



BUDGET PRESENTATION (SEPT. 5, 2012)

**FOR VIDEO OF THE PRESENTATION, PLEASE VISIT:
[HTTP://YOUTU.BE/DORBCQIVXGM?HD=1](http://youtu.be/dorbcqivxgm?hd=1)**



<http://pulse.pasadena.edu/2012/02/part-ii-budget-reality-check-weve-hit-the-wall/>

Part II: Budget Reality Check: We've Hit The Wall - February 14, 2012

“Fair warning and full disclosure: if you are hoping against hope that PCC can solve its current budget crisis and yet preserve the status quo, this is going to be a difficult message for you.

Can we end our budget crisis without making difficult choices, and soon? No.

Can we end our budget crisis without the end of business as usual? No.

pulse
news knowledge network

PASADENA CITY COLLEGE

PRESIDENT'S CORNER BUDGET CONSTRUCTION EMP SHARED GOVERNANCE PROFESSIONAL LEARNING TECHNOLOGY MORE >

CATEGORIZED / BUDGET, PRESIDENT'S CORNER OF PCC PULSE - WITH DR. MARK ROCHA

Part II: Budget Reality Check: We've Hit The Wall

MARK W. ROCHA / FEBRUARY 14, 2012 / 395 VIEWS

"I'm living so far beyond my income that we may almost be said to be living apart."
– E.E. Cummings, American poet (1894-1962)

"One day everything will be well, that is our hope. Everything's fine today, that is our illusion"
– Voltaire, French philosopher (1694-1778)

Are you sitting down?

Fair warning and full disclosure: if you are hoping against hope that PCC can solve its current budget crisis and yet preserve the status quo, this is going to be a difficult message for you.

This is a difficult message for me to write and I have tried to avoid writing it, hoping myself that the state budget would turn around and we could get through. But on this day, leadership demands the courage of honesty. Just straight talk today, no mincing of words, no flinching.

I am asking for your help today. I am asking you to face up to the facts of our situation with me. I trust in you and your intelligence. As grim as our situation is, and it is indeed grim, we can yet respond in a way that is true to our mission and our cause of social justice.

Can we end our budget crisis without making difficult choices, and soon? No.

Can we end our budget crisis without the end of business as usual? No.

Can we end our budget crisis with innovative and comprehensive change that creates a brighter future for all faculty, staff and students?
Yes.

<http://pulse.pasadena.edu/2012/02/part-ii-budget-reality-check-weve-hit-the-wall/>

“But to make matters worse, this is now the fifth consecutive year that our annual operating expenses and enrollment have significantly exceeded our annual funding from the state. We have not balanced our expenses on current revenue since Dr. Kossler retired in 2007. At that time, we did have some savings. Today, we have spent almost all of it.”

PACCD Year End Transfers 2003 - 2012 (Source: PCC Operating Statements/C-311Qs)

2011 - 2012		Including Deferral		Fund Ending Balance	
		\$ 5,374,000.00		2010-11	\$ 18,897,581.00
Increase General Reserve	\$ 1,810,167.00	\$ 7,184,167.00		2011-12	\$ 20,707,748.00
				Increase in Ending Balance	\$ 1,810,167.00
2010 - 2011				Percentage Increase	9.58%
Other Outgo	\$ 4,996,858.00	Average 2 yrs.	\$ 6,126,311.50	Percentage of Budget \$109.5 M	18.91%
Increase General Reserve		Total 2 Years	\$ 12,252,623.00		
	\$ 4,996,858.00			Note: State requires 3 - 5 %	\$ 5,275,000.00
				Excess	\$ 15,432,748.00
2009 - 2010		Average 4 Yrs.	\$ 5,491,843.00		
Other Outgo	\$ 6,047,673.00	Total 4 Yrs.	\$ 21,967,372.00	Real Increase - add deferral	\$ 5,374,000.00
Increase General Reserve	\$ 1,208,092.00			Total Increase =	\$ 7,184,167.00
	\$ 7,255,765.00				
2008-2009				2011-11	\$ 18,897,581.00
Other Outgo	\$ 1,713,284.00			2012-13	\$ 26,081,748.00
Increase General Reserve	\$ 2,695,988.00			Increase in Ending Balance	\$ 7,184,167.00
	\$ 4,409,272.00			Percentage Increase	38.02%
2007-2008				Percentage of Budget \$109.5 M	23.82%
Other Outgo	\$ 3,935,398.00				
Increase General Reserve	\$ 1,370,079.00				
	\$ 5,305,477.00				

