



Palo Verde College

**FY2013-14
BUDGET WORKSHOP
MAY 28, 2013**

BUDGET COMMITTEE

BUDGET COMMITTEE MEMBERS

Biju Raman

Academic Senate President

Michael Gaubeca

CTA

Russi Egan

Chief Business Officer

Imelda Gonzalez

**Associated Student
Government**

Brian Thieboux

Accreditation/Planning

Sheri Jones

**Interim Vice President,
Student Services**

Shelley Hamilton

**Classified Management
President**

Adam Houston

**Director, Information
Technology**

Denise Whittaker

**Interim, Superintendent/
President**

Rich Soto

CSEA President

COMMITTEE PURPOSE

- **Develop Budget Parameters on Financial Scenarios**
 - As information is received from the various sources at the state level, the budget committee will digest it and develop scenarios accordingly to pass onto the rest of the college community.
- **Provide Budget Training to Members**
 - Training will be on-going.
 - It is open to all interested parties.
- **Fund Priorities as identified by CC through Program Review**
 - The budget committee will review budget augmentations and compare against the funding priorities received from College Council.
- **Provide an Infrastructure for Collegial & Transparent Discussion amongst Constituent Leaders**
 - Meetings are open to all interested parties.
 - Discussions, ideas and participation is strongly encouraged

COLLEGE VALUES

- **Preserve jobs**
 - **Employment Integrity**
 - Maintain staffing for all departments in order to meet the needs of the students and community.
- **Preserve Classes**
 - **Instructional Integrity**
 - Ensure that we offer the classes needed by the students and community.
- **Preserve support services**
 - **Student and Instructor Service Integrity**
 - Evaluate student and instructor services needed for the students and community.
- **Preserve Environment**
 - **Security, Safety, Diversity, Technology, etc Integrity**
 - Monitor the needs for security and safety on the campus for the students, staff and community.
 - Evaluate and ensure diversity and technological needs of the students, staff and community.

CHALLENGES FACING PVC

- **Attaining 2012-13 FTES Target of 1800**
 - As of the Second Principal Apportionment Report (320) we reported an expectation of achieving 1801. We are currently at approximately 1600 with the additional 200 FTES to materialize when the ISA rosters arrive at the college.
 - There is a rumor and a possibility of exceeding the 1801 estimate, but it is cannot be confirmed at this time. It is hoped that a clearer picture of the actual FTES can be obtained before the tentative budget is approved.
- **Accreditation Commission's Probationary Status**
 - Need to continue demonstrating financial stability
 - Prove that the 2012-13 budget was met and deficit spending didn't occur.
 - Prove that we will met the 50% law for the 2012-13 year.
 - Presentation of the 2013-14 budget with a 50% law calculation.
- **Local and State Image**
 - Continue to work on our image to alleviate fears of bankruptcy or closure.
- **Overall Inconsistencies in College policies and procedures**
 - All policies and procedures need to be reviewed, changes documented and published. This will help us maintain transparency and consistency.

2012-2013

A FISCAL RECAP

WHAT HAPPENED IN 2012-13?

- **As of the First Principal Report (P1)**
 - This is the latest report (5/16/13).
 - Deficit Coefficient estimated to be 6.29% (\$715,723)
 - Why so high? There is automatic backfill language in the 2012-13 trailer bill that will ensure that RDA and EPA estimates are not held against community colleges. The Chancellor's Office waiting for the backfill amount to be determined by the State.
 - Why wouldn't the backfill be 6.29%? The trailer bill states that any RDA or EPA funds will be backfilled not normal property taxes or enrollment fees be backfilled.
- **Applied for 50% Law Exemption**
 - Received the exemption

WHAT HAPPENED IN 2012-13? INCENTIVE PLANS - ONGOING MONEY FOR 2013-14

Resignation (Mgmt 39%, CSEA 34%, CTA 27%)	\$ 343,473
Reduced Workloads (Mgmt 36%, CSEA 34%, CTA 29%)	\$ 78,762
Insurance Opt-out	\$ (178,858)
Resignation of Instructional Faculty Position	\$ 84,343
Three New Faculty Positions(Already approved)	\$ (240,000)
Possible COLA 1.57% per May revise & Budget Committee	\$ 191,057
Spring Street Payment	\$ 64,286
Total	\$ 343,063

