

## FISCAL YEAR 2010 BUDGET AND DUES (Action)

### BACKGROUND

The League budget (Attachment 2.2A) presented by staff for board action is developed, to the maximum extent possible, to align with the League Strategic Plan (2007-2012), which was adopted in July 2007. It will support continuation of and improvement in the priorities of the CCCT and CEOCCC boards.

Budget revenues will decrease \$338,594 (-10.1%) under projected FY 2009 revenues. Revenue is based on 100% membership and a dues reduction of \$3,579 (0.3%), conferences net income decreasing \$73,100, district services revenue dropping \$92,591 (8.2%) and its net income decreasing \$100,722 (-14.8%), and interest income increasing \$12,500 (45%).

Expenditures are budgeted to decrease by \$233,799 (-7.2%) below FY 2009 projected expenditures.

The proposed budget calls for revenues exceeding expenditures by \$5,679.

### POLICY ISSUES

#### SALARIES AND FRINGE BENEFITS

Staff salaries and fringe benefits account for 57.1% of the total expenditures of the association in the proposed FY 2010 budget. In FY 2002 the figure was 56%, 52.8% in FY 2003, 54.1% in FY 2004, 57% in FY 2005, 56% in FY 2006, 60.7% in FY 2007, 53.8% in FY 2008 and 54.9% in FY 2009.

League employees are not paid based on a salary schedule with automatic step increases. Any increase in salary is based on the amount budgeted by the League board, with each employee's salary set by the chief executive officer with approval of the League chair, based on the following salary ranges:

\$40,000-55,000 for administrative staff positions

\$50,000-75,000 for assistant director positions

\$90,000-120,000 for director positions

\$160,000-185,000 for chief executive officer

The salary for the President and CEO is set by the League Board of Directors.

League staff members participate in the California Public Employees Retirement System. The League's contribution for FY 2010 is 13.614%, and employees are required to contribute 7%.

During the past ten years the League board has approved increases in the budget for staff that resulted in minimum increases of:

	CALIFORNIA CPI	LEAGUE
FY 1999	2.5%	3%
FY 2000	3.2%	2.5%
FY 2001	4.3%	3%
FY 2002	2.9%	3.5%
FY 2003	2.6%	3.5%
FY 2004	1.9%	2%
FY 2005	3.3%	2.5%
FY 2006	4.2%	4%
FY 2007	3.4%	4%
FY 2008	3.4%	4%
FY 2009	1.2% (forecast)	4%

According to the Department of Finance, the California Consumer Price Index for FY 2010 is projected to increase 1.2%, and no salary increases are proposed.

The FY 2010 budget as proposed:

- Includes salaries within the above ranges;
- Freezes employee salaries at FY 2009 levels;
- Maintains other fringe benefits based on present policies and includes CalPERS participation;
- Provides a reduction of expenditures of \$10,010 (-0.5%) for salary and fringe benefit costs over the projected year-end expenditures for FY 2009.

#### EDUCATION AND DEVELOPMENT SERVICES

The League sponsored 9 workshops, conferences, seminars and the convention this year. This category accounted for 17.5% of anticipated expenditures in FY 2009 and is budgeted at 14.9% for FY 2010. These events are budgeted to net (exclusive of salaries) \$39,300 for FY 2010. Most event sponsorship revenue is now accounted for in the Corporate Partners program, which significantly reduced the apparent net income in conference revenue in recent years.

The FY 2010 budget in this area includes:

- Continuation of the convention, trustees orientation, trustees annual conference, board chairs workshop, board secretaries workshop, legislative conference, vineyard symposium, classified leadership seminar, Asilomar leadership seminar, and student trustees orientation;
- Transfer of the great teachers workshop to the Faculty Association of California Community Colleges;
- Staffing for the northern and southern CEO conferences;
- Convention, conferences and workshops attendance projected to significantly decrease due to state budget situation;
- Continuation of the League on Call service which functions at break-even.

## PUBLICATIONS/COMMUNICATIONS

The cost of producing and mailing publications, maintenance of the website, and general communications accounts for 0.8% of the budget in FY 2009 (compared to 1.0% in FY 2009).

In response to budgetary and environmental concerns, *The News* will be converted to a digital publication in FY 2010. Like *League in Action*, announcements about each issue will be distributed to the League's mailing list of 4,700 trustees, administrators, faculty, staff and other supporters. *The News* highlights exciting news items about the people and programs at our colleges.

The League annually publishes the directory, and policy papers (1-3/year), which go to all CEOs, trustees, and community college staff. Special publications also are produced. Most publications are placed on the League website.

