A hand is shown placing a puzzle piece into a larger puzzle. The puzzle pieces are shaped like US dollar bills, including a \$100 bill on the left and a \$50 bill on the right. The background is a light green gradient.

MT. SAN ANTONIO COLLEGE 2016-17 TENTATIVE BUDGET

June 22, 2016

2015-16 Growth Update

Description	3.83% Constrained Growth, Per Per P1 Apportionment April 2016		
	Growth Formula Percent	Total Amount	Estimated Number of FTES (At Credit Rate)
2015-16 Estimated Growth <u>at Cap</u>	3.83%	\$ 5,061,412	1,072
2015-16 Estimated Growth	3.75%	\$ 4,949,081	1,048 *
2015-16 Estimated Growth	2.85%	\$ 3,767,645	798
2015-16 Estimated Growth	2.00%	\$ 2,643,034	560
2015-16 Estimated Growth	1.00%	\$ 1,321,517	280

Compared to Funded FTES of 2014-15 Recalc April 2016 and 2015-16 P2 320 Report:

	Credit	Noncredit	CDCP	Total
2014-15 Recalc P1 April 2016	24,281	1,802	4,186	30,269
2015-16 P2 320	24,854	1,641	4,572	31,067
Subtotal	573	(161)	386	798
				250
Total				1,048

* Includes Summer 2016 Projected Growth for CED

CHANGES TO THE FUND BALANCE FROM 2015-16 ADOPTED BUDGET TO 2016-17 TENTATIVE BUDGET

		<u>In Millions</u>
Fund Balance per 2015-16 Adopted		\$23.7
Plus: Unbudgeted Revenues		
- 2014-15 Decrease in Growth due to Unfunded FTES	(\$ 0.8)	
- 2015-16 Estimated CDCP & Increase to Base Allocation	\$ 1.0	
- 2015-16 Estimated Growth	\$ 3.8	
- 2014-15 & 2015-16 Apportionment		
Deficit/Recoveries - Net	(\$ 0.8)	
- Miscellaneous Revenues	\$ 0.8	<u>\$ 4.0</u>
Plus: Unexpended Expenditure Budgets		
- Faculty and Classified Positions, including Faculty Professional Growth Stipend	\$ 1.7	
- 2015-16 Faculty Hiring	\$ 1.3	
- New Resources Allocation Unexpended Budget on Positions and Operational Expenses	\$ 3.9	
- Unexpended Institutional Budgets	\$ 1.4	
- Additional Transfer to the STRS/PERS Trust	(\$ 2.0) *	<u>\$ 6.3</u>

- An Analysis of the Importance of Establishing the STRS/PERS Trust will be Shown Later on During Presentation.

**CHANGES TO THE FUND BALANCE
FROM 2015-16 ADOPTED BUDGET TO
2016-17 TENTATIVE BUDGET
USE OF 2015-16 ESTIMATED ENDING BALANCE**

In Millions

Less: Commitments

- | | | |
|--|-----------------|-----------------|
| - 2015-16 Purchases in Progress and Carryovers | (\$ 2.5) | |
| - Unexpended New Resources Allocations Carryovers
from 2014-15 & 2015-16, Phases 1 to 4 | (\$ 2.3) | |
| - Designated for 2016-17 One-time Expenditures | <u>(\$ 3.2)</u> | <u>(\$ 8.0)</u> |
|
- 2016-17 Ongoing Projected Deficit | | (\$ 0.1) |

Projected Ending Balance as of June 30, 2017 (13.33%)	\$25.9*
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* Does not Include Funding for New Resources Allocation Phase 5, Utilities Costs, Computer Replacement Program, Increase to Minimum Wage, etc.

