

FISCAL YEAR 2011 BUDGET AND DUES (Action)

BACKGROUND

The League budget (Attachment 2.5A) 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 for FY 2011 will decrease \$14,460 (-0.5%) under projected FY 2010 revenues. Revenue is based on 100% membership and a dues increase of \$79,378 (5.7%), conferences net income increasing \$32,212 (7.6%), district services revenue dropping \$104,838 (-9%) and its net income decreasing \$118,523, and interest income increasing \$8,000 (60%).

Expenditures are budgeted to increase by \$166,837 (5.7%) above FY 2010 projected expenditures.

The proposed budget calls for revenues exceeding expenditures by \$5,200.

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 2011 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, 54.9% in FY 2009, and 57.1% in FY 2010.

League employees are not paid based on a salary schedule with automatic step increases. With last year's salary freeze, all employees are receiving the same compensation as they received in FY 2009, and proposed increases this year should be compared to two years of "step" increases at our colleges.

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:

- \$40,000-60,000 for administrative staff positions
- \$55,000-85,000 for assistant director positions
- \$90,000-120,000 for director and vice president positions
- \$160,000-185,000 for the 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 2011 is 13.072%, 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 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	-0.3%	4%
FY 2010	2.4%	0% (frozen)
FY 2011	2.7% (projected)	2%

According to the Department of Finance, the California Consumer Price Index for FY 2011 is projected to increase 2.7%. A minimum salary increase of 2% is therefore proposed, and further increases may be provided to remain competitive with comparable state and college positions.

The FY 2011 budget as proposed:

- Includes salaries within the above ranges;
- Provides a minimum increase of 2%.
- Maintains other fringe benefits based on present policies and includes CalPERS participation;
- Provides an increase in expenditures of \$52,642 (3.0%) for salary and fringe benefit costs over the projected year-end expenditures for FY 2010.

EDUCATION AND DEVELOPMENT SERVICES

The League sponsored 9 workshops, conferences, seminars and the convention this year. This category accounted for 13.1% of anticipated expenditures in FY 2010 and is budgeted at 12.5% for FY 2011. These events are budgeted to net (exclusive of salaries) \$20,800 for FY 2011. 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 2011 budget in this area includes:

- Continuation of the convention, trustees orientation, trustees annual conference, board chairs workshop, executive assistants workshop, legislative conference, vineyard symposium, classified leadership seminar, Asilomar leadership seminar, and student trustees orientation;
- Staffing for the northern and southern CEO conferences;
- Convention, conferences and workshops attendance projected to modestly increase over last year's significantly lower numbers;
- 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 1.3% of the budget in FY 2011.

The League publishes *The News* as a print newsletter mailed to all trustees, CEOs and approximately 3,500 other college leaders. The *League in Action* is an electronic newsletter focusing on the activities, programs and services of the League and is e-mailed to approximately 4,800 individuals.

The League annually publishes the directory, which goes 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 2011:

- Maintains *The News* as a print publication mailed to approximately 4,000 CEOs, trustees and other college leaders;
- Maintains the *League in Action* as an electronic publication e-mailed to 4,800 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. The program significantly expanded in FY 2009 to \$150,000, and contracted to \$93,000 in FY 2010, which was above projections and notable given the difficult business climate.

WEBSITE & ASSOCIATION MANAGEMENT

The League's enhanced 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 2011, 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 2.1% of the League budget in FY 2011 as compared with 1.6% in FY 2010. Costs for CEOCCC meetings were reduced by holding three meetings as conference calls, whereas typical years only have one.

The recommended budget for FY 2011:

- 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;
- Includes meeting costs for three advisory committees meeting 2-3 times during the year; and

OFFICE OPERATIONS/PROFESSIONAL SERVICES

In FY 2011, 7.0% of the League budget is expected to be spent on general office operation/professional services (6.9% in FY 2010). This category includes postage, telephone, supplies, equipment, maintenance, mortgage costs, legislative office lease and consultants.

The recommended budget for FY 2011:

- Continues the investment in professional development activities tied to a new employee evaluation process;
- Includes \$5,000 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 0.8% of the expenditures of the association was spent on staff travel 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 and at local governing board meetings.