The publications/communications budget for FY 2009:

- Recognizes the conversion of *League in Action* to an electronic publication e-mailed to 4,100 users and posted to the League's website;
- Provides funding for development of a second edition of the *Introduction to Fiscal Responsibilities*;
- Provides funding for additional publications as needed during the year;

## CORPORATE PARTNERS

The Corporate Partners program provides an opportunity to provide ongoing linkages between the business community and the League. While the program came in at the budgeted level in FY 2009, this was a 50% reduction from the prior year. Further degradation in revenues is expected due to the national economic crisis, which has led to termination of business operations and reductions of marketing budgets of many previous partners.

During FY 2010, staff will focus on maintaining existing and cultivating new relationships for the Corporate Partners program, although revenue likely will not be realized until FY 2011 or later.

## WEBSITE & ASSOCIATION MANAGEMENT

The League's new website was launched at the beginning in July 2008, and the budget provides funding to continue the internet4associations software suite that, among other things, enables the League to:

- Maintain a greater number of documents and reference materials online;
- Provide more up-to-date information;
- Provide online registration for conferences and seminars;
- Enable districts to update contact information for district leaders online.

In FY 2010, League staff plans to launch an online directory to complement the printed directory publication.

### MEETINGS/BOARD TRAVEL

This fiscal year there were 17 meetings of the boards of the League, 7 meetings of the League advisory committees and 1 statewide CEO meeting.

The meetings require staff time in the preparation of notices, agenda materials and minutes, in addition to costs for staff travel, lodging and meals. For board meetings, travel costs are reimbursed to board members. Although travel costs are not reimbursed for committee members, meals and coffee breaks during the meetings are paid for by the League.

Direct meeting and board travel costs account for 2.2% of the League budget in FY 2010 as compared with 1.9% in FY 2009.

The recommended budget for FY 2010:

- Maintains the number of CEOCCC board meetings at 9 and 1 statewide CEO meeting, with board meetings primarily in Sacramento;
- Provides for League board meetings at 3;
- Maintains the CCCT board meetings at 5; and
- Includes meeting costs for three advisory committees meeting 2-3 times during the year.

### OFFICE OPERATIONS/PROFESSIONAL SERVICES

In FY 2010, 7.3% of the League budget is expected to be spent on general office operation/professional services (7.6% in FY 2009). This category includes postage, telephone, supplies, equipment, maintenance, mortgage costs, legislative office lease and consultants.

The recommended budget for FY 2010:

- Continues the investment in professional development activities tied to a new employee evaluation process;
- Includes \$17,000 for obtaining the assistance of consultants, including Cindra Smith, Ed.D., and legal counsel as needed to help on initiatives of the League boards;
- Provides for an audit of the books as required by policy;
- Continues the lease of space for the legislative staff at the Senator Hotel Office Building;
- Includes insurance at present levels (general liability; directors and officers liability; flood, fire, theft, and other multi-peril); and
- Continues the policy of maintenance, equipment and furnishings expenditures coming from categorical reserves as needed.

### STAFF TRAVEL

Approximately 1.0% of the expenditures of the association was spent on staff travel in FY 2009. Due to budgetary challenges, League-funded staff travel will be reduced by 50% in FY 2010. During the past few years, representatives of the League staff has attended annually the ACCT annual convention and legislative seminar; the annual convention of AACC; the annual conferences of the PIOs, CSSOs, CIOs, ACBO, Researchers, Northern and Southern CEOs, ACCCA and Academic Senate. In addition, staff members often attend the regular meetings of the CBOs and RP Group; local trustees

regional meetings; regional CEO meetings with the Chancellor; and make presentations at local districts on local decision-making with the Academic Senate.

In addition to reducing the number of conferences attended by staff in FY 2010, League staff will shift the cost of district-requested technical assistance visits to the requesting district and similar actions to align the cost with the programmatic activity.

#### DISTRICT SERVICES

The district services area included eleven distinct programs that resulted in a projection of \$1,125,121 in revenue during FY 2009. The FY 2010 budget projects revenue at a level of \$1,032,530.

Staff projects significant reductions in three district services programs due to district actions in response to state budget cuts—collective bargaining database, electronic information resources, and policy and procedure service. While the extent of district cutbacks are impossible to predict at this time, staff will monitor program activity closely and make additional expense reductions to the extent district participation falls further than projected.

The most significant risk for the organization is the electronic information resources program, which is largely funded through categorical funds provided to community college districts. With significant reductions proposed for the categorical funds, the partnership with the Community College Librarians could be reassessed and an alternative program not requiring the League's services may be designed.

Projected expenses for the district services area, excluding compensation, were \$459,007 in FY 2009 and are expected to be drop to \$404,362 in FY 2010.

