

**Adopted**

HARTNELL COMMUNITY COLLEGE DISTRICT

MINUTES

Special Meeting of the Board of Trustees  
Public Hearing and Adoption of the Annual Budget 2009-10  
Hartnell College Board Room – CAB112  
411 Central Avenue  
Salinas, California

October 20, 2009

**OPEN SESSION** Meeting called to order at 5:01 p.m.

**ROLL CALL** Patricia Donohue, President  
Kevin Healy, Vice President  
Bill Freeman  
Elia Gonzalez-Castro  
Juan Martinez  
Ray Montemayor  
Brad Rice

Armando Cortes, Student Trustee (advisory vote per Board Policy 1030)  
Phoebe K. Helm, Superintendent-President/Board Secretary

**ADOPTED AMENDED AGENDA** The agenda was amended to include the following closed session item:

Update on Lawrence/Culver case

Motion by Trustee Rice, seconded by Trustee Healy, vote of 7-0, and advisory vote of Aye (Cortes), the Board adopted the agenda as amended.

**DISCLOSURE OF CLOSED SESSION ITEMS** Items disclosed for Closed Session as authorized per Government Code Sections, 3549.1, 54956.9, 54957 and/or 54957.6:

1. Concessions from bargaining groups
2. Notice of Intent to Layoff:
  - (1) Two full-time faculty whose programs were discontinued effective Summer 2010 – Animal Health Technology and Electronics
  - (2) One L-39 classified employee
3. Update on Lawrence/Culver case

**PUBLIC COMMENTS REGARDING CLOSED SESSION** Jeff Ajlouny, Representative Local 39, addressed concerns regarding the layoff of one L-39 classified employee. He stated, he believed, 20 of the 29 members of L-39 voluntarily moved from Option 1 to Option 3 for health benefits and agreed to eight furlough days. Also, he stated that he has started a dialogue with Terri Pyer, Human Resources and urged the Board not to move forward with the lay-off of the laundry operator.

The following individuals spoke in support of Conception Margarito, L-39 employee, stating that her position is valuable to the athletic department and urged the Board to consider the comments being made and not move forward with the layoff.

Bill Maker, Booster Club and Athletic Fundraiser  
Ellie Love, PE faculty/Coach, Women's Soccer  
Jesus Cuevas, Adjunct Faculty/Women's Soccer Coach  
Letty Garcia, Student, Women's Soccer  
Dan Teresa, Interim Athletic Director

**MOVED TO CLOSED SESSION**

The Board of Trustees, Dr. Phoebe Helm, Superintendent/President, and Terri Pyer, Interim Director, Human Resources adjourned to closed session at 5:18 p.m. to consider legal, personnel, labor, and/or contract matters authorized for Closed Session per Government Code Sections, 3549.1, 54956.9, 54957 and/or 54957.6.

**RECONVENED OPEN SESSION**

Meeting reconvened the meeting at 6:35 p.m.

**PLEDGE OF ALLEGIANCE**

Trustee Montemayor led the Pledge of Allegiance.

**REPORT OUT FROM CLOSED SESSION**

Trustee Donohue reported the Board approved the Memorandum of Understanding with the Hartnell College Faculty Association on a vote of 6-1. No: Freeman

**PUBLIC HEARING ON THE ANNUAL BUDGET**

Trustee Donohue opened the public hearing on the annual budget.

Cathy Noble, Disabled Students Program and Services (DSP&S), thanked the Board for considering the fiscal needs of the program. A public hearing on this topic will be held at the November 10, 2009 meeting.

There were no other comments from the public on the budget.

**2009-10 BUDGET PRESENTATION**

Dr. Helm presented the 2009-10 budget. See Appendices, A, B, and C. In addition, she stated the Resource Allocation Committee (shared governance) announced they would begin now to plan for next year. Also, Dr. Helm stated that Fund 71, Associated Students of Hartnell College will be revised and brought back to the November meeting.

**ACTION**

**A. PERSONNEL ACTION**

Motion by Trustee Rice, seconded by Trustee Gonzalez-Castro, vote of 5-2 and advisory vote of Aye (Cortes), the Board approved personnel actions. (See Appendix D)  
No: Freeman, Montemayor

Trustee Freeman stated he could not support the layoff of one position and consider hiring another, and urged the Board not to support the recommendation. Dr. Helm clarified that at its last meeting, the Board

approved grant funds to support new work, including the administrative appointment, and that these funds could not be used to back fill the deficit. The new management position will be at no cost to the college and is needed to implement the grants received, including the one that trains unemployed residents in mechanics and green technologies.

Trustee Montemayor stated he would rather the L-39 layoff go back to the union to review and possibly come up with a different solution.

**B. CAMPUS  
CLOSURE**

Motion by Trustee Healy, seconded by Trustee Gonzalez-Castro, vote of 7-0 and advisory vote of Aye (Cortes), the Board approved to close the campus from December 20, 2009 until January 4, 2010.

Trustee Freeman stepped away from the table after this vote.

**C. RESOLUTION 09:22**

Motion by Trustee Healy, seconded by Trustee Gonzalez-Castro, roll call vote of 5-2, and advisory vote of Aye (Cortes), the Board adopted Resolution 09:22, To Decrease the Number of Academic Employees due to a Reduction in Particular Kinds of Services.

No: Freeman, Montemayor

Dr. Helm explained that Resolution 09:22 is part of a two-step legal process – 1) Notify the Board of the need to reduce academic employees by two and 2) the Board adopt a resolution to decrease the number of academic employees by two. She reminded the Board that they approved the discontinuance of two academic programs, Electronics and Animal Health Technology effective Summer 2010. At present, there is one full-time faculty assigned to each academic program. Adopting this resolution meets the legal requirement to layoff the faculty, resulting from the decision to discontinue the programs.

Trustees Montemayor, Martinez, Freeman, and Healy commented that the entire Board regretted that it was necessary to discontinue the Animal Health Technology Program, and thus the need to layoff the faculty impacted.

