

FISCAL YEAR 2012 BUDGET AND DUES
(Discussion/Action)

Important note: the following changes have been made following the CCCT and CEOCCC meetings:

- **A 1% inflationary adjustment for staff is now proposed.**
- **The one-time FY 2011 bonus to staff members (except President/CEO) was moved from operational budget to categorical reserves.**

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.

Budgeted revenues for FY 2012 will decrease \$259,931 (-8.0%) under projected FY 2011 revenues. Revenue is based on 100% membership and a dues decrease of \$27,409 (-1.9%). The dues reduction is a consequence of the general fund cuts districts experienced in 2009-10, and the fact that the dues formula does not consider student fee revenue.

Net income from conferences and workshops is projected to decrease \$29,400 (59.8%), district services revenue dropping \$153,954 (-13.2%) and its net income decreasing \$85,081.

Expenditures are budgeted to decrease by \$129,395 (-4.2%) below FY 2011 projected expenditures.

The proposed budget calls for revenues exceeding expenditures by \$20,395.

POLICY ISSUES

SALARIES AND FRINGE BENEFITS

Staff salaries and fringe benefits account for 61.1% 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, 54.9% in FY 2009, 57.1% in FY 2010, and 57.1% in FY 2011.

League employees are not paid based on a salary schedule with automatic step increases. The budget proposes no changes to staff salaries for FY 2011.

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 13.44%, 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	1.3%	4%
FY 2010	0.7%	0% (frozen)
FY 2011	1.4%	2%
FY 2012	2.2% (projected)	1% (proposed)

According to the Department of Finance, the California Consumer Price Index for FY 2011 is projected to increase 2.2%. Given the revenue projections for the League and projected inflation, a minimal salary adjustment is proposed.

The FY 2012 budget as proposed:

- Includes salaries within the above ranges;
- Provides for a minimum 1% inflationary adjustment for staff;
- Maintains other fringe benefits based on present policies and includes CalPERS participation;
- Provides a reduction in expenditures of \$2,016 (-2%) for salary and fringe benefit costs over the projected year-end expenditures for FY 2011.

In FY 2011, a one-time bonus (totaling \$19,000) was provided to all staff (excluding the President/CEO) in December due to outstanding performance on the Commission on the Future and Centennial Dinner, and paid for using above-projected Corporate Partners revenue. If one-time revenue again outperforms projections, this may be considered again in FY 2012.

EDUCATION AND DEVELOPMENT SERVICES

The League sponsored 9 workshops, conferences, seminars and the convention this year. This category accounted for 12.8% of anticipated expenditures in FY 2011 and is budgeted at 13.2% for FY 2012. These events are budgeted to net (exclusive of salaries) \$48,800 for FY 2012. 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 2012 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 decrease over last year's numbers, given continued local district budget cuts;
- 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 1.0% of the budget in FY 2012.

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 5,100 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 2012:

- 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 5,100 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. The program significantly exceeded the budgeted amount for FY 2011, although the lower projection has been maintained given the sustained economic downturn and more local district budget cutbacks.

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 2012, 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 2012 as compared with 1.8% in FY 2010. Costs for CEOCCC meetings were reduced by holding two meetings as conference calls, whereas typical years only have one.

The recommended budget for FY 2012:

- 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;
- Continues funding for the Commission on the Future;
- Includes meeting costs for three advisory committees meeting 2-3 times during the year; and
- Provides funding for a Task Force of the League Board of Directors to explore strategic financing and operational issues for the organization.

OFFICE OPERATIONS/PROFESSIONAL SERVICES

In FY 2012, 6.0% of the League budget is expected to be spent on general office operations and professional services (6.9% in FY 2011). This category includes postage, telephone, supplies, equipment, maintenance, mortgage costs and consultants.

In August, the lease for the Legislative Office in the Senator Hotel Office Building will be terminated, and all staff will be located at 2017 O Street. This follows the departure of the Association of California Community College Administrators from leased space in the O Street office. In June and July 2011, the O Street office is having a minor remodel to accommodate the increase in staff.