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLORS OFFICE**

**Quarterly Financial Status Report, CCFS-311Q
VIEW QUARTERLY DATA**

CHANGE THE PERIOD

District: (770) PASADENA

Fiscal Year: 2011-2012
Quarter Ended: (Q4) Jun 30, 2012

Line	Description	As of June 30 for the fiscal year specified		
		Actual 2008-09	Actual 2009-10	Projected 2011-2012
I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:				
A. Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	122,927,625	121,363,834	120,709,759
A.2	Other Financing Sources (Object 8900)	36,541	127,484	20,335
A.3	Total Unrestricted Revenue (A.1 + A.2)	122,966,366	121,511,318	120,730,094
B. Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	118,557,094	115,195,015	116,602,589
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,713,284	6,047,673	4,996,858
B.3	Total Unrestricted Expenditures (B.1 + B.2)	120,270,378	121,242,688	121,599,447
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	2,695,988	268,630	-869,353
D.	Fund Balance Beginning	15,862,854	18,558,842	19,766,934
D.1	Prior Year Adjustments + (-)	0	939,462	0
D.2	Adjusted Fund Balance, Beginning (D + D.1)	15,862,854	19,498,304	19,766,934
E.	Fund Balance, Ending (C. + D.2)	18,558,842	19,766,934	18,897,581
F.1	Percentage of GF Fund Balance to GF Expenditures (E / B.3)	15.4%	16.3%	15.5%

II. Annualized Attendance FTES:

Line	Description	2008-09	2009-10	2010-11	2011-2012
G.1	Annualized FTES (excluding apprentice and non-resident)	24,055	23,422	23,230	21,425

III. Total General Fund Cash Balance (Unrestricted and Restricted)

Line	Description	As of the specified quarter ended for each fiscal year			
		2008-09	2009-10	2010-11	2011-2012
H.1	Cash, excluding borrowed funds	15,777,049	15,777,049	12,635,298	6,535,144
H.2	Cash, borrowed funds only	0	0	0	5,000,000
H.3	Total Cash (H.1 + H.2)	21,154,090	15,777,049	12,635,298	11,535,144

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage Actuals (Col. 3/Col. 2)
Revenues:					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	114,624,306	114,666,913	110,792,788	96.6%
I.2	Other Financing Sources (Object 8900)	1,394,000	1,394,000	1,413,215	101.4%
I.3	Total Unrestricted Revenue (I.1 + I.2)	116,018,306	116,062,913	112,206,003	96.7%
Expenditures:					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	115,766,081	115,766,081	110,273,880	95.3%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	252,225	252,225	121,956	48.4%
J.3	Total Unrestricted Expenditures (J.1 + J.2)	116,018,306	116,018,306	110,395,836	95.2%
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	0	44,607	1,810,167	
L.	Adjusted Fund Balance, Beginning	18,897,581	18,897,581	18,897,581	
L.1	Fund Balance, Ending (C. + L.2)	18,897,581	18,942,188	20,707,748	
M.	Percentage of GF Fund Balance to GF Expenditures ((L.1 / J.3)	16.3%	16.3%		

V. Has the district settled any employee contracts during this quarter? **NO**

If Yes, complete the following: (If multi-year settlement, provide information for all years covered.)

