



Santa Barbara City College Tentative Budget 2016-17

Presented to:

Board of Trustees – June 9, 2016

Board of Trustees – June 23, 2016



AGENDA

- General Fund & Budget Assumptions
 - Revenues
 - Expenditures
- FTES & Stability
- Interfund Transfers
- Construction – District Projects Fund
- Equipment Replacement Fund
- Board Policy on Reserves and Fund Balances
- Other Funds (Campus Store, CLL, Food Service, etc.)
- Measure V Bond Fund
- STRS & PERS
- Potential Changes

GENERAL FUND UNRESTRICTED Revenue Comparison

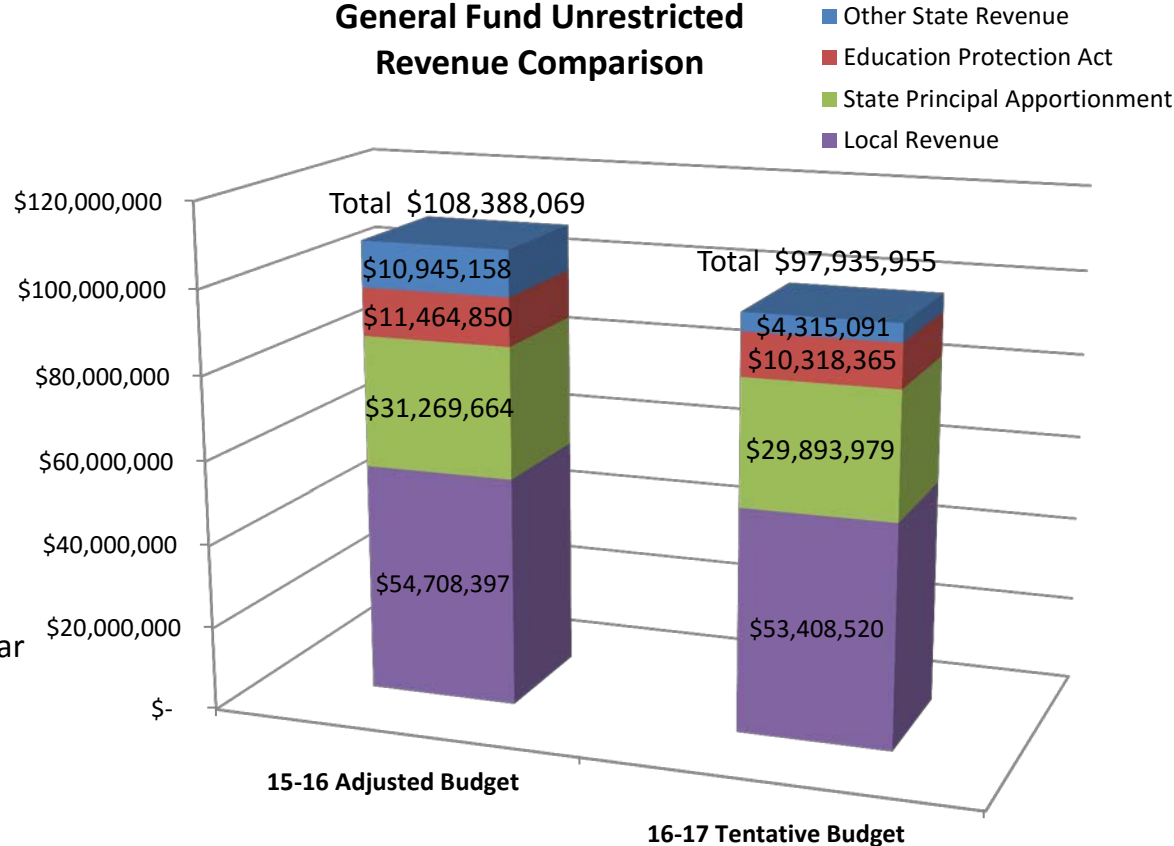


2016-17 Tentative Budget Revenues contain:

- FTES decline in enrollment of 7.3% reduces revenues \$4,307,812.
- COLA is NOT included.
- Growth is NOT included.
- Base allocation increase of \$907,000. (May Revise)
- Education Protection Act (Prop 30), sales tax portion expires 12/31/16 reducing revenues by \$1,146,000.
- Lottery revenue remains flat.
- Ongoing state mandated reimbursements reduces \$26,000 due to 7.3% decline in enrollment.
- One time state mandated reimbursement is \$1,276,000.
- Deficit factor is NOT included.
- State apportionment recalculation and prior year adjustments are NOT included.
- Non resident tuition decreases \$5 per unit or 1.9%. Revenues are projected to remain flat.
- Interest revenue remains flat.

Note: Deferred maintenance and instructional equipment funding is \$2,654,000 one time revenues go to Construction and Equipment funds.

General Fund Unrestricted Revenue Comparison





FTES & Stability

- The 5 Year projections for the Unrestricted General Fund assumes a reduction in FTES generated of 7.3% for 2015-16, 7.0% for 2016-17, 2.0% for 2017-18, and flat for 2018-19 through 2020-21.

	Actual 2014-15	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21
FTES Generated	14,273	13,295	12,364	12,106	12,106	12,106	12,106
Revenue	\$ 66,127,722	\$ 66,127,722	\$ 61,819,910	\$ 57,492,516	\$ 56,289,026	\$ 56,289,026	\$ 56,289,026

- The College is in stability in 2015-16 and will remain in stability as long as FTES continues to decline. Stability is covered in SB361, the legislation that provided for equalization of funding among Community Colleges.
- The application of stability under SB 361 allows for a “hold harmless” in the first year of an enrollment decline. In other words, the first year that there is a reduction in revenue is the year following the initial decline in enrollment. For two years following the hold harmless year the District is eligible for FTES restoration.
- Restoration allows the District to recover any FTES generated up to the FTES generated in the year prior to going into stability, but does not guarantee any revenues.