The FY 2010 district services budget includes:

- Addition of a Solar Panel Purchasing and Financing program;
- Maintenance of the other present programs now established;
- Maintaining consultants to oversee the Collective Bargaining Database and the Policy and Procedure services;
- Revenue from the June 2009 TRANs received in FY 2010; and
- Revenue from the ongoing programs being stable or dropping slightly.

#### MEMBERS EQUITY

The League policy is to divide member equity into two parts. One part includes long-term assets minus liabilities (undesignated reserves) and one includes current assets minus liabilities (categorical reserves). It further has been established that the categorical reserves would be divided into four categories: 1) operating, 2) equipment/furnishings, 3) building, and 4) special projects. Yearly expenditures for major equipment and furnishings and major building repair and upgrades are made from the designated reserves, and special or enhanced activities not of an ongoing nature are funded from the special projects reserve. From time to time, the League board acts to move money from the operating reserve to one of the other categories as needs are identified.

The FY 2010 projection shows the categorical reserves (current assets minus liabilities) at the end of the fiscal year at \$1,461,920. This is based on expenditures of \$124,408 from the categorical reserves during FY 2009, matched by an end of year projected net of \$112,274.

Additionally, during the FY 2009 fiscal year, after consultation with the League board, staff requested districts to pay a voluntary assessment that would be dedicated to budget advocacy. In requesting the funds, League staff agreed to report to the CEOCCC and CCCT boards regularly on the collection and expenditure of the funds. To date, \$225,092 has been collected, and is reflected as part of the League's categorical reserves. These funds are anticipated to be spent in FY 2010.

Excluding the Special Assessment for Budget Advocacy, categorical reserves are thus \$1,244,328, or 48.5% of FY 2010 budgeted expenditures. This level is approximately 5 months' cash flow and \$244,328 over the board policy to maintain at least a 4-month cash flow reserve (33.3% of expenditures).

Staff expects to cautiously spend money from the categorical reserves in FY 2010, and will likely wait until budget performance is tested through the second quarter before significant investments aside from the restricted Special Assessment for Budget Advocacy. Nevertheless, 2010 is the 100<sup>th</sup> anniversary of California's first community college operations, and the 20<sup>th</sup> anniversary of the Community College League.

#### LEAGUE DUES FORMULA – FY 2010

The dues formula policy adopted by the League board includes several components: a basic services fee for each district/college, a percent of the district's state general apportionment and local property tax revenues for the preceding fiscal year up to a certain level and a lesser percent for the revenue above that level and a maximum dues level. Each year the levels and percent are determined and acted on by the board.

The standard application of the League's dues formula this year would result in a statewide average increase of over 4%. Recognizing that the 2009-10 fiscal year budget will be challenging for districts, staff proposes freezing dues at the lower level of either their FY 2009 or FY 2010 dues levels.

The following proposed dues formula for FY 2010 would increase dues revenue by \$58,855.

1. The dues will include:
  - a. A basic services fee of \$600 for each district plus \$600 for each college in a multi-college district;
  - b. Plus .0003 times the district's state general apportionment and local property tax revenues, up to \$60 million for the preceding fiscal year (as reported in the Chancellor's Office Fiscal Data Abstract);
  - c. Plus .00017 times the district's state general apportionment and local property tax revenues in excess of \$60 million.
2. No district shall pay in excess of \$95,000 and, if a district's dues level would be higher than billed for FY 2009, the FY 2010 dues shall be invoiced at the FY 2009 level.

This results in sixty-two districts paying less than the formula would otherwise require in FY 2010, and ten districts will experience no change in dues because they were in declining budgetary conditions in the FY 2008 fiscal year, on which dues are based. (See Attachment 2.7B.)

#### ISSUES FOR CONSIDERATION

- Does the budget provide adequate support to fulfill the mission of the League and the work of the CCCT and CEOCCC boards?
- Is the budget based on reasonable projections (such as membership, conference attendance, cost changes, interest, success of new programs, etc.)?
- Are adequate resources provided to enable initiatives to be implemented as need arises?
- Are appropriate resources provided/available to address unanticipated services or actions the League may need to provide or take to meet member and association needs?
- Is the staff compensation proposal fair, sufficient and competitive so as to maintain high quality staff or to attract replacement staff members if openings occur?
- The League board policy is to maintain a 4-month cash flow reserve. Is this appropriate?

