



SAN DIEGO COMMUNITY COLLEGE DISTRICT

Chancellor's Budget Forum May – June, 2012



Dr. Constance M. Carroll
Chancellor

Dr. Bonnie Dowd
Executive Vice Chancellor, Business Services



California Community Colleges Budget Process

State Budget - Proposition 98



Governor - Legislature



State Board of Governors & System



Local Boards of Trustees & Districts



Federal & Special Funds

• Allocations

72 Districts

San Diego Community College District





California's Challenge

JAWS: THE BUDGET

Major Problems



Unstable Revenue

- Proposition 13
- Reliance on Individual Wealth

2/3 Vote

Term Limits

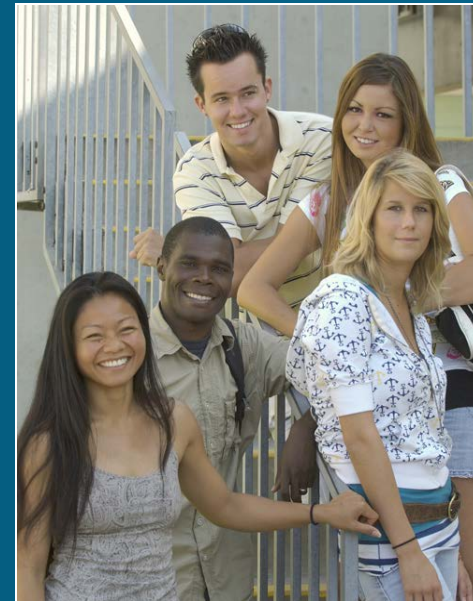


Increase in Student Enrollment Fee

\$36/Unit



\$46/Unit





Changing Philosophy of Student Enrollment Fees



Time Frame	Per Unit Fees
Prior to Fall 1984	\$0
Fall 1984 - Spring 1991	\$5, capped at \$50 per semester
Fall 1991 - Fall 1993	\$6, capped at \$60 per semester
Spring 1993	\$10, cap eliminated differential fee of \$50/unit for holders of BA/BS degrees
Fall 1993 - Fall 1995	\$13, Differential fee of \$50/unit for holders of BA/BS degrees
Spring 1996 - Fall 1998	\$13 Differential fee eliminated
Spring 1999 - Fall 1999	\$12
Spring 2000 - Spring 2003	\$11
Fall 2003 - Spring 2004	\$18
Fall 2004 - Fall 2006	\$26
Spring 2007 - Summer 2010	\$20
Fall 2010 – Summer 2011	\$26
Fall 2011 - Spring 2012	\$36
Summer 2012 - Enacted	\$46



State Payment Deferrals

**\$961 Million for
Community Colleges**



Governor's Proposed Schedule





Governor's Proposed Tax Initiative

The Schools and Local Public Safety Protection Act of 2012



- 0.25% sales tax increase (4 years)
- Personal Income tax increase on individuals making more than \$250,000 (7 years)



2012-13 State Budget Governor's May Revise – May 14, 2012

Scenario A – Tax Measures Pass

- \$313.1 million in “deferral buy-down”
- SDCCD share \$10.9 million in “deferral buy-down”

Scenario B – Tax Measures Fail

- \$300 million in triggered cuts, which is a 6.4% workload reduction (system-wide 61,700 FTES reduction)
- SDCCD share projected at \$10.5 million apportionment revenue reduction (2,159 FTES reduction)



2012-13 State Budget Governor's May Revise – May 14, 2012

Tax Measures Pass or Fail – Governor proposes:

- Categorical Program Consolidation in the amount of \$411.6 million
- Block grant for all state mandates of \$28 per FTES (SDCCD share of the block grant currently projected at \$1.0 million)



