2006-07 Adopted Budget

Presented By:

Budget Advisory Committee

September 5, 2006

Overview

2005-2006 Budget Performance
Funding Sources
BAC Planning Assumption Highlights
Priorities and Goals
Impact of State Budget

2005-2006 Budget Performance
Unrestricted General Fund

	Adopted Budget	Unaudited Actuals	Variance Amount	Variance Percent
Beginning Balance	4,921,078	4,921,078	0	0.0%
Revenue & Other Financing Sources	95,486,876	96,770,654	1,283,778	1.3%
Expenditures	40,987,971	42,112,760	1,124,789	2.7%
Academic Salaries				
Classified Salaries	19,907,090	19,650,809	-256,281	-1.3%
Employee Benefits	19,310,476	19,166,990	-143,486	-0.7%
Books & Supplies	1,392,588	1,216,067	-176,521	-12.7%
Services & Operating Expenses	8,335,907	7,896,716	-439,191	-5.3%
Capital Outlay	228,005	613,648	385,643	169.1%
Other	7,500	21,669	14,169	188.9%
Total Expenditures	90,169,537	90,678,659	509,122	0.6%
Other Outgo				
Interfund Transfers to Other Funds	4,715,687	4,925,460	209,773	4.4%
Total Expenditures & Other Outgo	94,885,224	95,604,119	718,895	0.8%
Ending Balance	5,522,730	6,087,613	564,883	10.2%
Ending Balance as % of Expenditures & Other Outgo	5.8%	6.4%		

Funding Sources
(Examples)

Federal

- Title IV & Title V
- Student Financial Aid
- Vocational & Technical Education Act (VTEA)

State

- CalWORKs
- Student Financial Aid
- Block Grants
- General Apportionment (FTES)
- Lottery
- Equalization

Local

- Interest
- Non-

BAC Planning Assumption Highlights

Balanced Budget

- Deficit spending will be avoided
- Essential operational and maintenance functions of the college will be funded
- Every reasonable fiscal effort will be made to acquire and retain the most qualified people to teach our students, support the instructional process, and run Long Beach City College
- The District will maintain an unrestricted reserve for contingencies of 4.5% of unrestricted expenditures and other outgo
- Any increases or decreases in federal income for a project or program will be accompanied by corresponding increases or decreases in expenditures

BAC Planning Assumption Highlights (continued)

- **All applicable fees will be levied**
- **All grants will be carefully evaluated as to the “District match(s)” and any financial obligation beyond the term of the grant so as not to place a burden on the budget in future years**

Impact of State Budget

	Unrestricted General Fund	Restricted General Fund	Capital Projects Fund
5.92% COLA	4,826,889	239,450	
Equalization	1,300,000		
One Time Funding			
General Purpose	1,693,057		
Career Technical Equip		672,377	
Basic Skills		1,080,099	
Facilities			793,793
Instructional Equipment/ Library Materials		793,793	
Block Grant Outgoing			
Facilities			212,798
Instructional Equipment/ Library Materials		212,779	
TOTAL	7,819,946	2,998,498	1,006,591

Unrestricted General Fund Expenditures
Major Increases in Budgeted Expenditures

	Increase From 2005-2006 Unaudited Actual	Comments
Full Time Teaching Salaries	$1.9 million	Includes 10 new faculty members, cost of living adjustments and step/column increases.
Academic Administrators Salaries	$1.0 million	Increased budget to cover cost of living adjustment, step increases, and new positions.
Teaching Hourly Salaries	$1.1 million	$225,000 is budgeted for substitute instructors. Budget increase also covers cost of living adjustment, and step/column increases.
Classified Full Time Salaries	$1.6 million	For step and longevity increments and filling vacant positions.
Instructional Aides	$0.1 million	To meet the needs of students
Employee Benefits	$2.0 million	Rates increased and more employees and retirees are eligible for benefits
Non-Instructional Supplies	$0.2 million	To cover cost increases and costs associated with the expansion of college facilities.
Professional Services	$0.9 million	For implementing the Enrollment Management Plan, costs of the presidential search consultant, and the Long Beach Police Department contract.

