

Ventura County Community College District

Budget Update



March 13, 2012

FY13 VCCCD Budget Calendar

February 2012	Seek Board Guidance (Study Session)
March	Board Approval of Budget Assumptions
April	Classified Board Actions
May	Additional State Budget Information
June	Approve Tentative Budget
July–September	State Approved Budget
November 6	Tax Initiative Results
November 7	Reductions if Tax Initiative Fail
December – February 2013	Possible Statewide Deficit/P1

VCCCD General Fund Revenue Reductions

FY10 (\$4.6 m)

FY11 \$1.5 m

FY12

Signed budget (\$7.5 m)

Trigger cuts (\$2.4 m)

P1 adjustment (\$3.2 m)

Total projected FY12 (\$13.1 m)

3 year revenue reduction (\$16.2 m)*

(FY13 November triggers = \$6.8m)

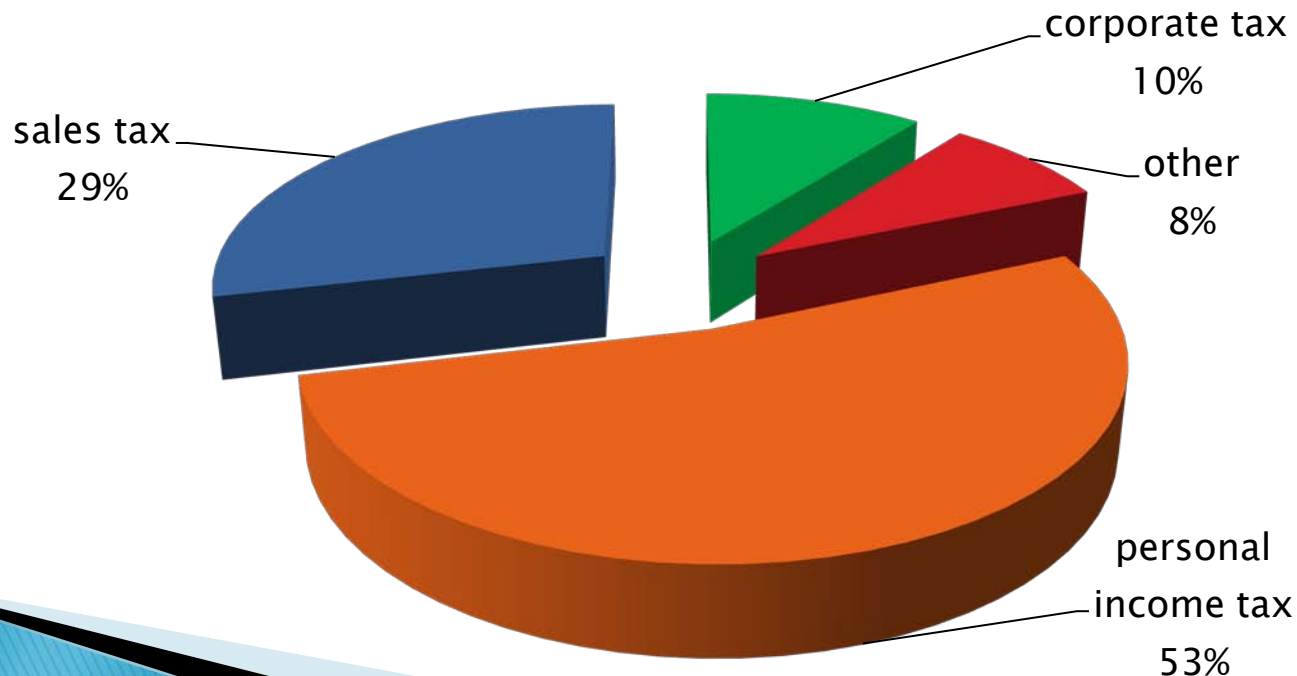
* In addition to increase in deferrals and District costs.

February LAO Economic & Revenue Update – FY13 Budget

LAO projects revenue \$6.5b lower than administration due to administration's optimistic estimates in:

- Revenue of proposed tax initiative
- Personal income taxes

FY11 State General Fund Revenue



FY13 VCCCD Budget Assumptions

Revenue

FY12 deficit (budget deficit & triggers)	\$3 million
FY13 partial trigger protection (Nov ballot failure)	<u>\$2 million</u>
Total Revenue Reduction	\$5 million

Expenditures

FY13 estimated inflation in costs	<u>\$3 million</u>
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Total FY13 Budget Reduction Plan **\$8 million**

FY12 VCCCD Reserves

State Required Minimum – 5%	\$6,916,541
Revenue Shortfall Contingency	\$5,000,000
Unallocated	<u>\$13,265,050</u>
Total as of 06/30/2011 (FY11)	\$25,181,591
FY12 Adoption and Midyear Trigger	(\$2,938,133)
Use of Reserves–Unbudgeted Expenses	(\$352,000)
Use of Reserves– Estimated P1 Adjustment	<u>(\$3,200,000)</u>
Reserves as of 02/29/2012 (FY12)	\$18,691,458
Potential use of reserves (FY13 triggers–partial)	<u>(\$4,800,000)</u>
Projected Reserves 12/31/12 (FY13)	\$13,891,458

District FTES

▶ Declining Funded Cap (FTES)

As of 07/01/12

FY09	FY10	FY11	FY12 (budgeted)*	FY13 (projected passage)*	FY13 (triggers)
26,847	25,841	26,496	24,504	24,504	23,015

***FY12 includes 6.2% workload reduction plus trigger cuts; FY13 projects 5.56% workload reduction based on revenue reduction of \$6.8 million if triggers are pulled.**

▶ Unfunded FTES (as of 3/12/12)

FY09	FY10	FY11	FY12 (projected)	FY13 (projected passage)**	FY13 (triggers)
2,501	3,377	1,170	1,745	1,745	3,234

****without class schedule reductions, FY13 goal = 500 unfunded.**

FY13 Preliminary Budget Plans

	\$8m
Instruction (1,200 FTES) (program eliminations/reductions/class schedule)	\$3,600,000
Classified	
• Associated with Instruction	\$500,000
• Restructure	\$1,400,000
• Due to budget constraints	<u>\$800,000</u>
Total Classified	\$2,700,000
Management	\$300,000
Operating/Other Exp	\$1,400,000
Total	<u>\$8,000,000</u>