Contract Period Settled (Specify)	Management	Permanent	Academic	Temporary	Classified

YYYY-YY	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
a. SALARIES:								
Year 1:								
Year 2:								
Year 3:								
b. BENEFITS:								
Year 1:								
Year 2:								
Year 3:								

* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)? NO

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII. Does the district have significant fiscal problems that must be addressed? NO
This year? NO
Next year? NO

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q
CERTIFY QUARTERLY DATA**

CHANGE THE PERIOD

Fiscal Year: 2011-2012

Quarter Ended: (Q4) Jun 30, 2012

District: (770) PASADENA

Your Quarterly Data is ready for certification.
Please complete the fields below and click on the 'Certify This Quarter' button

Chief Business Officer

CBO Name: Robert Miller
CBO Phone: Use format 999-555-1212
 626-585-7665
CBO Signature: *[Signature]*
Date Signed: 8/5/12

District Contact Person

Name: Maria Descalzo
Title: Supervisor, Acctg. Fiscal Services
Telephone: Use format 999-555-1212
 626-585-7310
Fax: Use format 999-555-1212
 626-585-7968
E-Mail: mbdescalzo@pasadena.edu

Chief Executive Officer Name: Mark W. Rocha
CEO Signature: *[Signature]*
Date Signed: 8-10-2012

Electronic Cert Date:

Certify This Quarter

California Community Colleges, Chancellor's Office
 Fiscal Services Unit
 1102 Q Street, Suite 4554
 Sacramento, California 95814-6511

Send questions to:
 Christine Atalig (916)327-5772 atalig@cccco.edu or Tracy Britten (916)323-6899 trbritten@cccco.edu

© 2007 State of California. All Rights Reserved.