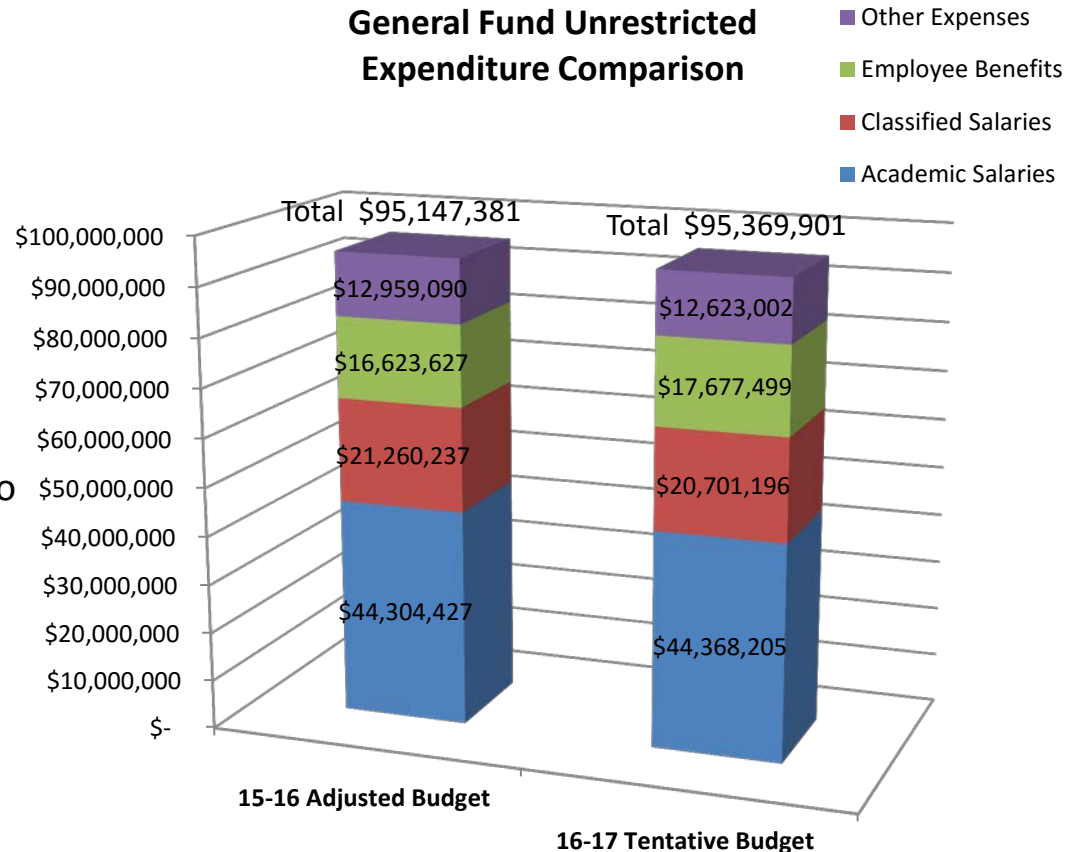
GENERAL FUND UNRESTRICTED Expenditure Comparison



2016-17 Tentative Budget Expenditures contain:

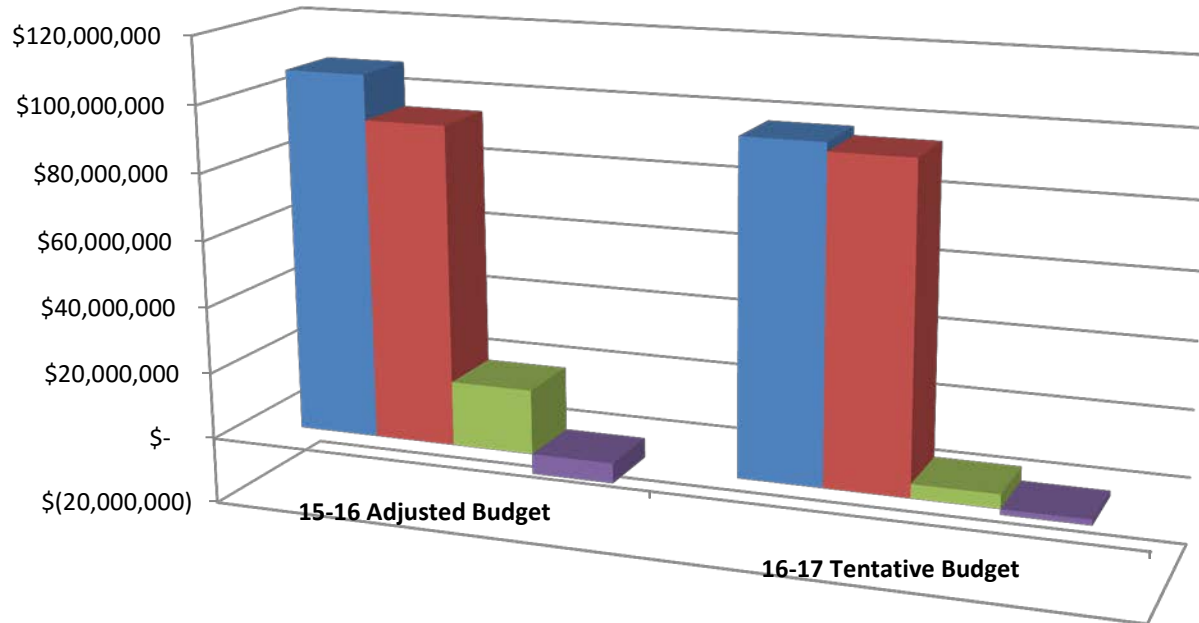
- Salary model adjustments for step increases, longevity, open positions, replacements of \$382,000.
- Adjuncts and Overload salaries decreased by \$1,087,575 due to enrollment decline of 7%.
- Summer adjuncts increased by \$480,000 to account for two summer sessions.
- Reclassification of classified staff of \$41,300.
- Hourly budgets decreased by \$400,000 due to enrollment decline of 7%.
- COLA is NOT included.
- CalSTRS and CalPERS rate increases of \$983,000.
- Health benefits increase of \$110,000.
- Non labor expense reductions of \$358,000.

General Fund Unrestricted Expenditure Comparison



GENERAL FUND UNRESTRICTED Comparison

General Fund Unrestricted Comparison



	15-16 Adjusted Budget	16-17 Tentative Budget
■ Revenues	\$108,388,069	\$97,935,955
■ Expenditures	\$95,147,381	\$95,369,901
■ Transfers Out	\$19,228,196	\$4,195,894
■ Excess of Revenues	\$(5,987,508)	\$(1,629,841)

