



REDWOODS
COMMUNITY
COLLEGE
DISTRICT

December 7, 2010

FINAL BUDGET 2010-2011

December 7, 2010

Board of Trustees
Redwoods Community College District
7351 Tompkins Hill Road
Eureka, CA 95501

Subject: Final Budget 2010-11

General Background

The final budget presented to the Board of Trustees for approval at the December 7, 2010 meeting marks the latest budget approved by the State of California and consequently, the College of the Redwoods. Obtaining the state appropriation has taken nearly four months longer than is legislatively mandated, missing the July 15th deadline by 105 days. The consequence of not knowing what the district's state appropriation would be, an amount representing nearly 94% of the district's unrestricted operational revenue, has made budget development difficult. However, the delay also makes it possible to assess the accuracy of the "tentative" budget nearly five months after it became the operating budget on July 1, 2010. The final budget that is being present provides mid-year corrections to the operating (tentative) budget to help assure that the fund balance remains at 5% and that revenue and expenditures remains balanced through the end of the fiscal year—June 30, 2011.

Unfortunately, even this late fiscal year budget is suspect. It is becoming generally understood that the premise under which the state's budget was determined is not holding up to reality. For instance, the \$126 million growth funding (additional base revenue) to be provided in this year's budget to all community colleges is dependant on the assumption that it will be financed out of next year's additional state revenue. This "credit card" mentality is becoming untenable as the projections for next year's state revenue are already faltering against reality. The state deficit is also showing signs of reality checks as the California financial situation is beginning to implode following additional recognition that the hoped for \$5 billion in federal stimulus funding is not going to occur. In short, the budget under which our assumptions for this final budget are being made may not survive the final test. It may be necessary to return in a few months to address the state's financial crisis with budgetary cuts of our own.

The Planning and Budget Committee has played a significant role in linking the unfunded action plans that were identified through the district's program review, integrated planning committee recommendations, and facility master planning processes. This past summer, the committee has continued to meet for the purpose of reviewing and prioritizing action plans that were not funded in the tentative budget but were identified as important to the district's operations and programs. As a result, many of the items have been added to the final budget (e.g., \$200,000 for spring sections) or by using alternative funding sources--e.g., imaging system purchased with bond funds or deferred maintenance issues addressed with accumulated redevelopment funds. This final step in the budget review process is a new critical component to the integrated planning

process. It reflects how the district's planning and budgeting processes, through the various committees that oversee specific components of the organization (e.g., enrollment management committee), are maturing by establishing effective communication and decision making linkages.

The following summary narrative provides an overview of the major issues, both resolved and remaining open, in this final budget for fiscal year 2010-11. In addition to providing a brief explanation of the changes to the district's finances since July 1, 2010, primarily for the current operating unrestricted budgets (Funds 10 and 15), a list of issues that need to be addressed is included. In preparation for a possible mid-year cut in state funding, several budget items have been deferred to help establish a small contingency reserve fund. If mid-year cuts are not necessary, it will be possible to return to these unfunded issues.

Revenue - Exhibit C—Tentative to Final Comparisons

The current state appropriation increases state funding for this year by \$639,875 reflecting a new in-state base of approximately 5,200 FTES. With an additional \$200,000 in funding for spring term instructional sections, an additional Criminal Justice class and summer school for the LVN to RN bridge program, the Enrollment Management Committee is projecting between 5,300 and 5,400 "resident" (California or in-state) FTES enrollments for this (2010-11) year. Additional funding for summer school 2011 has not been provided and will be identified when the mid-year budget adjustments are finalized. Next year's budget will also be used for late 2011 summer funding. The projection in the tentative budget from state sources was \$16,172 less than what is included in the final budget--\$29,177,605.

Offsetting this almost perfect state appropriation estimate was the correction to the amount budgeted in the local sources for nonresident (out-of-state) students—approximately 220 FTES. Unlike the resident students' fees that are theoretically transferred to the state, nonresident fees are retained by the district. Actual summer/fall fee revenue projections were overstated and an adjustment (\$200,000) to the final budget has been made accordingly.

The overall negative adjustment to all revenue sources (current operating—unrestricted) was \$289,162, or just under one percent of total tentative budget revenue.

Expenditures & Transfers

The expenditure budget, when prepared in June before the fiscal year's budget has been completed and the related financial statements were closed, represents the most difficult and therefore dynamic portion of the budgeting process. For instance, on the positive side, utilities were over budgeted by nearly \$225,000. However, for every positive adjustment that could be found, surprising and frustrating under budgeted expenditures were also discovered. For instance, the student accounts receivable that was typically adjusted at year-end with available fund balances, nearly tripled from \$125,000 in previous years to more than \$400,000 last year. A restructuring of the accounts receivable and inclusion of a bad debt expense budget must be resolved in the next budget cycle.