	ADOPTED BUDGET	BUDGET ADJUSTMENTS	REVISED BUDGET	ACTUAL TO DATE	\$ VARIANCE	% VARIANCE
REVENUE						
FEDERAL	\$ 252,948	\$ 33	\$ 252,981	\$ 214,590	\$ (38,391)	-15%
STATE						
General Apportionment	\$ 71,562,692	\$ -	\$ 71,562,692	\$ 67,301,469	\$ (4,261,223)	-6%
Enrollment Fee Waiver (2%)	\$ 142,362	\$ -	\$ 142,362	\$ 142,362	\$ -	0%
Part-time Faculty Compensation	\$ 484,748	\$ -	\$ 484,748	\$ 484,748	\$ -	0%
State Lottery Proceeds	\$ 2,937,987	\$ -	\$ 2,937,987	\$ 3,018,983	\$ 80,996	3%
Misc State Revenue	\$ 365,891	\$ 44,574	\$ 410,465	\$ 365,439	\$ (45,026)	-11%
TOTAL STATE REVENUE	\$ 75,493,680	\$ 44,574	\$ 75,538,254	\$ 71,313,001	\$ (4,225,253)	-6%
LOCAL						
Tax Allocation / Secured Roll	\$ 16,573,402	\$ -	\$ 16,573,402	\$ 16,986,703	\$ 413,301	2%
Tax Allocation / Supplemental Roll	\$ 176,407	\$ -	\$ 176,407	\$ 178,281	\$ 1,874	1%
Tax Allocation / Unsecured Roll	\$ 746,742	\$ -	\$ 746,742	\$ 748,679	\$ 1,937	0%
Prior Years Taxes	\$ 1,249,608	\$ -	\$ 1,249,608	\$ 1,352,975	\$ 103,367	8%
Educational Revenue Augmentation	\$ -	\$ -	\$ -	\$ (590,770)	\$ (590,770)	-
Redevelopment Agency Fund	\$ -	\$ -	\$ -	\$ 2,423,991	\$ 2,423,991	-
Gifts and Grants	\$ 350,000	\$ -	\$ 350,000	\$ 81,983	\$ (268,017)	-77%
Contract Service/Contract Ed	\$ -	\$ -	\$ -	\$ (6,880)	\$ (6,880)	-
Sales & Commissions	\$ 10,000	\$ -	\$ 10,000	\$ 4,592	\$ (5,408)	-54%
Rentals / Civic Center	\$ 246,000	\$ -	\$ 246,000	\$ 235,801	\$ (10,199)	-4%
Rentals / Bookstore	\$ 20,000	\$ -	\$ 20,000	\$ 20,004	\$ 4	0%
Rentals / Miscellaneous	\$ 14,000	\$ -	\$ 14,000	\$ 4,033	\$ (9,967)	-71%
Interest on Deposits	\$ 250,000	\$ -	\$ 250,000	\$ 182,290	\$ (67,710)	-27%
Extended Learning Center	\$ 675,000	\$ -	\$ 675,000	\$ 712,650	\$ 37,650	6%
Enrollment Fees	\$ 9,877,620	\$ -	\$ 9,877,620	\$ 7,568,486	\$ (2,309,134)	-23%
Course Materials Fees	\$ 110,900	\$ -	\$ 110,900	\$ 94,371	\$ (16,529)	-15%
Student Records	\$ 174,700	\$ -	\$ 174,700	\$ 170,845	\$ (3,855)	-2%
Non Resident Tuition	\$ 7,500,000	\$ -	\$ 7,500,000	\$ 8,014,747	\$ 514,747	7%
Other Student Fees and Charges	\$ 48,200	\$ -	\$ 48,200	\$ 68,528	\$ 20,328	42%
Other Local Income	\$ 855,099	\$ -	\$ 855,099	\$ 1,013,888	\$ 158,789	19%
TOTAL LOCAL REVENUE	\$ 38,877,678	\$ -	\$ 38,877,678	\$ 39,265,197	\$ 387,519	1%
OTHER REVENUE	\$ 1,394,000	\$ -	\$ 1,394,000	\$ 1,413,215	\$ 19,215	1%
TOTAL REVENUE	\$ 116,018,306	\$ 44,607	\$ 116,062,913	\$ 112,206,003	\$ (3,856,910)	-3%
EXPENDITURES						
ACADEMIC SALARIES						
Academic Monthly	\$ 27,808,681	\$ (463,361)	\$ 27,345,320	\$ 25,894,019	\$ (1,451,301)	-5%
Non Teaching Certificated	\$ 8,332,100	\$ 331,970	\$ 8,664,070	\$ 8,949,400	\$ 285,330	3%
Instruction Adjunct/Overload/Hrly	\$ 19,625,787	\$ -	\$ 19,625,787	\$ 19,473,562	\$ (152,225)	-1%
Non Teaching Stipends	\$ 61,897	\$ 131,391	\$ 193,288	\$ 306,816	\$ 113,528	59%
TOTAL ACADEMIC SALARIES	\$ 55,828,465	\$ -	\$ 55,828,465	\$ 54,623,797	\$ (1,204,668)	-2%
CLASSIFIED SALARIES						
Supervision/Management	\$ 1,906,170	\$ -	\$ 1,906,170	\$ 2,106,900	\$ 200,730	11%
Classified Monthly	\$ 14,898,391	\$ (71,075)	\$ 14,827,316	\$ 14,560,290	\$ (267,026)	-2%
Hourly/Overtime/Students	\$ 2,632,594	\$ 1,424,043	\$ 4,056,637	\$ 4,475,567	\$ 418,930	10%
Other	\$ 1,609,475	\$ (1,352,968)	\$ 256,507	\$ -	\$ (256,507)	-100%
TOTAL CLASSIFIED SALARIES	\$ 21,046,630	\$ -	\$ 21,046,630	\$ 21,142,757	\$ 96,127	0%
EMPLOYEE BENEFITS						
Retirement	\$ 9,647,830	\$ (136,930)	\$ 9,510,900	\$ 7,877,170	\$ (1,633,730)	-17%
Health & Welfare	\$ 10,538,681	\$ 66,419	\$ 10,605,100	\$ 11,401,692	\$ 796,592	8%
Other	\$ 4,031,691	\$ 70,511	\$ 4,102,202	\$ 4,244,414	\$ 142,212	3%
TOTAL EMPLOYEE BENEFITS	\$ 24,218,202	\$ -	\$ 24,218,202	\$ 23,523,276	\$ (694,926)	-3%
SUPPLIES	\$ 1,990,040	\$ -	\$ 1,990,040	\$ 1,341,845	\$ (648,195)	-33%
SERVICES	\$ 10,289,855	\$ -	\$ 10,289,855	\$ 9,284,203	\$ (1,005,652)	-10%
CAPITAL OUTLAY	\$ 2,392,889	\$ -	\$ 2,392,889	\$ 358,001	\$ (2,034,888)	-85%
OTHER OUTGO	\$ 252,225	\$ 44,607	\$ 296,832	\$ 121,957	\$ (174,875)	-59%
TOTAL EXPENDITURES	\$ 116,018,306	\$ 44,607	\$ 116,062,913	\$ 110,395,836	\$ (5,667,077)	-5%
NET OPERATING SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ 1,810,167	\$ 1,810,167	-
FUND BALANCE, BEGINNING						
Fund Balance Reserved	\$ 12,050,000		\$ 12,050,000	\$ 12,050,000		
Annual Operating Contingencies	\$ 6,847,581		\$ 6,847,581	\$ 6,847,581		
FUND BALANCE, ENDING	\$ 18,897,581		\$ 18,897,581	\$ 20,707,748		