The recommended budget for FY 2012:

- Continues the investment in professional development activities tied to the 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;
- Terminates the lease of space for the legislative office 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 1.2% of the expenditures of the association was spent on staff travel in FY 2011. 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 fourteen distinct programs that resulted in a projection of \$1,104,192 in revenue during FY 2011. The FY 2012 budget projects revenue at a level of \$1,01,293.

The budget recognizes the termination of the collective bargaining database program, which was built on a proprietary platform that was developed by a now defunct computer firm. Additionally, district subscriptions and use of the service has declined significantly and consultant employed by the League to run the program advised ending it. The League is working with the Association of California Community College Administrators to enhance ACCCA's salary survey and will seek other opportunities to assist districts with collective bargaining information.

The most significant risk for the organization continues to be 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 and FY 2011, it is possible that a large decline will occur in FY 2011, and staff continues to conservatively project revenues for this program.

Projected expenses for the district services area, excluding compensation, were \$381,062 in FY 2011 and are expected to decrease to \$312,189 in FY 2012.

The FY 2012 district services budget includes:

- Termination of the Collective Bargaining Database program
- Maintenance of the other present programs now established;
- Maintaining consultants for the Policy and Procedure Service;
- Revenue from the June 2011 TRANs received in FY 2012; 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 budget projection shows the categorical reserves (current assets minus liabilities) at the end of the FY 2011 at \$1,491,740. This is based on expenditures of \$359,000 from the categorical reserves during FY 2011, matched by an end of year projected net of \$185,261.

These reserve expenditures include the special assessment for budget advocacy. During the FY 2010 and FY 2011 fiscal years, 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 \$23,100 at the end of FY 2011. Staff does not propose to request districts to pay the special assessment this year, although many of the activities will continue using the Special Programs reserve.

Categorical reserves are thus \$1,491,740, or 50.3% of FY 2012 budgeted expenditures. This level is approximately 5 months' cash flow and \$496,829 over the board policy to maintain at least a 4-month cash flow reserve (33.3% of expenditures).

LEAGUE DUES FORMULA – FY 2012

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 League's dues formula is based on the most recent complete fiscal year data. Therefore, because local districts saw their budgets shrink in 2009-10, the League's dues formula results in a reduction of dues for FY 2012.

The following proposed dues formula for FY 2012 would decrease dues revenue by \$27,409.

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 reduction of \$353, with seventeen districts paying higher dues in FY 2012 than FY 2011, and fifty-five districts paying lower dues. In addition, by not collecting the Special Assessment for Budget Advocacy, effective dues paid to the League are reduced an additional \$203,100.

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 2012 budget as proposed.

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
Budget Summary
LEAGUE OPERATING BUDGET

	2010-11 <u>Budget</u>	2010-11 Year End <u>Projections</u>	2011-12 Proposed <u>Budget</u>
REVENUE			
Dues	1,467,306	1,467,306	1,439,337
Corporate Partners	60,000	106,000	60,000
Conferences & Workshops	452,000	467,306	437,000
League on Call	2,500	1,000	1,000
District Services Program	1,055,248	1,164,247	1,010,293
Publications	13,000	15,178	12,700
Rental Income	24,426	15,948	15,948
Phi Theta Kappa Awards	5,000	4,000	4,000
Miscellaneous	100	100	100
Interest	<u>20,000</u>	<u>2,784</u>	<u>3,000</u>
Total Revenue	3,099,580	3,243,869	2,983,378
EXPENSES			
Boards	66,250	55,000	60,250
Committees	6,200	10,500	16,000
Corporate Partners Program	15,000	15,000	15,000
Conferences & Workshops	431,200	394,106	393,200
League on Call	2,400	1,000	1,000
District Services Program	389,662	381,062	312,189
Publications	40,882	26,871	33,750
Website & Assoc. Mgmt.	6,250	2,500	2,500
Staff	1,818,392	1,858,182	1,851,166
Office Operations	218,135	211,378	177,479
Professional Services	24,000	27,000	25,000
Memberships	1,500	1,500	1,500
Phi Theta Kappa Awards	10,000	10,000	10,000
Other	<u>64,509</u>	<u>64,509</u>	<u>64,509</u>
Total Expenses	3,094,380	3,058,608	2,963,543
NET INCOME	5,200	185,261	19,835