In the tight budget that is being presented to the board for approval, numerous budgeting issues remain unresolved, including:

- May and June summer school remains unfunded, although summer terms can be largely funded from the 2011-12 budget;
- Classified (\$30,510) and Management (\$30,045 - \$31,396) salary adjustments, as recommended by the Compensation Study (June, 2010) remain unfunded; and
- Funding to replace lost, damaged or outdated instructional equipment. (\$50,000 - \$75,000)

In addition, the updated (August 20, 2010) actuarial study prepared by Total Compensation Systems, Inc., reflects an additional \$459,776 in annual transfers that are needed to cover the amortization of unfunded actuarial accrued liability (UAAL). This amount is above the calculated \$276,550 in normal benefit costs to cover current employees' future liabilities. However, the calculation assumes a twenty-five year amortization as opposed to the allowed thirty year period, and does not recognize the impact of immediately transferring the accumulated balance to a trust account, and thus reducing the unfunded (\$6,480,061) actuarial accrued liability (UAAL). For instance, a reduction in the UAAL by \$3.5 million (see Fund 78), would roughly reduce the UAAL payment from \$459,776 to approximately \$208,336. Changing the amortization period to thirty years should have an additional impact on the annual amount. The consultant has been asked to make the adjustments to his model to determine what the UAAL annual payment should be given adjustments to the amortization period and the anticipated trust balance, thus reducing the unfunded liability. The correction to the transfer amount should be considered a high priority for this fiscal year, but deferred until the anticipated mid-year budget cuts are finalized.

The amount charged to Fund 78 for employee benefits continues to exceed the annual transfer amount. The accounting staff will conduct an expenditure audit to confirm that the budget in this area is being managed appropriately, and to determine if there are cost saving efficiencies that should be considered. Both recalculating the transfer amounts and addressing "run-away" benefit expenditures related to the Employee Benefit Trust account (78) will be given high priority with the intent to amend the final budget when more accurate information is obtained.

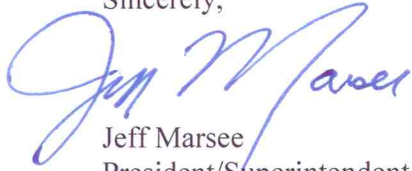
In conclusion, the fiscal year 2010-11 budget is very tight. Unfortunately, this appears to be the fiscal reality of the next several years given California's poor prognostic for a quick recovery. In short, this is perhaps a long-term budget for the district. New program initiatives, growth and even maintaining the status quo will require strong fiscal controls, a willingness to shift funds from low demand to high demand programs, and the flexibility to rethink how to do more with the same and hopefully not fewer resources.

The good news? The district is solvent! The instructional and support services are becoming increasingly efficient thanks to a positive commitment by faculty and staff to provide maximum services to our students and community. Communication between employees is becoming more effective, often catching issues before they become crisis. Most important, students are getting

the courses they need to transfer, improve basic skills and obtain the career and technical training they need to successfully enter the work force.

This final budget is presented with the objective of maintaining the critical mission of improving access (opportunities) and student success.

