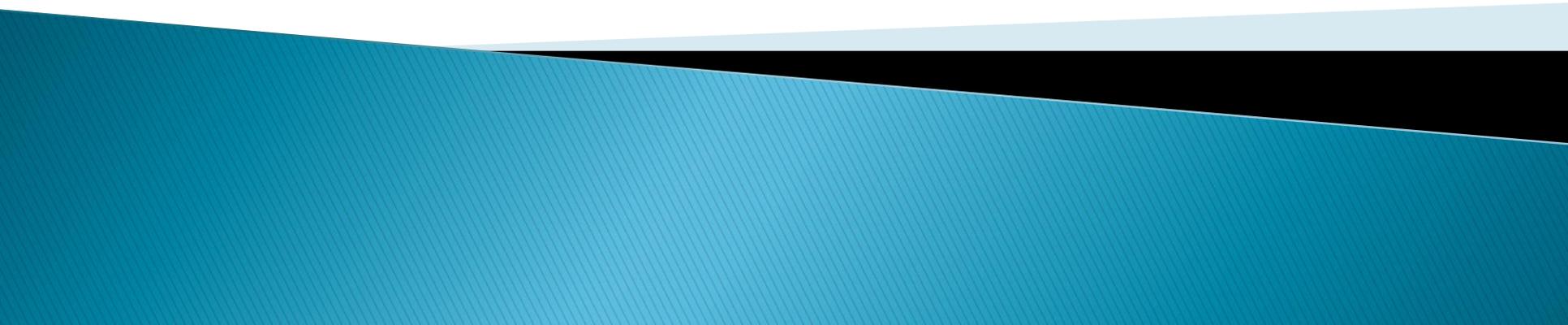


College of Marin Budget Update

1/17/12



Budget Update

- ▶ **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)

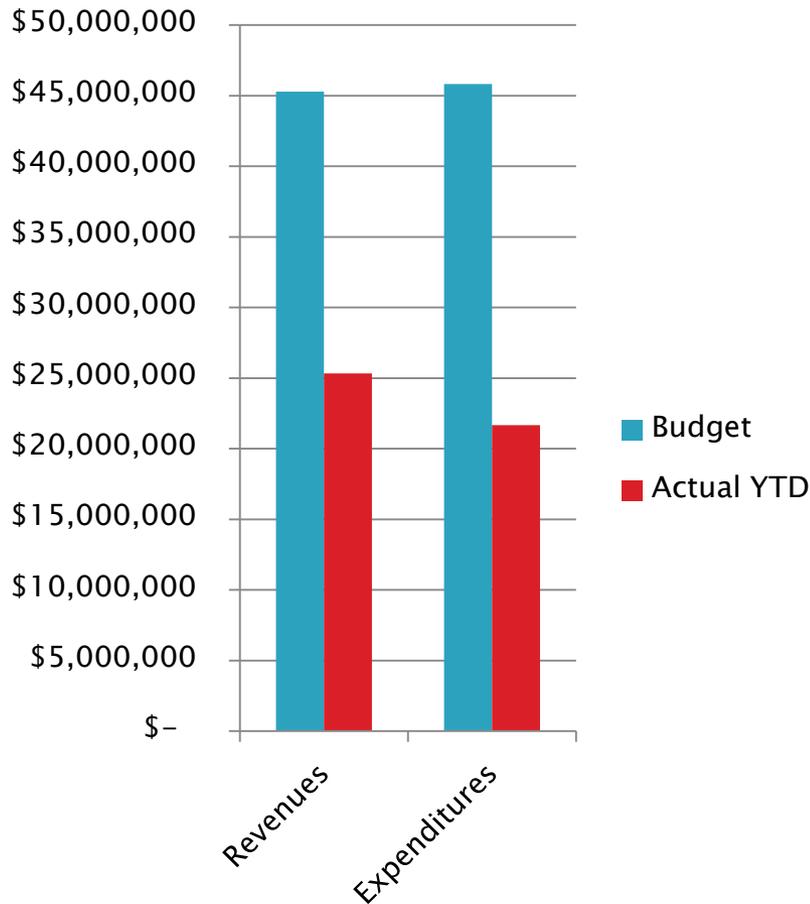
12/31/11 YTD Financial Highlights

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.