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA
Budget Detail
LEAGUE OPERATING BUDGET

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>REVENUE</u>			
<u>DUES</u>	1,467,306	1,467,306	1,439,337
 <u>CORPORATE PARTNERS</u>	 60,000	 106,000	 60,000
<u>ANNUAL CONVENTION</u>			
Registrations/Meals	175,000	170,848	170,000
Exhibits/Sponsors	40,000	43,805	35,000
Other	2,000	995	1,000
TOTAL CONVENTION	217,000	215,648	206,000
 <u>LEGISLATIVE CONFERENCE</u>			
Registrations/Meals	71,000	88,340	71,000
Sponsors	2,500	3,250	2,500
TOTAL LEGISLATIVE CONFERENCE	73,500	91,590	73,500
 <u>TRUSTEE EDUCATION & DEVELOPMENT</u>			
Annual Trustees Conference	64,000	60,000	64,000
Effective Trusteeship Workshop	20,000	31,253	20,000
Student Trustees Workshop	14,000	11,860	14,000
TOTAL TRUSTEE ED & DEV	98,000	103,113	98,000
 <u>CEO EDUCATION & DEVELOPMENT</u>			
Vineyard Symposium	7,500	6,330	7,500
 <u>OTHER ED AND DEVELOPMENT SERVICES</u>			
Classified Leadership Institute	30,000	30,000	30,000
Asilomar Leadership Skills Seminar	26,000	20,625	22,000
TOTAL OTHER ED/DEV SERVICES	56,000	50,625	52,000
 <u>TOTAL CONFERENCES/WORKSHOPS</u>	 452,000	 467,306	 437,000
 <u>LEAGUE ON CALL</u>	 2,500	 1,000	 1,000
 <u>DISTRICT SERVICES PROGRAM</u>			
TRANS	110,487	82,925	75,000
Lease Revenue Bonds	14,200	9,945	10,000
Short Term Credit (Zions)	2,500	1,000	1,000
Electricity Purchase Program	324,000	324,000	324,000
Student Health Insurance Program	16,000	10,000	10,000
Electronic Information Resources	187,500	350,000	300,000
Charitable Gift Annuity Program	5,000	1,500	2,000
Policy & Procedure Service	135,061	104,793	104,793
Collective Bargaining Database	85,000	55,000	0
Redistricting	0	20,000	20,000

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>DISTRICT SERVICES PROGRAM (cont'd)</u>			
Retiree Health Benefits JPA	120,000	125,000	125,000
BoardDocs	15,000	18,000	18,000
Solar Purchasing and Financing Program	40,000	61,686	20,000
CalTRUST	500	398	500
TOTAL DISTRICT SERVICES PROGRAM	1,055,248	1,164,247	1,010,293
<u>PUBLICATIONS</u>			
Directory	9,000	10,100	9,000
Businesses and Consultants Directory	3,000	3,875	3,000
Introduction to Fiscal Responsibilities	1,000	900	600
Other	0	303	100
TOTAL PUBLICATIONS	13,000	15,178	12,700
<u>RENTAL INCOME</u>	24,426	17,000	15,948
<u>PHI THETA KAPPA AWARDS</u>	5,000	4,000	4,000
<u>MISCELLANEOUS</u>	100	100	100
<u>INTEREST</u>	20,000	2,784	3,000
TOTAL REVENUE	3,099,580	3,244,921	2,983,378
<u>EXPENSES</u>			
<u>BOARDS OF DIRECTORS</u>			
CCLC			
Meeting Travel	4,500	3,000	4,500
Meeting Space/Meals	1,750	1,000	1,750
Other Expenses	2,500	500	2,500
CCCT			
Meeting Travel	15,000	15,000	15,000
Meeting Space/Meals	9,000	11,000	9,000
Other Expenses	2,000	500	2,000
CEOCCC			
Meeting Travel	22,000	15,000	17,000
Meeting Space/Meals	7,000	7,000	7,000
Other Expenses	2,000	500	500
Awards/Recognition	500	1,500	1,000
TOTAL BOARDS OF DIRECTORS	66,250	55,000	60,250
<u>COMMITTEES</u>			
Advisory Committee on Legislation	2,500	2,500	2,500
Advisory Committee on Education Services	2,500	3,000	2,500
Advisory Committee on District Services	1,000	0	1,000
Commission on the Future	0	5,000	5,000
Other	200	0	5,000
TOTAL COMMITTEES	6,200	10,500	16,000