GENERAL FUND UNRESTRICTED

	2014-15	2015-16	2016-17	Variance	
	Actual	Adjusted Budget	Tentative Budget	B15-16 vs B16-17 \$	%
REVENUES					
State	\$42,115,005	\$53,679,672	\$44,527,435	(\$9,152,237)	(17%)
Local	\$54,107,903	\$54,708,397	\$53,408,520	(\$1,299,877)	(2%)
Total Revenues	<u>\$96,222,907</u>	<u>\$108,388,069</u>	<u>\$97,935,955</u>	<u>(\$10,452,114)</u>	<u>(10%)</u>
EXPENDITURES					
Academic Salaries	\$44,006,244	\$44,304,427	\$44,368,205	\$63,778	0%
Classified and Other Nonacademic Salaries	\$20,887,161	\$21,260,237	\$20,701,196	(\$559,041)	(3%)
Employee Benefits	\$16,392,880	\$16,623,627	\$17,677,499	\$1,053,872	6%
Supplies & Materials	\$2,263,150	\$2,487,349	\$2,407,195	(\$80,154)	(3%)
Other Operating Expenses and Services	\$9,094,445	\$10,130,590	\$9,913,048	(\$217,542)	(2%)
Capital Outlay	\$269,583	\$324,762	\$286,220	(\$38,542)	(12%)
Other Outgo	\$16,539	\$16,389	\$16,539	\$150	1%
Total Expenditures	<u>\$92,930,003</u>	<u>\$95,147,381</u>	<u>\$95,369,901</u>	<u>\$222,521</u>	<u>0%</u>
Excess of Revenues over (under) Expenditures	<u>\$3,292,905</u>	<u>\$13,240,688</u>	<u>\$2,566,053</u>	<u>(\$10,674,635)</u>	<u>(81%)</u>
Other Financing Sources (Uses)					
Intrafund Transfers - In	\$84,914	\$68,892	\$68,892	\$0	0%
Intrafund Transfers - Out	\$100,000	\$0	\$0	\$0	0%
Interfund Transfers - In	\$21,538	\$19,000	\$19,000	\$0	0%
Interfund Transfers - Out	\$1,230,091	\$19,316,088	\$4,283,786	(\$15,032,302)	(78%)
Total Other Financing Sources (Uses)	<u>(\$1,223,640)</u>	<u>(\$19,228,196)</u>	<u>(\$4,195,894)</u>	<u>\$15,032,302</u>	<u>(78%)</u>
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	<u>\$2,069,265</u>	<u>(\$5,987,508)</u>	<u>(\$1,629,841)</u>	<u>\$4,357,667</u>	<u>(73%)</u>
Beginning Fund Balance	<u>\$29,391,127</u>	<u>\$31,460,391</u>	<u>\$25,472,883</u>		
Ending Fund Balance	<u>\$31,460,391</u>	<u>\$25,472,883</u>	<u>\$23,843,042</u>		



INTERFUND TRANSFERS

	2014-15 Actual	2015-16 Adjusted Budget	2016-17 Tentative Budget
INTERFUND TRANSFERS - OUT			
To Construction- District Projects Fund	\$283,786	\$2,283,786	\$898,786
To Construction- West Campus Classroom	\$0	\$0	\$2,800,000
To Construction- Campus Center Replacement	\$0	\$11,800,000	\$0
To Construction- Swing Space	\$0	\$1,500,000	\$0
To Construction- Facility Master Plan	\$0	\$800,000	\$360,000
To Equipment Fund	\$755,000	\$2,700,700	\$0
To Athletics - Trust	\$33,472	\$31,602	\$25,000
To Children's Center Fund	\$157,833	\$200,000	\$200,000
Total	<u>\$1,230,091</u>	<u>\$19,316,088</u>	<u>\$4,283,786</u>

- Transfers from General Fund to Construction Fund of \$615,000 for ongoing projects and for loan repayments of \$283,786. (Construction Fund receives \$1.3 million of revenue from Deferred Maintenance one time funds.)
- Transfers from General Fund to Construction Fund of \$2,800,000 required to fund final construction costs of West Campus Classroom Building.
- Transfers from General Fund to Construction Fund of \$360,000 to fund final phase of Facility Master Plan completion.
- Transfers from General Fund to Equipment Fund of \$0. (Equipment Fund receives \$1.3 million of revenue from Instructional Equipment one time funds.)
- Transfers from General Fund to Athletics Trust remains flat compared to prior years budgets.
- Transfers from General Fund to Children's Center remains flat.

CONSTRUCTION DISTRICT PROJECTS

State Revenue:

- \$1,327,000 in deferred maintenance
- \$6,000,000 state funding for Campus Center

	2014-15 Actual	2015-16 Adjusted Budget	2016-17 Tentative Budget	Variance B15-16 vs B16-17	
				\$	%
REVENUES					
State	\$1,759,833	\$1,849,855	\$7,327,000	\$5,477,145	296%
Local	\$451,894	\$455,812	\$145,787	(\$310,025)	(68%)
Total Revenues	\$2,211,727	\$2,305,667	\$7,472,787	\$5,167,120	224%
EXPENDITURES					
Academic Salaries	\$0	\$0	\$0	\$0	0%
Classified and Other Nonacademic Salaries	\$0	\$0	\$0	\$0	0%
Employee Benefits	\$0	\$0	\$0	\$0	0%
Supplies and Materials	\$0	\$0	\$0	\$0	0%
Other Operating Expenses and Services	\$107,666	\$196,000	\$150,000	(\$46,000)	(23%)
Capital Outlay	\$6,174,762	\$6,757,141	\$13,635,787	\$6,878,646	102%
Other Outgo	\$0	\$0	\$0	\$0	0%
Total Expenditures	\$6,282,428	\$6,953,141	\$13,785,787	\$6,832,646	98%
Excess of Revenues over (under) Expenditures	(\$4,070,701)	(\$4,647,474)	(\$6,313,000)	(\$1,665,527)	36%
Other Financing Sources (Uses)					
Interfund Transfers - In	\$980,417	\$16,782,286	\$4,058,787	(\$12,723,499)	(76%)
Interfund Transfers - Out	\$1,770	\$500,000	\$0	(\$500,000)	(100%)
Total Other Financing Sources (Uses)	\$978,647	\$16,282,286	\$4,058,787	(\$12,223,499)	(75%)
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	(\$3,092,054)	\$11,634,813	(\$2,254,213)	(\$13,889,026)	(119%)
Beginning Fund Balance	\$6,011,454	\$2,919,400	\$14,554,213		
Ending Fund Balance	\$2,919,400	\$14,554,213	\$12,300,000		

Expenditure Amounts:

- Energy Loan \$283,787
- Annual Needs \$615,000
- Facility Master Plan Completion \$360,000
- West Campus Classroom Completion \$2,800,000
- Campus Center Project \$7,000,000
- Swing Space \$1,250,000
- Approved Deferred Maintenance \$1,327,000

Transfer Amounts:

- From GF for Energy Loan \$283,787
- From GF for Annual Needs \$615,000
- From GF for West Campus \$2,800,000
- From GF for Facility Master Plan \$360,000

Ending Fund Balances:

- \$2,004,213 Construction
- \$11,300,000 Campus Center
- \$1,250,000 Swing Space

Ending Fund Balances:

- \$2,000,000 Construction
- \$10,300,000 Campus Center
- \$0 Swing Space

EQUIPMENT REPLACEMENT



	2014-15	2015-16	2016-17	Variance	
	Actual	Forecast	Tentative Budget	F15-16 vs B16-17	
				\$	%
REVENUES					
State	\$0	\$0	\$1,327,000	\$1,327,000	100%
Local	\$16,230	\$12,263	\$25,000	\$12,737	104%
Total Revenues	\$16,230	\$12,263	\$1,352,000	\$1,339,737	10,925%
EXPENDITURES					
Academic Salaries	\$0	\$0	\$0	\$0	0%
Classified and Other Nonacademic Salaries	\$0	\$0	\$0	\$0	0%
Employee Benefits	\$0	\$0	\$0	\$0	0%
Supplies & Materials	\$0	\$0	\$0	\$0	0%
Other Operating Expenses and Services	\$436	\$0	\$0	\$0	0%
Capital Outlay	\$3,265,106	\$2,926,529	\$4,404,080	\$1,477,551	50%
Total Expenditures	\$3,265,542	\$2,926,529	\$4,404,080	\$1,477,551	50%
Excess of Revenues over (under) Expenditures	(\$3,249,312)	(\$2,914,266)	(\$3,052,080)	(\$137,814)	5%
Other Financing Sources (Uses)					
Sale of Equipment	\$0	\$0	\$0	\$0	0%
Interfund Transfers - In	\$755,000	\$2,700,700	\$0	(\$2,700,700)	(100%)
Interfund Transfers - Out	\$0	\$0	\$0	\$0	0%
Total Other Financing Sources (Uses)	\$755,000	\$2,700,700	\$0	(\$2,700,700)	(100%)
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	(\$2,494,312)	(\$213,566)	(\$3,052,080)	(\$2,838,514)	1,329%
Beginning Fund Balance	\$7,259,958	\$4,765,646	\$4,552,080		
Ending Fund Balance	\$4,765,646	\$4,552,080	\$1,500,000		

Revenues come from Instructional Equipment one time funding.

\$4,404,000 unallocated fund balance available for:

- \$524,000 Various department budgets
- \$1,592,235 Program Review carry over from prior years
- \$279,000 Copier Refresh
- \$966,000 IT Refresh (\$426,000 instructional only and other refresh of \$540,000)
- \$1,042,845 instructional only Program Review 16-17

No Transfer In from General Fund.



BOARD POLICY RESERVES

- BP 6305 Reserves, adopted May 22, 2014:
 - The unrestricted general fund reserve shall include:
 - A minimum 5% general fund contingency; PLUS
 - Funds to cover all banked TLU obligations; PLUS
 - Funds equivalent to any deferrals of the college’s state apportionment OR 15% of annual projected unrestricted general fund expenditures, whichever is greater.
 - Facility and Infrastructure Maintenance (Construction) Fund: \$2.0 million base reserve
 - Equipment Fund: \$1.5 million base reserve



Statewide CCC Reserve Levels

As of June 30, 2015:

- California Community Colleges Unrestricted General Fund ending balances ratio to expenditures range from 36.5% to 3.9% of expenditures held in reserves
- Santa Barbara City College had the third highest reserves out of 72 California Community College Districts at 33.9% of expenditures held in reserves
- Average reserves for all California Community College Districts were 17.3% of expenditures or \$15,560,639
- 17.3% of SBCC's expenditures would equal \$16,500,000 in reserves

