SUMMARY OF KEY POINTS

The 2009-2010 Final Budget:

- Is based on the State Budget for 2009-2010 signed by the Governor on July 28, 2009
- Includes no cost-of-living adjustment (COLA) or growth dollars as none were provided by the State
- Does recognize the lowered FTES cap that will result in a net decrease of $1.6 million in apportionment. In December 2009 there will be a recalculation of FTES that could result in an increase in funded cap for 2009-2010 and increased apportionment. Any change in cap or apportionment will be recognized when actualized.
- Does recognize reductions in State Lottery Revenue of $16,087, Property Tax of $928,215 and Part-time Faculty Compensation, Medical, and Office Hours funds
- Does recognize an increase in Enrollment Fees of $735,461 and Non-resident Tuition of $200,000
- Sets up an escrow account for predicted mid-year cuts for the $1,107,182 projected funding for reaching 10,000 FTES in 2008-2009
- Includes revenue allocations for credit, noncredit and enhanced noncredit FTES based on the 2008-2009 enrollment figures reported on the P2 report discounted by 3.39%
- Includes most, but not all, of the categorical programs and grants. As federal and state categorical and grant funds are awarded, they will be included in the 2009-2010 District budget. Major categorical programs like EOPS, CalWORKs, DSPS and Matriculation, are budgeted at lower levels as reflected in the state budget cuts. As actual state funds and federal backfill dollars are realized, those budgets will be adjusted accordingly.
- Includes anticipated fixed cost increases (salary, benefits, insurance, PERS)
- Includes one new faculty member as a result of a retirement. Also, a faculty member who had been previously paid through a donation has been included in the general fund budget as the donated funds for a nursing faculty member have run out. The Full-Time Faculty Obligation (FTO) remains the same at 146.4 while the district retains 159.6 Full-Time Equivalent Faculty (FTEF).
- Does not include across-the-board budget cuts, but does include reductions in:
  
  Salaries (President, Vice Presidents and Managers) ($192,498)
  Classified employees through layoffs ($215,462)
  Part-time faculty ($490,118)
Hourly budget ($389,368)
Hiring delays ($100,000)
OASDI ($242,970)
Fringe ($601,163)
Supplies ($143,201)
Licensing ($50,000)
Travel and conference ($50,000)
Postage ($80,000)
LMUSD South County Contract ($24,000)
Marketing ($175,000)
Insurance ($132,726)
Atascadero State Hospital ($134,931)
Capital Lease ($160,000)
Reserve ($189,684)

- Does include an increased budget to the areas of:
  Step/Column/Longevity ($547,929)
  Interfund transfers out ($527,601)
  Banner Maintenance Contracts ($425,000)
  Workers’ Compensation ($95,000)
  PERS ($35,189)

- Maintains the reserve for contingencies at the Board-designated level of at least 6% of state and local revenues

- Includes two TRANs: the mid-year TRANs (2008B) obtained in late 2008-2009 for $1,650,000 is due on December 1, 2009 and the 2009 TRANs for $9,000,000 is due on June 30, 2010

- Does not exceed the appropriations limit as calculated in the Gann Limit Worksheet

- Meets all of the Board of Trustees budget criteria. Where possible, the Guiding Principles developed by the Planning and Budget Committee were also used in developing a balanced budget.

- Is balanced