**D. 2009-2010 BUDGET**

Motion by Trustee Rice, seconded by Trustee Healy, roll call vote of 6-1, and advisory vote of Aye (Cortes), the Board adopted the 2009-10 Budget. (Appendix C)

No: Freeman

Trustee Freeman stated he could not support adopting the budget because he didn't believe in cutting employee salaries, benefits, jobs or services to students.

Trustee Healy complimented the shared governance committees and employee groups who worked on closing the \$5 million funding gap and thanked them for not letting the momentum slip away. Trustee Martinez stated he doesn't like what is happening with the budget, but recognizes it is the responsibility of the board to adopt the budget being recommended.

## **INFORMATION ITEMS**

### **A. NOTICE OF INTENT TO REDIRECT CATEGORICAL FUNDS**

Dr. Helm explained the notice of intent to redirect categorical funds is a recommendation the Board will consider at their November meeting. Also, at that time, a public hearing will be held. Dr. Helm explained that the student services area is recommending that \$70,000 be redirected to the Disabled Students Program and Services from matriculation and that matriculation be absorbed by the counselors, as a whole. Normally, this type of action is determined statewide, but this time the decision to redistribute the funds can be made locally after a public hearing is held.

### **ADJOURNMENT**

On a motion by Trustee Rice, seconded by Trustee Martinez, and unanimously carried, the Board adjourned the meeting adjourned at 7:46 p.m.

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Patricia Donohue  
Board of Trustees President

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Phoebe K. Helm  
Board Secretary

# HARTNELL COLLEGE

2009-10

ANNUAL

BUDGET

PRESENTATION

October 20, 2009

# Three things to take away:

- The budget problem is a State, National , and global problem, not just Hartnell.
- Hartnell had to close a \$4.9 million gap and did so by taking \$1.6 million from reserves and cutting \$3.3 from expenses, including \$1.7 from employee salaries and benefits
- We can't do this again.

## Budget Deficits 2004-09

Fiscal Year	Budget (Adopted)	Actual (Year-End)
2004-05	(.828)	(1.484)
2005-06	(1.860)	(2.060)
2006-07*	.190	1.34
2007-08	(1.340)	.246
2008-09	(.974)	.002
2009-10	(1.75)	

\*Deferred Revenue of \$6.5 million received

## Deferred Revenue of \$6.5 Million Received in 2006-07

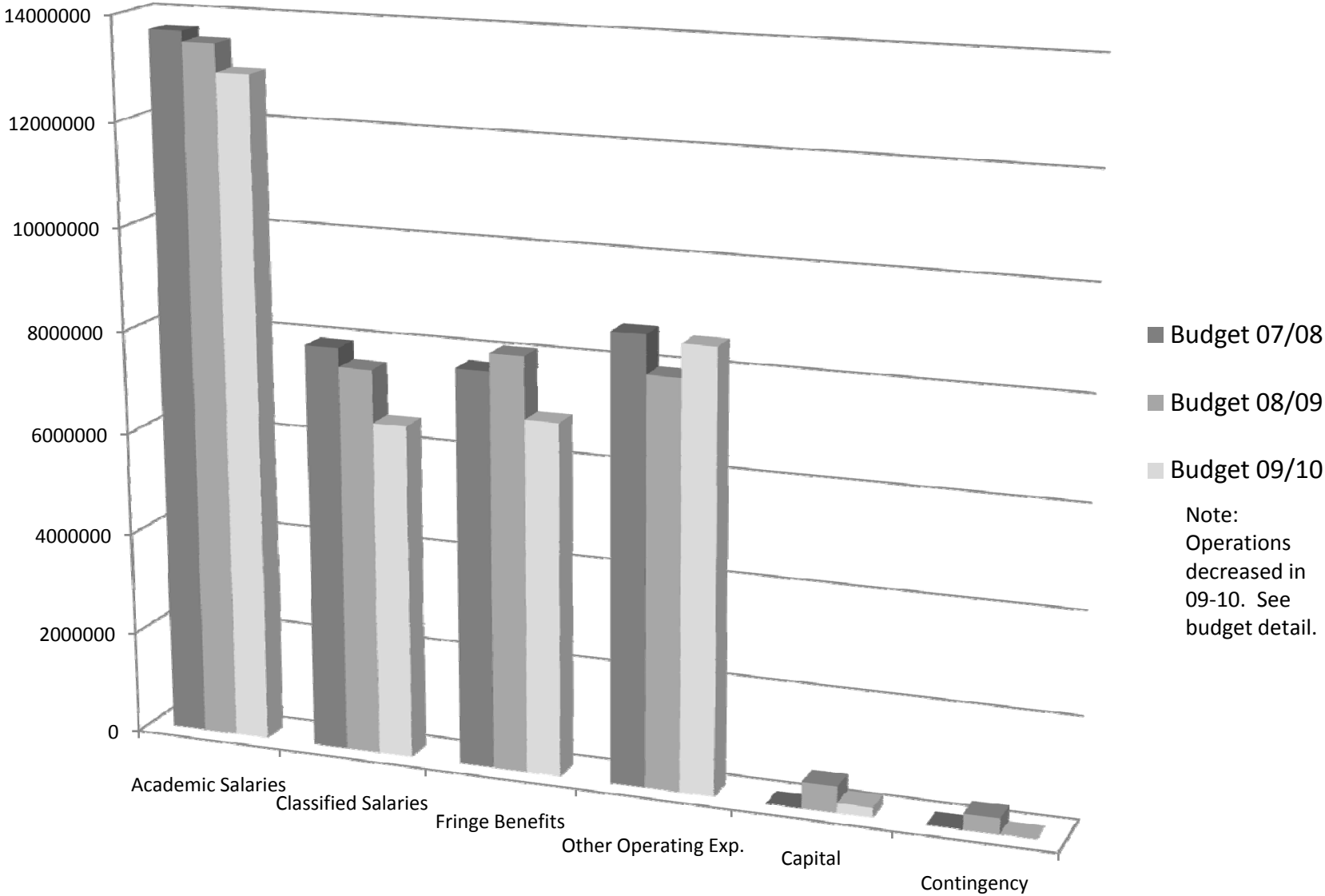
	FY 2005-06	FY 2006-07	Difference	Impact
Revenue (actual)	\$31.8	\$38.3	\$6.5	Increased (deferred) revenue
Expenses (actual)	\$33.6	\$36.9	(\$3.3)	Increased expenses (deferred compensation)
			\$3.2	Balance
			(\$2.06)	Eliminated prior year's deficit
			\$1.14	Added to reserves