DISTRICT SERVICES

The district services area included eleven distinct programs that resulted in a projection of \$1,160,086 in revenue during FY 2010. The FY 2011 budget projects revenue at a level of \$1,055,248.

Staff continues to project 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 continue to be impossible to predict, 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. In FY 2010, there were significant reductions in the categorical funds most colleges use to purchase these services. While we did not see a significant reduction in database subscriptions in FY 2010, it is possible that a large decline will occur in FY 2011.

Projected expenses for the district services area, excluding compensation, were \$375,977 in FY 2010 and are expected to increase to \$389,662 in FY 2011.

The FY 2011 district services budget includes:

- 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 2010 TRANs received in FY 2011; 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.

These reserve expenditures include the special assessment for budget advocacy. 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.

Supporting two regional representatives that work with districts on budget advocacy efforts, the special assessment will have a balance of \$64,599 at the end of FY 2010. The assessment will be added to the normal dues invoices, but identified as a special, voluntary assessment.

Categorical reserves (current assets minus liabilities) are thus \$1,384,703, or 44.7% of FY 2011 budgeted expenditures, based on expenditures of \$295,072 in FY 2010 and projected net revenue distribution at the end of FY 2010 of \$186,497.

Excluding the Special Assessment for Budget Advocacy, categorical reserves are \$1,320,104, which is approximately 5 months' cash flow and \$289,685 over the board policy to maintain at least a 4-month cash flow reserve (33.3% of expenditures).

Excluding the Special Assessment, which will be revenue and expenditure neutral, staff has identified \$140,000 of anticipated expenditures using categorical reserves in FY 2011, which would leave a balance of \$149,684 beyond the minimum reserve requirement for unanticipated expenditures or revenue contingencies.

LEAGUE DUES FORMULA – FY 2011

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.

While the standard application of the League's dues formula in FY 2010 would have led to a dues increase of over 4% at a time of significant budget uncertainty, staff recommended and the board adopted, a freeze in dues. Because the FY 2011 state budget for community colleges appears more predictable and unlikely to result in significant unallocated reductions, staff proposes applying the standard dues formula. This will lead to a dues increase of 5.7%, although that percentage increase should be considered as over two years, given that the standard dues formula was not applied last year.

The following proposed dues formula for FY 2011 would increase dues revenue by \$79,702 (5.7%). Because there was a dues freeze last year, this increase should be evaluated as a two-year increase, or roughly 2.8% per year.

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.

This results in an average dues increase of \$1,107, with two districts paying lower dues in FY 2011 than FY 2010. (See Attachment 2.5B)

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 endorse for League Board of Directors approval the dues formula and FY 2011 budget as proposed.

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
Budget Summary
LEAGUE OPERATING BUDGET

	<u>2009-10 Budget</u>	<u>2009-10 Year End Projections</u>	<u>2010-11 Proposed Budget</u>
REVENUE			
Dues	1,387,603	1,387,603	1,467,306
Corporate Partners	45,000	93,000	60,000
Conferences & Workshops	457,500	419,788	452,000
League on Call	6,000	2,500	2,500
District Services Program	1,032,530	1,160,086	1,055,248
Publications	15,000	12,687	13,000
Rental Income	24,426	24,426	24,426
Phi Theta Kappa Awards	10,000	1,850	5,000
Miscellaneous	100	100	100
Interest	<u>40,000</u>	<u>12,000</u>	<u>20,000</u>
Total Revenue	3,018,159	3,114,040	3,099,580
EXPENSES			
Boards	66,250	46,800	66,250
Committees	8,200	5,500	6,200
Corporate Partners Program	15,000	20,000	15,000
Conferences & Workshops	418,200	386,106	431,200
League on Call	6,000	2,500	2,400
District Services Program	404,362	375,977	389,662
Publications	19,500	34,590	40,882
Website & Assoc. Mgmt.	6,250	6,250	6,250
Staff	1,747,489	1,756,431	1,818,392
Office Operations	214,819	203,478	218,135
Professional Services	32,581	19,460	24,000
Memberships	1,000	1,253	1,500
Phi Theta Kappa Awards	16,000	7,300	10,000
Other	<u>60,549</u>	<u>61,898</u>	<u>64,509</u>
Total Expenses	3,016,200	2,927,543	3,094,380
NET INCOME	1,959	186,497	5,200