12/31/11 YTD Budget Update



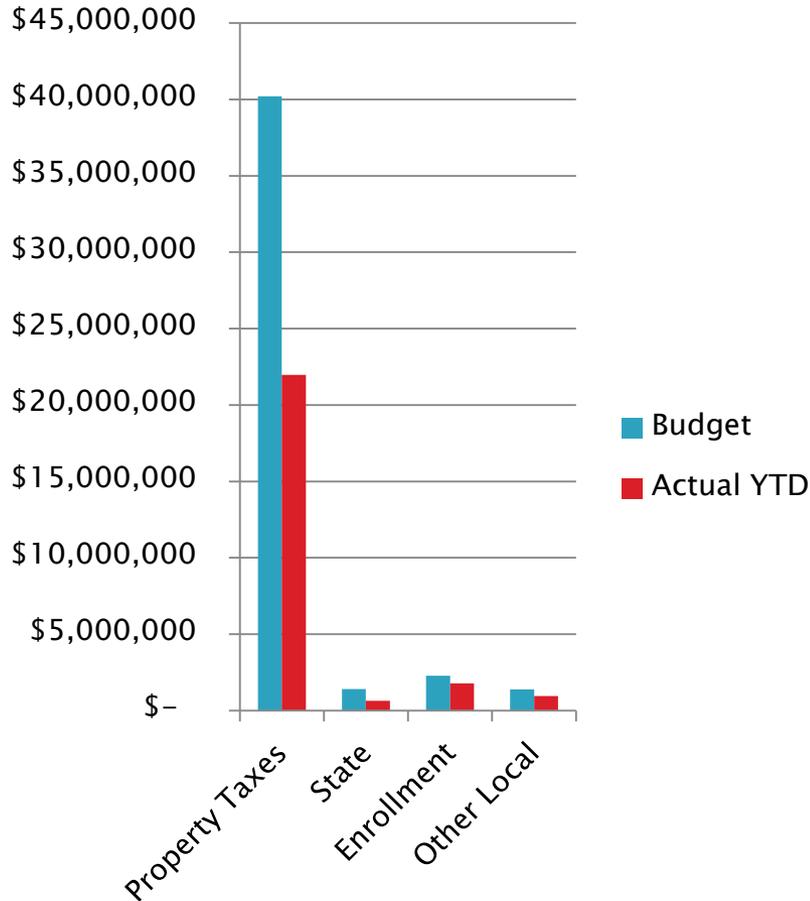
▶ Revenues

- \$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

Budget vs. 12/31/11 YTD Revenues

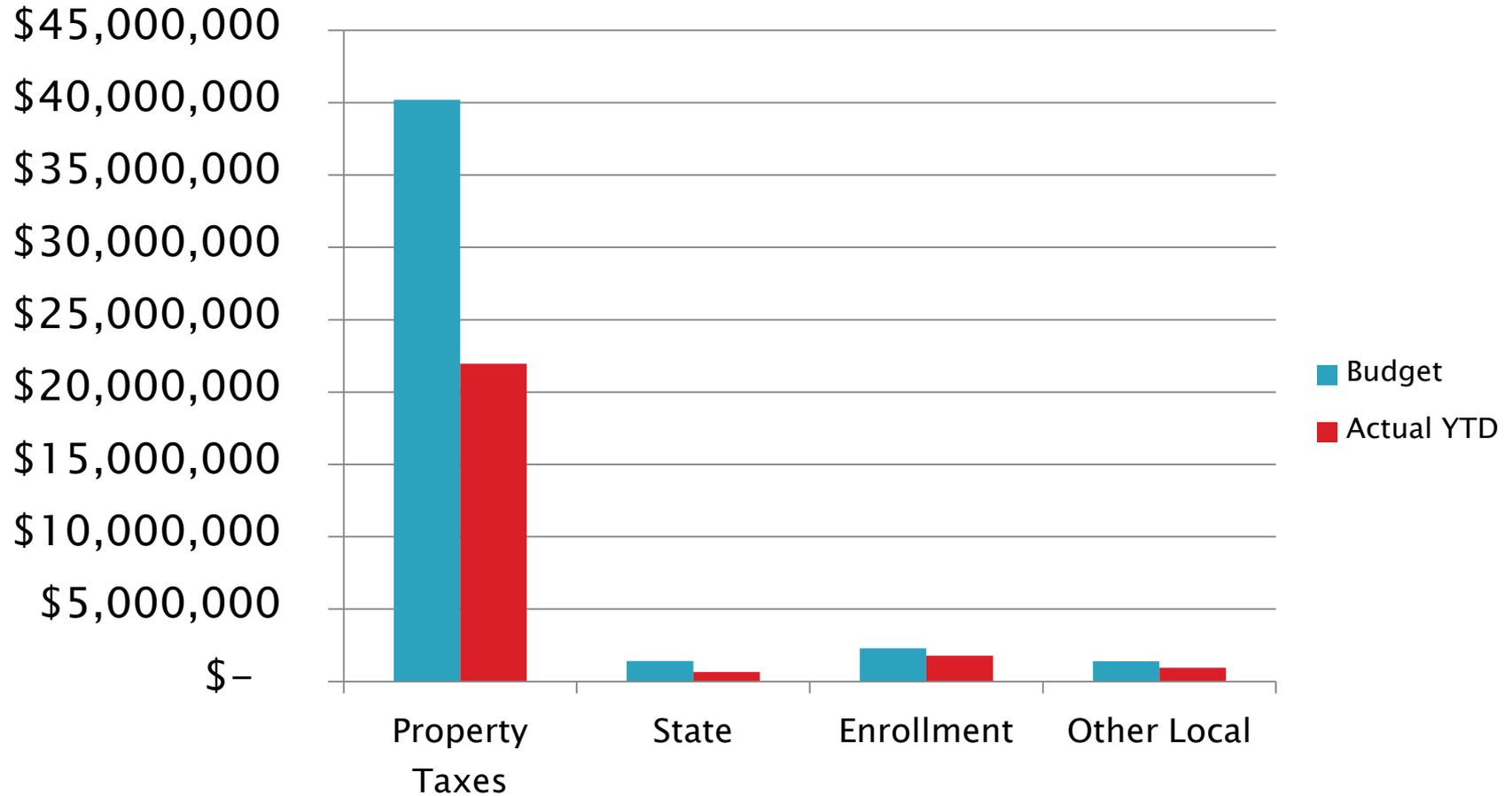


- ▶ Revenues to date are higher than 2010/11 but slightly lower as a % of budget, 56% vs. 56.6%