Reserves reached \$3.6 million in 2006-07 and have dwindled to \$1.2 at the beginning of 2009 -10. \$1.2 million covers less than 10 days of the college's expenses.

**HARTNELL COMMUNITY COLLEGE DISTRICT  
2009/2010 General Fund Budget  
Total Cost Allocation**



HARTNELL COMMUNITY COLLEGE  
Three Year General Fund Budget Review



APPENDIX B

2009-2010  
BUDGET BACKGROUND  
INFORMATION

## Background

Revenues throughout California, the nation, and globally, have continued to decline. That decline is evident in Hartnell College's budget, just as it is in virtually every public and private sector budget. It hits Hartnell especially hard because the reserves have been declining, with one exception, since at least 2002. Appropriations are based on enrollments of Full Time Equivalent Students (FTES). Tuition and fees that the students pay, do not impact the college's budget (except as bad debt) because they are considered in calculating the overall appropriation from the State. As can be seen in the table entitled, Seven Years of FTES History, FTES reached a significant low of 5,987 in 2005-2006. The fluctuations in FTES between 2002 and 2006 were primarily caused by "borrowing FTES" from future years in an effort to lessen the impact of enrollment declines. Since 2006, the "borrowing" has stopped and the FTES have grown – in 2008-2009 to 7,624. That is the highest FTES in the history of the college and for the first time since 2002, Hartnell earned more FTES than the State was able to fund. A total of 536 FTES were unfunded in 2008-2009, yielding a loss in appropriations of approximately \$2.4 million.

The **2008-2009 Budget** anticipated a deficit of almost \$1 million, but managed to end the year with an unaudited surplus of \$2,263. In addition to closing that deficit, the college absorbed an additional loss of \$1.5 million in State cuts, including \$260,000 in property tax declines, during the year. The college was able to close that gap primarily because of (1) the one-time restoration of \$1.7 million and the growth dollars earned as a result of the FTES earned in 2008-2009, (2) the conservative growth estimate, and (3) the decision to set aside \$500,000 in anticipation of a mid-year cut. Thus, the anticipated deficit and cuts (approximately \$2.5 million) in 2008-2009 were virtually equal to the increase revenue.

The **2009-2010 Tentative Budget**, approved by the Board on June 8, 2009, identified a \$4.9 million gap between anticipated revenues and expenses. The gap was to be resolved by reducing the reserves by \$1.6 million and cutting expenses by \$3.3 million. A Shared Governance group of approximately 20 employees spent much of the summer identifying those cuts. They were able to identify \$1.6 million in cost savings and efficiencies, leaving \$1.7 million to be cut from salaries and benefits. They then set targets for the employee groups, such that the \$1.7 million reduction in salary and benefits was perceived to be distributed in a fair and equitable manner. All of the groups exceeded or came very close to meeting their targets. As a result, the reduction to the reserves increased only slightly. Based on the State cuts made in 2008-2009 and the fact that there would be no restoration or growth dollars available to be earned in 2009-2010, the college estimated a reduction of almost \$3 million in revenue (\$2,383,720 in appropriations and \$722,272 in property tax shortfalls).

The **2009-2010 Budget**, being presented for **Adoption** by the Board of Trustees, October 20, 2009 incorporates the reduction of \$3.3 million in expenses as set forth in the tentative budget. In addition the revenue set aside in the tentative budget as \$2,383,720, now appears in two parts: Initial cuts of \$1,227,066, which have already happened, and an anticipated mid-year cut of

\$1,156,654 in appropriations. Hopefully that, along with the set aside of \$722,272 in anticipated property tax short fall, will be enough to avoid further cuts this year. That will not be the likely case for next year.

The reserves remain at a worrisome low of 3.35%. And, while this is slightly above the State's requirement of 3.0%, but below the State's "minimum prudent reserve" of 5%, it must be kept in mind that this reserve (\$1,176,767) represents only about two weeks of the college's budgeted expenses this year. The college needs to start now preparing for 2010-2011. Additional cuts cannot continue without a serious reduction in programs and services. Thus, the college must decide how it will chart its future.

### **Restricted Funds**

In addition to the General Operating Funds, discussed above, the **2009-2010 Budget** includes State, Federal and local restricted funds – funds that can be used only for specific purposes. Student Financial Aid and the Measure H Bond are the largest of these funds. The number of students qualifying for financial aid has grown significantly this year and all of the capital bonds have now been sold. As a result of Measure H, the college will open a new advanced technology campus in Alisal in August, 2010 to add to the new library, parking structure and classroom building on the main campus. In addition to new buildings, the bond has enabled the college to upgrade the external lighting, athletic fields, the college center, and numerous classrooms.

State and Federal grants enable the college to develop new programs and services, such as the math and science academy and numerous workforce development programs in agriculture, construction, computer science, green technologies, and nursing. In addition, these programs are supported through the Hartnell College Foundation as a result of generous donations from local community and business partners. These restricted funds allow the college to continue to improve. Without their support, it would be hard to deliver our mission to serve the education and training needs of the community.