#### RECOMMENDATION – DUES AND BUDGET

**It is recommended the board act to approve the dues formula and FY 2010 budget as proposed.**

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA  
Budget Summary  
LEAGUE OPERATING BUDGET

	2008-09 <u>Budget</u>	2008-09 Year End <u>Projections</u>	2009-10 Proposed <u>Budget</u>
REVENUE			
Dues	1,391,182	1,391,182	1,387,603
Corporate Partners	75,000	75,000	45,000
Convention/Workshops	551,000	678,848	457,500
League on Call	6,000	12,035	6,000
District Services Program	951,340	1,125,121	1,032,530
Publications	25,500	18,054	15,000
Rental Income	23,263	23,263	24,426
Phi Theta Kappa Awards	10,000	7,550	10,000
Miscellaneous	100	0	100
Interest	<u>100,000</u>	<u>27,500</u>	<u>40,000</u>
Total Revenue	3,133,385	3,358,553	3,018,159
EXPENSES			
Boards	64,500	55,849	66,250
Committees	10,700	7,005	6,200
Corporate Partners Program	20,000	16,000	15,000
Convention/Workshops	502,700	566,448	418,200
League on Call	8,500	12,245	6,000
District Services Program	367,000	459,007	404,362
Publications	40,000	26,893	19,500
Website & Assoc. Mgmt.	6,250	6,215	6,250
Staff	1,776,607	1,778,332	1,745,809
Office Operations	228,100	207,141	214,819
Professional Services	21,000	33,622	32,581
Memberships	1,700	1,000	1,000
Phi Theta Kappa Awards	16,000	16,354	16,000
Other	<u>58,950</u>	<u>60,168</u>	<u>60,509</u>
Total Expenses	3,122,007	3,246,279	3,012,480
NET INCOME	11,378	112,274	5,679

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA  
Budget Detail  
LEAGUE OPERATING BUDGET

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
REVENUE			
<u>DUES</u>	1,391,182	1,391,182	1,392,982
<u>CORPORATE PARTNERS</u>	75,000	75,000	45,000
<u>ANNUAL CONVENTION</u>			
Registrations/Meals	175,000	231,245	175,000
Exhibits/Sponsors	50,000	75,475	40,000
Other	0	18,523	5,000
TOTAL CONVENTION	<u>225,000</u>	<u>325,243</u>	<u>220,000</u>
<u>LEGISLATIVE CONFERENCE</u>			
Registrations/Meals	86,000	88,455	71,000
Sponsors	10,000	3,775	5,000
TOTAL LEGISLATIVE CONFERENCE	<u>96,000</u>	<u>92,230</u>	<u>76,000</u>
<u>TRUSTEE EDUCATION &amp; DEVELOPMENT</u>			
Annual Trustees Conference	70,000	85,080	64,000
Effective Trusteeship Workshop	18,500	29,340	22,000
Student Trustees Workshop	12,000	12,555	12,000
TOTAL TRUSTEE ED & DEV	<u>100,500</u>	<u>126,975</u>	<u>98,000</u>
<u>CEO EDUCATION &amp; DEVELOPMENT</u>			
Vineyard Symposium	7,500	7,645	7,500
<u>OTHER ED AND DEVELOPMENT SERVICES</u>			
California Great Teachers Seminar	55,000	57,255	0
Classified Leadership Institute	35,000	35,000	30,000
Asilomar Leadership Skills Seminar	32,000	34,500	26,000
TOTAL OTHER ED/DEV SERVICES	<u>122,000</u>	<u>126,755</u>	<u>56,000</u>
<u>LEAGUE ON CALL</u>	6,000	12,035	6,000
<u>DISTRICT SERVICES PROGRAM</u>			
TRANS	78,840	88,840	113,880
Lease Revenue Bonds	6,000	31,404	6,000
Short Term Credit (Zions)	2,500	2,500	2,500
Electricity Purchase Program	260,000	324,000	324,000
Student Health Insurance Program	20,000	17,000	18,000
Electronic Information Resources	250,000	250,000	187,500
Charitable Gift Annuity Program	5,000	4,000	5,000
Policy & Procedure Service	99,000	167,260	133,800
Collective Bargaining Database	137,500	122,917	98,400