**50% LAW CALCULATION
2012-13 (ESTIMATED)**

50% LAW FORMULA / CALCULATION

Instructional Expense

CCE - Current Expense of Education = RATIO
(Instructional + Non-Instructional Expenses)

* * * * *

PVC 50% LAW CALCULATION:

\$4,575,816 = 51.86%

\$8,823,615

As of 2/28/13

UNRESTRICTED BUDGET

BUDGET SUMMARY

2012-13 BUDGET DEVELOPMENT

- Budget Committee accepted the IS/P's recommendation that the roll-over budget for each department with the same budget as they began with in 2012-13.
- Areas were asked to identify unmet/unfunded needs through the Program Review Committee's Snap Shot process.
- The snapshots were reviewed and ranked by the College Council and will be presented to budget committee on 5/30/13.

SPRING 2013
PROGRAM REVIEW ANNUAL SNAPSHOT
REPORT PILOT PROJECT

To provide continuity between comprehensive Program Review cycles, and to identify unmet/unfunded on-going and one-time needs, please complete this form as it applies to your particular area.

1. Briefly describe the **key functions** of the Division or Area, including the number of employees, full-time and part-time.

1. Describe **changes** (i.e. accomplishments or challenges), if any, during the preceding twelve months that have had either beneficial or adverse impact on the Division or Area.

1. Describe any changes that are anticipated in the upcoming twelve months that might have either beneficial or adverse impact on the Division or Area.

1. Describe Division or Area **goals** for the upcoming twelve months, including addressing any of the changes described above.

2. **CRITICAL UNMET OR UNFUNDED PROGRAM NEEDS:** *Please describe any unmet/unfunded needs that cannot be met within your regular budget and will have an adverse impact on your ability to maintain program integrity if not funded. If you have none, you may STOP here as you do not need to complete the next Section. If you have unmet and unfunded critical needs, also specify in the column provided which of the Institutional Strategic Initiatives your request is related to (see pages 5-6 of this document for a listing of the Institutional Strategic Initiatives).*¹⁵

MASTER LIST 2 REVISED

MANDATORY FUNDING FOR SAFETY COMPLIANCE			#	Priority	SCORE	ONE-TIME UNMET NEEDS PRIORITIZED LIST
		Battery replacement for backup system	19	8	1.8	Clock replacement
		Fire system inspection and repairs	20		1.5	Needles travel mileage to and from Blythe-
		Fire Alarm Panels Needles	21		1.4	CD/DVDs for Needles [blank CDs/DVDs ? - refer to Russi]
		Lights in Blythe / Needles	22		1.1	Conferences-Needles
		COLOR CODES	23		0.9	CJ-Defense Tactics/Firearms
		On One-Time Master List	24	9	0.8	Computers w/monitors-Library
		A&R or Library pending presentation	25		0.7	Ads and Billboards
		Already Funded	26		0.6	Promotional materials
		Not on original Master List	27		0.5	Board of Trustees State Conference
		On Master List but not prioritized	28	10	0.4	Enviromental Scan required for strategic planning
		Safety - Mandatory Funding	29	11		Datatel programming A&R transcripts
			30	12		Datatel programming A&R registration
			31	13		Datatel programming A&R automated tasks
#	Priority	SCORE	ONE-TIME UNMET NEEDS PRIORITIZED LIST			
1	1	4	Computers-CL 130 for CIS	32	14	Computers with monitors - Library
2		3.9	Fire Alarm Panel-Needles	33	15	Library - additional textbooks
3	2	3.8	Projector-CL 130 for CIS	34		CPR Training-Nursing - VATEA funded
4	3	3.7	Badge maker for nursing	35		CJ-P.O.S.T. training - VATEA funded
5		3.6	Bandwidth Increase for improved transmission-LAC	36		GVNE Nursing- VATEA funded
6		3.5	Battery replacement for backup system-M&O	37		Mower/Trimmer M&O- purchased from Surplus sale proceeds
7		3.4	Reverse Osmosis system for high heat conditions-M&O-work with BTC on providing extra system	38	16	Trencher - M&O
8		3.2	Bridge Support [staffing issue; goes on on-going list]	39		Office cleaning supplies
9	4	3.2	Chemistry Lab Supplies			ON-GOING NON-PERSONNEL PRIORITIZED LIST
10	5	3.1	Emcor HVAC Training-M&O	40	17	3.8 Adobe Creative Suite-CIS
11	6	3	HVAC repair-Needles	41		3.6 Bandwidth expansion
12		3	Fire System Inspection & Repairs	42		3.2 Bridge Support
13		2.5	Overhead lights replacements at Needles	43	18	3.1 Sprinklers Supplies/bulbs-M&O
14		2.3	Cameras/Sensors-ITV Rooms LAC[refer to IT re: computers going to sleep]	44	19	2.9 Emergency Building Fund-M&O
15		2.2	Computers-CDC [not District funded]	45	20	2.4 Software-CDC
16	7	2.2	Master Lock Cylinder Replacements both sites	46	21	1.4 Security-Add Coverage
17		2.2	Supplies & equipment CDC [not District funded]	47	22	0.4 Textbooks-Library
18		1.8	ITV for meetings at Needles [already provided]	48		