Statement Prepared by:  
Dr. Phoebe K. Helm, Superintendent/President

SEVEN-YEAR FTES HISTORY

YEAR	ACTUAL	BORROWED (REPAID)	REPORTED	FUNDED
2002-2003	7,328.59	(150.00)	7,178.59	6,959.90
2003-2004	6,728.29	310.09	7,038.38	6,970.86
2004-2005	6,327.98	169.91	6,497.89	6,497.89
2005-2006	6,467.85	(480.00)	5,987.85	5,987.85
2006-2007	6,501.42	0.00	6,501.42	6,501.42
2007-2008	6,585.98	0.00	6,585.98	6,585.98
2008-2009 (1)	7,624.06	0.00	7,624.06	7,088.37

- (1) These numbers reflect the actual FTES reported on the P3 on July 15, 2009 and the funded FTES as reported by the Chancellor's Office on the P2. Actual FTES will be reported in the 2008-2009 recalculation, which is due out in March 2010. 2008-2009 represents the highest earned FTES and, despite the State's underfunding, it represents the highest level of income.

Hartnell Community College District  
Fiscal 2009-2010 Budget

	2008-2009 Projection	2009-2010 Tentative Budget	
<b>Revenue</b>			
Apportionment			
Basic allocation	3,598,340	3,598,340	
Credit	29,999,941	30,992,325	
Noncredit	38,429	45,457	
Subtotal	<u>33,636,710</u>	<u>34,636,122</u>	
Restoration	1,742,097	-	
Growth	628,026	-	
Subtotal	<u>2,370,123</u>	<u>-</u>	
initial cuts			
mid-year cut	(471,971)	(2,383,720)	
categorical programs	(657,707)	-	
property tax shortfall	(260,563)	(722,272)	
growth	(628,026)	-	
Total apportionment	<u>33,988,566</u>	<u>31,530,130</u>	<u>31,530,130</u>
<b>Other revenue</b>			
Other federal revenue	13,629	12,000	12,000
Other state revenue	1,017,649	931,577 (1)	931,577
Other local revenue	957,000	408,000 (2)	408,000
Interfund transfers	469,275	350,000 (3)	350,000
Total revenue	<u>36,446,119</u>	<u>33,231,707</u>	<u>33,231,707</u>
<b>Expenses</b>			
Salaries and benefits			
Academic salaries	13,700,000	13,866,059	
Classified salaries	7,300,000	7,128,448	
Fringe benefits	7,200,000	8,092,211	
Total salaries and benefits	<u>28,200,000</u>	<u>29,086,718</u>	<u>29,086,718</u>
Cuts to salaries and benefits			(3,300,000)
Other operating expenses	8,400,000	9,081,282	9,081,282
Capital	100,000		
Contingency			
Total expenses	<u>36,700,000</u>	<u>38,168,000 (4)</u>	<u>34,868,000</u>
<b>Net surplus/(deficit)</b>	(253,881)	(4,936,293)	(1,636,293)
<b>Unrestricted general fund reserve:</b>			
Beginning balance	2,946,704	2,692,823	2,692,823
Ending balance	2,692,823	(2,243,470)	1,056,530
Reserve percentage	7.34%	-5.88%	3.03%

Notes:

- (1) The decrease in other state revenue is due to the decrease from the state for enrollment fee administration, apprenticeship allowance, and part-time faculty parity.
- (2) The decrease in other local revenue is primarily due to the reclassification of the Salinas Valley Memorial Hospital grant from unrestricted to restricted. It also assumes a decrease in facility rental and no miscellaneous revenue.
- (3) Interfund transfers include indirect cost recovery on grants and a \$100,000 transfer from the Bookstore fund.
- (4) Assume total expenses increase 4.0% from 2008-2009 to 2009-2010.

Employee Concessions

	Target	Health Insurance	Furlough	Other	Total	Remaining
Administrators and supervisors	269,985	151,000	120,000	-	271,000	(1,015)
Confidentials	70,938	53,000	35,000	-	88,000	(17,062)
Faculty	696,809	286,000	-	341,128	627,128	69,681
CSEA	536,024	-	417,000	65,422	482,422	53,602
L-39	126,244	60,049	20,883	32,688	113,620	12,624
<b>Total</b>	<b>1,700,000</b>	<b>550,049</b>	<b>592,883</b>	<b>439,238</b>	<b>1,582,170</b>	<b>117,830</b>
<b>Target</b>	<b>1,700,000</b>					
<b>Balance remaining</b>						<b>117,830</b>

APPENDIX C

2009-2010  
Annual Budget

Adopted  
October 20, 2009

Hartnell Community College District  
Fiscal 2009-2010 Budget

	2008-2009 Budget	2008-2009 Unaudited Actual	2009-2010 Budget
<b>Revenue</b>			
Apportionment			
Basic allocation	3,598,340	3,598,340	3,598,340
Credit	29,879,004	30,123,543	30,992,325
Noncredit	-	38,429	45,457
Subtotal	<u>33,477,344</u>	<u>33,760,312</u>	<u>34,636,122</u>
Restoration	-	1,742,097	-
Growth	300,000	628,026	-
Subtotal	<u>300,000</u>	<u>2,370,123</u>	<u>-</u>
initial cuts	-	-	(1,227,066)
mid-year cut	(500,000)	(537,471)	(1,156,654)
categorical programs	-	(657,707)	-
property tax shortfall	-	(260,563)	(722,272)
growth	-	(79,917)	-
Total apportionment	<u>33,277,344</u>	<u>34,594,777</u>	<u>31,530,130</u>
Other revenue			
Other federal revenue	12,000	13,629	12,000
Other state revenue	1,235,000	1,114,218	856,577 (1)
Other local revenue	1,869,166	1,193,210	408,000 (2)
Interfund transfers	469,275	386,093	513,603 (3)
<b>Total revenue</b>	<u>36,862,785</u>	<u>37,301,927</u>	<u>33,320,310</u>
<b>Expenses</b>			
Salaries and benefits			
Academic salaries	13,492,027	13,700,149	12,953,829
Classified salaries	7,549,444	7,229,762	6,526,757
Fringe benefits	8,067,806	7,326,082	6,868,045
<b>Total salaries and benefits</b>	<u>29,109,277</u>	<u>28,255,992</u>	<u>26,348,631</u>
Other operating expenses	7,922,850	8,932,436	8,555,379 (4)
Capital	505,469	111,236	188,500
Contingency	300,000	-	-
<b>Total expenses</b>	<u>37,837,596</u>	<u>37,299,664</u>	<u>35,092,510</u>
<b>Net surplus/(deficit)</b>	<b>(974,811)</b>	<b>2,263</b>	<b>(1,772,200)</b>
Unrestricted general fund reserve:			
Beginning balance	2,946,704	2,946,704	2,948,967
Ending balance	1,971,893	2,948,967	1,176,767
Reserve percentage	5.21%	7.91%	3.35%