Budget Reduction Plan – Tax Measure Fails Governor’s May Revise – May 14, 2012

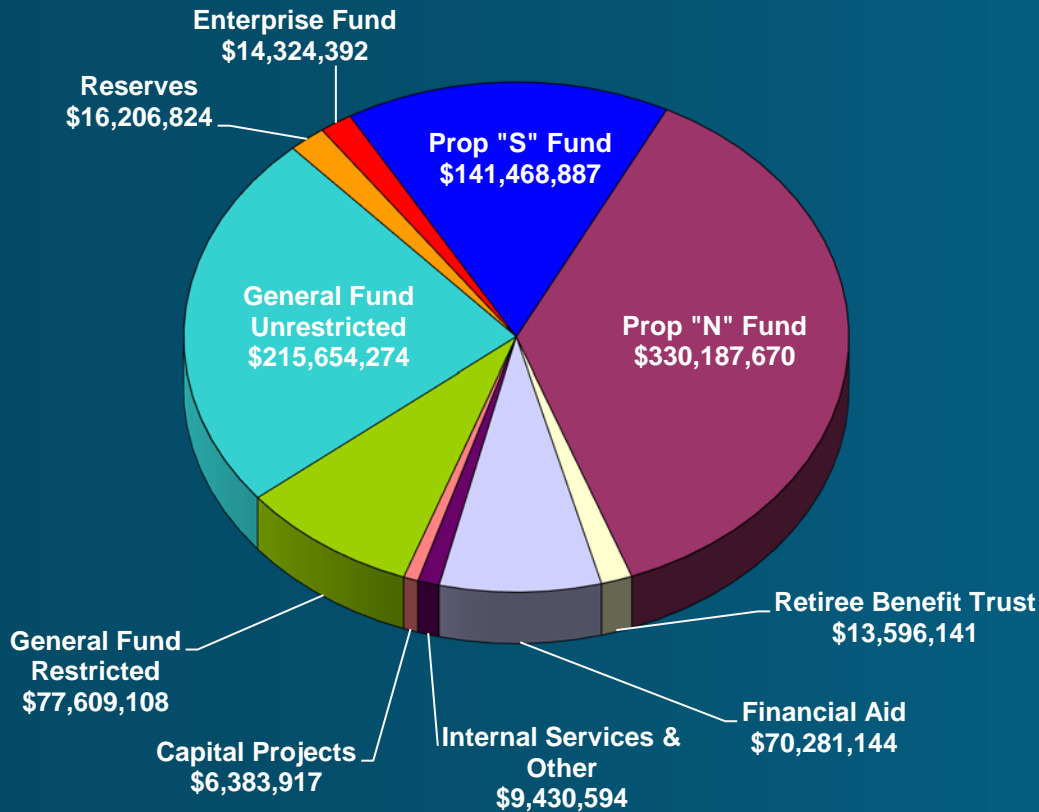
SDCCD Plan to Absorb \$10.5 Million Potential 6.4% Workload Reduction:

■ Eliminate unfunded FTES (2,159 FTES reduction)	\$ 2.5 million	Continuous Reduction
■ Continue hiring freeze and defund vacant positions wherever possible	\$ 1.5 million	Continuous & One Time
■ Reserves	\$ 6.5 million	One-Time Reduction
<hr/> Total <hr/>	\$10.5 million	