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
<u>DISTRICT SERVICES PROGRAM (cont'd)</u>			
Retiree Health Benefits JPA	85,000	110,000	110,000
BoardDocs	7,500	7,200	7,200
Solar Purchasing and Financing Program	0	0	26,250
TOTAL DISTRICT SERVICES PROGRAM	<u>951,340</u>	<u>1,125,121</u>	<u>1,032,530</u>
<u>PUBLICATIONS</u>			
Directory	10,000	9,000	7,500
Businesses and Consultants Directory	10,000	5,000	5,000
Introduction to Fiscal Responsibilities	5,000	4,000	2,500
Other	500	54	0
TOTAL PUBLICATIONS	<u>25,500</u>	<u>18,054</u>	<u>15,000</u>
<u>RENTAL INCOME</u>	23,263	23,263	24,426
<u>PHI THETA KAPPA AWARDS</u>	10,000	7,550	10,000
<u>MISCELLANEOUS</u>	100	0	100
<u>INTEREST</u>	<u>100,000</u>	<u>27,500</u>	<u>40,000</u>
TOTAL REVENUE	3,133,385	3,358,553	3,023,538
EXPENSES			
<u>BOARDS OF DIRECTORS</u>			
CCLC			
Meeting Travel	3,000	4,346	4,500
Meeting Space/Meals	1,500	1,680	1,750
Other Expenses	2,500	150	2,500
CCCT			
Meeting Travel	15,000	15,228	15,000
Meeting Space/Meals	9,000	9,555	9,000
Other Expenses	2,000	500	2,000
CEOCCC			
Meeting Travel	22,000	15,000	22,000
Meeting Space/Meals	7,000	6,000	7,000
Other Expenses	2,000	1,322	2,000
Awards/Recognition	500	2,068	500
TOTAL BOARDS OF DIRECTORS	<u>64,500</u>	<u>55,849</u>	<u>66,250</u>
<u>COMMITTEES</u>			
Advisory Committee on Legislation	2,500	3,295	2,500
Advisory Committee on Education Services	4,000	3,710	2,500
Advisory Committee on District Services	1,500	0	1,000
Futures Commission	2,500	0	0
Other	200	0	200
TOTAL COMMITTEES	<u>10,700</u>	<u>7,005</u>	<u>6,200</u>

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
<u>CORPORATE PARTNERS PROGRAM</u>	20,000	16,000	15,000
<u>ANNUAL CONVENTION</u>	210,000	275,148	210,000
<u>LEGISLATIVE CONFERENCE</u>	60,000	60,861	50,000
<u>TRUSTEE EDUCATION &amp; DEVELOPMENT</u>			
Annual Trustees Conference	75,000	77,709	64,000
Effective Trusteeship Workshop	16,500	18,606	14,000
Student Trustees Workshop	11,000	12,375	11,000
TOTAL TRUSTEE ED & DEV	<u>102,500</u>	<u>108,690</u>	<u>89,000</u>
<u>CEO EDUCATION &amp; DEVELOPMENT</u>			
Vineyard Symposium	7,500	4,441	7,500
New CEO Meetings	7,500	1,855	7,500
TOTAL CEO ED & DEV	15,000	6,296	15,000
<u>OTHER ED AND DEVELOPMENT SERVICES</u>			
California Great Teachers Seminar	52,000	53,035	0
Classified Leadership Institute	30,000	30,000	30,000
Asilomar Leadership Skills Seminar	31,000	31,468	24,000
Capitol Days	2,000	0	0
Other	200	950	200
TOTAL OTHER ED/DEV SERVICES	<u>115,200</u>	<u>115,453</u>	<u>54,200</u>
<u>LEAGUE ON CALL</u>	8,500	12,245	6,000
<u>DISTRICT SERVICES PROGRAM</u>			
Communications	0	92	0
Postage	0	46	0
Travel	1,000	400	1,000
Meetings	2,500	0	2,500
Miscellaneous	0	0	0
Policy and Procedures	78,500	123,062	98,450
Student Housing Bonds	0	0	0
Library Services	29,500	29,500	29,500
Electricity Purchase Program	95,000	155,368	95,000
Collective Bargaining Database	75,000	70,000	70,000
Charitable Gift Annuity Program	3,000	1,627	3,000
Retiree Health Benefits JPA	81,500	75,000	75,000
BoardDocs	1,000	3,912	3,912
Solar Purchasing and Financing Program	0	0	26,000
TOTAL DISTRICT SERVICES PROGRAM	<u>367,000</u>	<u>459,007</u>	<u>404,362</u>