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>CORPORATE PARTNERS PROGRAM</u>	15,000	15,000	15,000
<u>ANNUAL CONVENTION</u>	210,000	175,000	180,000
<u>LEGISLATIVE CONFERENCE</u>	50,000	55,000	50,000
<u>TRUSTEE EDUCATION & DEVELOPMENT</u>			
Annual Trustees Conference	64,000	60,000	64,000
Effective Trusteeship Workshop	14,000	17,602	14,000
Student Trustees Workshop	12,000	11,421	12,000
TOTAL TRUSTEE ED & DEV	90,000	89,023	90,000
<u>CEO EDUCATION & DEVELOPMENT</u>			
Vineyard Symposium	22,000	22,000	16,000
New CEO Meetings	5,000	0	5,000
TOTAL CEO ED & DEV	27,000	22,000	21,000
<u>OTHER ED AND DEVELOPMENT SERVICES</u>			
Classified Leadership Institute	30,000	30,000	30,000
Asilomar Leadership Skills Seminar	24,000	21,000	22,000
Other	200	2,083	200
TOTAL OTHER ED/DEV SERVICES	54,200	53,083	52,200
TOTAL--CONVENTIONS/WORKSHOPS	431,200	394,106	393,200
<u>LEAGUE ON CALL</u>	2,400	1,000	1,000
<u>DISTRICT SERVICES PROGRAM</u>			
Communications	100	1,563	100
Postage	150	57	150
Travel	1,000	250	1,000
Meetings	1,000	250	1,000
Policy and Procedures	85,000	42,124	85,000
Library Services	29,500	25,539	29,500
Electricity Purchase Program	95,000	113,996	95,000
Collective Bargaining Database	70,000	64,537	5,000
Charitable Gift Annuity Program	3,000	750	1,000
Retiree Health Benefits JPA	75,000	27,704	40,000
BoardDocs	3,912	29,002	14,439
Solar Purchasing and Financing Program	26,000	55,000	20,000
Redistricting	0	20,000	20,000
Other	0	290	0
TOTAL DISTRICT SERVICES PROGRAM	389,662	381,062	312,189

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>PUBLICATIONS</u>			
The NEWS	12,000	5,000	7,500
Directory	15,000	16,421	17,000
Trustee Handbook/Guides	5,000	1,000	2,500
Businesses & Consultants Directory	1,632	0	0
Board Focus	3,750	3,750	3,750
Introduction to Fiscal Responsibilities	2,500	200	2,500
Other Publications/Reports	1,000	500	500
TOTAL PUBLICATIONS	40,882	26,871	33,750
<u>WEBSITE & ASSOCIATION MANAGEMENT</u>			
	6,250	2,500	2,500
<u>STAFF</u>			
Salaries	1,316,773	1,318,777	1,325,636
<u>Fringe Benefits</u>			
Social Security & Unemployment Taxes	99,167	107,067	101,273
Health and Welfare	191,602	213,418	202,999
Pension Plan	171,850	170,920	178,258
TOTAL Fringe Benefits	462,619	491,405	482,530
<u>Travel</u>			
President/Chief Executive Officer	18,000	22,000	18,000
Vice President	2,500	1,500	3,000
Education Services	2,500	500	3,000
State Policy & Research	500	2,000	1,000
Fiscal Policy	2,500	6,000	2,500
Governmental Relations	2,500	4,500	4,000
TOTAL Travel	28,500	36,500	31,500
Staff Development	10,000	10,000	10,000
Employee Search	500	0	500
Public Relations	0	1,500	1,000
TOTAL STAFF	1,818,392	1,858,182	1,851,166
<u>OFFICE OPERATIONS</u>			
<u>Supplies</u>			
General	14,000	14,000	15,000
Legislative	2,000	2,000	500
Copier	500	500	500
Copier/Leg.	100	100	100
TOTAL Supplies	16,600	16,600	16,100
<u>Postage</u>			
General	10,000	7,500	7,500
Legislative	500	200	500
TOTAL Postage	10,500	7,700	8,000