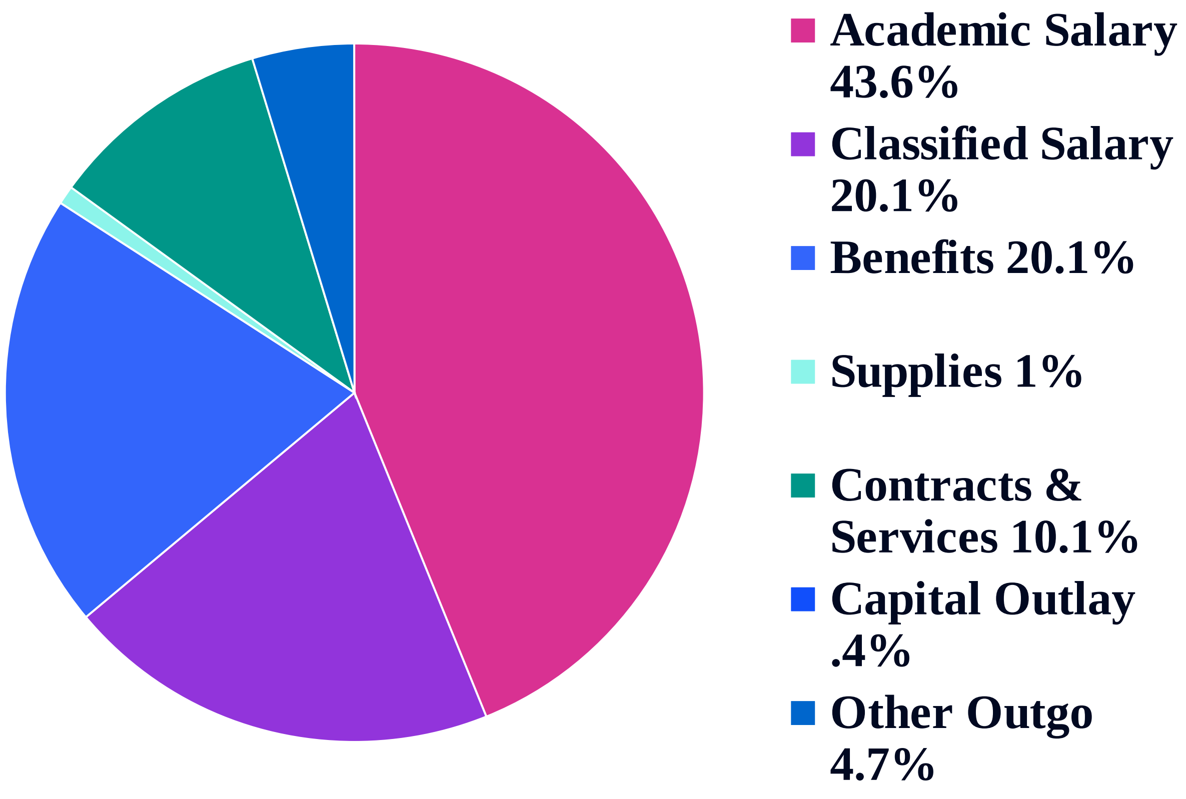
Unrestricted General Fund Expenditures
Major Increases in Budgeted Expenditures
(Continued)

Unrestricted General Fund Summary

	2005-06 Unaudited Actuals	2006-07 Adopted Budget	CHANGE Incr. /(Decr.)
Academic Salaries	$ 42.1	$ 46.1	$ 4.0
Classified Salaries	$ 19.7	$ 21.1	$ 1.4
Benefits	$ 19.2	$ 21.1	$ 1.9
Supplies	$ 1.2	$ 1.0	$ (0.2)
Services & Contracts	$ 7.9	$ 10.6	$ 2.7
Capital Outlay	$ 0.6	$ 0.4	$ (0.2)
Other Outgo	$ 4.9	$ 4.9	$ 0
Total	**$ 95.6**	**$105.2**	**$ 9.6**