INSTRUCTIONS: Prioritize in rank order with 1 being the highest, 1 through 21

#	NEW Classified Staff	Priority	#	Administrators	Priority	#	Software/Other On-Going	Priority
	Permanent PT Stu Services						Adobe Creative Suite - CIS	
1	Tech I		13	Dir/Coord Distance Ed			Emergency bldg fund -M&O	
2	Custodian PT Blythe		14	Foundation Director			Security - add coverage	
3	Fiscal Services Technician		15	Office of Insti'l Effect. Manager			Software -- CDC	
4	Grant Writer		16	Public Infor Officer PT			Sprinklers supplies - M&O	
5	HR Technician						Textbooks - Library	
6	IT Technician FT Needles		#	Faculty - To Be Prioritized by Academic Senate	Priority			
7	Instr'l Services Sec/Clerk DE		1	Alcohol/Drug Studies FT				
8	Insurance Clerk PT HR		2	Art/Music/Theater/Dance FT				
9	Library Clerk PT		3	Business				
10	Tutors - Blythe		4	CIS PT adjunct				
11	Tutors - Needles		5	CIS FT				
12	Title III backfill		6	Counselor - PT Blythe				
			7	Counselor - PT Needles				
			8	Needles - add'l adjunct				
			9	Soc/Philosophy FT				

PRIORITY	Average	New Classified Staff
1	4.5	Instructional Services Secretary/Clerk DE
2	4.3	IT Technician FT-Needles
3	3.8	Adobe Creative Suite-CIS
4	3.6	Dir/Coordinator Distance Ed
5	3.4	Fiscal Services Technician
6	3.2	Custodian PT-Blythe
7	3.1	Sprinklers Supplies/bulbs-M&O
8	2.9	Emergency Building Fund-M&O
9	2.8	HR Technician
10	2.4	Insurance Clerk PT-HR
11	2.4	Software-CDC
12	2	Tutor-Needles
13	1.7	Library Clerk PT
14	1.4	Security-Add Coverage
15	1.2	Tutor-Blythe
16	0.9	Public Information Officer PT
17	0.8	Grant Writer
18	0.5	Foundation Director
19	0.4	Office of Instructional Effect. Manager
20	0.4	Textbooks-Library
21	0	A&R Hourly Technician

NEW FACULTY PRIORITIZATION FROM THE ACADEMIC SENATE

1	CIS
2	Alcohol & Drug Studies
3	Music/Theater Arts
Not Prioritized	Business FT
Not Prioritized	Counselor - PT Blythe
Not Prioritized	Counselor - PT Needles
Not Prioritized	Needles - add'l adjunct
Not Prioritized	Soc/Philosophy FT

