Summary

- Modest Changes – (one exception*)
- Revenues and Expenses up $2.4 Billion
- Affordable Care Act Implementation
  - Medi-Cal Increase 46%
  - 30% of entire population
- CalPERS Slight Increase
- State Court Funding Increase
- Drought Funding
- *CalSTRS Big Increase
Summary

- Budget Reserves (Rainy Day Fund)
- Balanced Budget
- Pay off Debt
- Unfunded Liabilities
- Assumes Continued Modest Recovery
- Continued Reliance on 1% (who pay 40%)
Summary

- Total Budget – $156.1 Billion
- General Fund – $107.8 Billion
- K–12 education – $45.3 Billion (all funds)
- Higher Ed – $12.9 Billion (all funds)
Community Colleges

- $47.3 million for COLA (.85%)
- $140.4 million for increased enrollment (2.75%)
- $100 million for Student Success
- $100 million for Underrepresented students
- $50 million Career Technical Training
- $148 million for maintenance and equipment
- $37.5 million for Prop 39 projects
- CalSTRS (limited details)
CalSTRS

- Currently 67% funded ($74 Billion Unfunded)
- About $5 Billion/yr more needed for 30 years

Share of the Liability:
- Employees $12 Billion
- Employers $42 Billion
- State $20 Billion
Increased contributions for:

- Employees  2.25% over 3 years (start in FY16)
- VCCCD  10.85% over 7 years
- State  3.3% over 3 years
For every 1% additional contribution:

- State $279 million
- VCCCD $500,000
- Employees $900
CalSTRS

- Significant Increases Ahead – Annual
  - State: $921 million
  - VCCCD: $5.4 million
  - Employee: $2,025
Contributions Ahead

- State: 8.8%
- VCCCD: 19.1%
- Employee: 10.25%

Total: 38.15%
General Fund – New Revenue

- COLA (.85%) $1.1 million
- Current Year Growth $1.6 million

Total New Revenue $2.7 million

- 2.75% Growth (715 FTES) $3.3 million (next year)
General Fund – New Expenditures/Transfers

- Infrastructure $1.5 million
- Utilities $722,000
- Health Care $438,000 (net)
- Step/Longevity/Retirees $353,000 (net)
- Work Comp, PERS $184,000
- Property/Liability Insurance $130,000
- Growth – new faculty hires $1 million

Total Increased Expenditures $4.3 million
General Fund – Salary/Benefit Increases FY13–14

- **Faculty**: $470,405
- **Mgmt/Sups/Conf**: $1,758
- **Classified**: $210,368

**Total**: $682,531
General Fund – Net Effect

- Total New Revenue: $2.7 million
- Salary Benefit Overage: ($0.7 million)
- Total Increased Expenditures: ($4.3 million)
- CalSTRS: ($0.6 million)

Total: ($2.9 million)
Restricted Funds

- $3.5 million for building maintenance (one-time)
- $2 million for instructional equipment (one-time)
- $885 thousand for Prop 39 projects
Other Program Funds

(Allocation method and other requirements uncertain)

- $2.25 million for Student Success
- $2.25 million for Underrepresented students
- $1.15 million Career Technical Training
Budget Risks

- Drought
- Recession / Capital Gains
- Prisons
- High Speed Rail
June – Constitutional deadline for Legislature to send budget to Governor

Sept/Oct– Trailer Bills (frequently much of CCC language/clarification occurs here)