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
Budget Detail
LEAGUE OPERATING BUDGET

	2009-10 Budget	2009-10 Year End Projections	2010-11 Proposed Budget
<u>REVENUE</u>			
<u>DUES</u>	1,387,603	1,387,603	1,467,306
<u>CORPORATE PARTNERS</u>	45,000	93,000	60,000
<u>ANNUAL CONVENTION</u>			
Registrations/Meals	175,000	151,043	175,000
Exhibits/Sponsors	40,000	35,220	40,000
Other	5,000	2,625	2,000
TOTAL CONVENTION	220,000	188,888	217,000
<u>LEGISLATIVE CONFERENCE</u>			
Registrations/Meals	71,000	73,000	71,000
Sponsors	5,000	1,500	2,500
TOTAL LEGISLATIVE CONFERENCE	76,000	74,500	73,500
<u>TRUSTEE EDUCATION & DEVELOPMENT</u>			
Annual Trustees Conference	64,000	64,812	64,000
Effective Trusteeship Workshop	22,000	16,003	20,000
Student Trustees Workshop	12,000	14,875	14,000
TOTAL TRUSTEE ED & DEV	98,000	95,690	98,000
<u>CEO EDUCATION & DEVELOPMENT</u>			
Vineyard Symposium	7,500	8,085	7,500
<u>OTHER ED AND DEVELOPMENT SERVICES</u>			
Classified Leadership Institute	30,000	25,000	30,000
Asilomar Leadership Skills Seminar	26,000	27,625	26,000
TOTAL OTHER ED/DEV SERVICES	56,000	52,625	56,000
<i>TOTAL CONFERENCES/WORKSHOPS</i>	<i>457,500</i>	<i>419,788</i>	<i>452,000</i>
<u>LEAGUE ON CALL</u>	6,000	2,500	2,500
<u>DISTRICT SERVICES PROGRAM</u>			
TRANS	113,880	110,487	110,487
Lease Revenue Bonds	6,000	56,120	14,200
Short Term Credit (Zions)	2,500	2,500	2,500
Electricity Purchase Program	324,000	324,000	324,000
Student Health Insurance Program	18,000	16,000	16,000
Electronic Information Resources	187,500	187,500	187,500
Charitable Gift Annuity Program	5,000	10,518	5,000
Policy & Procedure Service	133,800	135,061	135,061
Collective Bargaining Database	98,400	85,000	85,000

	2009-10 Budget	2009-10 Year End Projections	2010-11 Proposed Budget
<u>DISTRICT SERVICES PROGRAM (cont'd)</u>			
Retiree Health Benefits JPA	110,000	160,000	120,000
BoardDocs	7,200	21,750	15,000
Solar Purchasing and Financing Program	26,250	50,665	40,000
CalTRUST	0	485	500
TOTAL DISTRICT SERVICES PROGRAM	1,032,530	1,160,086	1,055,248
<u>PUBLICATIONS</u>			
Directory	7,500	9,000	9,000
Businesses and Consultants Directory	5,000	2,790	3,000
Introduction to Fiscal Responsibilities	2,500	480	1,000
Other	0	417	0
TOTAL PUBLICATIONS	15,000	12,687	13,000
<u>RENTAL INCOME</u>	24,426	24,426	24,426
<u>PHI THETA KAPPA AWARDS</u>	10,000	1,850	5,000
<u>MISCELLANEOUS</u>	100	100	100
<u>INTEREST</u>	40,000	12,000	20,000
TOTAL REVENUE	3,018,159	3,114,040	3,099,580
<u>EXPENSES</u>			
<u>BOARDS OF DIRECTORS</u>			
CCLC			
Meeting Travel	4,500	3,200	4,500
Meeting Space/Meals	1,750	500	1,750
Other Expenses	2,500	100	2,500
CCCT			
Meeting Travel	15,000	14,000	15,000
Meeting Space/Meals	9,000	9,000	9,000
Other Expenses	2,000	1,000	2,000
CEOCCC			
Meeting Travel	22,000	12,000	22,000
Meeting Space/Meals	7,000	6,000	7,000
Other Expenses	2,000	500	2,000
Awards/Recognition	500	500	500
TOTAL BOARDS OF DIRECTORS	66,250	46,800	66,250
<u>COMMITTEES</u>			
Advisory Committee on Legislation	2,500	2,500	2,500
Advisory Committee on Education Services	4,000	3,000	2,500
Advisory Committee on District Services	1,500	0	1,000
Futures Commission	0	0	0
Other	200	0	200
TOTAL COMMITTEES	8,200	5,500	6,200