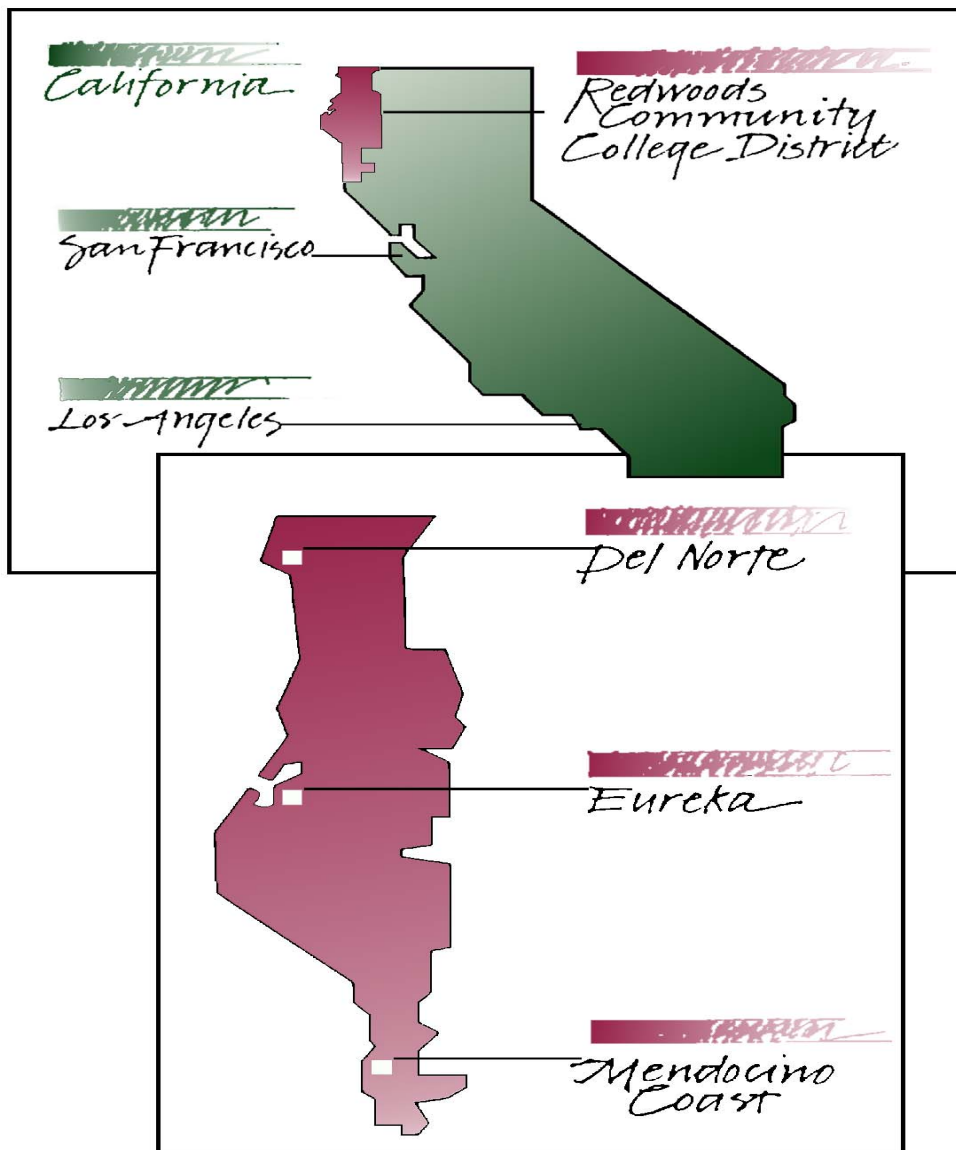
Sincerely,



Jeff Marsee
President/Superintendent

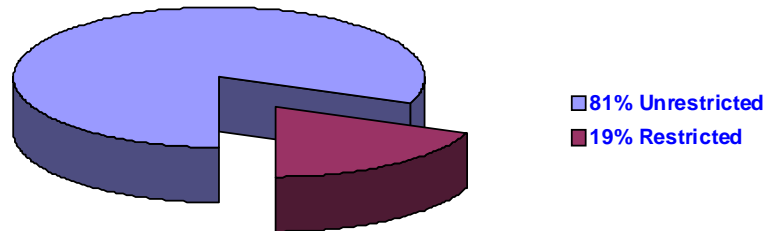
THE DISTRICT

The Redwoods Community College District, founded in 1964, is located in Northern California on the Pacific Coast. It covers a geographic area from 190 miles north of San Francisco to the Oregon border. The District operates College of the Redwoods, part of the California Community College system. The main campus is in Eureka, with education centers in Crescent City (Del Norte) and in Fort Bragg (Mendocino Coast). In addition, instructional sites located in downtown Eureka, Arcata, and the Klamath/Trinity area have been established to serve the needs of students. The College of the Redwoods offers Associate in Arts and Associate in Science degrees, as well as lower division general education classes, including academic major prerequisites needed to transfer to four-year colleges and universities. Classes are also offered that qualify students for certificates in over 40 vocational fields. The District is a public agency governed by an elected nine-member Board of Trustees, which represent defined geographical areas. The 2010-11 Final Budget is included as Exhibit A.



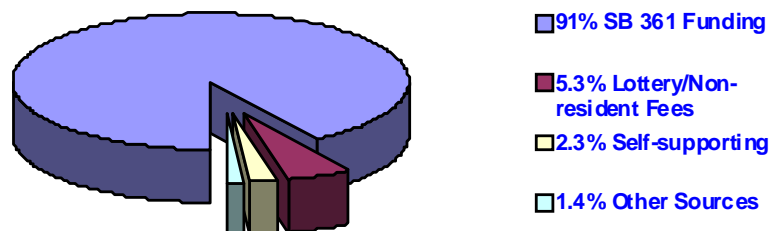
***THE
GENERAL
FUND
(FUND #10)***

The General Fund accounts for all activities not required to be recorded in a separate fund and represents 36.9% of the District's revenues. There are two main segments of the General Fund: unrestricted and restricted programs (see Exhibit B).

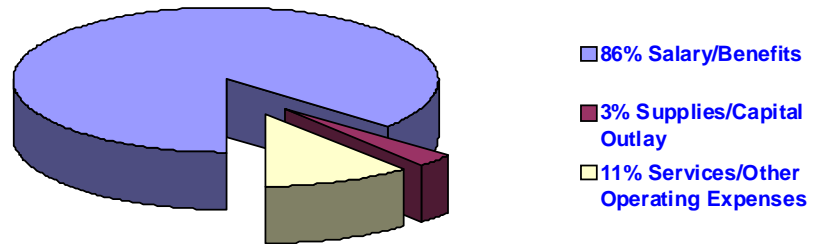


Unrestricted

The largest segment of the fund is the *unrestricted portion*, approximately \$31.2 million (81% of the activity); it accounts for revenues for the general-purpose programs of the District. Of these revenues, 91% comes from a State-developed funding formula under the provisions of SB 361. An annual provision is made in the State Budget Act and is distributed to the 72 community college districts by the California Community College Chancellor's Office. The funding formula historically has recognized changes in the cost-of-living (COLA) and student enrollment growth and/or decline. In fiscal year 2010-11, the state budget act did not provide for COLA. The State apportionment is the balancing amount that makes up the difference between the calculated entitlement and the local property taxes and student enrollment fees collected by each District. Therefore, variances in local property taxes and student fees do not affect overall revenue; the State merely adjusts its apportionment up or down accordingly. The remaining part of the unrestricted revenue comes from Lottery/Non-resident Fees (5.3%), Self-supporting programs (2.3%), and other sources (1.4%).



Most of the expenditures in the unrestricted portion are for employee salaries and benefits (86%); the remainder is spent on supplies/capital outlay (3%), and services/other operating expenses (11%).