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>Telecommunications</u>			
General	12,000	12,000	12,000
Legislative	5,000	5,000	2,500
TOTAL Telecommunications	17,000	17,000	14,500
<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	8,000
Postage Meter	12,000	12,000	12,000
Miscellaneous	600	500	600
FAX (Maintenance & Phone Charges)	1,400	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	500
Postage Meter	1,100	1,100	1,100
FAX (Maintenance & Phone Charges)	900	750	500
Miscellaneous	100	100	100
TOTAL Equipment Maintenance	49,900	51,500	50,000
<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	47,209	45,393	11,803
TOTAL Housing	101,535	96,419	66,129
<u>Insurance</u>	12,000	11,559	12,000
<u>Reference Library</u>	4,000	4,000	4,000
<u>Legislative Bill Room</u>	1,000	1,000	750
<u>Legislative Bill Tracking and Monitoring</u>	5,600	5,600	6,000
TOTAL OFFICE OPERATIONS	218,135	211,378	177,479
<u>PROFESSIONAL SERVICES</u>			
Legal Services	0	1,000	1,000
Accounting Services	19,000	25,000	19,000
Other	5,000	1,000	5,000
TOTAL PROFESSIONAL SERVICES	24,000	27,000	25,000
<u>MEMBERSHIPS</u>	1,500	1,500	1,500

	2010-11 Adopted Budget	2010-11 Year End Projections	2011-12 Proposed Budget
<u>PHI THETA KAPPA AWARDS</u>	10,000	10,000	10,000
<u>OTHER</u>			
Property Taxes	12,559	12,559	12,559
Corporate Filing Fees, etc.	200	200	200
Bank Charges	3,500	3,500	3,500
Online Credit Card Fees	15,000	15,000	15,000
Depreciation Expense	33,000	33,000	33,000
Miscellaneous	250	250	250
<i>TOTAL OTHER</i>	<i>64,509</i>	<i>64,509</i>	<i>64,509</i>
TOTAL EXPENSES	3,094,380	3,058,608	2,963,543
NET INCOME (LOSS)	5,200	186,313	19,835

	Beginning Balance July 2010	Year End Expenditure Projections	Projected Net Revenue Distribution	Projected Year End Balance
Net Assets				
Undesignated (long term assets minus liabilities)	294,327	-	-	294,327
Categorical Reserves (current assets minus liabilities)				
Operating	300,008	-		300,008
Equipment/Furnishings	152,524	15,000	25,000	162,524
Building	302,076	175,000	50,000	177,076
Special Programs	891,871	169,000	110,261	833,132
Total categorical reserves	<u>1,646,479</u>	<u>359,000</u>	<u>185,261</u>	<u>1,472,740 *</u>
Total Net Assets	<u>1,940,806</u>			<u>1,767,067</u>

Major one-time expenditures for FY 2011:

	<u>Projected</u>
<i>Building</i>	
Consolidation and remodel	175,000
<i>Equipment/Furnishings</i>	
Computer replacement	15,000
<i>Special Programs</i>	
One-time Staff Bonuses from Corp. Partners	19,000
California DREAM Scholarship Fund	10,000
CEO/PIO Communications Trainings	15,000
Strategic Plan Update	25,000
A 2020 Vision for Student Success Rollout	50,000
Other	<u>50,000</u>
TOTAL	<u>359,000</u>

Balance in excess of 33% Reserves 496,829

*Board policy requires a minimum of 33.3% of expenditures (\$975,911 for FY2012).