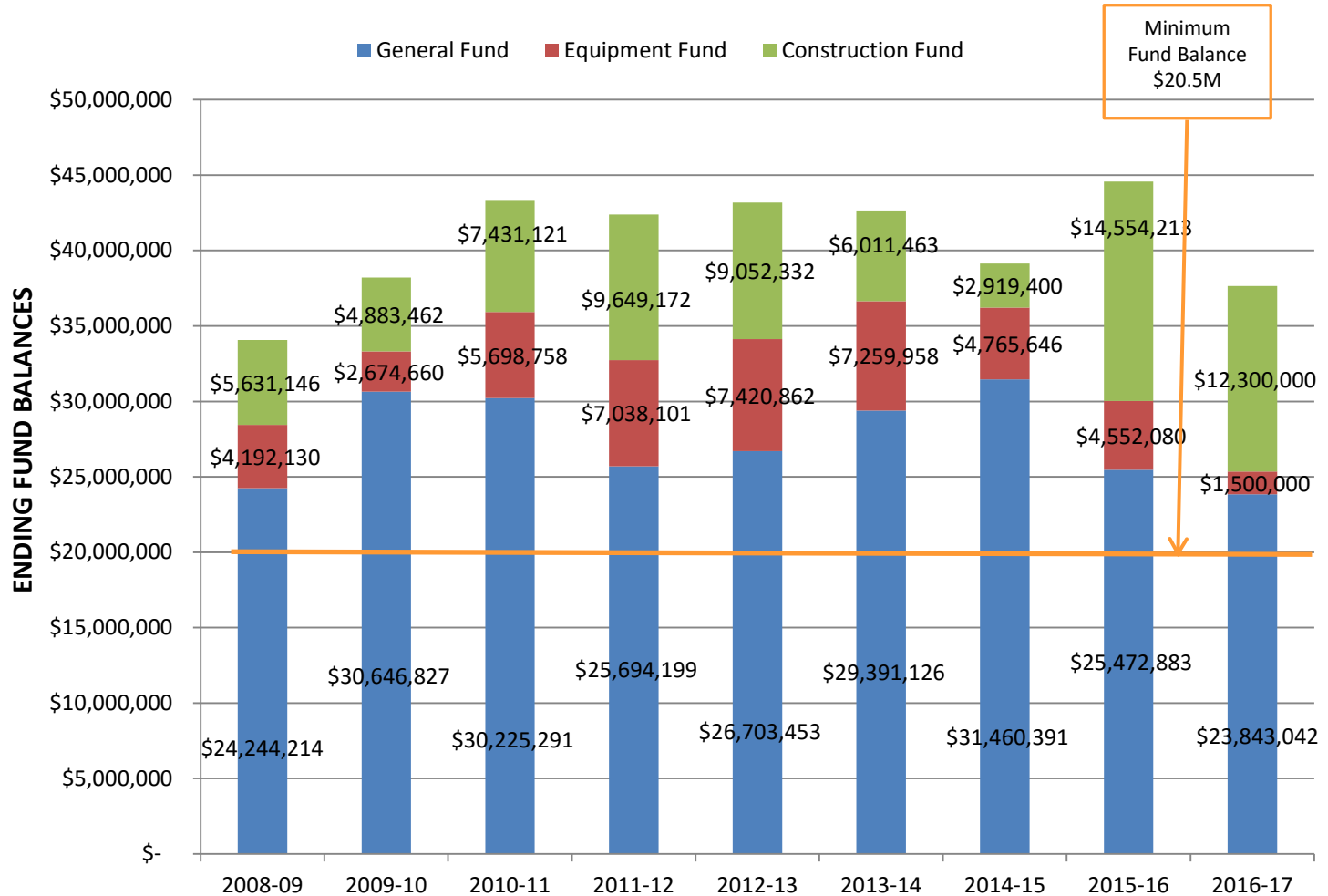


GENERAL FUND BALANCE

	June 30, 2015 Actual Ending Balance	June 30, 2016 Forecast Ending Balance	June 30, 2017 Tentative Budget Ending Balance
Fund Balance			
Reserved for Restricted Purpose	\$0	\$0	\$0
Designated:			
State Mandated Contingency (5%)	\$4,558,595	\$4,757,369	\$4,768,495
Banked TLUs	\$1,464,483	\$1,464,483	\$1,464,483
General Apportionment Deferral	\$0	\$0	\$0
Additional Reserve required to meet 15% principle	\$13,675,784	\$14,272,107	\$14,305,485
Total Designated	<u>\$19,698,862</u>	<u>\$20,493,959</u>	<u>\$20,538,464</u>
Undesignated	\$11,761,529	\$4,978,924	\$3,304,578
Total Fund Balance	<u><u>\$31,460,391</u></u>	<u><u>\$25,472,883</u></u>	<u><u>\$23,843,042</u></u>
% Designated Ending Balance/Expenditures	21.2%	21.5%	21.5%
% Total Ending Balance/Expenditures	33.9%	26.8%	25.0%

FUND BALANCES

TENTATIVE BUDGET 2016-17





FUND BALANCES

Ending Fund Balances	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Forecast 2015-16	Tentative Budget 2016-17
General Fund	24,244,214	30,646,827	30,225,291	25,694,199	26,703,453	29,391,126	31,460,391	25,472,883	23,843,042
Equipment Fund	4,192,130	2,674,660	5,698,758	7,038,101	7,420,862	7,259,958	4,765,647	4,765,646	1,500,000
Construction Fund	5,631,146	4,883,462	7,431,121	9,649,172	9,052,332	6,011,463	2,919,410	14,554,213	12,300,000
Bond Fund	43,198,136	35,301,278	20,731,085	9,627,411	15,125,129	5,874,080	2,650,002	12,748,919	0

GENERAL FUND RESTRICTED

	2014-15 Actual	2015-16 Adjusted Budget	2016-17 Tentative Budget	Variance B15-16 vs B16-17	
				\$	%
REVENUES					
Federal	\$2,809,447	\$5,106,372	\$5,106,372	\$0	0%
State	\$9,688,957	\$17,274,765	\$16,691,930	(\$582,835)	(3%)
Local	\$1,222,558	\$1,983,834	\$1,983,834	\$0	0%
Total Revenues	\$13,720,962	\$24,364,971	\$23,782,136	(\$582,835)	(2%)
EXPENDITURES					
Academic Salaries	\$2,764,104	\$5,160,568	\$5,160,568	\$0	0%
Classified and Other Nonacademic Salaries	\$3,249,651	\$4,567,914	\$4,567,914	\$0	0%
Employee Benefits	\$1,370,506	\$2,064,628	\$2,064,628	\$0	0%
Supplies & Materials	\$615,705	\$677,310	\$677,310	\$0	0%
Other Operating Expenses and Services	\$4,853,075	\$9,676,990	\$9,094,155	(\$582,835)	(6%)
Capital Outlay	\$306,003	\$797,157	\$797,157	\$0	0%
Other Outgo	\$577,004	\$1,192,512	\$1,192,512	\$0	0%
Total Expenditures	\$13,736,048	\$24,137,078	\$23,554,243	(\$582,835)	(2%)
Excess of Revenues over (under) Expenditures	(\$15,086)	\$227,892	\$227,892	\$0	0%
Other Financing Sources (Uses)					
Intrafund Transfers - In	\$100,000	\$0	\$0	\$0	0%
Intrafund Transfers - Out	\$84,914	\$227,892	\$227,892	\$0	0%
Interfund Transfers - In	\$0	\$0	\$0	\$0	0%
Interfund Transfers - Out	\$0	\$0	\$0	\$0	0%
Total Other Financing Sources (Uses)	\$15,086	(\$227,892)	(\$227,892)	\$0	0%
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	\$0	\$0	\$0	\$0	
Beginning Fund Balance	\$0	\$0	\$0		
Ending Fund Balance	\$0	\$0	\$0		

OTHER SPECIAL REVENUE FUNDS



	Community Education Center	Health Fees	Lottery	Marine Diving Tech	Parking & Transportation Program	Contract Education for PDC	NR EMT	Rental of Facilities	TOTAL
REVENUES									
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State	\$0	\$0	\$480,000	\$0	\$0	\$0	\$0	\$0	\$480,000
Local	\$60,349	\$826,680	\$0	\$0	\$820,000	\$26,328	\$13,300	\$300,000	\$2,046,657
Total Revenues	\$60,349	\$826,680	\$480,000	\$0	\$820,000	\$26,328	\$13,300	\$300,000	\$2,526,657
EXPENDITURES									
Academic Salaries	\$0	\$150,469	\$0	\$0	\$0	\$11,600	\$0	\$0	\$162,069
Classified and Other Nonacademic Salaries	\$50,066	\$349,199	\$0	\$0	\$335,000	\$5,244	\$6,453	\$135,000	\$880,962
Employee Benefits	\$4,762	\$162,012	\$0	\$0	\$105,000	\$1,234	\$607	\$40,000	\$313,615
Supplies & Materials	\$5,521	\$46,500	\$256,597	\$0	\$27,000	\$1,000	\$2,200	\$10,000	\$348,818
Other Operating Expenses and Services	\$0	\$68,500	\$120,038	\$0	\$300,000	\$4,750	\$9,260	\$20,000	\$522,548
Capital Outlay	\$0	\$50,000	\$103,365	\$0	\$53,000	\$2,500	\$0	\$58,500	\$267,365
Other Outgo	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$60,349	\$826,680	\$480,000	\$0	\$820,000	\$26,328	\$18,520	\$263,500	\$2,495,377
Excess of Revenues over (under) Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,220)	\$36,500	\$31,280
Other Financing Sources (Uses)									
Interfund Transfers - In									\$0
Interfund Transfers - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,500	\$36,500
Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$36,500)	(\$36,500)
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,220)	\$0	(\$5,220)
Beginning Fund Balance	\$9,091	\$316,443	\$1,139,001	\$12,106	\$0	\$19,723	\$5,836	\$0	\$1,502,201
Ending Fund Balance	\$9,091	\$316,443	\$1,139,001	\$12,106	\$0	\$19,723	\$616	\$0	\$1,496,981