Notes:

- (1) The decrease in other state revenue is due to the decrease from the State for enrollment fee administration, apprenticeship allowance, and part-time faculty parity.
- (2) The decrease in other local revenue is primarily due to a correction in the classification of the Salinas Valley Memoria Hospital grant from unrestricted to restricted. Also, it assumes a decrease in facility rental due to closure of Steinbeck Hall for remodeling.
- (3) Interfund transfers include indirect cost recovery on grants and a \$100,000 transfer from the Bookstore fund to the unrestricted general fund.
- (4) There was a one-time increase in the operating costs of 2008-2009 to include \$621,000 for faculty and classified early retirement programs. In 2009-2010, there is a reclassification of \$400,000 of expenses from the Bond Fund to the General Fund. Without the one-time expense, the 2009-2010 budget would reflect a decrease of \$150,000 in operating costs. (rev. 10/26/09)

HARTNELL COMMUNITY COLLEGE DISTRICT  
SUMMARY OF ALL BUDGETS  
2009-2010 BUDGET

Fund	Fund Num.	Revenue	Expenditures		Net Other Sources (Uses)	Net Incr. (Decr.) in Fund Balance	Beginning Balance (July 1, 2009)	Ending Balance (June 30, 2010)
General - Unrestricted	11	\$ 32,806,707	\$ 35,092,510	1	\$ 513,603	\$ (1,772,200)	\$ 2,948,967	\$ 1,176,767
General - Restricted	12	\$ 17,840,092	\$ 10,290,690	2	\$ (7,549,402)	\$ -	\$ 882,955	\$ 882,955
General	1x	\$50,646,799	\$45,383,200		(\$7,035,799)	(\$1,772,200)	\$3,831,922	\$2,059,722
Bookstore	31	\$178,400	\$0	3	(\$115,000)	\$63,400	\$1,088,283	\$1,151,683
Child Development	33	\$643,163	\$643,163		\$0	\$0	\$91,095	\$91,095
Capital Outlay Projects	41	\$25,500	\$100,000		\$0	(\$74,500)	\$104,945	\$30,445
Scheduled Maintenance(Capital Bond Match)	43	\$5,752,000	\$5,752,000		\$0	\$0	(\$0)	(\$0)
Property Acquisition	44	\$396,000	\$100,000		\$0	\$296,000	\$2,751,347	\$3,047,347
Hartnell Bond Projects	45	\$48,744,000	\$20,067,286		\$0	\$28,676,714	\$33,571,971	\$62,248,685
Cafeteria	52	\$578,000	\$653,571	4	\$16,600	(\$58,971)	\$367,287	\$308,316
Self-Insurance(Work Comp. Tail Claims)	61	\$6,800	\$78,000		\$0	(\$71,200)	\$1,122,273	\$1,051,073
Retiree Health Benefits	62	\$9,300	\$0		\$0	\$9,300	\$1,240,012	\$1,249,312
Associated Student Body	71	\$70,700	\$38,500	5	\$15,000	\$47,200	\$564,305	\$611,505
Scholarship, Loan, and Trust	75	\$3,975	\$3,000		\$0	\$975	\$119,100	\$120,075
Intercollegiate Athletic	79	\$35,150	\$70,000		\$0	(\$34,850)	\$53,080	\$18,230
Capital Assets	90	\$0	\$2,500,000	6	\$23,300,000	\$20,800,000	\$105,081,001	\$125,881,001

Net Other Sources/(Uses)

1. General Unrestricted: \$413,603 transfer in from General Restricted Fund for indirect cost recovery; Transfer in from Bookstore Fund \$100,000
2. General Restricted: Student Financial Aid \$7,135,799; Balance of \$413,603 transfer to General Fund Unrestricted for indirect cost recovery from grants.
3. Bookstore: Transfer \$100,000 to General Fund. Transfer \$15,000 to Associated Student Body.
4. Cafeteria: Interest income \$2,100 and \$14,500 ATM commission
5. Associated Student Body: Transfer in \$15,000 from bookstore.
6. Capital Assets:
  - CALL Building - \$18,300,000
  - Fields - \$4,000,000
  - Small Projects - \$1,000,000

HARTNELL COMMUNITY COLLEGE DISTRICT  
**GENERAL FUND UNRESTRICTED #11**  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Federal	\$ 13,629	\$ 12,000
State	1,114,218	856,577
Local	1,193,210	408,000
Apportionment	<u>34,594,777</u>	<u>31,530,130</u>
Total	<u>36,915,834</u>	<u>32,806,707</u>
<b>EXPENDITURES:</b>		
Academic Salaries	13,700,149	12,953,829
Classified Salaries	7,229,762	6,526,757
Employee Benefits	7,326,082	6,868,045
Supplies & Materials	346,252	494,565
Other Operating Expenses & Services	8,586,183	8,060,814
Capital Outlay	<u>111,236</u>	<u>188,500</u>
Total	<u>37,299,664</u>	<u>35,092,510</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(383,830)</u>	<u>(2,285,803)</u>
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	<u>386,093</u>	<u>513,603</u>
Total	<u>386,093</u>	<u>513,603</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>2,263</u>	<u>(1,772,200)</u>
BEGINNING BALANCE - JULY 1	<u>2,946,704</u>	<u>2,948,967</u>
ENDING BALANCE - JUNE 30	<u>\$ 2,948,967</u>	<u>\$ 1,176,767</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
**GENERAL FUND RESTRICTED #12**  
 2009-2010 BUDGET