Special Assessment for Budget Advocacy

<u>Revenues:</u>	
Carry-over from FY 2010	45,000
Assessment payments in FY 2011	<u>203,100</u>
	248,100

<u>Expenses</u>	
Regional reps, media efforts, outreach	<u>225,000</u>

Balance 23,100

Major anticipated one-time expenditures for FY 2012:

<i>Special Programs</i>	
Budget Advocacy - Regional Representatives	150,000

Proposed FY 2012 Dues Formula

<u>District</u>	<u>Basic Service Fee</u>	<u>Gen Appt & Prop Tax Rev</u>	<u>GA&PTR x rate *</u>	<u>Actual 2010-11 Dues</u>	<u>Formula 2011-12 Dues</u>	<u>Change from 2010-11 Dues</u>
Allan Hancock Joint	\$600	\$44,517,566	\$13,355	\$14,602	\$13,955	-\$647
Antelope Valley	\$600	\$52,739,569	\$15,822	\$16,906	\$16,422	-\$484
Barstow	\$600	\$13,824,704	\$4,147	\$4,842	\$4,747	-\$95
Butte	\$600	\$55,577,830	\$16,673	\$16,488	\$17,273	\$786
Cabrillo	\$600	\$49,887,094	\$14,966	\$16,284	\$15,566	-\$718
Cerritos	\$600	\$76,022,289	\$20,724	\$21,593	\$21,324	-\$270
Chabot-Las Positas	\$1,800	\$76,945,533	\$20,881	\$23,326	\$22,681	-\$646
Chaffey	\$600	\$64,309,956	\$18,733	\$19,769	\$19,333	-\$437
Citrus	\$600	\$51,515,562	\$15,455	\$16,332	\$16,055	-\$278
Coast	\$2,400	\$149,134,195	\$33,153	\$36,733	\$35,553	-\$1,180
Compton	\$600	\$28,068,862	\$8,421	\$8,213	\$9,021	\$808
Contra Costa	\$2,400	\$135,149,350	\$30,775	\$34,287	\$33,175	-\$1,112
Copper Mountain	\$600	\$10,395,171	\$3,119	\$3,731	\$3,719	-\$12
Desert	\$600	\$32,366,740	\$9,710	\$10,416	\$10,310	-\$106
El Camino	\$600	\$86,850,775	\$22,565	\$23,842	\$23,165	-\$677
Feather River	\$600	\$10,766,777	\$3,230	\$3,708	\$3,830	\$122
Foothill-DeAnza	\$1,800	\$142,510,691	\$32,027	\$35,216	\$33,827	-\$1,389
Gavilan Joint	\$600	\$25,560,266	\$7,668	\$8,413	\$8,268	-\$145
Glendale	\$600	\$69,022,796	\$19,534	\$20,553	\$20,134	-\$419
Grossmont-Cuyamaca	\$1,800	\$80,735,860	\$21,525	\$23,995	\$23,325	-\$670
Hartnell	\$600	\$32,878,611	\$9,864	\$10,256	\$10,464	\$207
Imperial Valley	\$600	\$33,174,045	\$9,952	\$10,843	\$10,552	-\$291
Kern	\$2,400	\$96,018,245	\$24,123	\$26,961	\$26,523	-\$438
Lake Tahoe	\$600	\$11,394,948	\$3,418	\$4,108	\$4,018	-\$89
Lassen	\$600	\$11,581,109	\$3,474	\$3,777	\$4,074	\$298
Long Beach	\$600	\$93,771,561	\$23,741	\$25,061	\$24,341	-\$720
Los Angeles	\$6,000	\$461,293,314	\$86,220	\$94,249	\$92,220	-\$2,029
Los Rios	\$3,000	\$234,198,356	\$47,614	\$51,606	\$50,614	-\$992
Marin	\$600	\$39,265,438	\$11,780	\$12,379	\$12,380	\$1
Mendocino-Lake	\$600	\$17,303,487	\$5,191	\$5,884	\$5,791	-\$93
Merced	\$600	\$47,055,880	\$14,117	\$14,688	\$14,717	\$29
MiraCosta	\$600	\$74,270,171	\$20,426	\$21,366	\$21,026	-\$340
Monterey Peninsula	\$600	\$35,732,598	\$10,720	\$11,308	\$11,320	\$12
Mt. San Antonio	\$600	\$122,989,651	\$28,708	\$30,073	\$29,308	-\$764
Mt. San Jacinto	\$600	\$45,926,938	\$13,778	\$14,081	\$14,378	\$297
Napa Valley	\$600	\$27,650,261	\$8,295	\$9,155	\$8,895	-\$260
North Orange County	\$1,800	\$138,148,409	\$31,285	\$34,438	\$33,085	-\$1,353
Ohlone	\$600	\$38,163,802	\$11,449	\$12,579	\$12,049	-\$530
Palo Verde	\$600	\$11,639,611	\$3,492	\$4,008	\$4,092	\$84
Palomar	\$600	\$84,743,995	\$22,206	\$23,825	\$22,806	-\$1,019
Pasadena	\$600	\$97,170,743	\$24,319	\$24,966	\$24,919	-\$47
Peralta	\$3,000	\$92,972,006	\$23,605	\$27,167	\$26,605	-\$561