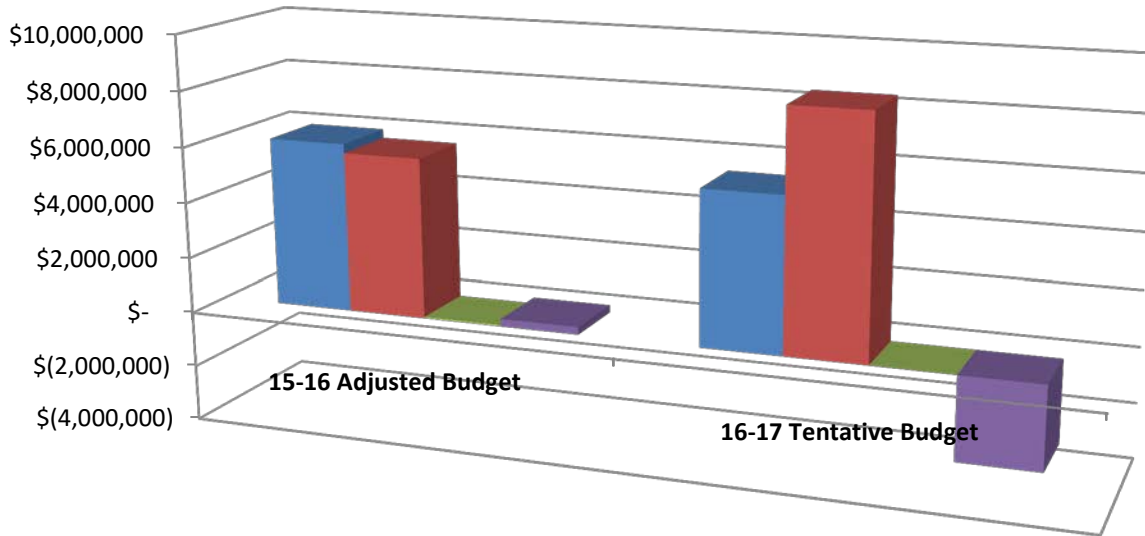
FIDUCIARY FUNDS

	Fund 71	Fund 72	Fund 74	Fund 75	Fund 79	Fund 81	Fund 77	
	Associated	Student	Financial	Scholarship	Special	Student	CLL	TOTAL
	Students	Representation	Aid		Trust &	Clubs	Trusts	
		Fee			Co-curricular			
REVENUES								
Federal	\$0	\$0	\$31,500,000	\$0	\$0	\$0	\$0	\$31,500,000
State	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$750,000
Local	\$4,500	\$38,000	\$0	\$1,100,000	\$950,000	\$45,000	\$50,000	\$2,187,500
Total Revenues	\$4,500	\$38,000	\$32,250,000	\$1,100,000	\$950,000	\$45,000	\$50,000	\$34,437,500
EXPENDITURES								
Academic Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Classified and Other Nonacademic Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies & Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Expenses and Services	\$7,500	\$25,000	\$0	\$0	\$950,000	\$38,000	\$100,000	\$1,120,500
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Outgo	\$0	\$0	\$32,250,000	\$1,100,000	\$0	\$0	\$0	\$33,350,000
Total Expenditures	\$7,500	\$25,000	\$32,250,000	\$1,100,000	\$950,000	\$38,000	\$100,000	\$34,470,500
Excess of Revenues over (under) Expenditures	(\$3,000)	\$13,000	\$0	\$0	\$0	\$7,000	(\$50,000)	(\$33,000)
Other Financing Sources (Uses)								
Interfund Transfers - In	\$0	\$0	\$0	\$0	\$82,880	\$0	\$0	\$82,880
Interfund Transfers - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$75,000	\$75,000
Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$82,880	\$0	(\$75,000)	\$7,880
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	(\$3,000)	\$13,000	\$0	\$0	\$82,880	\$7,000	(\$125,000)	(\$25,120)
Beginning Fund Balance	\$20,552	\$114,120	\$207,590	\$130,269	\$1,268,476	\$68,950	\$1,188,371	\$2,998,329
Ending Fund Balance	\$17,552	\$127,120	\$207,590	\$130,269	\$1,351,356	\$75,950	\$1,063,371	\$2,973,209



CAMPUS STORE

**Campus Store
Revenues vs. Expenditures**



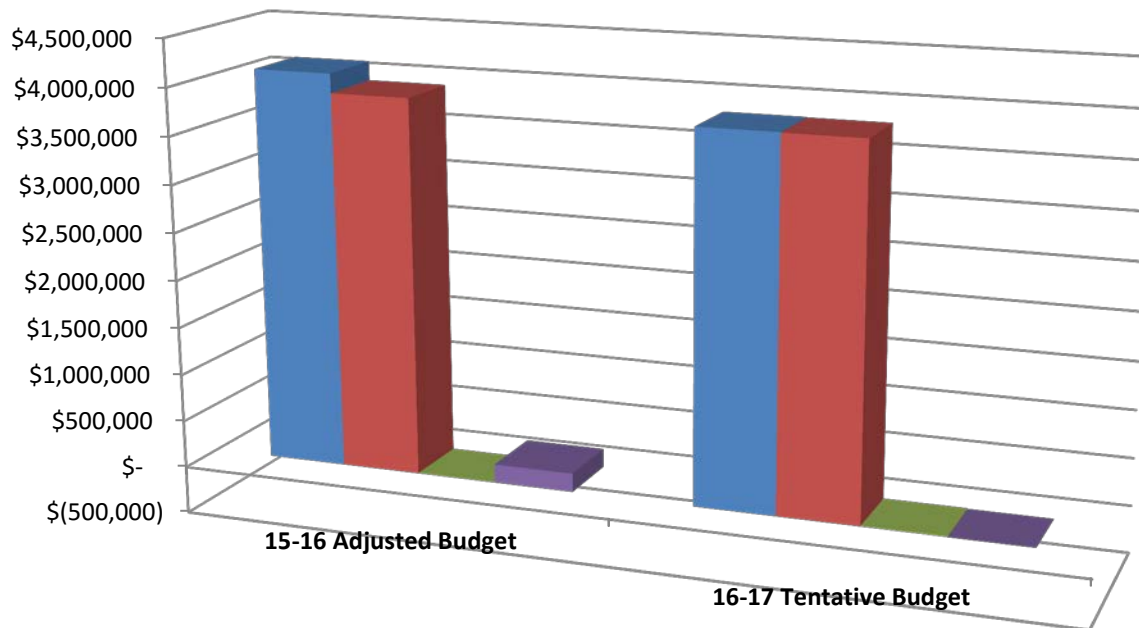
- Campus Store P&L projecting to break even in 2016-17 due to remodel.
- Remodel cost estimate is \$3,500,000.
- No funds available in 16-17 to be transferred to the college (i.e. Co-curricular and Foundation). Historically transfer to college is \$183,000.