MASTER LIST UNMET NEED PRIORITIZATION

Priority	ONE-TIME UNMET NEEDS LIST
2	Badge maker for nursing
2	Chemistry Lab Supplies
9	Clock replacement
1	Datatel programming A&R automated tasks; A&R registration; transcripts
6	Emcor HVAC Training-M&O
7	Enviromental Scan required for strategic planning
4	HVAC repair-Needles
5	Master Lock Cylinder Replacements both sites
8	Trencher - M&O

ASSUMPTIONS FOR 2013-14

- **Revenue**
 - Revenue based on 1801 FTES per budget committee recommendation.
 - 1.57% COLA used per May Revise and budget committee recommendation
 - All fees collected are based on a 5 year average.
- **Expenses**
 - All MOUs Expire 6/30/13
 - Salary savings revert back to 6/30/12
 - Step Increases are applied
 - Health and Welfare changes revert back to 6/30/12 and includes a 8.55% rate increase
 - No participants in the insurance opt-out
 - OPEB is based on recent actuarial.
 - Trend data was created for all departments and programs.

EXAMPLE

Board of Trustees	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 - Est Actuals
1000 Certificated						
Board Members	\$ 11,366	\$ 11,280	\$ 11,520	\$ 10,920	\$ 11,160	\$ 9,600
Adjunct						
Needles						
Overload						
Total Certificated	\$ 11,366	\$ 11,280	\$ 11,520	\$ 10,920	\$ 11,160	\$ 9,600
2000 Classified						
Management	\$ 45,870	\$ 48,156	\$ 58,542	\$ 66,789	\$ 21,942	\$ 22,902
	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Classified E	\$ 45,870	\$ 48,156	\$ 58,542	\$ 66,789	\$ 21,942	\$ 22,902
3000 Benefits						
Retirement	\$ 4,269	\$ 4,540	\$ 5,684	\$ 6,387	\$ 2,397	\$ 2,615
Social Security	\$ 3,090	\$ 3,117	\$ 4,098	\$ 4,138	\$ 1,976	\$ 1,926
Medicare	\$ 763	\$ 765	\$ 995	\$ 1,042	\$ 462	\$ 450
H&W	\$ 95,649	\$ 84,842	\$ 93,955	\$ 105,444	\$ 114,656	\$ 32,078
Unemployment	\$ 28	\$ 144	\$ 186	\$ 576	\$ 348	\$ 252

