RIVERSIDE COMMUNITY COLLEGE DISTRICT

FY 2013-2014 BUDGET OUTLOOK
RCCD

FY 2013-2014 BUDGET OUTLOOK

- FY 2012-2013 Budget Risks –

• State General Revenues
  - Recession; Fiscal Cliff; Europe; etc.

• Prop 30 Revenue
  - June 20, 2013
  - June 2015

• Property Tax Revenues
  - 14% Increase Budgeted
  - Backfill?

• Redevelopment Revenues
  - $341m
  - Backfill?

• Enrollment Fee Revenue
  - BOG Waivers
  - Drop in Unfunded FTES Possible
  - Some CCD’s Assumed Prop 30 Failure
RCCD

FY 2013-2014 BUDGET OUTLOOK

- FY 2013-2014 Budget Problem –

ROUGH ESTIMATE

Structural Deficit $ 6.2m
Prospective Deficit 2.9m
Subtotal, RCCD $ 9.1m
FY 2012-2013 State Budget Risks ?
Prop 30 Growth ($972K) ?
TOTAL BUDGET PROBLEM $ TBD
RCCD

FY 2013-2014 BUDGET OUTLOOK

- Budget Constraints –

• 85% of operating budget – Compensation

• 15% of operating budget:
  - Increasingly “fixed” in nature
  - No direct allocation for capital expenditures

• Other Funds suffering

• Reserves:
  - 40% below Board Policy
  - 40% below State standard (watch list)
  - Rating Agencies

• Structural and Prospective Deficits

• Internal Wall of Debt

• Prop 30 Revenues
  - One-time money on an annual basis
    ✓ For four (4) years (State/Use Tax)
    ✓ For seven (7) years (Personal Income Tax)

  - Then what?
    - $20.7m hole at the end
RCCD

FY 2013-2014 BUDGET OUTLOOK

- Revenues –

• Enrollment Fees
  - No increase anticipated in the fee and fee revenue

• Property Tax Revenues
  - TBD

• Redevelopment
  - TBD

- CCC FY 2013-2014 Budget Request ($600m):
  - $200m Categorical Restoration/Student Success
  - $200m COLA
  - $120m Growth/Restoration
  - $80m Deferral Buy-down

• Best Current Guess
  - Perhaps $464m

• But FY 2012-2013 Budget Risks Remain
  - And Extend into 2013-2014
RCCD
FY 2013-2014 BUDGET OUTLOOK

- Timeline –

• On or about January 10, 2013:
  - The Governor’s Budget is released

• Late February 2013:
  - P1 Report is released

• On or about May 10, 2013:
  - The Governor’s May Revise Budget is released

- June 4 and 18, 2013:
  - RCCD Tentative Budget is discussed and approved by the Board

• June 20, 2013:
  - Prop 30 revenue estimate reported out

• Late June 2013:
  - P2 Report is released

• On or before June 30, 2013:
  - State Budget Act passed

• September 3 and 17 (?):
  - Board reviews and approves RCCD Budget