College of Marin
Budget Update

1/17/12
12/31/11 Year-to-Date Budget Update

- Financial Highlights
- YTD Budget Update
- Revenues
- Expenditures

Outlook for 2011/12
- Impact of Mid-Year Cuts

2012/13 Budget
- Update from State
- 2012/13 Revenue Assumptions (COM)
12/31/11 YTD Financial Highlights

12/31/11

Revenues $ 25.3M
Expenses $ 21.7M
Net $ 3.6M
Cash Balance $ 14.0M

- Primary revenue source is property taxes, received primarily in December and April.
- Expenditures average $3.8M per month.
Revenues
- $45.3M budgeted
- $25.3M actual YTD
- 56.0% of budget
- 86.7% property taxes

Expenditures
- $45.8M budgeted
- $21.7M actual YTD
- 47.3% of budget
- 88.3% salaries and benefits
Revenues to date are higher than 2010/11 but slightly lower as a % of budget, 56% vs. 56.6%

- Property Taxes: 54.6% of budget
- Enrollment Fees: 78.0% of budget
- State Revenue: 45.9% of budget
- Local, other: 67.7% of budget

Although the revenue pattern is relatively consistent, it is difficult to project revenues with accuracy

Given the % of budget received to date, it is reasonable to expect we are on a path to meet budget
Budget vs. 12/31/11 YTD Revenues

![Budget vs. 12/31/11 YTD Revenues chart]

- Property Taxes
- State
- Enrollment
- Other Local

1/17/12
Budget vs. 12/31/11 Salaries/Benefits

- Salaries and benefits total $19.1M or **48.3% of budget**, compared to 50% last year
  - Faculty Salaries 50.4%
  - Classified Salaries 46.5%
  - Administrative Salaries 49.7%
  - Benefits 46.6%

- Benefit increase is effective January 2012 and although an increase was budgeted, we are not certain about the impact yet

- % of budget is not unreasonable, but Salaries/Benefits is our vulnerable expense requiring close monitoring of PT faculty salaries
Budget vs. 12/31/11 Salaries/Benefits

Faculty Salaries

Classified Salaries

Administrative Salaries

Benefits

Budget vs. Actuals
Other Expenditures total $2.5M or 40.5% of budget, compared to 37.8% last year

- Fixed expenses 49.4%
- Operating expenses 30.7%
- Capital/other outgo 64.1%

Timing differences and earlier transfers for other outgo are causing Other Expenditures to be higher than this time last year

Given the % of budget spent to date, it is reasonable to expect we are on a path to meet budget
Outlook for 2011/12

Impact of Mid-Year Cuts

- $170K revenue shortfall (PFE)

Outlook for 2011/12

- Received unanticipated mandated costs of $270K
- Other revenues and expenditures are at reasonable budget levels
- Expectation is the district will meet budget
Conversations relating to basic-aid districts are again taking place

- North Orange vs South Orange
- Basic-aid districts are allowed to keep revenues from fee increases (Unfair?)
- San Mateo CCD and San Jose Evergreen CCD may become basic-aid 2012/13
No stable and reliable budget until we have a stable and reliable economy.

Funding for government operations depends heavily on our highest earners (the rich) whose income is based on ‘capital gains and losses’.

More triggers in the 2012/13 budgets.

Districts should plan conservatively and maintain “prudent reserves”.
2012/13 Revenue Assumptions

- Secured Property Taxes: 2% increase
- Enrollment Fees: $10/unit increase (offset by BOG waivers)
- Partnership for Excellence: 100% elimination
- Other State Revenue: Hold flat
- Local Revenue: Hold flat