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
<u>PUBLICATIONS</u>			
The NEWS	10,000	4,961	1,000
League in Action	0	0	0
Directory	13,000	15,280	10,000
Trustee Handbook/Guides	9,000	5,000	5,000
Businesses & Consultants Directory	0	0	0
Introduction to Fiscal Responsibilities	5,000	61	2,500
Other Publications/Reports	3,000	1,591	1,000
TOTAL PUBLICATIONS	<u>40,000</u>	<u>26,893</u>	<u>19,500</u>
<u>WEBSITE &amp; ASSOCIATION MANAGEMENT</u>			
	6,250	6,215	6,250
<u>STAFF</u>			
<u>Salaries</u>	1,260,340	1,275,802	1,264,165
<u>Fringe Benefits</u>			
Social Security & Unemployment Taxes	96,399	96,399	97,013
Health and Welfare	173,800	173,800	186,489
Pension Plan	183,568	183,568	171,892
TOTAL Fringe Benefits	<u>453,767</u>	<u>453,767</u>	<u>455,394</u>
<u>Travel</u>			
President/Chief Executive Officer	22,000	24,000	11,000
District Services	5,000	2,000	2,500
Education Services	5,000	1,000	2,500
State Policy & Research	1,000	138	500
Fiscal Policy	3,000	1,526	1,500
Governmental Relations	4,500	3,439	2,250
TOTAL Travel	<u>40,500</u>	<u>32,103</u>	<u>20,250</u>
<u>Staff Development</u>	20,000	16,649	5,000
<u>Employee Search</u>	1,000	0	500
<u>Public Relations</u>	1,000	11	500
TOTAL STAFF	<u>1,776,607</u>	<u>1,778,332</u>	<u>1,745,809</u>
<u>OFFICE OPERATIONS</u>			
<u>Supplies</u>			
General	18,000	14,306	14,000
Legislative	2,500	1,210	2,000
Copier	500	200	500
Copier/Leg.	100	100	100
TOTAL Supplies	<u>21,100</u>	<u>15,816</u>	<u>16,600</u>
<u>Postage</u>			
General	12,500	7,275	10,000
Legislative	350	575	500
TOTAL Postage	<u>12,850</u>	<u>7,850</u>	<u>10,500</u>

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
<u>Telecommunications</u>			
General	18,000	14,000	15,000
Legislative	6,250	3,850	5,000
TOTAL Telecommunications	<u>24,250</u>	<u>17,850</u>	<u>20,000</u>
<u>Equipment (Maintenance, Rental)</u>			
General			
Copiers	15,500	12,323	13,000
Computer Maintenance/Upgrade	6,000	6,000	6,000
Web/Email Hosting	4,000	6,000	6,000
Postage Meter	10,000	9,000	9,000
Miscellaneous	524	574	600
FAX (Maintenance & Phone Charges)	1,400	1,400	1,400
<u>Equipment (Maintenance, Rental)</u>			
Legislative			
Copier	5,800	5,797	5,800
Computer Maintenance/Upgrade	2,400	893	1,000
Web/Email Hosting	2,000	2,000	2,000
Postage Meter	1,500	1,100	1,100
Miscellaneous	100	0	100
FAX (Maintenance & Phone Charges)	900	900	900
TOTAL Equipment Maintenance	<u>50,124</u>	<u>45,987</u>	<u>46,900</u>
<u>Housing</u>			
Mortgage	18,426	18,426	18,426
Utilities	18,000	14,471	15,000
Maintenance/Repair	8,000	10,353	10,000
Custodial	7,800	6,750	7,800
Security	2,600	3,107	3,100
L Street office	43,600	45,393	45,393
TOTAL Housing	<u>98,426</u>	<u>98,500</u>	<u>99,719</u>
<u>Insurance</u>	10,500	11,538	12,000
<u>Reference Library</u>	4,500	3,000	3,000
<u>Legislative Bill Room</u>	750	1,000	500
<u>Legislative Communications System</u>	5,600	5,600	5,600
TOTAL OFFICE OPERATIONS	<u>228,100</u>	<u>207,141</u>	<u>214,819</u>
<u>PROFESSIONAL SERVICES</u>			
Legal Services	0	1,058	0
Accounting Services	15,000	15,983	16,000
Other	6,000	16,581	16,581
TOTAL PROFESSIONAL SERVICES	<u>21,000</u>	<u>33,622</u>	<u>32,581</u>
<u>MEMBERSHIPS</u>	1,700	1,000	1,000

	<u>2008-09 Budget</u>	<u>2008-09 Year End Projections</u>	<u>2009-10 Proposed Budget</u>
<u>PHI THETA KAPPA AWARDS</u>	16,000	16,354	16,000
<u>OTHER</u>			
Property Taxes	10,000	12,559	12,559
Corporate Filing Fees, etc.	200	200	200
Bank Charges	3,500	3,500	3,500
Online Credit Card Fees	12,000	11,344	11,000
Depreciation Expense	33,000	33,000	33,000
Miscellaneous	250	-435	250
TOTAL OTHER	<u>58,950</u>	<u>60,168</u>	<u>60,509</u>
TOTAL EXPENSES	3,122,007	3,246,279	3,012,480
NET INCOME (LOSS)	11,378	112,274	11,058