(funded from reserves)

	<u>2009-10 Budget</u>	<u>2009-10 Year End Projections</u>	<u>2010-11 Proposed Budget</u>
<u>CORPORATE PARTNERS PROGRAM</u>	15,000	20,000	15,000
<u>ANNUAL CONVENTION</u>	210,000	185,000	210,000
<u>LEGISLATIVE CONFERENCE</u>	50,000	49,000	50,000
<u>TRUSTEE EDUCATION & DEVELOPMENT</u>			
Annual Trustees Conference	64,000	45,000	64,000
Effective Trusteeship Workshop	14,000	17,602	14,000
Student Trustees Workshop	11,000	11,421	12,000
TOTAL TRUSTEE ED & DEV	<u>89,000</u>	<u>74,023</u>	<u>90,000</u>
<u>CEO EDUCATION & DEVELOPMENT</u>			
Vineyard Symposium	7,500	22,000	22,000
New CEO Meetings	<u>7,500</u>	<u>0</u>	<u>5,000</u>
TOTAL CEO ED & DEV	<u>15,000</u>	<u>22,000</u>	<u>27,000</u>
<u>OTHER ED AND DEVELOPMENT SERVICES</u>			
Classified Leadership Institute	30,000	30,000	30,000
Asilomar Leadership Skills Seminar	24,000	24,000	24,000
Other	<u>200</u>	<u>2,083</u>	<u>200</u>
TOTAL OTHER ED/DEV SERVICES	<u>54,200</u>	<u>56,083</u>	<u>54,200</u>
TOTAL--CONVENTIONS/WORKSHOPS	418,200	386,106	431,200
<u>LEAGUE ON CALL</u>	6,000	2,500	2,400
<u>DISTRICT SERVICES PROGRAM</u>			
Communications	0	60	100
Postage	0	125	150
Travel	1,000	500	1,000
Meetings	2,500	0	1,000
Policy and Procedures	98,450	75,000	85,000
Library Services	29,500	25,000	29,500
Electricity Purchase Program	95,000	95,000	95,000
Collective Bargaining Database	70,000	70,000	70,000
Charitable Gift Annuity Program	3,000	1,000	3,000
Retiree Health Benefits JPA	75,000	25,000	75,000
BoardDocs	3,912	29,002	3,912
Solar Purchasing and Financing Program	26,000	55,000	26,000
Other	<u>0</u>	<u>290</u>	<u>0</u>
TOTAL DISTRICT SERVICES PROGRAM	404,362	375,977	389,662

	<u>2009-10 Budget</u>	<u>2009-10 Year End Projections</u>	<u>2010-11 Proposed Budget</u>	
<u>PUBLICATIONS</u>				
The NEWS	1,000	11,549	12,000	<i>kept print publication</i>
Directory	10,000	16,000	15,000	
Trustee Handbook/Guides	5,000	3,307	5,000	
Businesses & Consultants Directory	0	1,632	1,632	
Board Focus	0	1,850	3,750	<i>2 issues</i>
Introduction to Fiscal Responsibilities	2,500	12	2,500	<i>update planned</i>
Other Publications/Reports	1,000	240	1,000	
TOTAL PUBLICATIONS	19,500	34,590	40,882	
<u>WEBSITE & ASSOCIATION MANAGEMENT</u>				
	6,250	6,250	6,250	
<u>STAFF</u>				
Salaries	1,265,845	1,265,845	1,316,773	
<u>Fringe Benefits</u>				
Social Security & Unemployment Taxes	97,013	97,013	99,167	
Health and Welfare	186,489	192,000	191,602	
Pension Plan	171,892	171,892	171,850	
TOTAL Fringe Benefits	455,394	460,905	462,619	
<u>Travel</u>				
President/Chief Executive Officer	11,000	18,000	18,000	
District Services	2,500	1,000	2,500	
Education Services	2,500	1,500	2,500	
State Policy & Research	500	500	500	
Fiscal Policy	2,250	2,250	2,500	
Governmental Relations	1,500	1,750	2,500	
TOTAL Travel	20,250	25,000	28,500	
Staff Development	5,000	5,000	10,000	
Employee Search	500	0	500	
Public Relations	500	-319	0	
TOTAL STAFF	1,747,489	1,756,431	1,818,392	
<u>OFFICE OPERATIONS</u>				
<u>Supplies</u>				
General	14,000	9,000	14,000	
Legislative	2,000	1,200	2,000	
Copier	500	0	500	
Copier/Leg.	100	0	100	
TOTAL Supplies	16,600	10,200	16,600	
<u>Postage</u>				
General	10,000	6,000	10,000	
Legislative	500	200	500	
TOTAL Postage	10,500	6,200	10,500	

