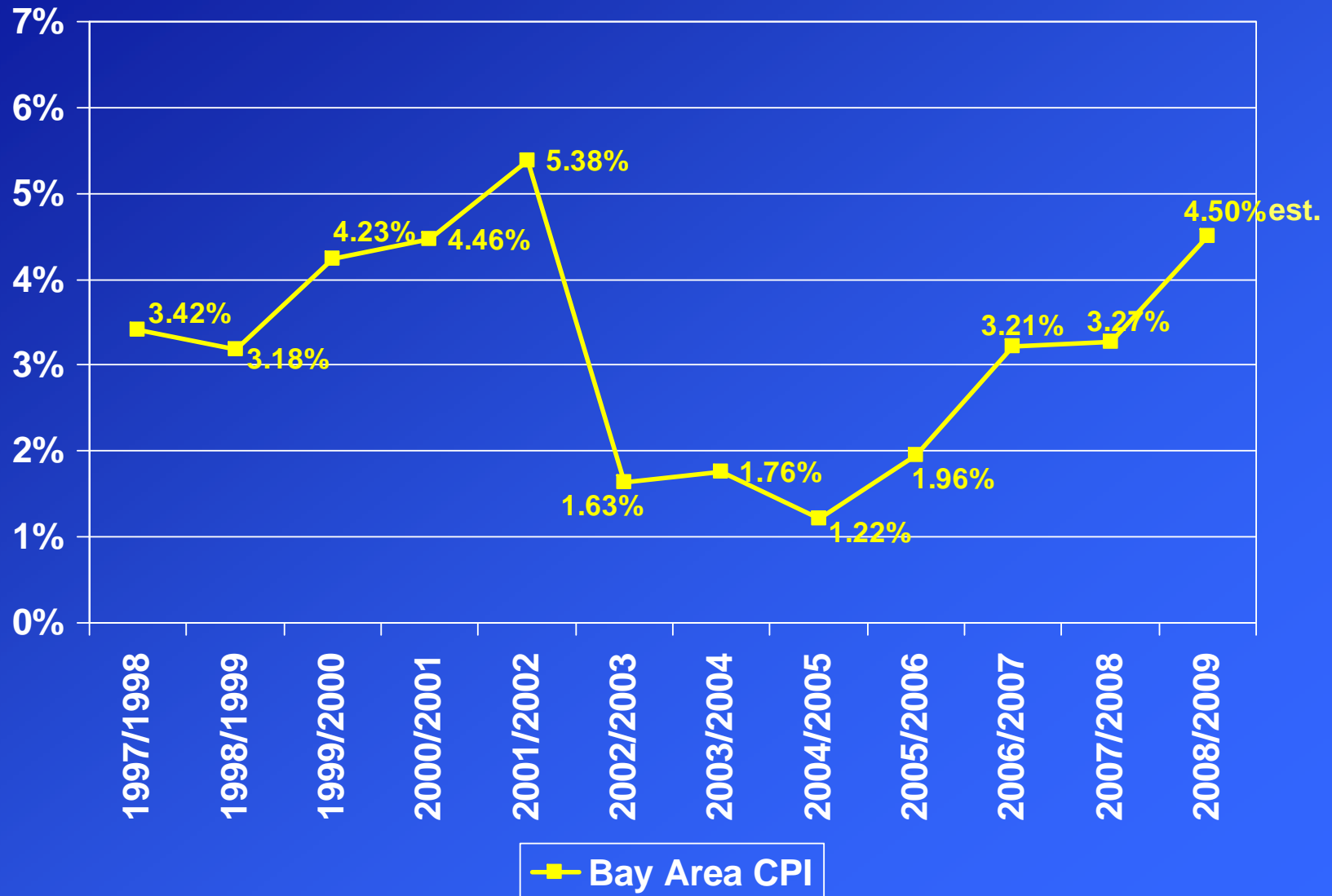
## Summary

2007/2008 Beginning Reserve	\$11.5M
Revenue	\$78.0M
Expenditures	\$82.4M
2007/2008 Est. Ending Reserve	\$7.1M