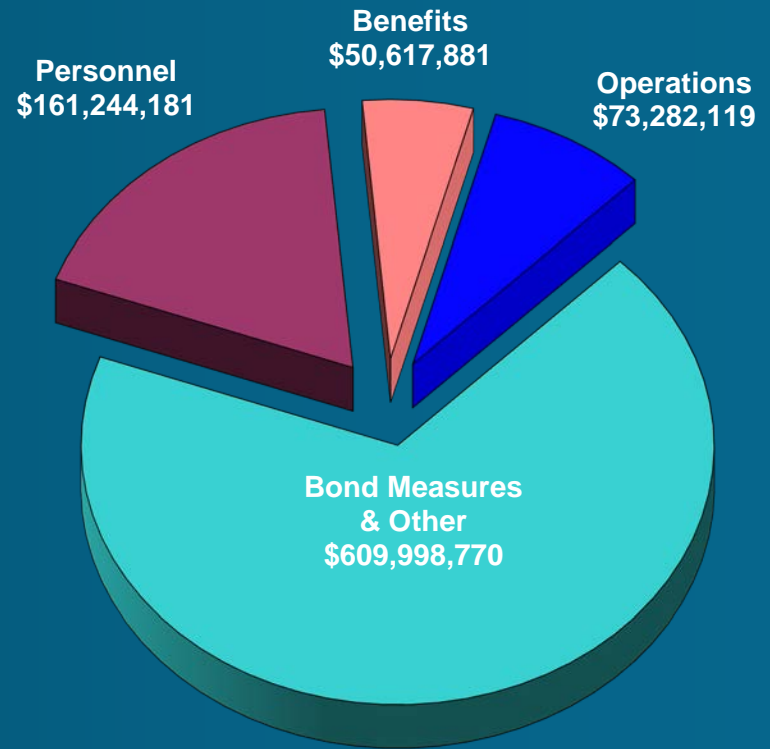
2011-2012 Adopted Budget

Summary of Fund Allocation



Total: \$895,142,951

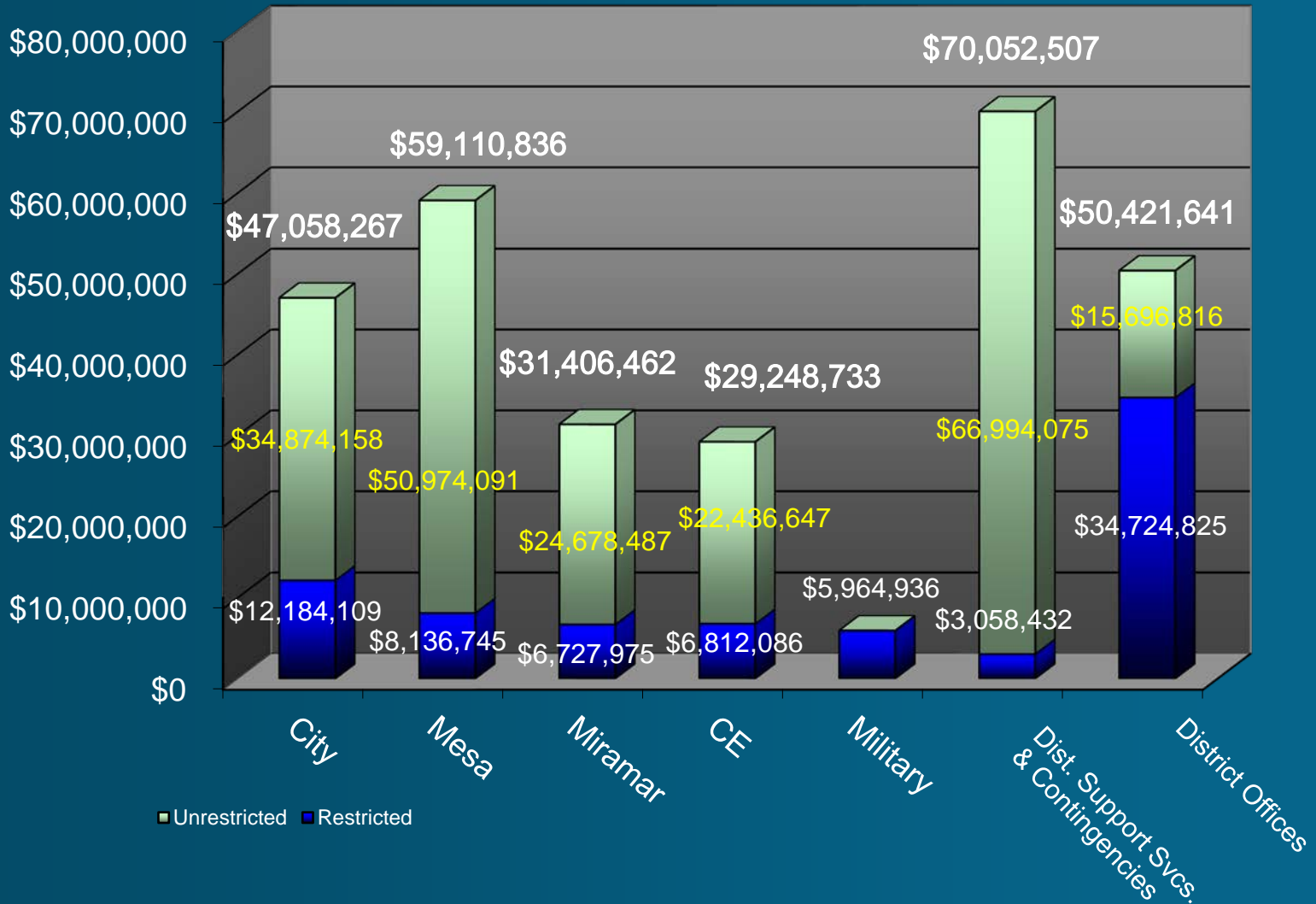
Summary of Operational Allocation



Total: \$895,142,951