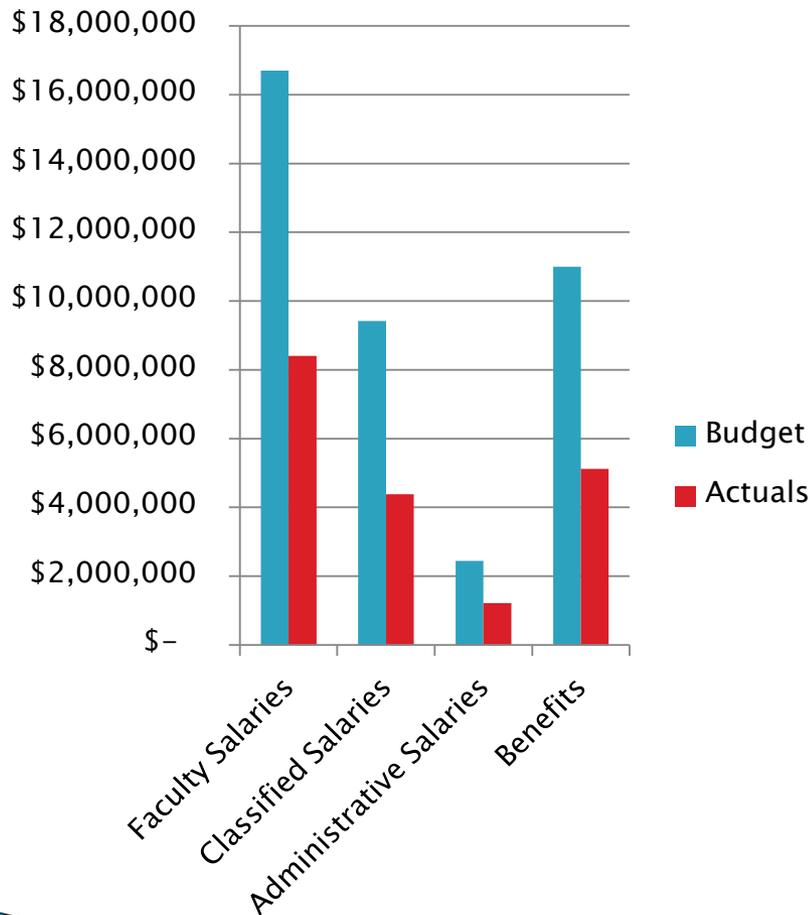
Property Taxes	54.6% of budget
Enrollment Fees	78.0% of budget
State Revenue	45.9% of budget
Local, other	67.7% of budget