	15-16 Adjusted Budget	16-17 Tentative Budget
■ Revenues	\$6,065,000	\$5,500,000
■ Expenditures	\$5,747,000	\$8,500,000
■ Transfers Out	\$50,000	\$0
■ Net Revenues/Expenditures	\$268,000	\$(3,000,000)



FOOD SERVICE

**Food Service
Revenues vs. Expenditures**

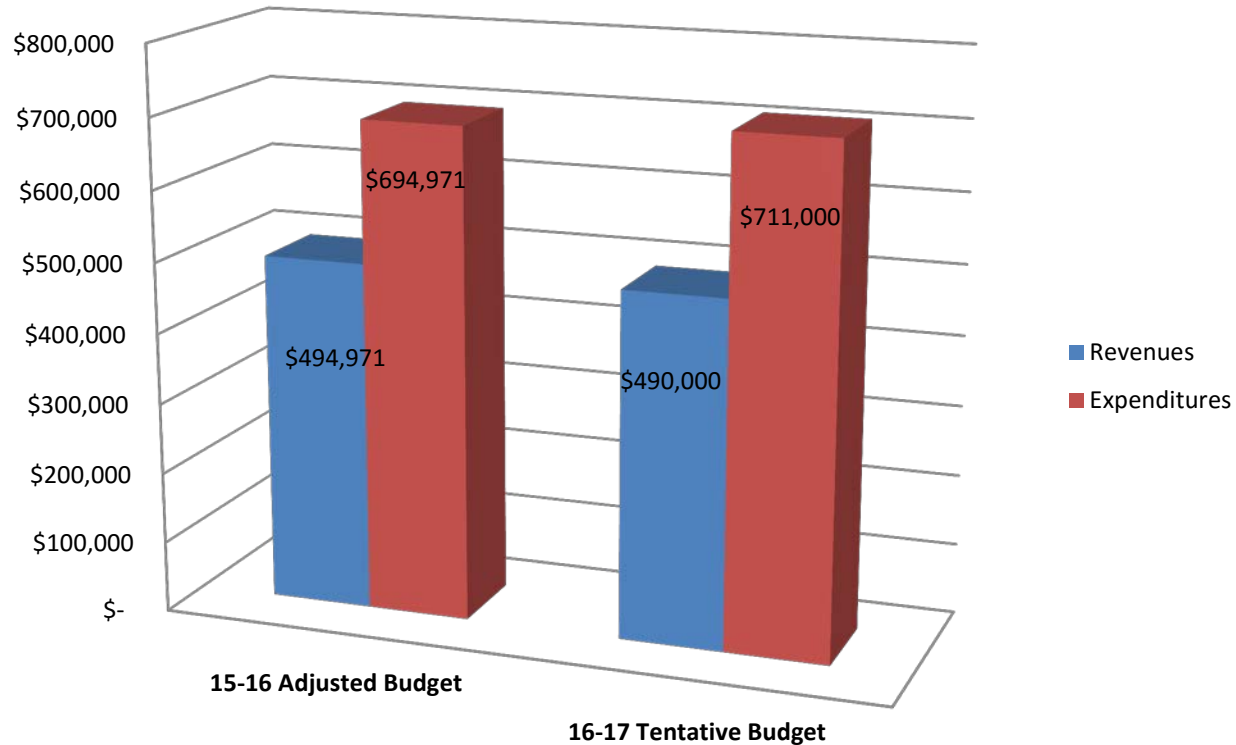


	15-16 Adjusted Budget	16-17 Tentative Budget
■ Revenues	\$4,127,660	\$3,833,000
■ Expenditures	\$3,928,676	\$3,828,620
■ Transfers Out	\$4,750	\$6,380
■ Net Revenues/Expenditures	\$194,234	\$(2,000)

- Campus Center Replacement project begins in December 2016.
- Temporary food service venues will be in operation during construction.
- Rough draft of Food Service budget, will be revised for Adopted Budget.

CHILDREN'S CENTER FUND

**Children's Center
Revenues vs. Expenditures**



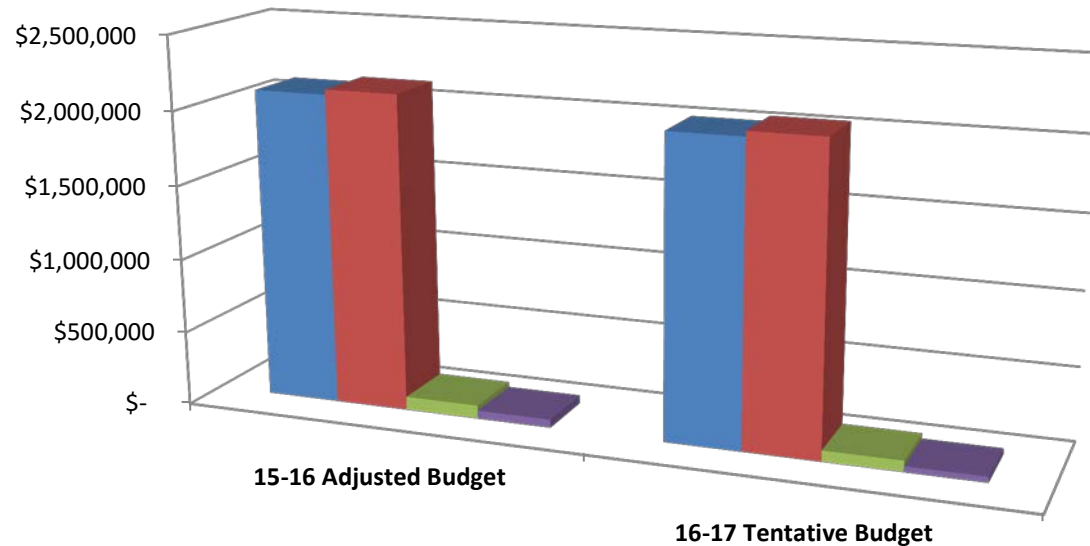
- Interfund Transfer from the General Fund of \$200,000 and Children's Center reserve balance makes up for the Revenue shortfall.