UNRESTRICTED BUDGET

REVENUE

CALCULATING APPORTIONMENT

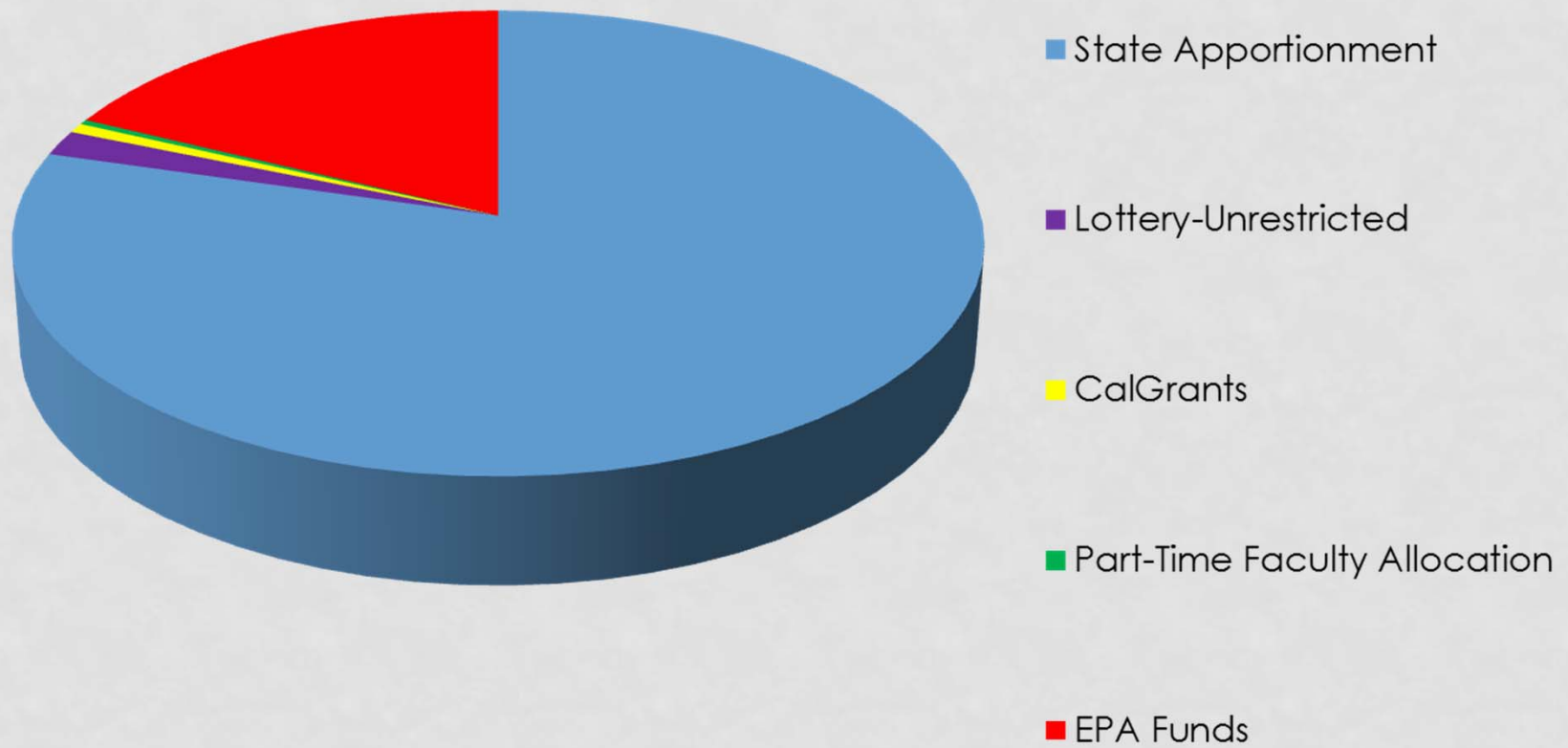
Basic Allocation Calculation	
Single College District <= 9,236 FTEs	\$3,321,545
Rural District Allotment	553,591
Total for Palo Verde Community College	\$3,875,136
Needles Approved Center <= 231 FTEs	138,398
Total Base Allocation for the District	\$4,013,534
2012-13 Credit FTEs (1764.98 X \$4,564.83)	8,056,834
2012-13 Non-Credit FTEs (36.02X \$2,744.9578)	98,873
COLA 1.57 % (per May Revise & Budget Committee)	191,057
Total Revenue Entitlement	\$12,360,298
Less EPA Funds (16.29% of total)	-2,013,493
Less Property Taxes	-1,138,097
Less Anticipated Enrollment Fees	-207,378
Total State General Apportionment	\$9,001,331
<i>Source: First Principle Apportionment Report – Exhibit C</i>	

STATE REVENUE

State Apportionment	\$9,001,331
EPA Funds	2,013,493
Part Time Faculty Allocation	38,310
Anticipated Lottery (\$110/FTES)	198,110
Cal Grants	75,000
State Revenue	11,238,129
Less: Needles Center Base Allocation	-0
Anticipated State Revenue	11,238,129