Restricted

The restricted (categorical aid) portion of the General Fund budget represents approximately \$7.2 million (19% of the General Fund activity) and accounts for Federal, State, and local money that must be spent for a specific purpose by law or agreement. Examples of these programs, which mostly are services targeted for specific population groups, are: Career and Technical Education Act (CTE), Matriculation, Extended Opportunity Programs and Services (EOPS), Disabled Students Programs and Services (DSPS), and Cooperative Agencies Resources for Education (CARE).

Other Financing Sources (Uses)

An unrestricted ending balance of 5% will be maintained in the General Fund at the end of each fiscal year as a reserve for contingencies as required by the state. Any amount over this reserve level will be transferred to Fund 15 for one time projects.

Other financial uses include transfers out in support of other funds, transfers within the General Fund in support of restricted programs, student financial aid such as child care and books, and reserve for contingencies for possible additional expenditures.

Major General Fund Assumptions

The differences between Tentative and Proposed Final Budget are outlined in Exhibit C.

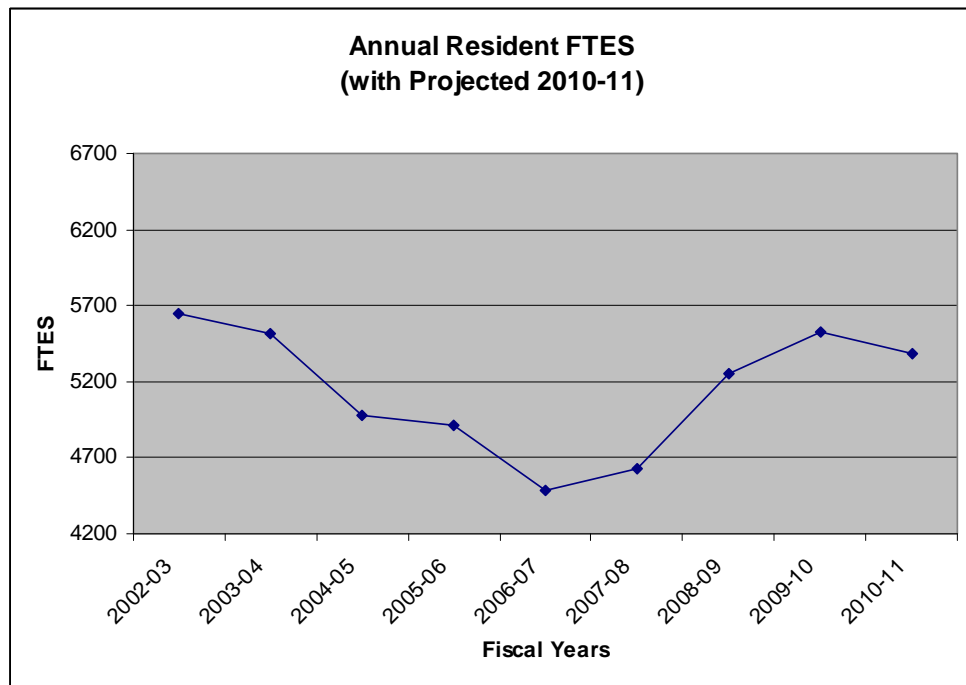
Categorically funded state programs were budgeted using information provided in the 2010-11 Budget Act. An augmentation was included for the one time American Recovery and Reinvestment Act (ARRA) funds.

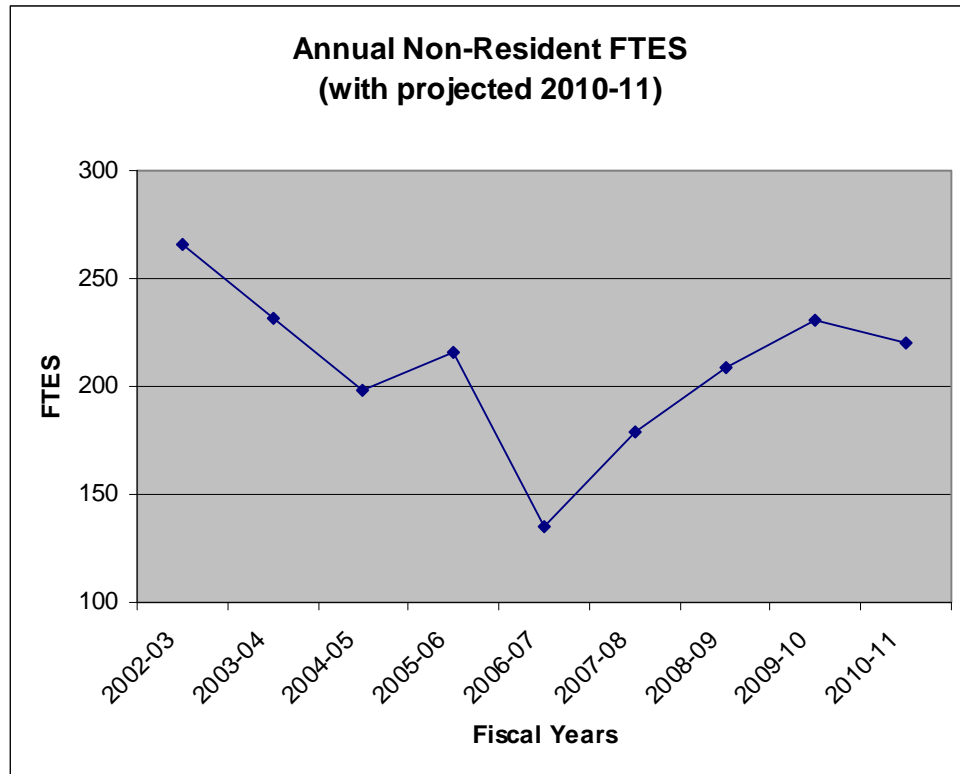
***Enrollments
and
Financial
Stability***