	<u>2009-10 Budget</u>	<u>2009-10 Year End Projections</u>	<u>2010-11 Proposed Budget</u>
<u>Telecommunications</u>			
General	15,000	12,000	12,000
Legislative	5,000	5,000	5,000
TOTAL Telecommunications	<u>20,000</u>	<u>17,000</u>	<u>17,000</u>
<u>Equipment (Maintenance, Rental)</u>			
General			
Copiers	13,000	13,000	13,000
Computer Maintenance/Upgrade	6,000	6,000	6,000
Web/Email Hosting	6,000	7,000	6,000
Postage Meter	9,000	12,000	12,000
Miscellaneous	1,400	500	600
FAX (Maintenance & Phone Charges)	600	750	1,400
<u>Equipment (Maintenance, Rental)</u>			
Legislative			
Copier	5,800	5,800	5,800
Computer Maintenance/Upgrade	1,000	2,500	1,000
Web/Email Hosting	2,000	2,000	2,000
Postage Meter	1,100	1,100	1,100
FAX (Maintenance & Phone Charges)	900	750	900
Miscellaneous	100	100	100
TOTAL Equipment Maintenance	<u>46,900</u>	<u>51,500</u>	<u>49,900</u>
<u>Housing</u>			
Mortgage	18,426	18,426	18,426
Utilities	15,000	15,000	15,000
Maintenance/Repair	10,000	7,500	10,000
Custodial	7,800	7,000	7,800
Security	3,100	3,100	3,100
L Street office	45,393	45,393	47,209
TOTAL Housing	<u>99,719</u>	<u>96,419</u>	<u>101,535</u>
<u>Insurance</u>	12,000	11,559	12,000
<u>Reference Library</u>	3,000	4,000	4,000
<u>Legislative Bill Room</u>	500	1,000	1,000
<u>Legislative Bill Tracking and Monitoring</u>	5,600	5,600	5,600
TOTAL OFFICE OPERATIONS	<u>214,819</u>	<u>203,478</u>	<u>218,135</u>
<u>PROFESSIONAL SERVICES</u>			
Legal Services	0	0	0
Accounting Services	16,000	18,960	19,000
Other	16,581	500	5,000
TOTAL PROFESSIONAL SERVICES	<u>32,581</u>	<u>19,460</u>	<u>24,000</u>
<u>MEMBERSHIPS</u>	1,000	1,253	1,500

	<u>2009-10 Budget</u>	<u>2009-10 Year End Projections</u>	<u>2010-11 Proposed Budget</u>
<u>PHI THETA KAPPA AWARDS</u>	16,000	7,300	10,000
<u>OTHER</u>			
Property Taxes	12,599	12,448	12,559
Corporate Filing Fees, etc.	200	200	200
Bank Charges	3,500	1,000	3,500
Online Credit Card Fees	11,000	15,000	15,000
Depreciation Expense	33,000	33,000	33,000
Miscellaneous	250	250	250
TOTAL OTHER	<u>60,549</u>	<u>61,898</u>	<u>64,509</u>
TOTAL EXPENSES	3,016,200	2,927,543	3,094,380
NET INCOME (LOSS)	1,959	186,497	5,200

	<u>Beginning Balance July 2009</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	260,008	-	40,000	300,008
Equipment/Furnishings	137,524	10,000	25,000	152,524
Building	272,076	0	30,000	302,076
Special Programs	574,720	100,721	91,497	565,496
Special Assessment for Budget Advocacy**	<u>248,950</u>	<u>184,351</u>		<u>64,599</u> **
	<u>1,493,278</u>	<u>295,072</u>	<u>186,497</u>	<u>1,384,703</u> *
Total Net Assets	<u>1,787,605</u>			<u>1,679,030</u>