Hiring Update

New Faculty Positions \$ 5.4 Million

- 42 Positions Instruction
- 6 Positions Counseling



Completed Interviews

- Hospitality Management *
- Manufacturing (Failed) *
- Theater
- Accounting (2 Positions)*
- Men's Wrestling Coach/Martial Arts
- Emergency Medical Services
- Mathematics (2 Positions)
- Political Science (2 Positions)
- US History and African-American History
- Chemistry (2 Positions)
- Music (2 Positions)
- English (2 Positions)
- Child Development
- Women's Volleyball Coach
- Librarian (Student Equity and Outreach)
- Horticulture *
- American Sign Language
- Communication (Non-forensic: Failed)
- Dance
- Anthropology (Cultural Anthropology)
- Biology
- Health
- Nutrition
- Baseball Coach
- Non-credit Counseling (6 Positions)

**CTE Funded*

Pending Interviews

- Psychiatric Technician*
- Art History
- Nursing (2 Positions)
- Alcohol & Drug Counseling*
- Economics
- Architecture*
- Registered Veterinary Technician*

**CTE Funded*

Strong Workforce Program (CTE)

- \$200 Million
- Career Technical Education
- Allocation Process
 - 5% Data Coordination
 - 40% Regional (LAOCRC)
 - 60% College
- Investment Decision Making
 - Labor Market Analysis
 - CTE Workforce Outcomes
 - Discussions with WIOA/Industry Partners

2016-17 TENTATIVE BUDGET UNRESTRICTED GENERAL FUND ONGOING REVENUE BUDGET ASSUMPTIONS

Base Ongoing Revenue Budget (2015-16)	\$166,105,962
2016-17 COLA at 0.00%	0
2014-15 Growth – April 2016 Recalculation	(786,116)
2015-16 Growth – Estimated Constrained Growth 2.85% or 798 FTES	3,767,645
2015-16 Growth – Additional 250 CED FTES from the Summer 2016	1,181,436
2015-16 Increase to Base Allocation	879,034
2015-16 CDCP Equalization	157,160
2015-16 Full-time Faculty Hiring	41,204
2016-17 Increase to Base Allocation - \$75 Million Statewide	2,027,517
Lottery – To be Adjusted with Annual Attendance In July 2016	65,520
Interest – Increase Due to Total Elimination of Apportionment Deferrals	75,000
Nonresident Tuition - International	275,000
Nonresident Tuition – Out-of-State	75,000
Other Miscellaneous Revenue	(6,416)
Total Ongoing Revenue Budget	\$173,857,946

2016-17 TENTATIVE BUDGET UNRESTRICTED GENERAL FUND ONGOING EXPENDITURE BUDGET ASSUMPTIONS

Base Ongoing Expenditure Budget	\$166,839,534
Salary Schedule Progression	1,533,971
Personnel and Benefit Changes (Positions Hired at a Lower Step)	(608,915)
2016-17 Salary Increase (1%) – All Units	1,402,503
STRS Employer Rate Increase – From 10.73% to 12.58%	1,354,225
PERS Employer Rate Increase – From 11.847% to 13.950%	771,219
Reclassification of Personnel	85,976
New Positions – Management, Confidential, CSEA 262, and CSEA 651 (Includes Positions Approved with the New Resources Allocations)	1,697,646
Reallocation of Faculty Professional Growth to Other Faculty Compensation	(1,124,406)
New Faculty Positions, Net of Reduction of Hourly Faculty Adjunct	438,947
Hourly Faculty Budget – Ongoing Increase to Earn the 2015-16 Growth	1,177,577
Miscellaneous Budget Increases	126,842
2015-16 New Resources Allocation Phase 4 – Operating Expenses	230,247
Total Ongoing Expenditure Budget	\$173,925,366

2016-17 TENTATIVE BUDGET UNRESTRICTED GENERAL FUND

Total Ongoing Revenue	\$173,857,946
Total Ongoing Expenditures	(\$173,925,366)
Ongoing Projected Deficit *	(\$67,420)