Full-time Equivalent Students

	<u>Resident</u>	<u>Non-res</u>	<u>Total</u>	<u>Change</u>
<i>2002-03</i>	5,650	266	5,916	
<i>2003-04</i>	5,515	232	5,747	(169)
<i>2004-05</i>	4,974	198	5,172	(575)
<i>2005-06</i>	4,914	216	5,130	(42)
<i>2006-07</i>	4,482	135	4,617	(513)
<i>2007-08</i>	4,623	179	4,802	185
<i>2008-09</i>	5,257	209	5,466	664
<i>2009-10</i>	5,528	231	5,759	293
<i>Budgeted 2010-11</i>	5,380	220	5,600	(159)

Over 95% of the District's unrestricted revenues are tied to student enrollments or full-time equivalent students (FTES). The following exhibits show the FTES trends and projections for the current year for both resident and non-resident students.





Full-time Equivalent Faculty and Staff

	<u>2009-10</u>	<u>2010-11</u>	<u>Change</u>	
Unrepresented				
Board Members	9.5	9.5	0.0	0%
Administrators	17.2	17.9	0.7	4%
Managers	16.4	20.8	4.4	27%
Confidential	<u>7.0</u>	<u>6.8</u>	<u>(0.2)</u>	<u>-3%</u>
Total Unrepresented	50.1	55.0	4.9	10%
Faculty (CRFO)	88.5	87.1	(1.4)	-2%
Classified (CSEA)	<u>105.9</u> (a)	<u>108.5</u>	<u>2.6</u>	<u>2%</u>
Total FTE	<u>244.5</u>	<u>250.6</u>	<u>6.1</u>	<u>2%</u>
Total FTES (Res & NR)	<u>5,759</u>	<u>5,600</u>	<u>(159)</u>	<u>-3%</u>

(a) Reduced for 2 Bookstore FTEs that were moved from General to Enterprise Fund for 2010-11.

The FTE's for faculty and staff is projected to be 250.6 in fiscal year 2010-11 or an increase over fiscal year 2009-10 of 4.1 FTE. For Administrators, the budget includes one additional position of Vice President of Administrative Services. For Managers, the budget includes the following new positions; Assistant Director, Human Resources, Controller and Interim Manager of Resource Development.

50% Law Compliance

California Community Colleges, Budget and Accounting Manual, 2000 edition:

The “50 Percent Law”, as defined in Education Code Section 84362 and California Code of Regulations Section 59200 et seq., requires California Community College districts to spend each fiscal year 50% of the current expense of education for payment of salaries of classroom instructors. The intent of the statute is to limit class size and contain the relative growth of administrative and noninstructional costs.

		Actual 2007-08	Actual 2008-09	Actual 2009-10
Salaries of Classroom Instructors (SCI)	a	\$ 13,040,327	\$ 14,171,737	\$ 15,139,859
Current Expense of Education (CEE)	b	\$ 25,744,462	\$ 27,337,059	\$ 30,014,598
Percent	c	50.7%	51.8%	50.4%
Required Expenditure (50% of b)	d	\$ 12,872,231	\$ 13,668,530	\$ 15,007,299
Difference (line a, less line d)	e	\$ 168,096	\$ 503,207	\$ 132,560

Financial Stability and Reserves

Based on the above assumptions for 2010-11, projected expenditures and other outgo equal estimated revenues and other sources, resulting in the District maintaining its unrestricted reserve balance at the state minimum reserve level of 5% of budgeted unrestricted expenditures and other outgo by the end of 2010-11.

Reserve funds are an important safeguard for financial stability. They provide working capital to ensure that the District can pay its obligations in a timely manner regardless of the timing of revenue collections. Reserves can also assist in maintaining solvency when faced with unexpected financial needs such as State apportionment shortfalls, unexpected repairs, and unanticipated enrollment declines.

**OTHER
FUNDS**

***Bond Interest
and
Redemption
Fund (Fund
#21)***

At its June 7, 2005 meeting, the Board of Trustees established a Bond Interest and Redemption Fund to account for revenues derived from property taxes levied for the payment of principal and interest on outstanding bonds of the District. Responsibility for the operation of this fund is vested with the Humboldt County Auditor in accordance with State law.

A successful district-wide General Obligation Bond election was conducted in November 2004 for \$40,320,000 in authorized bonds for acquisition and construction costs for District facilities and equipment. The first series of these bonds totaling \$18,000,000 was issued on May 19, 2005 with maturity dates of August 1, 2006 through 2029 at interest rates varying from 3.375% to 8% of par value. A second series of these bonds totaling \$15,000,000 was issued on July 10, 2007 with maturity dates of August 1, 2008 through 2031 at interest rates varying from 4% to 6% of par value. Debt service requirements for 2010-11 include \$670,000 in principal and \$1,382,599 in interest.