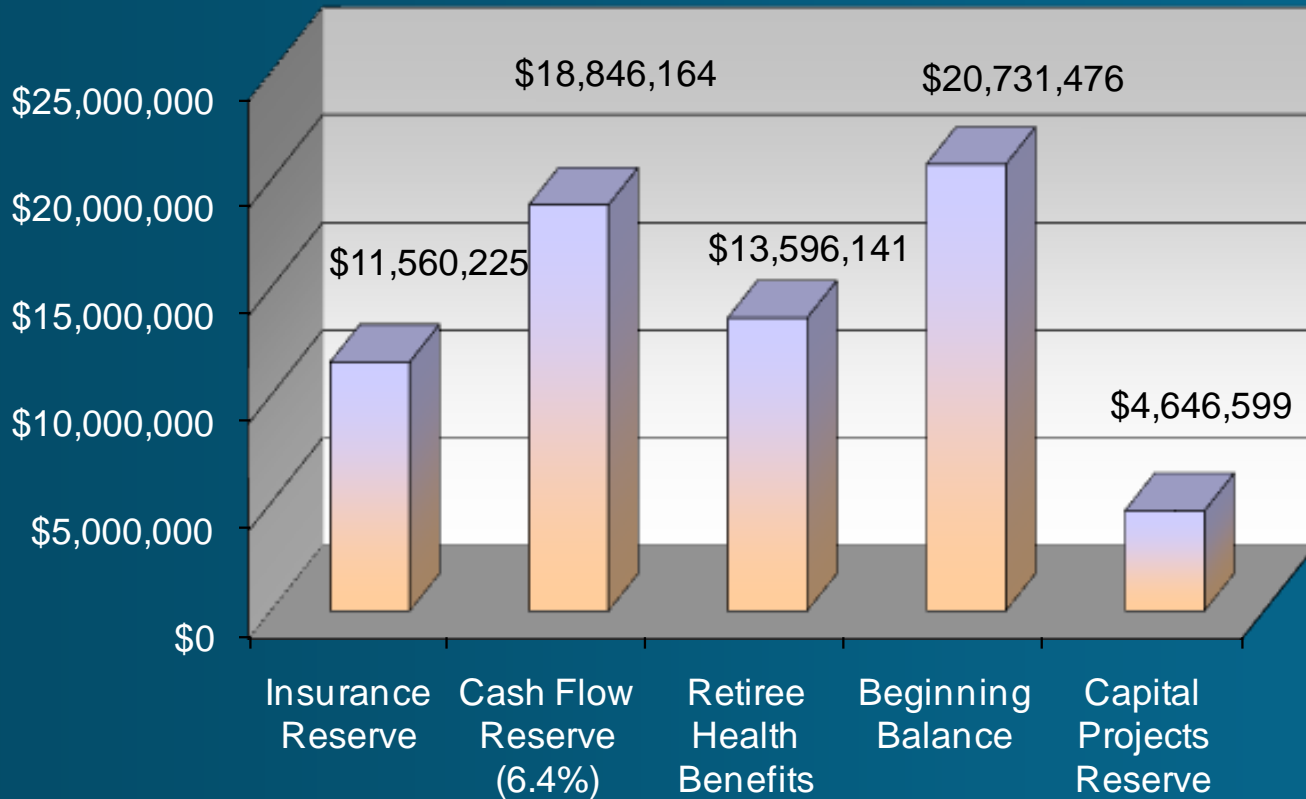


Budget Allocation – General Fund Unrestricted & Restricted 2011-2012 Adopted Budget





Budget Reserves & Ending Balance 2011-2012 Adopted Budget



Insurance Reserve: See next slide for details.