Source: First Principle Apportionment Report Exhibit A

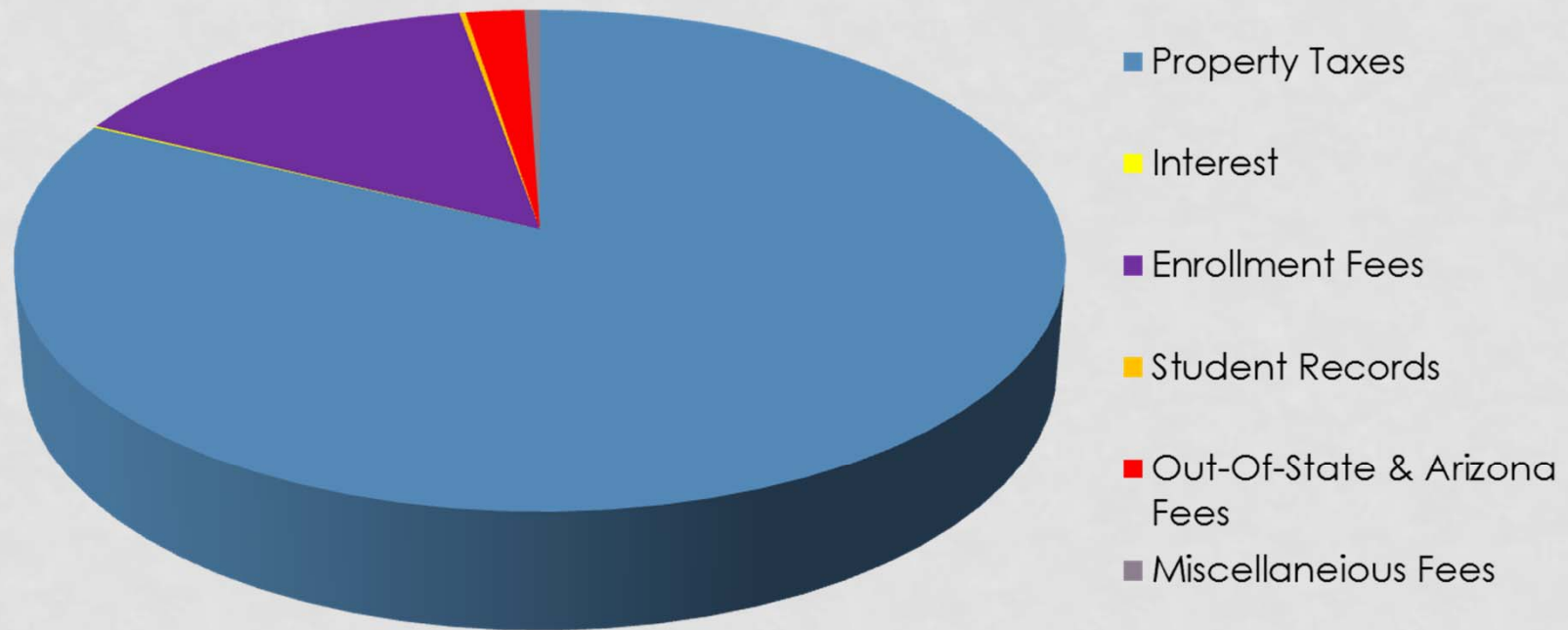
State Revenue



LOCAL REVENUE

Property Taxes	\$1,138,097
Enrollment Fees	207,378
Interest	1,407
Student records	3,018
Out-Of-State & Arizona Fees	28,056
Miscellaneous Fees Collected	7,500
Total Anticipated Local Revenue	<hr/> 1,385,456

Local Revenue



TOTAL ESTIMATED REVENUE

State Revenue	\$11,238,129
Local Revenue	1,385,456
Total Anticipated Revenue	\$12,623,585