	2008-2009	2009-2010
	<u>Actual</u>	<u>Budget</u>
REVENUES:		
Federal		
State	\$ 10,695,669	\$ 12,788,922
Local	4,742,976	4,851,170
	160,991	200,000
Total	<u>15,599,636</u>	<u>17,840,092</u>
EXPENDITURES:		
Academic Salaries	1,765,301	2,254,960
Classified Salaries	2,066,610	2,103,462
Employee Benefits	1,083,329	1,223,608
Supplies & Materials	309,608	512,882
Other Operating Expenses & Services	2,067,820	3,245,231
Capital Outlay	1,090,986	950,547
Total	<u>8,383,654</u>	<u>10,290,690</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>7,215,982</u>	<u>7,549,402</u>
OTHER FINANCING SOURCES/(USES):		
Interfund Transfers	(365,476)	(413,603)
Student Financial Aid	(6,799,368)	(7,135,799)
Total	<u>(7,164,844)</u>	<u>(7,549,402)</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>51,138</u>	<u>(0)</u>
BEGINNING BALANCE - JULY 1	<u>831,817</u>	<u>882,955</u>
ENDING BALANCE - JUNE 30	<u>\$ 882,955</u>	<u>\$ 882,955</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
**BOOKSTORE FUND #31**  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
REVENUES:		
Commission Income	\$ 175,600	\$ 170,000
Interest Income	(10,077)	8,400
Other Income	-	-
Total	<u>165,523</u>	<u>178,400</u>
EXPENDITURES:		
Academic Salaries	-	-
Classified Salaries	-	-
Employee Benefits	-	-
Supplies & Materials	-	-
Other Operating Expenses & Services	150	-
Capital Outlay	-	-
Total	<u>150</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>165,373</u>	<u>178,400</u>
OTHER FINANCING SOURCES/(USES):		
Interfund Transfers	<u>(113,741)</u>	<u>(115,000)</u>
Total	<u>(113,741)</u>	<u>(115,000)</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>51,631</u>	<u>63,400</u>
BEGINNING BALANCE - JULY 1	<u>1,036,652</u>	<u>1,088,283</u>
ENDING BALANCE - JUNE 30	<u>\$ 1,088,283</u>	<u>\$ 1,151,683</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
 CHILD DEVELOPMENT FUND #33  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
REVENUES:		
State Preschool Grant	\$ 508,665	\$ 571,539
State Bailout	72,517	35,536
Interest Income	(78)	680
Child Development Fees	7,091	31,208
Enrollment Fees	13,065	4,200
Other Local Income	5,710	-
Total	<u>606,970</u>	<u>643,163</u>
EXPENDITURES:		
Academic Salaries	-	-
Classified Salaries	430,597	452,603
Employee Benefits	135,948	152,575
Supplies & Materials	14,596	15,385
Other Operating Expenses & Services	5,557	16,600
Capital Outlay	2,793	6,000
Total	<u>589,491</u>	<u>643,163</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>17,479</u>	<u>-</u>
OTHER FINANCING SOURCES/(USES):		
Interfund Transfers	-	-
Total	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>17,479</u>	<u>-</u>
BEGINNING BALANCE - JULY 1	<u>73,616</u>	<u>91,095</u>
ENDING BALANCE - JUNE 30	<u>\$ 91,095</u>	<u>\$ 91,095</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
 CAPITAL OUTLAY PROJECTS FUND #41  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Interest Income	\$ (8,465)	\$ 500
Library Services-Vending Machine Sales	<u>31,142</u>	<u>25,000</u>
Total	<u>22,677</u>	<u>25,500</u>
<b>EXPENDITURES:</b>		
Academic Salaries	-	-
Classified Salaries	-	-
Employee Benefits	-	-
Supplies & Materials	12,129 <sup>1</sup>	15,000
Other Operating Expenses & Services	2 <u>220,078</u>	<u>55,000</u>
Capital Outlay	<u>10,543</u>	<u>30,000</u>
Total	<u>242,750</u>	<u>100,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(220,073)</u>	<u>(74,500)</u>
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>	<u>(220,073)</u>	<u>(74,500)</u>
<b>BEGINNING BALANCE - JULY 1</b>	<u>325,018</u>	<u>104,945</u>
<b>ENDING BALANCE - JUNE 30</b>	<u>\$ 104,945</u>	<u>\$ 30,445</u>

1. Supplies & Materials cost is paper supply cost for copiers in library.
2. Private contributions were deposited in District in prior years. The funds should have been deposited to Hartnell College Foundation and therefore the District transferred \$132,128 to Hartnell College Foundation during fiscal year 2008/2009. DataTel cost of \$69,000 included in actual costs.