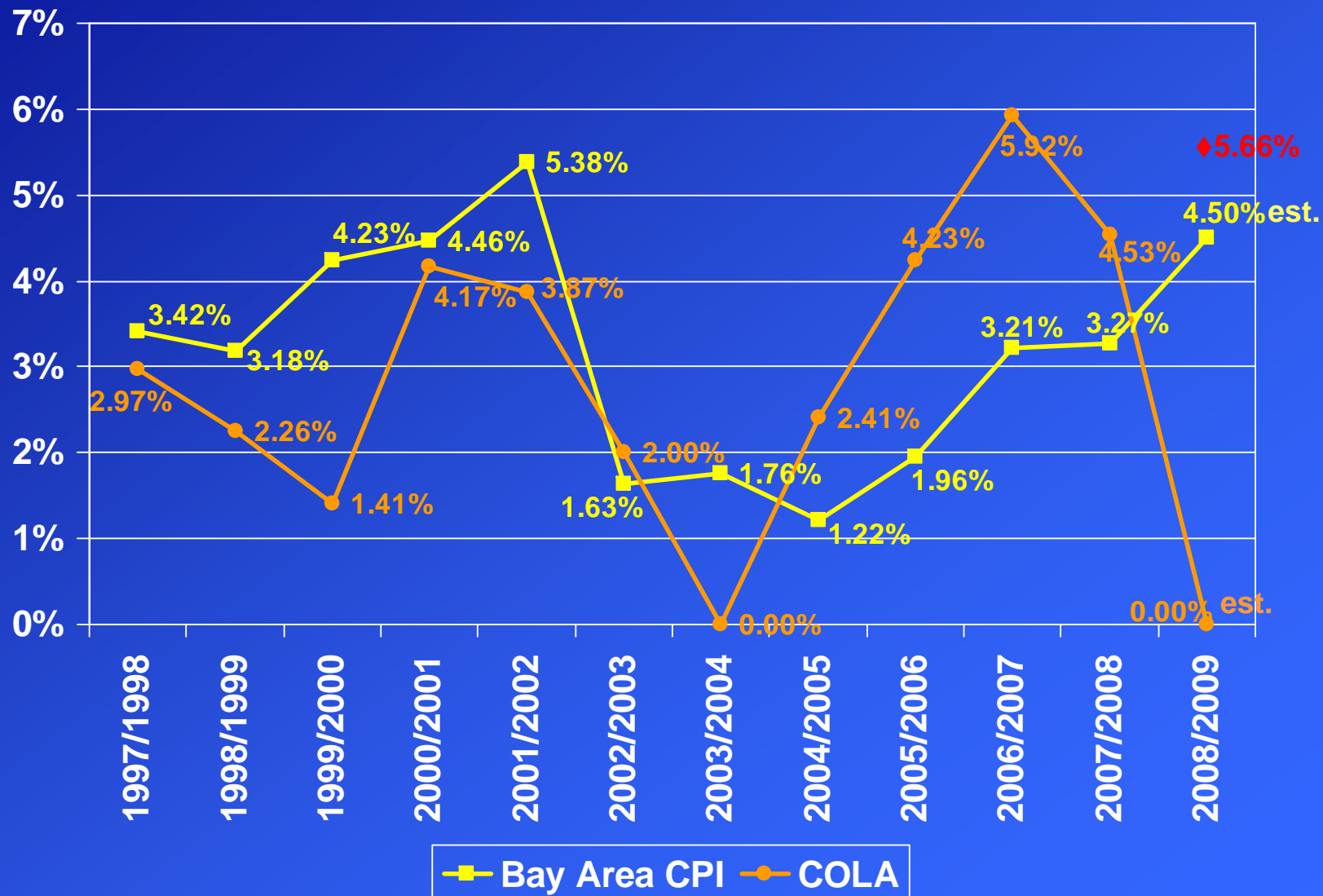
# TENTATIVE BUDGET ASSUMPTIONS

1. College budget targets = projected 2007/2008 spending levels.
2. D.O. will cover non-discretionary personnel increases.
3. D.O. will cover non-discretionary cost increases in utilities, insurances, etc.
4. D.O. personnel additions will be offset by other D.O. personnel savings.
5. Budget targets will not be adjusted.
6. Colleges will have carryover privilege.
7. Restricted programs budgeted at 90%

# BAY AREA CPI



# BAY AREA CPI vs. COLA



# ATTACHMENT #2

## Summary

2007-2008 Est. Revenue	\$78.0M
G.A. Revenue Increases	2.3M
Other G.F. Increases	1.1M
2008-2009 Est. G.F. Revenue	\$81.4M

# REVENUE ASSUMPTIONS

1. Property Tax Base Restoration	\$1,188,900
2. Full FTES Funding	\$1,235,600
3. Adjunct Faculty Reductions	\$(109,800)
4. Other Revenue	\$1,071,100
Interest	300,000
Local Revenue	771,100

# TAX REVENUE ANTICIPATION NOTES

- Community College League Program
- Caused by delays in State payments
- SJECCD will borrow \$4.5 million
- Investment earnings will offset most costs