	<u>Beginning Balance July 2008</u>	<u>Year End Expenditure Projections</u>	<u>Projected Net Revenue Distribution</u>	<u>Projected Year End Balance</u>
<u>Net Assets</u>				
Undesignated (long term assets minus liabilities)	294,327	-	-	294,327
Categorical Reserves (current assets minus liabilities)				
Operating	250,008	-	10,000	260,008
Equipment/Furnishings	150,729	23,205 <sup>1</sup>	10,000	137,524
Building	243,750	21,674 <sup>2</sup>	50,000	272,076
Special Programs	604,475	72,029 <sup>3</sup>	42,274	574,720
Special Assessment for Budget Advocacy**	0	7,500 <sup>4</sup>	225,092	217,592
	<u>1,248,962</u>	<u>124,408</u>	<u>337,366</u>	<u>1,461,920 *</u>
Total Net Assets	<u>1,543,289</u>			<u>1,756,247</u>
One-time expenditures for 2008-09:				
<sup>1</sup> Recarpeting of 2nd Floor	21,630			
Furniture/equipment	<u>1,575</u>			
	<u>23,205</u>			
<sup>2</sup> Sewer line replacement	3,740			
Parking lot security fence/gate	<u>17,934</u>			
	<u>21,674</u>			
<sup>3</sup> Budget advocacy/media outreach	43,051			
History Project/Centennial Recognition	20,478			
APAHE conference sponsorship	2,500			
HOPE awards dinner sponsorship	2,500			
A2MEND conference sponsorship	2,500			
Nat'l Gov't Relations Conference sponsorship	1,000			
	<u>72,029</u>			
Anticipated major one-time expenditures for 2009-10:				
Budget Advocacy/Regional Efforts	217,592			
Community College Centennial/League 20th Anniversary Recognition	35,000			
	<u>252,592</u>			

\*Board policy requires a minimum of 33.3% of expenditures (\$1,003,156 for FY2010).

**PROPOSED DUES FORMULA 2009-10**

<u>District</u>	<u>Basic Service Fee</u>	<u>Gen Appt &amp; Prop Tax Rev</u>	<u>GA&amp;PTR x rate *</u>	<u>Formula 2009-10 Dues</u>	<u>Formula 2008-09 Dues</u>	<u>Proposed 2009-10 Dues</u>	<u>2009-10 Dues Relief</u>
Allan Hancock Joint	600	44,039,748	13,212	13,812	13,181	13,181	-631
Antelope Valley	600	53,812,962	16,144	16,744	14,719	14,719	-2,025
Barstow	600	13,448,289	4,034	4,634	4,608	4,608	-27
Butte	600	48,823,270	14,647	15,247	15,838	15,247	0
Cabrillo	600	51,481,121	15,444	16,044	15,436	15,436	-608
Cerritos	600	76,272,750	20,766	21,366	20,493	20,493	-873
Chabot-Las Positas	1,800	81,537,840	21,661	23,461	22,033	22,033	-1,429
Chaffey	600	65,380,571	18,915	19,515	19,030	19,030	-485
Citrus	600	52,131,222	15,639	16,239	15,359	15,359	-880
Coast	2,400	158,740,869	34,786	37,186	35,336	35,336	-1,850
Compton	600	25,347,443	7,604	8,204	8,622	8,204	0
Contra Costa	2,400	139,634,838	31,538	33,938	33,248	33,248	-690
Copper Mountain	600	9,634,125	2,890	3,490	3,601	3,490	0
Desert	600	34,298,437	10,290	10,890	10,312	10,312	-577
El Camino	600	87,595,000	22,691	23,291	23,050	23,050	-241
Feather River	600	10,289,147	3,087	3,687	3,340	3,340	-346
Foothill-DeAnza	1,800	146,451,750	32,697	34,497	33,358	33,358	-1,139
Gavilan Joint	600	25,867,341	7,760	8,360	7,862	7,862	-498
Glendale	600	71,443,511	19,945	20,545	19,708	19,708	-837
Grossmont-Cuyamaca	1,800	81,915,332	21,726	23,526	22,522	22,522	-1,003
Hartnell	600	31,593,557	9,478	10,078	10,255	10,078	0
Imperial Valley	600	31,848,722	9,555	10,155	9,759	9,759	-395
Kern	2,400	93,700,521	23,729	26,129	24,947	24,947	-1,182
Lake Tahoe	600	11,038,630	3,312	3,912	3,761	3,761	-151
Lassen	600	10,008,266	3,002	3,602	4,036	3,602	0
Long Beach	600	98,426,236	24,532	25,132	25,261	25,132	0
Los Angeles	6,000	474,355,279	88,440	94,440	89,541	89,541	-4,899
Los Rios	3,000	246,060,533	49,630	52,630	47,491	47,491	-5,139
Marin	600	37,832,877	11,350	11,950	11,268	11,268	-682
Mendocino-Lake	600	17,356,318	5,207	5,807	5,595	5,595	-212
Merced	600	46,483,961	13,945	14,545	12,922	12,922	-1,624
MiraCosta	600	73,434,706	20,284	20,884	20,397	20,397	-487
Monterey Peninsula	600	35,208,196	10,562	11,162	10,327	10,327	-835
Mt. San Antonio	600	126,499,028	29,305	29,905	28,237	28,237	-1,668
Mt. San Jacinto	600	47,083,882	14,125	14,725	13,138	13,138	-1,587
Napa Valley	600	28,079,329	8,424	9,024	8,585	8,585	-439
North Orange County	1,800	144,852,629	32,425	34,225	33,178	33,178	-1,047
Ohlone	600	38,937,089	11,681	12,281	11,831	11,831	-451
Palo Verde	600	11,792,227	3,538	4,138	3,846	3,846	-291
Palomar	600	84,169,608	22,109	22,709	22,035	22,035	-674
Pasadena	600	99,308,632	24,682	25,282	24,872	24,872	-410
Peralta	3,000	94,363,225	23,842	26,842	26,223	26,223	-619