HARTNELL COMMUNITY COLLEGE DISTRICT  
 SCHEDULED MAINTENANCE FUND #43 (Capital Bond Match)  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
State-Funded Projects	\$ 10,171,263	\$ 5,752,000
Interest Income	-	-
Other Income	-	-
Total	10,171,263	5,752,000
<b>EXPENDITURES:</b>		
Academic Salaries	-	-
Classified Salaries	-	-
Employee Benefits	-	-
Supplies & Materials	-	-
Other Operating Expenses & Services	83,820	-
Capital Outlay	10,087,443	5,752,000
Total	10,171,263	5,752,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-
<b>OTHER FINANCING SOURCES/(USES):</b>		
Incoming Transfers	-	-
Total	-	-
NET INCREASE (DECREASE) IN FUND BALANCE	-	-
BEGINNING BALANCE - JULY 1	(0)	(0)
ENDING BALANCE - JUNE 30	\$ (0)	\$ (0)

1. Call Building \$1,752,000  
 CAT Building \$4,000,000

HARTNELL COMMUNITY COLLEGE DISTRICT  
PROPERTY ACQUISITION FUND #44  
2009-2010 BUDGET

	2008-2009 <u>Actual</u>		2009-2010 <u>Budget</u>
REVENUES:			
Rents & Leases	\$ 224,046	1	\$ 375,000
Interest	(41,640)		21,000
Total	<u>182,406</u>		<u>396,000</u>
EXPENDITURES:			
Academic Salaries	-		-
Classified Salaries	-		-
Employee Benefits	-		-
Supplies & Materials	-		-
Other Operating Expenses & Services	29,113		33,875
Capital Outlay	-		66,125
Total	<u>29,113</u>		<u>100,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>153,293</u>		<u>296,000</u>
OTHER FINANCING SOURCES/(USES):			
Interfund Transfers	-		-
Student Financial Aid	-		-
Total	<u>-</u>		<u>-</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>153,293</u>		<u>296,000</u>
BEGINNING BALANCE - JULY 1	<u>2,598,054</u>		<u>2,751,347</u>
ENDING BALANCE - JUNE 30	<u>\$ 2,751,347</u>		<u>\$ 3,047,347</u>

1. Tenant paid 1st rent installment for 08/09 in 07/08. District posted rent income in error to 07/08 fiscal year. This transaction created an overstatement in rents for 07/08 and an understatement in rents for 08/09. The 09/10 budget reflects correct estimated annual rent.

HARTNELL COMMUNITY COLLEGE DISTRICT  
HARTNELL BOND PROJECTS FUND #45  
2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Sale of bonds	\$ 12,597,888	\$ 48,406,000
Interest Income	(840,429)	338,000
Other Income	4,496	-
Total	11,761,955	48,744,000
<b>EXPENDITURES:</b>		
Academic Salaries	23,686	54,087
Classified Salaries	32	-
Employee Benefits	9,719	13,199
Supplies & Materials	-	-
Other Operating Expenses & Services	-	-
Capital Outlay	13,891,330	20,000,000
Due to County of Monterey BI&RF	-	-
Total	13,924,767	20,067,286
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,162,812)	28,676,714
<b>OTHER FINANCING SOURCES/(USES):</b>		
Incoming Transfers	-	-
Interfund Transfers	-	-
Total	-	-
NET INCREASE (DECREASE) IN FUND BALANCE	(2,162,812)	28,676,714
BEGINNING BALANCE - JULY 1	35,734,783	33,571,971
ENDING BALANCE - JUNE 30	\$ 33,571,971	\$ 62,248,685

1. College Center \$5,000,000
  - CAB 1st floor \$5,000,000
  - Athletic Fields \$4,000,000
  - Small Projects \$6,000,000

HARTNELL COMMUNITY COLLEGE DISTRICT  
CAFETERIA FUND #52  
2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
SALES:		
Cafeteria	\$ 570,521	\$ 473,000
Vending	<u>100,786</u>	<u>105,000</u>
Total Sales	<u>671,307</u>	<u>578,000</u>
 COST OF SALES:		
Beginning Inventory	22,875	18,034
Cafeteria Purchases	278,897	218,000
Vending Purchases	<u>32,000</u>	<u>48,000</u>
Cost of Goods Available for Sale	<u>333,772</u>	<u>284,034</u>
Ending Inventory	<u>18,034</u>	<u>18,034</u>
Total Cost of Sales	<u>315,738</u>	<u>266,000</u>
 GROSS PROFIT OR (LOSS)	<u>355,569</u>	<u>312,000</u>
 OPERATING EXPENDITURES:		
Classified Salaries	210,511	202,016
Employee Benefits	145,909	137,705
Supplies & Materials	29,275	29,850
Other Operating Expenses & Services	21,443	18,000
Capital Outlay	<u>984</u>	<u>-</u>
Total Operating Expenditures	<u>408,122</u>	<u>387,571</u>
 INCOME (LOSS) FROM OPERATIONS	<u>(52,553)</u>	<u>(75,571)</u>
 NON-OPERATING INCOME (EXPENSE):		
Interest Income	(6,906)	2,100
Other Income	13,954	14,500
Interfund Transfers	-	-
Articulation Expense	-	-
Other Expense	<u>-</u>	<u>-</u>
Total Non-Operating Income (Expense)	<u>7,048</u>	<u>16,600</u>
 NET INCOME (LOSS)	<u>(45,505)</u>	<u>(58,971)</u>
 BEGINNING BALANCE - JULY 1	<u>412,792</u>	<u>367,287</u>
 ENDING BALANCE - JUNE 30	<u>\$ 367,287</u>	<u>\$ 308,316</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
 SELF-INSURANCE FUND #61  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Interest Income	\$ (57,172)	\$ 6,800
Other Income	-	-
Total	(57,172)	6,800
<b>EXPENDITURES:</b>		
Academic Salaries	-	-
Classified Salaries	-	-
Employee Benefits	57,353	60,000
Supplies & Materials	-	-
Other Operating Expenses & Services	18,000	18,000
Capital Outlay	-	-
Total	75,353	78,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(132,525)	(71,200)
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	1 180,000	-
Total	180,000	-
NET INCREASE (DECREASE) IN FUND BALANCE	47,475	(71,200)
BEGINNING BALANCE - JULY 1	1,074,798	1,122,273
ENDING BALANCE - JUNE 30	\$ 1,122,273	\$ 1,051,073

1. Transfer from General Fund to bring balance to accrued liability for fund. The amount is determined at end of fiscal year. The District needs to assess cost at end of each year. District costs can be reduced by providing training for staff in work environment safety procedures.