# ATTACHMENT #3

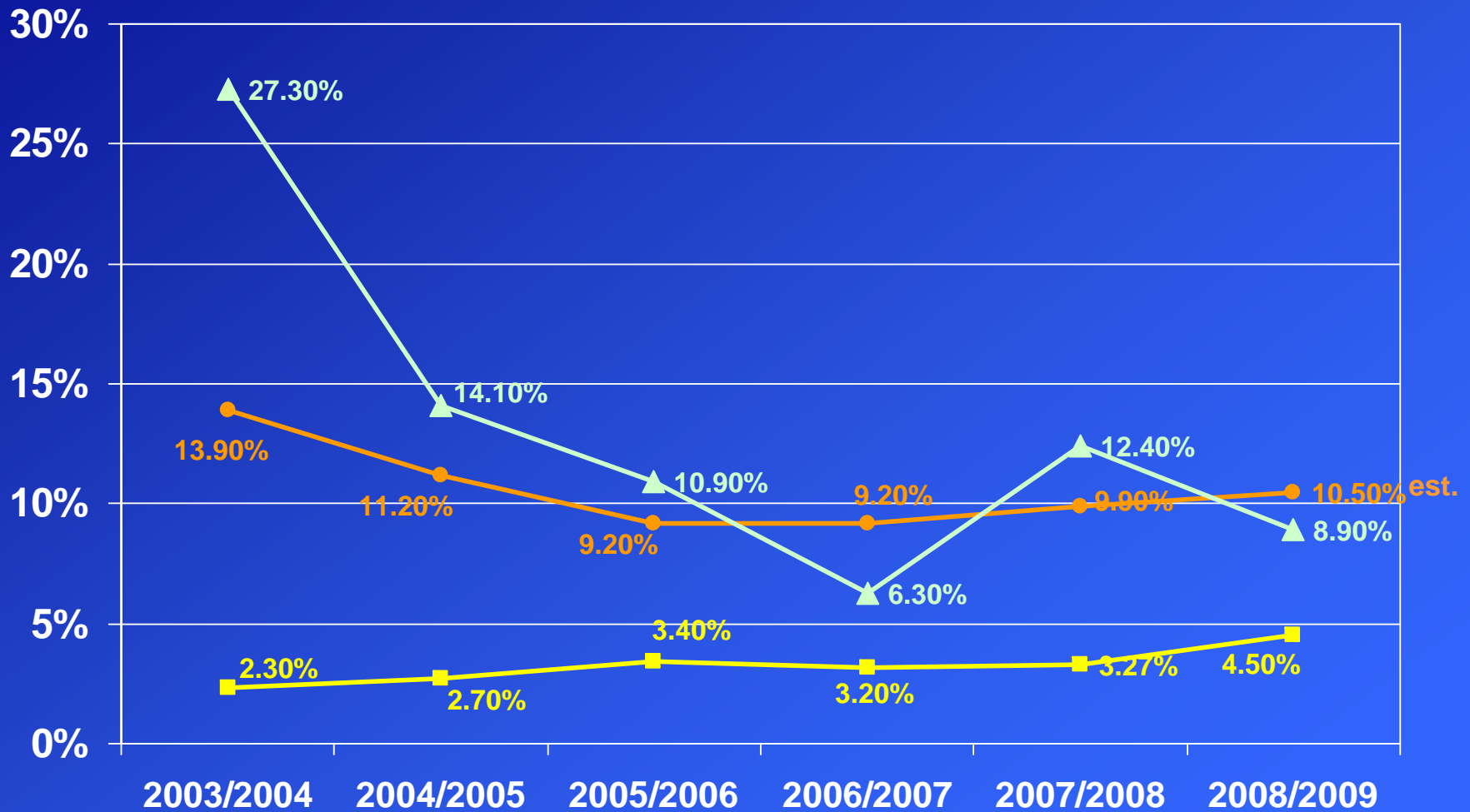
## Summary

2007-2008 Adoption Budget Expenditures	\$84.6M
One-Time Items	(3.3)M
Other Changes	0.6M
2008-2009 Tentative Budget Expenditures	\$84.2M

## ATTACHMENT #3

Personnel	(13,700)
Step/Column	490,900
Health/Welfare	764,900
Compensation Adjustment	994,600
Payroll Benefits	106,100
Workers' Compensation	(46,600)

# SJECCD HEALTH COSTS



■ National Composite CPI    ● National Health Cost Increases    ▲ SJECCD

# EMPLOYEE HEALTH PREMIUMS

## (All Groups)

	2008/2008	2008/2009	Change	
Blue Cross	\$7,624,642	\$8,669,867	\$1,045,325	13.7%
Kaiser	4,132,246	4,134,917	2,671	0.1%
Total	\$11,756,788	\$12,804,784	\$1,047,996	8.9%