* Project a Balanced Budget for the 2016-17 Adopted Budget

2016-17 ONE-TIME REVENUE BUDGET ASSUMPTIONS UNRESTRICTED GENERAL FUND

Beginning Fund Balance – From Ending Estimated Fund Balance 2015-16 - Designated for One-time Expenditures	\$8,033,630
2015-16 Apportionment Deficit Recovery – Estimated at 0.5%	1,145,047
2015-16 Growth – Additional 250 CED FTES from Summer 2016. The College expects to receive the payment of the Additional One-Time Funds in February 2017.	1,181,436
2016-17 Growth - 2% Statewide. Estimated at \$3,093,673 for Mt. SAC, per Preliminary Simulation based on P1.	-
2016-17 Apportionment Deficit – Estimated at 0.5%	(805,309)
2016-17 State-Mandated Costs Reimbursement - \$105.5 Million Statewide	2,852,040
Total One-time Revenue Budget	\$12,406,844

2016-17 ONE-TIME BUDGET EXPENDITURE ASSUMPTIONS

UNRESTRICTED GENERAL FUND

Purchases In Progress & Various Carryovers	\$2,535,672
New Resources Allocations 2014-15 & 2015-16, Phases 1 to 4 – Committed Carryovers	2,297,345
STRS and PERS Trust (Pending Board of Trustees Approval)	4,000,000
Auxiliary Unfunded PERS Liability	127,044
International Student Nonresident Fee	275,000
Immediate Needs Requests – One-Time	14,000
Positions Funded with One-time Funds	562,340
2016-17 State Mandated Costs Reimbursement – Expenditure Budget	2,852,040
Election Cost (No Election Cost for 2016-17)	-
Hourly Faculty Budget – Estimated Increase to Earn the 2016-17 Growth - TBD	-
2015-16 One-time Savings from Vacant Positions	(256,597)
Total One-time Expenditure Increases	\$12,406,844

UNRESTRICTED GENERAL FUND REVENUE-GENERATED ACCOUNTS REVENUE AND EXPENDITURE ASSUMPTIONS

Estimated Beginning Fund Balance	\$5,137,259
Revenue Budgets - Matching Revenue and Expenditure Accounts	2,501,548
Total Revenue Budget	\$7,638,807
2015-16 Estimated Carryover – Revenue-Generated Accounts	\$5,137,259
Expenditure Budgets - Matching Revenue and Expenditure Accounts	2,501,548
Total Expenditure Budget	\$7,638,807
Total Revenue-Generated Accounts Increases/(Decreases)	-

2016-17 TENTATIVE BUDGET UNRESTRICTED GENERAL FUND BALANCE

Unassigned Fund Balance – 10% Board Policy	10.00%	\$19,397,102
Unassigned Fund Balance	3.33%	6,457,431
Total Fund Balance *	13.33%	\$25,854,533

* Does not Include Funding for New Resources Allocation Phase 5, Utilities Costs, Computer Replacement Program, Increase to Minimum Wage, etc.

2016-17 STATE BUDGET UPDATE

GOVERNOR'S BUDGET AND THE LEGISLATURE'S AGREEMENTS

Funding Proposal	Mt. SAC Approximately
\$114.7 Million Growth (2% Statewide) (If the College Earns the Growth)	\$3.1 Million
COLA (0.0%)	\$0
\$75 Million to Increase Base Allocation Funding – Ongoing (STRS and PERS Increases)	\$2.0 Million
\$105.5 State Mandated Costs Reimbursement – One-Time	\$2.8 Million
\$30 Million Basic Skills Innovation	\$0
\$200 Million Strong Workforce Program	?
\$48 Million CTE Pathways	?
\$184.5 Million Physical Plant and Instructional Support	\$5.0 Million
\$49.3 Proposition 39 Energy Efficiency	\$1.2 Million
\$2 Million Equal Opportunity Employment	\$54,067
\$3.6 Million Part-Time Faculty Office Hours (Mt. SAC Current Office Hours Expenditures \$698,550)	\$98,889