HARTNELL COMMUNITY COLLEGE DISTRICT  
**RETIREE HEALTH BENEFITS FUND #62**  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Interest Income	\$ 8,937	\$ 9,300
Other Income	-	-
Total	<u>8,937</u>	<u>9,300</u>
<b>EXPENDITURES:</b>		
Academic Salaries	-	-
Classified Salaries	-	-
Employee Benefits	-	-
Supplies & Materials	-	-
Other Operating Expenses & Services	-	-
Capital Outlay	-	-
Total	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>8,937</u>	<u>9,300</u>
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	-	-
Student Financial Aid	-	-
Total	<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>	<u>8,937</u>	<u>9,300</u>
<b>BEGINNING BALANCE - JULY 1</b>	<u>1,231,075</u>	<u>1,240,012</u>
<b>ENDING BALANCE - JUNE 30</b>	<u>\$ 1,240,012</u>	<u>\$ 1,249,312</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
 ASSOCIATED STUDENT BODY FUND #71  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Club Accounts	\$ 6,237	\$ 6,500
Student Identification Cards	72,778	60,000
Interest	(6,075)	4,200
<b>Total</b>	<b>72,940</b>	<b>70,700</b>
<b>EXPENDITURES:</b>		
Club Accounts	6,134	6,500
Classified Salaries	158	3,000
Employee Benefits	3	360
Supplies & Materials	1,265	5,000
Other Operating Expenses & Services	13,731	23,640
Capital Outlay	2,809	-
<b>Total</b>	<b>24,100</b>	<b>38,500</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>48,840</b>	<b>32,200</b>
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	13,741	15,000
Student Financial Aid	-	-
<b>Total</b>	<b>13,741</b>	<b>15,000</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>	<b>62,581</b>	<b>47,200</b>
<b>BEGINNING BALANCE - JULY 1</b>	<b>501,724</b>	<b>564,305</b>
<b>ENDING BALANCE - JUNE 30</b>	<b>\$ 564,305</b>	<b>\$ 611,505</b>

SUBJECT TO REVISION - NOVEMBER 15, 2009 MTG

HARTNELL COMMUNITY COLLEGE DISTRICT  
SCHOLARSHIP, LOAN, AND TRUST FUND #75  
2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
REVENUES:		
Interest Income	\$ (2,524)	\$ 975
Other Trust Income	-	3,000
Total	(2,524)	3,975
EXPENDITURES:		
Endowed Funds	2 50,484	-
Loan and Trust Funds	8,159	3,000
Administrative Costs	-	-
Total	58,643	3,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(61,167)	975
OTHER FINANCING SOURCES/(USES):		
Interfund Transfers	-	-
Student Financial Aid	-	-
Total	-	-
NET INCREASE (DECREASE) IN FUND BALANCE	(61,167)	975
BEGINNING BALANCE - JULY 1	180,267	119,100
ENDING BALANCE - JUNE 30	\$ 119,100	\$ 120,075

1. Funds held in trust for various Hartnell programs
  - Employee payroll deduction for Hartnell Cares Program \$1,000
  - SIFE program, etc \$2,000
2. Donated funds transferred to Foundation

HARTNELL COMMUNITY COLLEGE DISTRICT  
 INTERCOLLEGIATE ATHLETIC FUND #79  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>	2009-2010 <u>Budget</u>
<b>REVENUES:</b>		
Team Accounts	\$ 3,365	\$ 15,000
Basketball - Gate Receipts	1,332	2,000
Football - Gate Receipts	6,388	13,000
Football - Concession Sales	3,557	4,000
Basketball - Concession Sales	493	1,000
Interest	(1,725)	150
Miscellaneous	-	-
Total	<u>13,410</u>	<u>35,150</u>
<b>EXPENDITURES:</b>		
Team Accounts	25,324	15,000
Classified Salaries	-	-
Employee Benefits	-	-
Supplies & Materials	3,291	7,000
Other Operating Expenses & Services	25,838	48,000
Capital Outlay	-	-
Total	<u>54,453</u>	<u>70,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(41,043)</u>	<u>(34,850)</u>
<b>OTHER FINANCING SOURCES/(USES):</b>		
Interfund Transfers	-	-
Student Financial Aid	-	-
Total	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>(41,043)</u>	<u>(34,850)</u>
BEGINNING BALANCE - JULY 1	<u>94,123</u>	<u>53,080</u>
ENDING BALANCE - JUNE 30	<u>\$ 53,080</u>	<u>\$ 18,230</u>

HARTNELL COMMUNITY COLLEGE DISTRICT  
**CAPITAL ASSETS FUND #90**  
 2009-2010 BUDGET

	2008-2009 <u>Actual</u>		2009-2010 <u>Budget</u>
EXPENDITURES:			
Depreciation Expense	\$ 2,359,224		\$ 2,500,000
 BEGINNING BALANCE - JULY 1			
Capital Additions	78,752,809		105,081,001
Capital Retirements	28,687,416	1	23,300,000
	<u>                    </u>		<u>                    </u>
	107,440,225		128,381,001
 ENDING BALANCE			
	<u><u>\$ 105,081,001</u></u>		<u><u>\$ 125,881,001</u></u>

1. Capital Additions  
 CALL Building \$18,300,000  
 Fields \$4,000,000  
 Small Projects \$1,000,000

THE FOLLOWING PERSONNEL ACTIONS WERE APPROVED AND/OR RATIFIED AT THE SPECIAL MEETING OF OCTOBER 20, 2009:

I. Retirements, resignations, releases, and leave requests

A. Approve release of regular personnel:

1. Concepcion Margarito, Laundry Operator (#CL-31), Physical Education, effective December 4, 2009, due to layoff, and placement on 39-month re-employment list in accordance with Education Code §88117.

II. Appointments

A. Ratify interim assignment to management position:

1. Neil Ledford, Interim Dean of Advanced Technology, effective October 9, 2009, management range III, step D. There is no impact to the general fund.