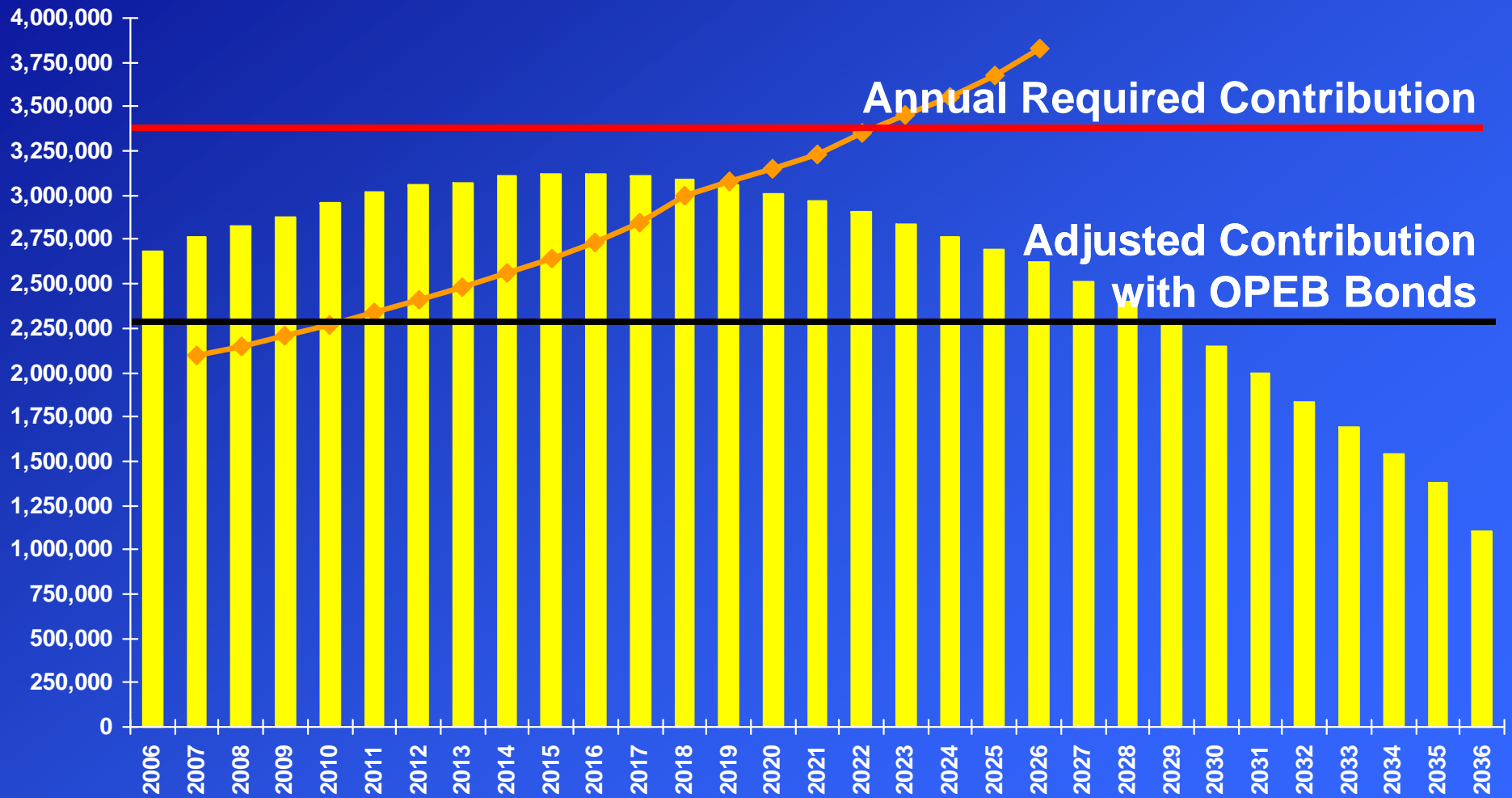
## ATTACHMENT #3

Personnel	(13,700)
Step/Column	490,900
Health/Welfare	764,900
Compensation Adjustment	994,600
Payroll Benefits	106,100
Workers' Compensation	(46,600)

## ATTACHMENT #3 *(continued)*

Utilities	18,200
Repro	(32,000)
Transfers	(2,531,300)
College Adjustments	3,154,300

# Annual Payments for Retiree Health Benefits





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