- ▶ 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

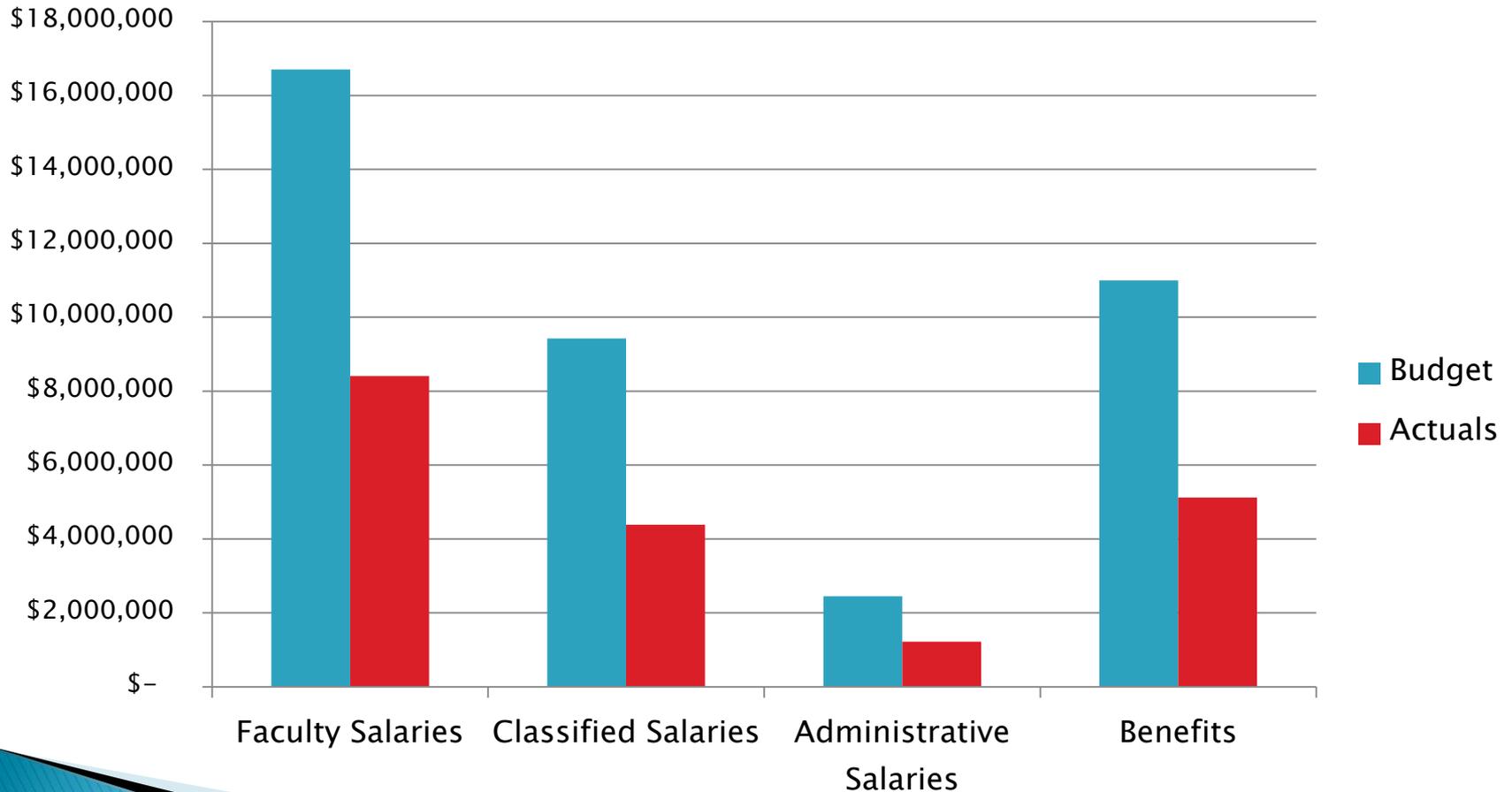


Budget vs. 12/31/11 Salaries/Benefits

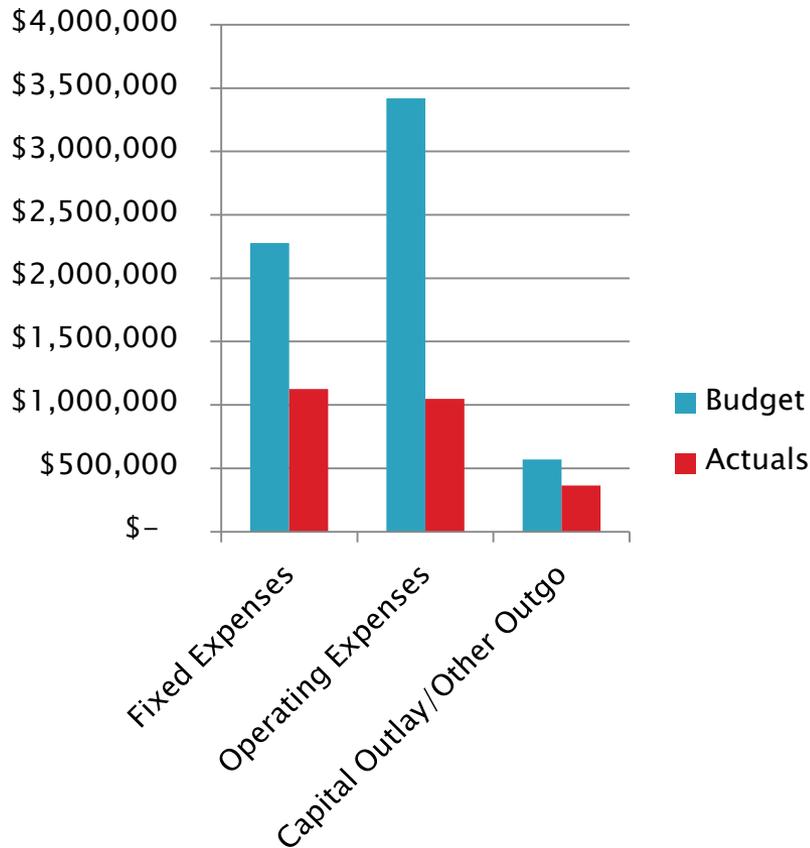


- ▶ Salaries and benefits total \$19.1M or **48.3% of budget**, compared to 50% last year
 - Faculty Salaries 50.4%
 - Classified Salaries 46.5%
 - Administrative Salaries 49.7%
 - Benefits 46.6%
- ▶ Benefit increase is effective January 2012 and although an increase was budgeted, we are not certain 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