***Other Debt
Service Fund
- COPS
(Fund #29)***

In October 1988, the District formed the College of the Redwoods Financing Corporation (CRFC) for the purpose of issuing \$3 million in certificates of participation. Proceeds were used for acquisition of land and buildings, for rental of facilities, for remodeling and maintenance projects, and for debt service requirements. This 30-year obligation was refinanced in November 1998 over the remaining 20 years at savings of \$376,258. The District makes lease payments as assigned by CRFC for the retirement of the outstanding debt.

These activities are accounted for in a debt service fund. Semi-annual payments totaling \$102,661 are required for 2010-11. Funds are provided by an annual interfund transfer from General Fund unrestricted revenues.

***Child
Development
Fund
(Fund #33)***

The District operates child development programs on the Eureka Campus for the benefit of children from infants to age 5. In addition to Federal and State support of approximately \$490,897, the District charges an hourly rate to parents for its instructional activities. The Child Development Program is not charged for administration, operations, or maintenance costs. A FY10-11 transfer from District funds of \$90,000 is planned to support the operations.

***Student Farm
Fund (Fund
#34)***

This Fund was established in November 2000 to account for student agricultural production activities that are conducted on a farm in Shively, California. The farmland, buildings, equipment, and cash were a gift received from the estate of John Bianchi. In fiscal year 2008-09, CALTRANS gave the District Foundation \$2.0M to assist with the operational needs of the student farm. An endowment was set up with \$1.5M and the interest earned will assist with some of the staffing costs and \$500,000 will be used over the next couple of years to support new farm equipment needs.

***Special
Revenue Fund
(Fund #39)***

The District Board established a special revenue fund to account for the rental income from District owned or leased buildings and the sale of student built homes from construction technology classes.

Rented facilities include residence halls; a food works complex, and a student center on the Eureka campus. Sales and rentals are expected to generate \$1,119,846 in revenues with a net loss of \$276,857. This loss is a result of budgeting \$315,000 for the roof replacement on the Mendocino Dorm. A reserve account has been established in this fund for repairs and replacement of equipment and furnishings.

***Capital
Outlay
Projects Fund
(Fund #41)***

The District maintains the Capital Outlay Projects Fund to account for the expenditure of capital outlay and scheduled maintenance projects. District general obligation bond projects totaling \$12,000,000 are planned for FY 10-11. State funded construction projects totaling \$45,543,053 have been approved by the State.

***Associated
Student Trust
Fund
(Fund #71)***

Regulations adopted by the Board of Governors of the California Community Colleges require the establishment of a fund to account for moneys held in trust by the District for the organized student body association. This fund was established in November 2000. The budget represents revenue and expenditure estimates of activities managed by student government on the Eureka campus.

***Employee
Benefit Trust
Fund
(Fund #78)***

The District pays health care costs for retirees according to Board adopted policies and contract agreements with employee groups. The fund balance as of June 30, 2010 is \$4,243,106. As noted in the opening summary, an Unfunded Accrued Actuarial Liability (UAAL) exists. Based on a preliminary assessment by the Actuarial Consultant the transfers required to fund the UAAL will be approximately \$200,000 annually. The revised Actuarial report will be presented to the Board at a later date and may result in a budget amendment at that time.

Interest income on funds on deposit with the Humboldt County Treasurer is estimated to be \$60,000. The normal funding transfer to fund the liability for current qualified employees is budgeted to be \$276,550. It is projected that \$909,798 will be needed to pay contributions for health care benefits for retirees in 2010-11 (see exhibit A). The budgeted deficit in Fund 78 for the fiscal year 2010-11 is due partially to a lower interest income earning expectation, the lack of a budgeted annual transfer to fund the UAAL.