In 2015-16 stock market tumbling during fall and winter term pre-registration periods led to a 24% decline in contact hour enrollments compared to 2014-15.

However, excellent enrollments in summer 2015 and spring 2016, combined with the tuition fee increase results in the CLL with expenditures slightly higher than revenues, which will be covered with the reserve from last year and transfers in from donations.

Revenues and related expenditures in 2016-17 are projected to be slightly lower compared to 2015-16.

**Center for Lifelong Learning
Revenues vs. Expenditures**



	15-16 Adjusted Budget	16-17 Tentative Budget
■ Revenues	\$2,099,942	\$2,019,740
■ Expenditures	\$2,134,942	\$2,055,223
■ Transfers In	\$90,000	\$75,000
■ Excess of Revenues	\$55,000	\$39,517

MEASURE V BOND



	2008-2009 Audited Actual	2009-2010 Audited Actual	2010-2011 Audited Actual	2011-2012 Audited Actual	2012-2013 Audited Actual	2013-2014 Audited Actual	2014-2015 Audited Actual	2015-2016 Adjusted Budget	2016-17 Tentative Budget	Total
REVENUES										
Bond Proceeds	\$47,000,000	\$0	\$0	\$0	\$15,000,000	\$0	\$0	\$15,189,000	\$0	\$77,189,000
Local	\$466,269	\$483,738	\$223,992	\$79,681	\$26,838	\$33,459	\$10,559	\$10,917	\$0	\$1,335,454
Total Revenues	\$47,466,269	\$483,738	\$223,992	\$79,681	\$15,026,838	\$33,459	\$10,559	\$15,199,917	\$0	\$78,524,454
EXPENDITURES										
Academic Salaries	\$7,837	\$0	\$22,687	\$18,335	\$42,616	\$34,841	\$29,694	\$0	\$0	\$156,010
Classified and Other Nonacademic Salaries	\$18,238	\$0	\$0	\$50,868	\$10,100	\$15,678	\$6,337	\$0	\$0	\$101,220
Employee Benefits	\$402	\$0	\$2,765	\$3,911	\$5,646	\$4,527	\$3,742	\$0	\$0	\$20,992
Supplies and Materials	\$4,614	\$62	\$2,755	\$1,410	\$2,314	\$871	\$2,276	\$1,000	\$1,000	\$16,303
Other Operating Expenses and Services	\$101,523	\$41,846	\$144,056	\$234,391	\$72,046	\$110,580	\$51,850	\$100,000	\$100,000	\$956,293
Capital Outlay	\$4,135,519	\$8,338,687	\$14,621,923	\$10,874,440	\$9,396,398	\$9,118,011	\$3,140,739	\$5,000,000	\$12,647,919	\$77,273,636
Other Outgo	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$4,268,133	\$8,380,595	\$14,794,186	\$11,183,355	\$9,529,120	\$9,284,508	\$3,234,638	\$5,101,000	\$12,748,919	\$78,524,454
Excess of Revenues over (under) Expenditures	\$43,198,136	(\$7,896,857)	(\$14,570,194)	(\$11,103,674)	\$5,497,718	(\$9,251,048)	(\$3,224,079)	\$10,098,917	(\$12,748,919)	\$0
Other Financing Sources (Uses)										
Interfund Transfers - In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interfund Transfers - Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	\$43,198,136	(\$7,896,857)	(\$14,570,194)	(\$11,103,674)	\$5,497,718	(\$9,251,048)	(\$3,224,079)	\$10,098,917	(\$12,748,919)	\$0
Beginning Fund Balance	\$0	\$43,198,136	\$35,301,279	\$20,731,085	\$9,627,411	\$15,125,129	\$5,874,080	\$2,650,002	\$12,748,919	
Ending Fund Balance	\$43,198,136	\$35,301,279	\$20,731,085	\$9,627,411	\$15,125,129	\$5,874,080	\$2,650,002	\$12,748,919	\$0	



CalSTRS and CalPERS Rate Increases

Employer contribution rate increases for CalSTRS and CalPERS and the estimated District impact:

District Contribution Rates	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
STRS	8.25%	8.88%	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%
STRS District Amount	2,705,678	3,135,342	3,563,997	4,271,850	4,900,063	5,528,277	6,156,490	6,485,877
Annual \$ Increase		429,664	428,655	707,853	628,213	628,213	628,213	329,387
Cumulative Increase			858,319	1,566,172	2,194,385	2,822,598	3,450,812	3,780,199
PERS	11.44%	11.77%	11.85%	13.05%	16.60%	18.20%	19.90%	20.40%
PERS District Amount	1,997,938	2,107,469	2,214,561	2,489,360	3,167,271	3,472,550	3,796,909	3,892,309
Annual \$ Increase		109,531	107,092	274,799	677,910	305,279	324,359	95,400
Cumulative Increase			216,623	491,422	1,169,333	1,474,612	1,798,971	1,894,371
STRS & PERS District Amount	4,703,616	5,242,811	5,778,558	6,761,211	8,067,334	9,000,827	9,953,399	10,378,186
STRS & PERS Annual \$ Increase		539,195	535,747	982,653	1,306,124	933,492	952,572	424,787
STRS & PERS Cumulative Increase			1,074,942	2,057,594	3,363,718	4,297,210	5,249,783	5,674,570

The rate increases are estimated to be approximately \$5,674,570 over 7 years (2014-15 to 2020-21).



Potential Changes from Tentative to Adopted

Items for considerations for the 2016-17 Adopted Budget to be Board approved in September 2016:

- Current registration for Fall 2016 is down significantly more than 7.3% and if that holds, the adopted budget revenues will be adjusted accordingly and the 2017-18 stability amount will be impacted.
- Revenues to categorical programs will be lower than 15-16 revenues due to decline in enrollment.
- Labor negotiations are currently in progress.
- State Unemployment contribution rate may change.
- State Worker's Compensation insurance rate may change.
- Fixed and mandated expenses (utilities, contracts, rent, software licenses, etc.) estimate may be revised.



Potential Adjustments from Adopted to Year End 2016-17

Potential adjustments to the 2016-17 Adopted Budget:

- Proposition 30 (Education Protection Act) is budgeted to expire on 12/31/16. If tax remains, revenues will increase by \$1,146,000.
- Deficit factor has not been included in budget.
- Unexpected deferred maintenance.
- Unprojected revenues and prior year recalculations.
- Unprojected expenditures.
- Construction projects expenditures may exceed contingencies.
- Budget assumes all employees are 100% employed during year. Retirements, replacements, or positions being open part of the year result in a cost savings.
- Operating supply budgets not being fully expended.
- Budget assumes hourly reduction of \$400,000 in 2016-17 due to enrollment decline.



Questions?