<u>District</u>	<u>Basic Service Fee</u>		<u>GA&PTR x rate *</u>	<u>Actual 2010-11 Dues</u>	<u>Formula 2011-12 Dues</u>	<u>Change from 2010-11 Dues</u>
Rancho Santiago	\$1,800	\$126,207,068	\$29,255	\$31,395	\$31,055	-\$340
Redwoods	\$600	\$26,294,500	\$7,888	\$8,730	\$8,488	-\$241
Rio Hondo	\$600	\$60,525,190	\$18,089	\$18,580	\$18,689	\$109
Riverside	\$2,400	\$117,543,218	\$27,782	\$30,353	\$30,182	-\$170
San Bernardino	\$1,800	\$64,990,343	\$18,848	\$21,547	\$20,648	-\$899
San Diego	\$2,400	\$179,515,214	\$38,318	\$41,429	\$40,718	-\$711
San Francisco	\$600	\$161,994,801	\$35,339	\$35,720	\$35,939	\$219
San Joaquin Delta	\$600	\$72,967,766	\$20,205	\$21,193	\$20,805	-\$389
San Jose-Evergreen	\$1,800	\$68,391,255	\$19,427	\$21,674	\$21,227	-\$448
San Luis Obispo County	\$600	\$42,984,819	\$12,895	\$14,068	\$13,495	-\$573
San Mateo County	\$2,400	\$95,005,629	\$23,951	\$27,362	\$26,351	-\$1,011
Santa Barbara	\$600	\$68,157,704	\$19,387	\$20,347	\$19,987	-\$360
Santa Clarita	\$600	\$64,598,690	\$18,782	\$19,820	\$19,382	-\$438
Santa Monica	\$600	\$94,289,771	\$23,829	\$25,195	\$24,429	-\$766
Sequoias	\$600	\$41,843,328	\$12,553	\$13,844	\$13,153	-\$691
Shasta-Tehama-Trinity	\$600	\$34,742,648	\$10,423	\$11,583	\$11,023	-\$560
Sierra Joint	\$600	\$68,238,282	\$19,401	\$20,401	\$20,001	-\$401
Siskiyou Joint	\$600	\$14,789,264	\$4,437	\$5,110	\$5,037	-\$73
Solano County	\$600	\$42,911,186	\$12,873	\$13,722	\$13,473	-\$248
Sonoma County	\$600	\$86,005,387	\$22,421	\$23,703	\$23,021	-\$682
South Orange County	\$1,800	\$147,163,398	\$32,818	\$34,470	\$34,618	\$148
Southwestern	\$600	\$72,502,016	\$20,125	\$20,331	\$20,725	\$395
State Center	\$1,800	\$124,575,678	\$28,978	\$31,670	\$30,778	-\$893
Ventura County	\$2,400	\$117,007,863	\$27,691	\$31,002	\$30,091	-\$911
Victor Valley	\$600	\$45,145,308	\$13,544	\$13,152	\$14,144	\$992
West Hills	\$1,200	\$28,602,818	\$8,581	\$9,447	\$9,781	\$334
West Kern	\$600	\$19,057,072	\$5,717	\$6,115	\$6,317	\$202
West Valley-Mission	\$1,800	\$76,582,938	\$20,819	\$22,828	\$22,619	-\$208
Yosemite	\$1,800	\$78,968,308	\$21,225	\$24,011	\$23,025	-\$986
Yuba	\$1,800	\$41,588,469	\$12,477	\$14,498	\$14,277	-\$221
TOTALS	\$81,000	\$5,386,434,696	\$1,358,337	\$1,465,328	\$1,439,337	

* Rate

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

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