Major one-time expenditures for 2009-10:

<i>Equipment/Furnishings</i>	<u>Projected</u>
Computer replacement	10,000
<i>Special Programs</i>	
Budget Workshop Dinner	525
CEO/PIO Communications Retreat	5,196
Commission on the Future - Consultant	15,000
Cmsn on the Future - Mtg/Travel/Report	30,000
Community College Centennial/League 20th Anniversary Recognition	<u>50,000</u>
	100,721
<i>Special Assessment for Budget Advocacy</i>	
Budget Advocacy/Regional Efforts	193,082

Anticipated major one-time expenditures for 2010-11:

<i>Building</i>	<u>Projected</u>
Facilities Plan Projects	25,000
<i>Equipment/Furnishings</i>	
Computer replacement	15,000
<i>Special Programs</i>	
California DREAM Scholarship Fund	10,000
CEO/PIO Communications Trainings	20,000
Strategic Plan Update	20,000
Commission on the Future	25,000
A 2020 Vision for Student Success Rollout	25,000

*Board policy requires a minimum of 33.3% of expenditures (\$1,030,429 for FY2011).

** The Special Assessment for Budget Advocacy was funded in FY 2010 through a one-time district assessment. The FY 2011 budget proposes a renewed one-time assessment, which will fund the salaries and benefits of two regional representatives and other costs.

PROPOSED DUES FORMULA 2010-11

<u>District</u>	<u>Basic Service Fee</u>	<u>Gen Appt & Prop Tax Rev</u>	<u>GA&PTR x rate *</u>	<u>Formula 2009-10 Dues</u>	<u>Actual 2009-10 Dues</u>	<u>Formula 2010-11 Dues</u>
Allan Hancock Joint	600	\$46,674,181	14,002	13,812	13,181	14,602
Antelope Valley	600	\$54,353,898	16,306	16,744	14,719	16,906
Barstow	600	\$14,140,842	4,242	4,634	4,608	4,842
Butte	600	\$52,959,400	15,888	15,247	15,247	16,488
Cabrillo	600	\$52,281,525	15,684	16,044	15,436	16,284
Cerritos	600	\$77,608,074	20,993	21,366	20,493	21,593
Chabot-Las Positas	1,800	\$80,744,077	21,526	23,461	22,033	23,326
Chaffey	600	\$66,879,396	19,169	19,515	19,030	19,769
Citrus	600	\$52,441,080	15,732	16,239	15,359	16,332
Coast	2,400	\$156,077,170	34,333	37,186	35,336	36,733
Compton	600	\$25,376,818	7,613	8,204	8,204	8,213
Contra Costa	2,400	\$141,690,339	31,887	33,938	33,248	34,287
Copper Mountain	600	\$10,436,314	3,131	3,490	3,490	3,731
Desert	600	\$32,719,425	9,816	10,890	10,312	10,416
El Camino	600	\$90,832,714	23,242	23,291	23,050	23,842
Feather River	600	\$10,361,410	3,108	3,687	3,340	3,708
Foothill-DeAnza	1,800	\$150,680,257	33,416	34,497	33,358	35,216
Gavilan Joint	600	\$26,043,653	7,813	8,360	7,862	8,413
Glendale	600	\$71,488,677	19,953	20,545	19,708	20,553
Grossmont-Cuyamaca	1,800	\$84,675,926	22,195	23,526	22,522	23,995
Hartnell	600	\$32,187,168	9,656	10,078	10,078	10,256
Imperial Valley	600	\$34,144,674	10,243	10,155	9,759	10,843
Kern	2,400	\$98,591,964	24,561	26,129	24,947	26,961
Lake Tahoe	600	\$11,692,617	3,508	3,912	3,761	4,108
Lassen	600	\$10,588,745	3,177	3,602	3,602	3,777
Long Beach	600	\$98,005,134	24,461	25,132	25,132	25,061
Los Angeles	6,000	\$473,229,749	88,249	94,440	89,541	94,249
Los Rios	3,000	\$240,033,929	48,606	52,630	47,491	51,606
Marin	600	\$39,263,252	11,779	11,950	11,268	12,379
Mendocino-Lake	600	\$17,614,344	5,284	5,807	5,595	5,884
Merced	600	\$46,959,276	14,088	14,545	12,922	14,688
MiraCosta	600	\$76,272,983	20,766	20,884	20,397	21,366
Monterey Peninsula	600	\$35,693,416	10,708	11,162	10,327	11,308
Mt. San Antonio	600	\$127,486,544	29,473	29,905	28,237	30,073
Mt. San Jacinto	600	\$44,938,161	13,481	14,725	13,138	14,081
Napa Valley	600	\$28,517,846	8,555	9,024	8,585	9,155
North Orange County	1,800	\$146,108,016	32,638	34,225	33,178	34,438
Ohlone	600	\$39,929,482	11,979	12,281	11,831	12,579
Palo Verde	600	\$11,360,419	3,408	4,138	3,846	4,008
Palomar	600	\$90,736,555	23,225	22,709	22,035	23,825
Pasadena	600	\$97,449,433	24,366	25,282	24,872	24,966
Peralta*	3,000	\$96,274,905	24,167	26,842	26,223	27,167