STRS AND PERS

Unrestricted General Fund

FISCAL YEAR	STRS				PERS				STRS and PERS	
	CUMULATIVE ANNUAL COST	RATE	RATE INCREASE	TOTAL INCREASE	CUMULATIVE ANNUAL COST	RATE	RATE INCREASE	TOTAL INCREASE	TOTAL CUMULATIVE ANNUAL COST	TOTAL INCREASE
2013-14 ⁽¹⁾	5,280,378	8.25%	-	-	3,559,423	11.442%	-	-	8,839,801	-
2014-15 ⁽¹⁾	5,828,283	8.88%	0.63%	547,905	3,723,289	11.771%	0.329%	163,866	9,551,572	711,771
2015-16 ⁽²⁾	7,475,998	10.73%	1.85%	1,647,715	4,109,145	11.847%	0.076%	385,856	11,585,143	2,033,571
2016-17	7,997,756	12.58%	1.85%	521,758 ⁽³⁾	4,506,981	13.888%	2.041%	397,836 ⁽³⁾	14,630,181	919,594
2016-17	9,351,981	12.58%	1.85%	1,354,225	5,278,200	13.888%	2.041%	771,219	14,630,181	2,125,444
				1,875,983				1,169,055		3,045,038
2017-18	10,727,272	14.43%	1.85%	1,375,291	5,890,848	15.500%	1.612%	612,648	16,618,121	1,987,940
2018-19	12,102,564	16.28%	1.85%	1,375,291	6,498,936	17.100%	1.600%	608,088	18,601,499	1,983,379
2019-20	13,477,855	18.13%	1.85%	1,375,291	7,069,018	18.600%	1.500%	570,082	20,546,873	1,945,373
2020-21	14,198,954	19.10%	0.97%	721,099	7,525,084	19.800%	1.200%	456,066	21,724,037	1,177,164
TOTAL				\$ 8,918,576				\$ 3,965,661		\$12,884,236

Notes:

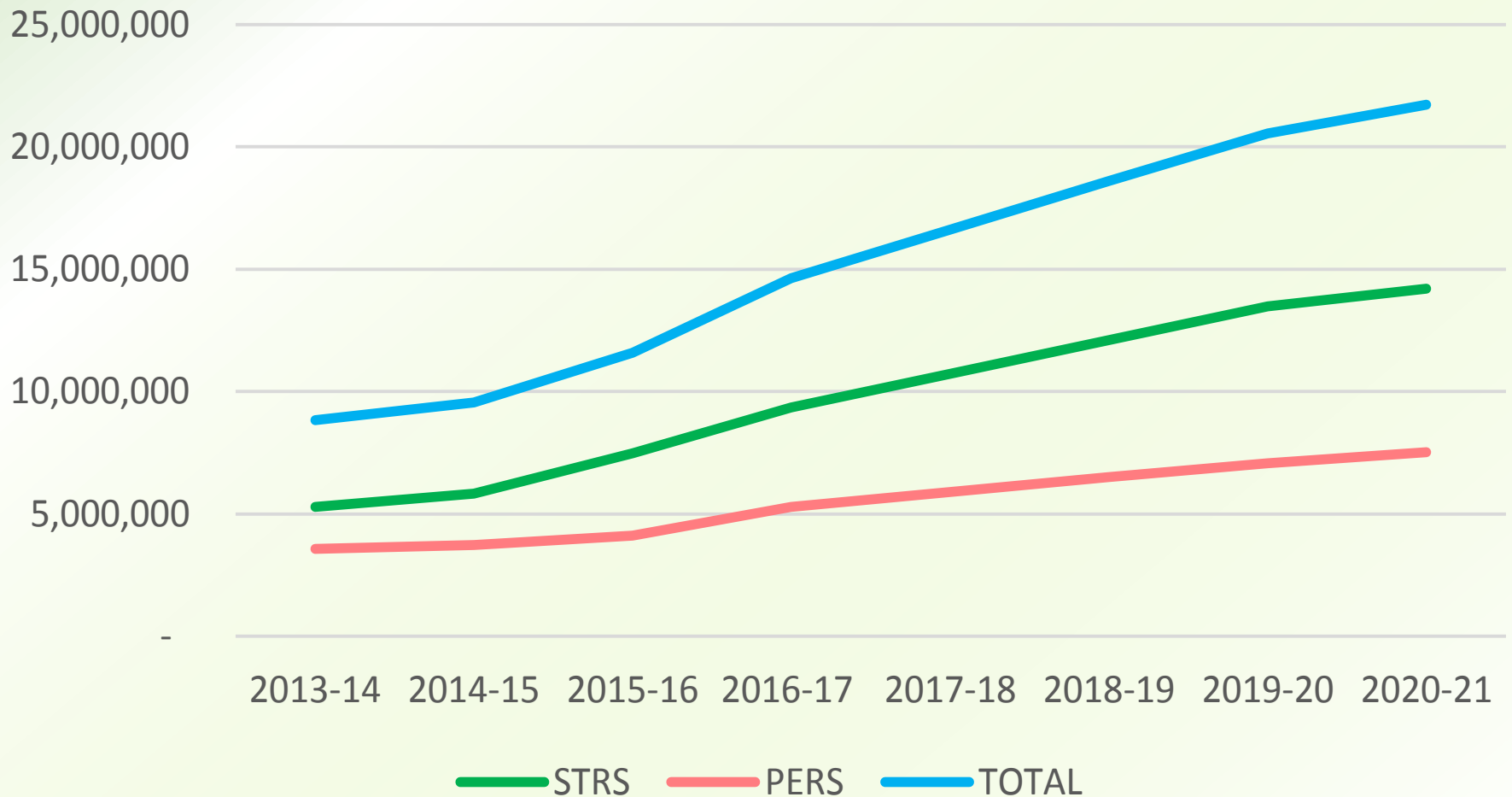
(1) Actual Expenditures

(2) Projected Actuals

(3) Increase in STRS and PERS included in Salary Schedule Progression, New Faculty and Classified Positions, and Hourly Faculty Budget.

STRS AND PERS

Unrestricted General Fund Based on Cumulative Annual Cost



Student Success and Support Program (SSSP)

- 2015-16 Allocation: \$6,971,468
 - 50% in Ongoing Salaries and Benefits
 - Funding for Counseling, Assessment and Assessment preparation, New Student Orientations, Educational Plan Development, Outreach, Follow-up, Probation Intervention, Information Technology.
 - 5 New Counselors Hired in 2015-16; 3 New Counselors to be Hired in 2016-17
 - No COLA for 2016-17
 - No Increase in Statewide Funding for 2016-17 SSSP (None Anticipated in Following Years)

Student Equity: \$ 3,387,056

- Full-Time Ongoing Salaries and Benefits: \$1,368,828 (40%)
- 55 Activities Including:

Instruction	Student Services	Collaborative Efforts
STEM Center	Bridge	LGBTQ
TERC Center	DSPS	Minority Male Initiative
Teaching Learning Center	EOPS	GRASP
Writing Center	Veterans	Coordination
Learning Assistance Center	Financial Aid	
Non Credit ESL; Vocational ESL	High School Outreach	
Non Credit Summer Boot Camp	Student Leadership/Multicultural Awareness	
Digital Arts Lab	Workforce Preparation	
Library	Aspire	
Research	Dream	
Pathways to Transfer/to G.E.	Arise	
Honors	Foster Youth	
	Transfer	

Other Budget Issues

- OPEB Trust
 - Retirees' Health Premiums - \$4.1 Million - Paid from the Interest Earned in the OPEB Trust.
 - Retirees' Health Premiums Contribution - \$2.5 Million – Paid from the Unrestricted General Fund.
 - OPEB Trust Balance as April 30, 2016, - \$68.8 Million.
- Proposition 30 is Temporary (\$24.7 Million for Mt. SAC in 2015-16).
 - Sales Tax Increase Terminates at the end of 2016.
 - Income Tax Increase Terminates at the end of 2018.

Questions

