

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q**  
**VIEW QUARTERLY DATA**

**CHANGE THE PERIOD** ▼

**Fiscal Year: 2012-2013**

**District: (530) MERCED**

**Quarter Ended: (Q3) Mar 31, 2013**

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2009-10	Actual 2010-11	Actual 2011-12	Projected 2012-2013
<b>I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:</b>					
A.	<b>Revenues:</b>				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	52,555,704	53,097,819	48,123,203	49,781,481
A.2	Other Financing Sources (Object 8900)	127,499	208,986	163,974	187,809
A.3	<b>Total Unrestricted Revenue (A.1 + A.2)</b>	<b>52,683,203</b>	<b>53,306,805</b>	<b>48,287,177</b>	<b>49,969,290</b>
B.	<b>Expenditures:</b>				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	47,190,758	50,046,519	49,254,481	49,353,188
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	2,673,641	3,169,745	2,157,179	2,512,758
B.3	<b>Total Unrestricted Expenditures (B.1 + B.2)</b>	<b>49,864,399</b>	<b>53,216,264</b>	<b>51,411,660</b>	<b>51,865,946</b>
C.	<b>Revenues Over(Under) Expenditures (A.3 - B.3)</b>	<b>2,818,804</b>	<b>90,541</b>	<b>-3,124,483</b>	<b>-1,896,656</b>
D.	<b>Fund Balance, Beginning</b>	<b>7,540,525</b>	<b>10,869,438</b>	<b>10,959,979</b>	<b>7,835,494</b>
D.1	Prior Year Adjustments + (-)	510,109	0	0	0
D.2	<b>Adjusted Fund Balance, Beginning (D + D.1)</b>	<b>8,050,634</b>	<b>10,869,438</b>	<b>10,959,979</b>	<b>7,835,494</b>
E.	<b>Fund Balance, Ending (C. + D.2)</b>	<b>10,869,438</b>	<b>10,959,979</b>	<b>7,835,496</b>	<b>5,938,838</b>
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	21.8%	20.6%	15.2%	11.5%

**II. Annualized Attendance FTES:**

G.1	<b>Annualized FTES (excluding apprentice and non-resident)</b>	10,196	10,470	9,599	9,338
-----	--	--------	--------	-------	-------

**III. Total General Fund Cash Balance (Unrestricted and Restricted)**

	Description	As of the specified quarter ended for each fiscal year			
		2009-10	2010-11	2011-12	2012-2013
H.1	Cash, excluding borrowed funds		8,612,346	3,677,871	-760,764
H.2	Cash, borrowed funds only		4,945,467	6,581,748	8,000,000
H.3	<b>Total Cash (H.1+ H.2)</b>	<b>9,666,451</b>	<b>13,557,813</b>	<b>10,259,619</b>	<b>7,239,236</b>

**IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
<b>I. Revenues:</b>					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	48,009,479	49,781,481	24,423,478	49.1%
I.2	Other Financing Sources (Object 8900)	160,000	187,809	126,895	67.6%
I.3	<b>Total Unrestricted Revenue (I.1 + I.2)</b>	<b>48,169,479</b>	<b>49,969,290</b>	<b>24,550,373</b>	<b>49.1%</b>
<b>J. Expenditures:</b>					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	49,724,827	49,353,188	38,245,932	77.5%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	2,587,758	2,512,758	1,068,053	42.5%
J.3	<b>Total Unrestricted Expenditures (J.1 + J.2)</b>	<b>52,312,585</b>	<b>51,865,946</b>	<b>39,313,985</b>	<b>75.8%</b>
K.	<b>Revenues Over(Under) Expenditures (I.3 - J.3)</b>	<b>-4,143,106</b>	<b>-1,896,656</b>	<b>-14,763,612</b>	
L.	Adjusted Fund Balance, Beginning	7,835,494	7,835,494	7,835,494	
L.1	<b>Fund Balance, Ending (C. + L.2)</b>	<b>3,692,388</b>	<b>5,938,838</b>	<b>-6,928,118</b>	
M.	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	7.1%	11.5%		

**V. Has the district settled any employee contracts during this quarter?**

**NO**

**If yes, complete the following: (If multi-year settlement, provide information for all years covered.)**

Contract Period Settled (Specify)	Management	Academic		Classified
		Permanent	Temporary	

YYYY-YY	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
<b>a. SALARIES:</b>								
Year 1:								
Year 2:								
Year 3:								
<b>b. BENEFITS:</b>								
Year 1:								
Year 2:								
Year 3:								

\* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

**VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)?** **YES**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

The District issued a \$5,000,000 Mid-year TRAN with a stated rate of 2% with re-offering yield of 0.29%. The bonds were issued at a premium and net of cost of issuance and underwriter's discount, the District received \$5,042,489. Pledges must be set aside 85% in August 2013 and 15% in November 2013, with full repayment in December 2013.

**VII. Does the district have significant fiscal problems that must be addressed?** **This year? NO**  
**Next year? YES**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

Due to the passage of propositions 30 and 39 in the November 2012 election, the Governor's January budget proposal reflected significant improvement in the state's finances. As a result, community colleges are anticipating additional funding as well as some level of reduction in payment deferrals.

The anticipated additional funding is welcome news for the community college system, including Merced College. However, this news is tempered by the reality that the District is still facing a structural budget gap. The District is currently in the process of reviewing and prioritizing several hundred budget reduction and revenue generating proposals. Once this process is vetted through the appropriate shared governance committees, final recommendations will be submitted to the Superintendent and Board of Trustees. Once the Governor updates the 2013-14 state budget in May, it will provide the District a better understanding of our budget outlook for next fiscal year.

Administration held a budget workshop with the Board of Trustees in March and is scheduled for an additional workshop in April. Budget updates will continue to be provided to the Board on an ongoing basis.