Cash Flow Reserve: 6.4% of the General Fund Budget

Retirement Health Benefit Trust: Will cover retiree health benefits costs. (Market value up \$2.05 million above 10-11)

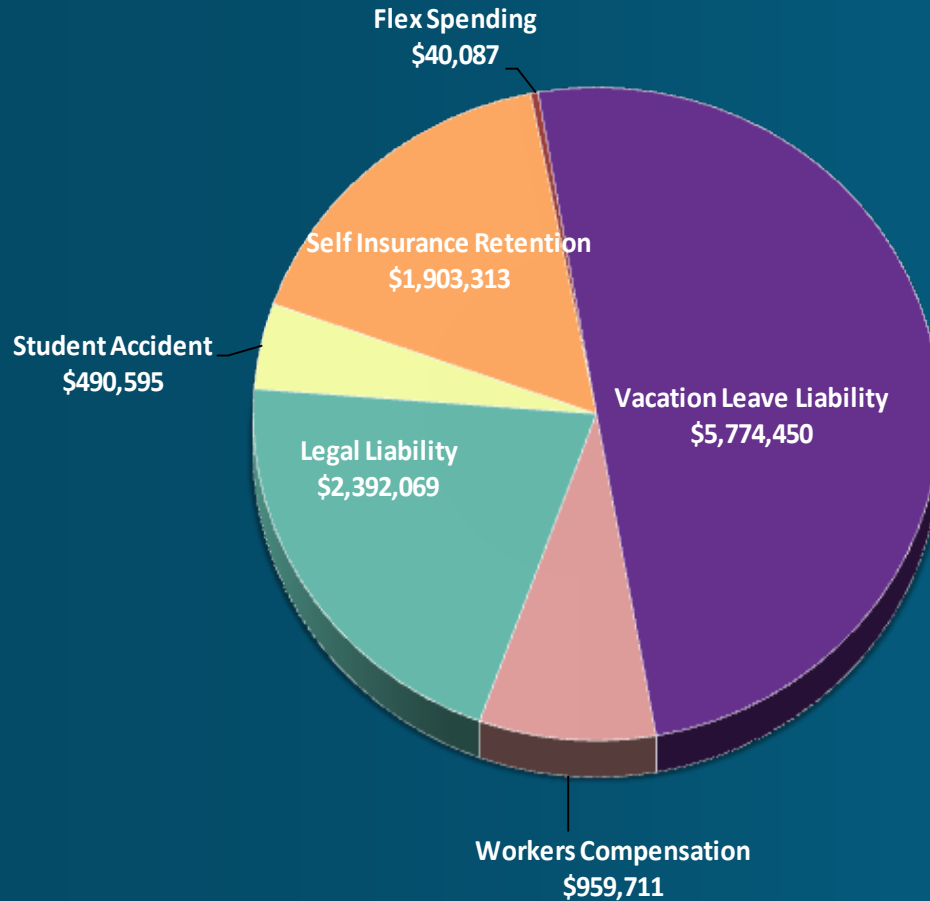
Beginning Balance: Beginning balance for General Fund Unrestricted (Up \$3.39 million from 10-11). Savings from reduced sections and hiring freeze/delays.

Capital Projects Reserves: For projects other than Proposition S & N.



Insurance Reserves Breakdown 2011-2012 Adopted Budget

Summary of Insurance Reserves



Total: \$ 11,560,225

Self Insurance Retention (SIR)

(Deductibles)

<u>Coverage</u>	<u>Deductible</u>
Property	\$ 100,000
Boiler & Machinery	\$ 5,000
Comprehensive Liability & Legal	\$ 200,000
Auto Liability	\$ 200,000
Worker's Compensation	\$ 500,000
Student Athletic Insurance	\$ 25,000
Student Accident	\$ 235,000
Etc.	Various

Annual Insurance Premium \$ 1.535 Million