EXHIBIT A

REDWOODS COMMUNITY COLLEGE DISTRICT
FINAL BUDGET
FISCAL YEAR 2010-11

REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE	GOVERNMENTAL FUND TYPES							PROPRIETARY FUND TYPES	FIDUCIARY FUND TYPE - TRUST			TOTAL ALL FUNDS (Memo Only)
	General Fund (10) & (15)	Debt Serv Funds (21) & (29)	SPECIAL REVENUE FUNDS				Enterprise Funds (5X)	Associated Student Body (71)	Student Financial Aid Trust (74)	Employee Benefit Trust (78)		
			Child Devel- opment (33)	Student Farm (34)	Other Sp Rev Funds (39)	Capital Projects (41)						
REVENUES:												
Federal Sources 8100-8199	\$ 3,307,346	\$ 0	\$ 147,332	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,825,179	\$ 0	\$ 0	\$ 15,279,857
State Sources 8600-8699	32,838,859	0	343,565	100,000	0	45,864,796	0	0	500,000 (a)	0	0	79,647,220
Local Sources 8800-8899	2,234,315	2,152,000	144,412	37,500	1,119,846	360,000	2,752,596 (b)	13,770	0	336,550 (c)	0	9,150,989
Total Revenue	38,380,520	2,152,000	635,309	137,500	1,119,846	46,224,796	2,752,596	13,770	12,325,179	336,550	0	104,078,066
EXPENDITURES:												
Academic Salaries 1000-1999	14,157,655	0					0	0	0	0	0	14,157,655
Other Staff Salaries 2000-2999	8,878,535	0	420,278	27,138	189,921	0	323,291	0	0	0	0	9,839,163
Employee Benefits 3000-3999	7,599,946	0	288,594	7,715	87,745	0	96,789	0	0	909,798	0	8,990,587
Supplies & Materials 4000-4999	905,098	0	16,092	14,633	524,250	0	1,752,532	11,600	0	0	0	3,224,205
Services & Other Operating 5000-5999	4,568,030	1,375	6,038	19,014	297,287	176,538	337,632	17,072	7,866	0	0	5,430,852
Capital Outlay 6000-6999	1,112,004	0	20,641	104,000	322,500	60,396,725	284,409	0	0	0	0	62,240,279
Total Expenditures	37,221,268	1,375	751,643	172,500	1,421,703	60,573,263	2,794,653	28,672	7,866	909,798	0	103,882,741
EXCESS REVENUES (EXPENDITURES)	1,159,252	2,150,625	-116,334	-35,000	-301,857	-14,348,467	-42,057	-14,902	12,317,313	-573,248	0	195,325
OTHER FINANCING SOURCES (USES):												
Proceeds on Sale of Bonds 8941	0	0	0	0	0	0	0	0	0	0	0	0
Interfund Transfers In 8980-8988	0	102,661 (d)	90,000 (d)	35,000 (d)	25,000 (d)	0 (e)	0	0	0	0	0	252,661
Intrafund Transfers In 8989	103,309 (f)	0	0	0	0	0	0	0	0	0	0	103,309
Debt Service 7100-7199	0	-2,155,260	0	0	0	0	0	0	0	0	0	-2,155,260
Intrafund Transfers Out 7200-7299	-103,309 (f)	0	0	0	0	0	0	0	0	0	0	-103,309
Interfund Transfers Out 7300-7399	-252,661 (d)	0	0	0	0	0	0	0	0	0	0	-252,661
Student Financial Aid 7500-7699	-642,483 (g)	0	0	0	0	0	0	0	-12,317,313	0	0	-12,959,796
Reserve for Contingencies 7900-7999	-704,225 (h)	0	26,334	0	0	0	29,795	0	0	0	0	-648,096
Total Other Sources (Uses)	-1,599,369	-2,052,599	116,334	35,000	25,000	0	29,795	0	-12,317,313	0	0	-15,763,152
FUND BALANCE INCREASE (DECREASE)	-440,117	98,026	0	0	-276,857	-14,348,467	-12,262	-14,902	0	-573,248	0	-15,567,827
BEGINNING FUND BALANCE:												
Beginning Balance 9790	2,000,272	1,674,509	-47,848 (i)	43,261	521,793	14,458,467	817,518	47,958	5	4,243,106	0	23,759,041
Prior Year Adjustments 9791-9792	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Beginning Balance	2,000,272	1,674,509	-47,848	43,261	521,793	14,458,467	817,518	47,958	5	4,243,106	0	23,759,041
ENDING FUND BALANCE	\$ 1,560,155	\$ 1,772,535	\$ -47,848	\$ 43,261	\$ 244,936	\$ 110,000	805,256	\$ 33,056	\$ 5	\$ 3,669,858	\$ 0	\$ 8,191,214
RESERVE	5.0%											

- (a) Cal Grants
- (b) Student House Construction fund set up as Enterprise fund with it's own fund number
- (c) Active Participating Employee Contribution \$276,550, Interest \$60,000
- (d) Debt Service \$102,661, CDC \$90,000, Student Farm \$35,000, Student Center Rent and Supplies \$25,000
- (e) No Capital Outlay transfer for deferred maintenance in FY 2010-11
- (f) DSPS-ARRA \$26,068, Matriculation-ARRA \$663, CalSOAP \$386, Health Services \$67,476, Veterans Program \$5,220, Federal Work Study Workers Comp \$3,496
- (g) Waived Concurrent High School Student Enrollment Fees \$63,900 and Categorical/Grant payments to/on behalf of students \$578,583
- (h) Fund 15 Reserve is \$107,648, General Fund Reserve \$94,566, Categorical/Grant undesignated budget \$489,309, Misc \$12,702
- (i) Child Development Center deficit from FY 2009-2010