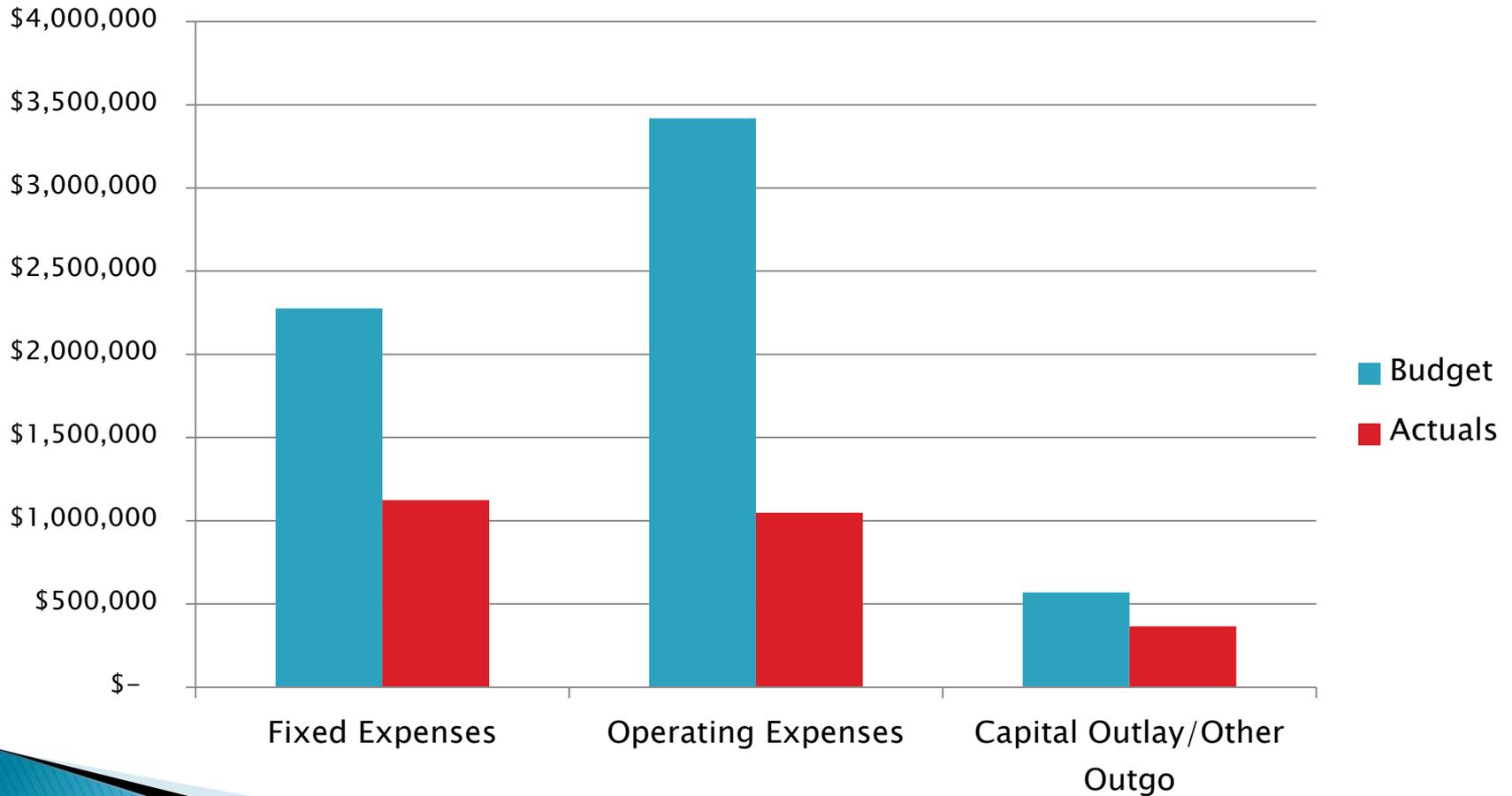


Budget vs. 12/31/11 Other Expenditures



- ▶ 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

Budget vs. 12/31/11 Other Expenditures



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

2012/13 Budget Update

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

2012/13 Budget Update

- ▶ 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