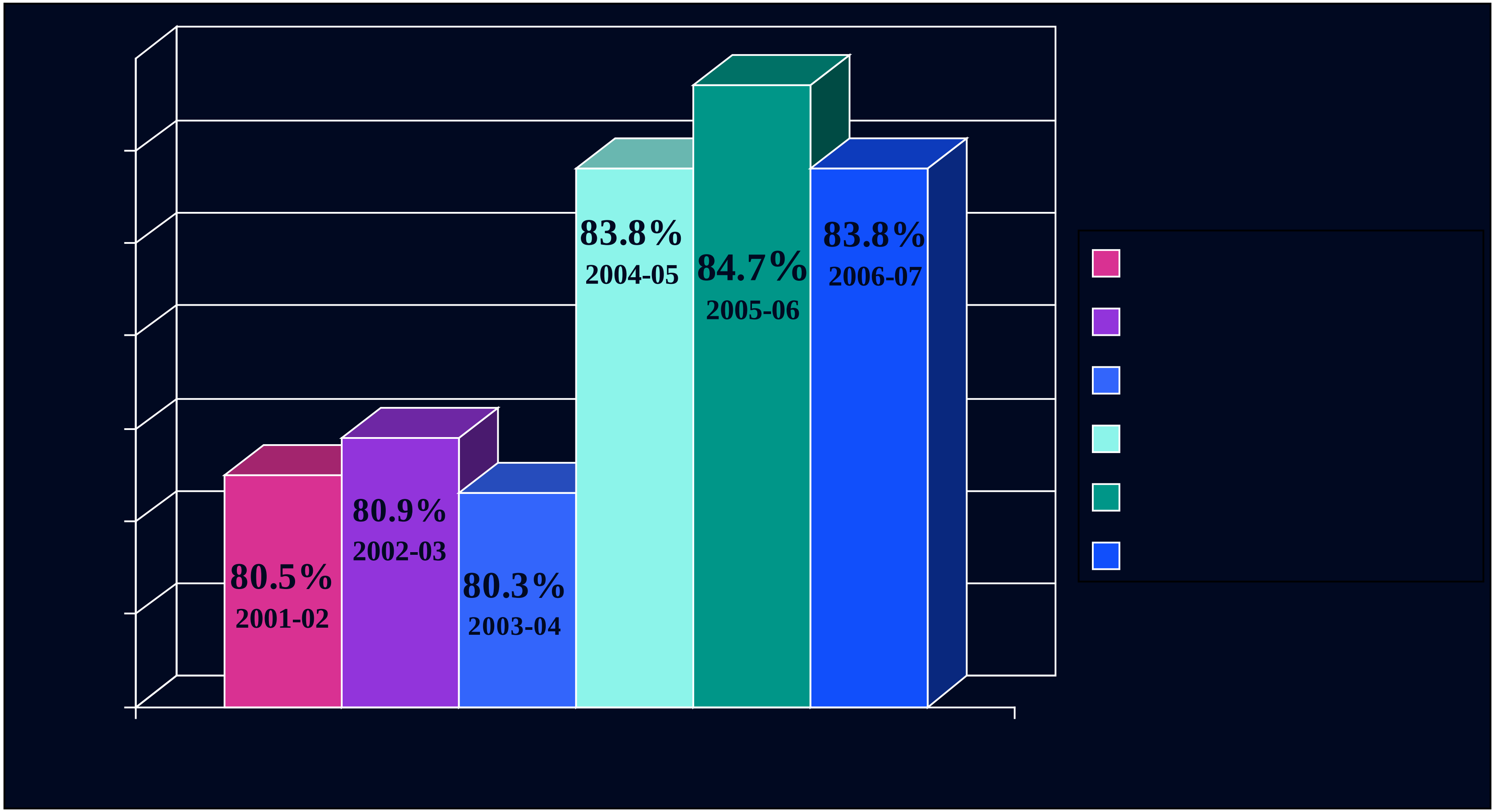
*$776,459 is budgeted for instructional supplies in the restricted general fund. This allocation is supported by restricted lottery dollars.

Unrestricted General Fund 2006-07 Budgeted Expenditures



Unrestricted General Fund Reserves

Unrestricted General Fund
Salaries and Benefits as % of Expenses and Other Outgo



Unrestricted General Fund Operating Surplus/(Deficit)

Future Budget Challenges

$5.0 million of one-time state funding may not be available in the future.

FTEs growth and improved student retention is needed to provide a secure appointment revenue stream.

COP debt service fund balance is $2.7