<u>District</u>	<u>Basic Service Fee</u>	<u>Gen Appt &amp; Prop Tax Rev</u>	<u>GA&amp;PTR x rate *</u>	<u>Formula 2009-10 Dues</u>	<u>Formula 2008-09 Dues</u>	<u>Proposed 2009-10 Dues</u>	<u>2009-10 Dues Relief</u>
Rancho Santiago	1,800	128,726,325	29,683	31,483	30,687	30,687	-797
Redwoods	600	24,492,240	7,348	7,948	7,892	7,892	-56
Rio Hondo	600	61,347,324	18,404	19,004	17,946	17,946	-1,058
Riverside	600	120,711,721	28,321	28,921	28,260	28,260	-661
San Bernardino	1,800	63,594,346	18,611	20,411	20,702	20,411	0
San Diego	2,400	182,694,477	38,858	41,258	40,361	40,361	-897
San Francisco	600	155,402,579	34,218	34,818	33,561	33,561	-1,257
San Joaquin Delta	600	73,169,476	20,239	20,839	20,127	20,127	-712
San Jose-Evergreen	1,800	69,516,349	19,618	21,418	20,838	20,838	-580
San Luis Obispo County	600	42,352,781	12,706	13,306	12,808	12,808	-498
San Mateo County	2,400	98,477,627	24,541	26,941	26,521	26,521	-421
Santa Barbara	600	68,980,562	19,527	20,127	19,566	19,566	-561
Santa Clarita	600	64,324,710	19,297	19,897	17,812	17,812	-2,085
Santa Monica	600	98,136,252	24,483	25,083	24,183	24,183	-900
Sequoias	600	42,137,479	12,641	13,241	12,825	12,825	-416
Shasta-Tehama-Trinity	600	34,131,543	10,239	10,839	10,941	10,839	0
Sierra Joint	600	68,251,010	19,403	20,003	19,175	19,175	-828
Siskiyou Joint	600	13,966,742	4,190	4,790	4,626	4,626	-164
Solano County	600	43,097,205	12,929	13,529	12,620	12,620	-909
Sonoma County	600	91,290,977	23,319	23,919	22,511	22,511	-1,408
South Orange County	1,800	149,896,569	33,282	35,082	33,022	33,022	-2,060
Southwestern	600	71,646,550	19,980	20,580	19,391	19,391	-1,189
State Center	1,800	123,845,384	28,854	30,654	29,949	29,949	-705
Ventura County	2,400	118,617,353	27,965	30,365	28,575	28,575	-1,790
Victor Valley	600	43,847,811	13,154	13,754	13,511	13,511	-244
West Hills	1,200	27,905,863	8,372	9,572	9,071	9,071	-501
West Kern	600	17,880,331	5,364	5,964	6,413	5,964	0
West Valley-Mission	1,800	73,621,655	20,316	22,116	22,995	22,116	0
Yosemite	1,800	76,809,195	20,858	22,658	21,958	21,958	-700
Yuba	1,800	39,672,193	11,902	13,702	13,174	13,174	-528
<b>TOTALS</b>	<b>79,200</b>	<b>5,449,123,646</b>	<b>1,367,258</b>	<b>1,446,458</b>	<b>1,391,183</b>	<b>1,387,603</b>	<b>-58,855</b>

\* Rate

GA&PTR up to \$60,000,000 x (0.0003), plus

GA&PTR over \$60,000,000 x (0.000170)