(at this time, final 2008-09 data is not available for Peralta CCD and will be adjusted upon receipt from CCCCO)

<u>District</u>	<u>Basic Service Fee</u>	<u>Gen Appt & Prop Tax Rev</u>	<u>GA&PTR x rate *</u>	<u>Formula 2009-10 Dues</u>	<u>Actual 2009-10 Dues</u>	<u>Formula 2010-11 Dues</u>
Rancho Santiago	1,800	\$128,205,718	29,595	31,483	30,687	31,395
Redwoods	600	\$27,099,046	8,130	7,948	7,892	8,730
Rio Hondo	600	\$63,414,468	19,024	19,004	17,946	19,624
Riverside	2,400	\$118,544,753	27,953	28,921	28,260	30,353
San Bernardino	1,800	\$70,276,104	19,747	20,411	20,411	21,547
San Diego	2,400	\$183,698,992	39,029	41,258	40,361	41,429
San Francisco	600	\$160,704,504	35,120	34,818	33,561	35,720
San Joaquin Delta	600	\$75,254,931	20,593	20,839	20,127	21,193
San Jose-Evergreen	1,800	\$71,025,719	19,874	21,418	20,838	21,674
San Luis Obispo County	600	\$44,894,353	13,468	13,306	12,808	14,068
San Mateo County	2,400	\$100,952,449	24,962	26,941	26,521	27,362
Santa Barbara	600	\$70,276,877	19,747	20,127	19,566	20,347
Santa Clarita	600	\$67,176,416	20,153	19,897	17,812	20,753
Santa Monica	600	\$98,793,385	24,595	25,083	24,183	25,195
Sequoias	600	\$44,147,318	13,244	13,241	12,825	13,844
Shasta-Tehama-Trinity	600	\$36,609,505	10,983	10,839	10,839	11,583
Sierra Joint	600	\$70,596,300	19,801	20,003	19,175	20,401
Siskiyou Joint	600	\$15,033,252	4,510	4,790	4,626	5,110
Solano County	600	\$43,739,307	13,122	13,529	12,620	13,722
Sonoma County	600	\$90,015,556	23,103	23,919	22,511	23,703
South Orange County	1,800	\$146,292,505	32,670	35,082	33,022	34,470
Southwestern	600	\$70,180,267	19,731	20,580	19,391	20,331
State Center	1,800	\$129,825,956	29,870	30,654	29,949	31,670
Ventura County	2,400	\$122,364,893	28,602	30,365	28,575	31,002
Victor Valley	600	\$41,839,943	12,552	13,754	13,511	13,152
West Hills	1,200	\$27,488,987	8,247	9,572	9,071	9,447
West Kern	600	\$18,382,626	5,515	5,964	5,964	6,115
West Valley-Mission	1,800	\$77,808,872	21,028	22,116	22,116	22,828
Yosemite	1,800	\$84,770,636	22,211	22,658	21,958	24,011
Yuba	1,800	\$42,325,079	12,698	13,702	13,174	14,498
TOTALS	81,000	5,537,282,505	1,386,306	1,446,458	1,387,603	1,467,306

* Rate

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

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