

SANTA BARBARA CITY COLLEGE
ASSUMPTIONS USED TO DEVELOP THE 2013-14 ~~TENTATIVE-ADOPTED~~ BUDGET

The budget revenue assumptions are from the governor's ~~May~~February ~~Revised~~ published on the ~~Community College League of California website on February 21, 2013~~ presented by the California Community College Chancellor's Office at the Annual Statewide Budget Workshop on August 8, 2013.

The 2013-14 ~~Tentative-Adopted~~ Budget includes the following assumptions:

REVENUES

Assumptions below are from the Governor's proposed budget

1. Contains all of the 2012-13 Prop 30 adjustment (see Attachment A for details).
2. 4.84% or \$2.6 million increase in the state allocation for the Unrestricted General Fund:
 - a. COLA of 1.~~6557~~% or \$1.~~2-1~~ million.
 - b. Growth/restoration of 2.19% or \$1.4 million. ***Not included in 2013-14 ~~Tentative Adopted~~ Budget***
3. The College will generate the FTES borrowed from summer for growth in 2012-13.
4. There is no deficit factor.
5. International and out-of-state student revenue ~~is reduced by 100 FTES, \$620,000~~ includes actual for fall 2013 and an estimate for spring 2014.
6. Part-time compensation remains at \$333,000.
7. Enrollment fee is \$46.00.
8. Interest revenue continues to decline.
9. Lottery revenue remains flat.
10. State Mandated reimbursement remains the same at \$406,000.

EXPENSES

1. Zero Based Budget is included.
2. Center for Lifelong Learning is included at the budget estimate and is presented separately.
3. The State Unemployment Contribution Rate will decrease effective July 2013 from 1.10% to 0.05%. The impact on the Unrestricted General Fund is a one-time decrease of approximately \$737,000. The impact on the Restricted General Fund is a one-time decrease of approximately \$300,000.
4. Employer contributions toward health benefits are estimated to increase \$~~777~~655,000 based on the current and projected increase in the out-of-pocket for all employees.

5. The increase for fixed and mandated expenses is based on actual or trends. Fixed and mandated expenses consist of increases in maintenance agreements, utilities, postage, rent etc. The projected net increase will be finalized in the adopted budget.
6. The state Workers compensation insurance rate will increase from 1.47% to 1.52%. The impact on the Unrestricted General Fund is an increase of approximately \$36,045.
7. Sabbaticals are budgeted at four full-time-equivalent positions for a total of \$208,000 (4 x \$52,000/per FTE).
8. The CalPERS Board recommended an increase to the employer contribution rate from 11.417% to 11.442% estimated rate, which will result in an additional cost of approximately \$5,000 for general fund (restricted and unrestricted).
9. To-be-purchased Program Review items from prior years of 2011-12 and 2012-13 were rolled into 2013-14 in the amount of \$1,967,000.
10. Program Review items approved for Budget 2013-14 totaled \$1,461,451 (made up of \$1,205,781 ~~non-non~~-lottery funded + \$126,497 lottery funded + \$133,228 contingency of 10%)
11. ~~Any potential~~ The estimated cost for the Ewing study management reclassification (\$157,800) and salary table recalibration (\$958,900) is not included in the tentative adopted budget.
12. Salary increase of 1.57% across all salary schedules. Instructors Association \$685,215; CSEA \$298,000; Confidential and Management \$107,400.
13. Stipends for department chairs were increased by \$75,000.
14. One step added to the Instructions Association Schedule 10, \$373,000.
- 14-15. The one time payout for all bargaining units is included as a one-time expense for 2012-13 at the cap of 3% (\$2,012,854).

TRANSFERS

These are the transfer of funds to and from the Unrestricted General Fund Ending Balances.

1. Categorical programs (EOPS, DSPS, and matriculation), contributed \$825,173. The state budget includes increased allocations to these programs reducing the amount needed to backfill from the General Fund. The estimated reduction to this transfer is approximately \$400,000.
2. Transfer to the Children's Center Fund is \$209,000.
3. Transfer to the Construction Fund for ongoing campus maintenance of \$2.0 million.
4. Transfer to the Construction Fund for loan payments to the California Energy Commission for the photovoltaic system loan was \$191,846 for 2012-13 and will continue for the life of the loan.
5. Transfer to the Equipment Fund is \$1.5 million for equipment replacement and \$155,000 for copier replacement.

6. Transfer in from the "I Can Afford College" State Financial Aid Media campaign grant of approximately \$261,769 in the tentative budget. This is a pass through of funds that the College manages for the chancellor's office.
7. Transfer in from the Community Service fund of \$440,000 from facility rental.

CASH FLOW

1. Deferrals reduced from \$13.3 million in 2012-13 to \$8.4 million.

Attachment A

Details of Prop 30

The following adjustments were made to the 2012-13 Budget after the passage of Prop 30:

- The \$406,000 in new money for the mandates block grant is included.
- There is no workload reduction; \$4.6 million is added to revenue.
- The pay down of deferrals would result in approximately \$4.9 million improvement of cash flow in ending balances.
- Growth of \$600,000 is added to revenue; FTES will be borrowed from summer to capture the growth.
- Prop 39 would provide funding for energy conservation projects.