REDWOODS COMMUNITY COLLEGE DISTRICT
 FINAL BUDGET
 FISCAL YEAR 2010-11

EXHIBIT B

Exhibit B

REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE	Unrestricted Program	Special One-time	Total Unrestricted	Restricted Program	Total Gen Fund Budget
REVENUES:					
Federal Sources 8100-8199	\$ 177,494	\$ 0	\$ 177,494	\$ 3,129,852	\$ 3,307,346
State Sources 8600-8699	29,177,605	0	29,177,605	3,661,254	32,838,859
Local Sources 8800-8899	1,821,756	0	1,821,756	412,559	2,234,315
Total Revenue	31,176,855	0	31,176,855	7,203,665	38,380,520
EXPENDITURES:					
Academic Salaries 1000-1999	13,330,476	2,413	13,332,889	824,766	14,157,655
Other Staff Salaries 2000-2999	6,764,734	65,103	6,829,837	2,048,698	8,878,535
Employee Benefits 3000-3999	6,587,270	13,416	6,600,686	999,260	7,599,946
Supplies & Materials 4000-4999	439,545	197	439,742	465,356	905,098
Services & Other Operating 5000-5999	3,431,314	173,494	3,604,808	963,222	4,568,030
Capital Outlay 6000-6999	122,631	32,500	155,131	956,873	1,112,004
Total Expenditures	30,675,970	287,123	30,963,093	6,258,175	37,221,268
EXCESS REVENUES (EXPENDITURES)	500,885	(287,123)	213,762	945,490	1,159,252
OTHER FINANCING SOURCES/(USES):					
Sale of Land & Buildings 8913	0	0	0		0
Interfund Transfers In 8980-8988	0	0	0		0
Intrafund Transfers In 8989	0	0	0	103,309	103,309
Debt Service 7100-7199	0	0	0		0
Intrafund Transfers Out 7200-7299	(103,309)	0	(103,309)		(103,309)
Interfund Transfers Out 7300-7399	(252,661)	0	(252,661)		(252,661)
Student Financial Aid 7500-7699	(63,900)	0	(63,900)	(578,583)	(642,483)
Reserve for Contingencies 7900-7999	(107,268)	(107,648)	(214,916)	(489,309)	(704,225)
Other Sources (Uses) 8999		0	0		0
Total Other Sources (Uses)	(527,138)	(107,648)	(634,786)	(964,583)	(1,599,369)
FUND BALANCE INCREASE (DECREASE)	(26,253)	(394,771)	(421,024)	(19,093)	(440,117)
BEGINNING FUND BALANCE:					
Beginning Balance 9790	1,586,408	394,771	1,981,179	19,093	2,000,272
Prior Year Adjustments 9791-9792	0	0	0		0
Adjusted Beginning Balance	1,586,408	394,771	1,981,179	19,093	2,000,272
ENDING FUND BALANCE	\$ 1,560,155	\$ 0	\$ 1,560,155	\$ 0	\$ 1,560,155

REDWOODS COMMUNITY COLLEGE DISTRICT
TENTATIVE TO FINAL COMPARISON
FISCAL YEAR 2010-11

EXHIBIT C

REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE		Tentative Fund 10 Unrestricted	Proposed Final Fund 10 Unrestricted	Change
REVENUES:				
Federal Sources	8100-8199	\$ 151,313	\$ 177,494	\$ 26,181 (a)
State Sources	8600-8699	29,161,433	29,177,605	16,172 (b)
Local Sources	8800-8899	2,153,271	1,821,756	(331,515) (c)
Total Revenue		31,466,017	31,176,855	(289,162)
EXPENDITURES:				
Academic Salaries	1000-1999	13,348,421	13,330,476	(17,945)
Other Staff Salaries	2000-2999	6,741,065	6,764,734	23,669
Employee Benefits	3000-3999	6,603,139	6,587,270	(15,869)
Supplies & Materials	4000-4999	505,140	439,545	(65,595)
Services & Other Operating	5000-5999	3,719,799	3,431,314	(288,485) (d)
Capital Outlay	6000-6999	115,989	122,631	6,642
Total Expenditures		31,033,553	30,675,970	(357,583)
EXCESS REVENUES (EXPENDITURES)		432,464	500,885	68,421
TRANSFERS:				
Intrafund Transfers Out	7200-7299	353,984	103,309 (e)	(250,675) (f)
Interfund Transfers Out	7300-7399	307,404	252,661 (g)	(54,743) (h)
Student Financial Aid	7500-7699	63,900	63,900 (i)	0
Reserve for Contingencies	7900-7999	(25,291)	107,268 (j)	132,559
Total Other Sources (Uses)		699,997	527,138	(172,859)
FUND BALANCE INCREASE (DECREASE)		(267,533)	(26,253)	241,280
BEGINNING FUND BALANCE:				
Beginning Balance	9790	1,854,210	1,586,408	(267,802)
ENDING FUND BALANCE		\$ 1,586,677	\$ 1,560,155	(26,522)
Reserve Percentage		5%	5%	

- (a) American Recovery and Reinvestment Act (ARRA) one time funds.
- (b) Decrease in Lottery by \$23,828, Increase in SB361 by \$40,000
- (c) Moved Community Education to a separate Enterprise Fund and decreased Non-Resident tuition estimate by \$200,000.
- (d) Reduced Utility budget by \$229,000.
- (e) DSPS-ARRA \$26,068, Matriculation-ARRA \$663, CalSOAP \$386, Health Service \$67,476, Veterans Program \$5,220
Federal Work Study Workers Comp \$3,496
- (f) Increased ARRA transfer and decrease in Fund 15 transfer.
- (g) Debt Service \$102,661, CDC \$90,000, Student Farm \$35,000 (CalTran Funds Interest), Student Center Rent and Supplies \$25,000
- (h) Reduced Employee Benefit Trust Transfer
- (i) Waived Concurrent High School Student Enrollment Fees
- (j) Utilities and Contingency for economic uncertainties