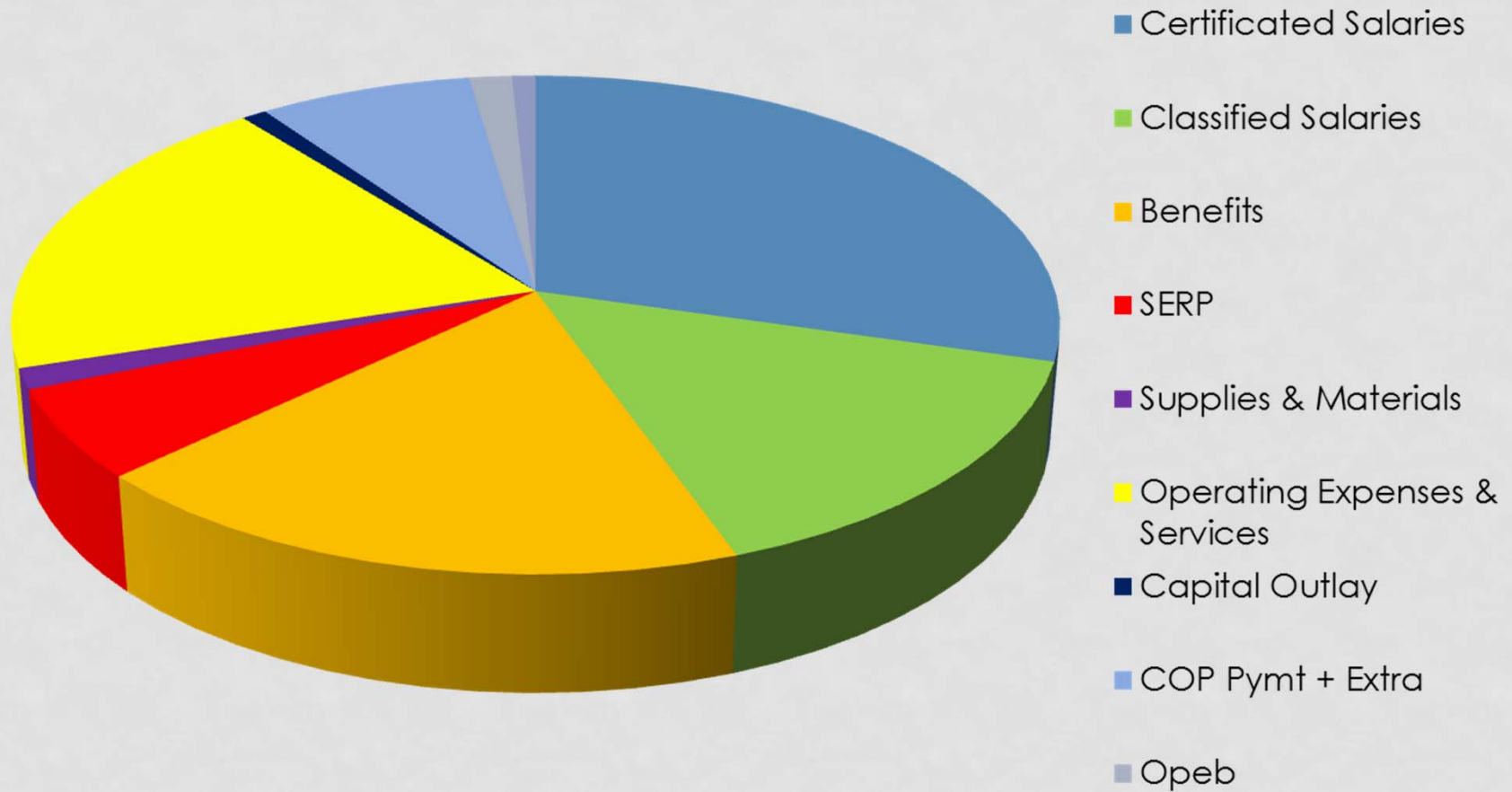
EXPENSES

UNRESTRICTED

2012-2013 UNRESTRICTED EXPENSES

Certificated Salaries	3,851,326
Classified Salaries	1,964,103
Benefits	2,408,992
SERP	760,000
Supplies	174,347
Contracts/Services	2,506,070
Capital Outlay	114,999
COP Payment	855,000
COP Add'l Set Aside	125,000
OPEB Requirement	196,000
Student Outgo	107,693
Total	13,063,531

Expenses



2013-14 TENTATIVE BUDGET SUMMARY

Revenue		
State	11,238,129	
Local	1,385,456	
Total		12,623,585
Expenses		
Salaries	5,815,429	
Benefits	3,168,992	
Supplies	174,347	
Contracts/Service	2,506,070	
Capital outlay	1,094,999	
OPEB	196,000	
Student Outgo	107,693	
Total		13,063,530
Difference		(439,945)

DEFICIT??

- **How are going to balance the budget?**
 - Complete contract negotiations
 - Delay or reduce funding the additional amount for the COP (\$125,000)
 - Create an OPEB plan
 - Current requirement on the pay-as-you-go would be \$196,000 per year.
 - We are currently paying \$301,308 per year.

QUESTIONS?