2012/13 Adopted Budget

2012-2013 PROPOSED ADOPTED BUDGET - ASSUMES NEW CALENDAR

UNRESTRICTED GENERAL FUND - 01 (ACCRUAL BASIS AS OPPOSED TO CASH BASIS)	2011-12 <u>BUDGET</u>	2011-12 <u>ACTUAL</u>	2012-13 PROJECTED <u>BUDGET</u>
REVENUE			
Federal Funding	252,981	214,590	227,562
State Funding	75,538,235	71,313,001	66,493,656
Local Funding	38,877,678	39,265,197	40,550,728
Other Financing Sources	1,394,000	1,413,215	10,000
Insurance Refund			2,306,982
TOTAL REVENUE	116,062,894	112,206,003	109,588,928
EXPENDITURES			
Academic Salaries	55,828,465	54,623,797	53,170,779
Classified & Non Academic Salaries	21,046,630	21,142,757	20,561,782
Employee Benefits	24,218,202	23,523,276	25,219,387
Supplies & Materials	1,990,040	1,341,845	1,884,393
Other Operating Expenses and Services	10,289,855	9,284,203	10,218,590
Equipment Purchase	2,392,889	358,001	287,563
Other Outgo	296,813	121,957	56,601
TOTAL EXPENDITURES	116,062,894	110,395,836	111,399,095
Revenue Over(Under) Expenditures		1,810,167	(1,810,167)
11/12 Surplus Applied to 12/13 Proposed Budget			1,810,167
Net Revenue Over (Under) Expenditures			0

Summary of 2011 - 2012 Budget as of 6/30/12

Actual Expenditures From Operating Budget (BOTP 8/15/12 p. 16/211)

Actual Expenditures	As of 6/30/2012			
Total Academic Salaries	\$	54,623,797.00		
Total Classified Salaries	\$	21,142,757.00		
Total Employee Benefits	\$	23,523,276.00		
Total Employee Costs	\$	99,289,830.00		
Supplies	\$	1,341,845.00		
Services	\$	9,284,203.00		
Capital Outlay	\$	358,001.00		
Other Outgo	\$	121,957.00		
Sub-Total	\$	11,106,006.00		
Total Expenditures	\$	110,395,836.00		
2011 - 2012 Notes:	Total Actual Expenditures	Total Actual Receipts	Surplus	Deferred Funds
	\$	\$	\$	
	110,395,836.00	112,206,003.00	1,810,167.00	Total Actual Surplus
				\$ 1,810,167.00
				Total General Reserves
				\$ 20,707,748.00

Savings Not Included In 2011 - 12 Budget

2012-13 \$10.5 Million Balanced Budget Proposal (Board Packet 8/29/12 p. 33)

Adjuncts/Section Cuts - (578 sections)			\$ 3,100,000.00	
Unclassified Hourly			\$ 900,000.00	
Re-Assigned Time			\$ 750,000.00	
Vacant Positions			\$ 800,000.00	
BOT Election*	(Budgeted for every year even though elections are every other year)		\$ 400,000.00	
Grand Total Savings			\$ 5,950,000.00	BOTP 8/29/12 p. 33
		2011 - 12 Actual Expenditures =	\$ 110,395,836.00	BOTP 8/15/12 p. 16
		Cost Cutting Not Included in 2011 - 12 Actuals	\$ 5,950,000.00	BOTP 8/29/12 p. 33
		Total Expenditures for 2012-2013 @	\$ 104,445,836.00	
		2012 - 2013 Expected Revenues of @	\$ 109,588,928.00	BOTP 8/29/12 p. 31
		Results in 2012-13 Surplus of @	\$ 5,143,092.00	BOTP 8/29/12 p. 33