

BUDGET COMMITTEE

MEETING AGENDA

September 5, 2018

3:00 p.m.



Location: Building 4, Conference Room #2460

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

Mike Gregoryk, Chair	Rosa Royce	Peter Gonzales	
Joan Sholars, Co-Chair	Gary Nellesen	Mark Fernandez	
Gregory Anderson	Vicki Greco	Lisa Romo	
Audrey Yamagata-Noji	Lance Heard	Ruben Gujjarro (Student)	Kerry Martinez (Notes)
Doug Jenson	Tamra Horton	Matthew McBride (Student)	Yadira Santiago (Notes)

AGENDA ITEMS:

- 1. Agenda Check**
- 2. Review the Budget Committee Meeting Summary of June 20, 2018.**
- 3. Review the Proposed 2018-19 Adopted Budget**
- 4. Review New Funding Formula**

FUTURE BUDGET COMMITTEE MEETINGS (3:00 p.m. – 4:30 p.m.):

September 19, 2018

October 3, 2018

October 17, 2018

The committee does not meet during Summer or Winter Intersessions, unless needed.

Mt. San Antonio College Budget Committee Summary of September 5, 2018

Committee Members:

- Mike Gregoryk, Chair
- Joan Sholars, Co-Chair
- Gregory Anderson
- Audrey Yamagata-Noji
- Doug Jenson

- Rosa Royce
- Gary Nellesen
- Vicki Greco
- Lance Heard
- Tamra Horton

- Peter Gonzales
- Mark Fernandez
- Lisa Romo
- (Student)
- (Student)

- Kerry Martinez (Notes)
- Yadira Santiago (Notes)

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda check	Agenda checked.	Agenda approved with changes.
2. Review the Budget Committee Meeting Summary of June 20, 2018.	The Budget Committee Meeting Summary of June 20, 2018, was reviewed and approved.	Meeting Summary approved.
3. Review the Proposed 2018-19 Adopted Budget	<p>Rosa Royce and Doug Jenson presented the Mt. San Antonio College 2018-19 Adopted Budget. The PowerPoint presentation will be presented at the September 12th Board of Trustees meeting. Highlights of the presentation are:</p> <ul style="list-style-type: none"> \$522.8 million statewide increase for the Student Centered Funding Formula (SCFF) for this year. This new SCFF stipulates a three-year period phase-in that begins by providing 70% enrollment-based funding, 20% funding on numbers of low income students, and 10% funding based on performance outcomes for 2018-19, with a 65-20-15 split in 2019-20, and a 60-20-20 split in 2020-21. The 2018-19 Adopted Budget includes the additional revenue funds of \$4,528,899 for the new SCFF as per the Chancellor's Office simulation of July 17, 2018. 2.71% COLA for \$4,760,617 (Part of the SCFF Hold Harmless) 2017-18 Estimated Growth of \$6,243,437, for a Total Ongoing Revenue Budget of \$200,829,698. The 2018-19 Ongoing Expenditure Budget includes rate increases from STRS/PERS of \$2,554,961, Faculty Hiring for 	2018-19 Adopted Budget PDF will be emailed to the Committee (III.D)

	<p>\$1,247,957, and Increases to the Noncredit and Dual Enrollment programs for \$1,592,000, for a Total Ongoing Expenditure Budget of \$199,890,818.</p> <ul style="list-style-type: none"> • The good news is that this year the College has projected an Ongoing Budget Surplus of \$938,880 mainly due to inclusion of the additional funds from the SCFF. • The Unrestricted General Fund Balance is estimated at 11.68% or \$26,404,312, which is over the 10% Board policy. 	
<p>4. Review New Funding Formula – Dr. Scroggins</p>	<p>Scheduling conflict with Dr. Scroggins calendar.</p>	<p>Moved to the September 19, 2018 meeting.</p>

Accreditation Standard - IIID. Financial Resources—Plans and manages financial affairs with integrity and in support of all institutional planning

FUTURE AGENDA ITEMS

- **Orientation/review/summary of rules and regulations in regards to the OPEB Trust and STRS/PERS Trust.**
- **Review of Committee Goal and Progress Report – Due to PAC October 1, 2018.**
- **Review Purpose and Function.**
- **Budget Review and Development Guide – last updated September 2016.**

FUTURE MEETING DATES

- **September 19, 2018**
- **October 3, 2018**
- **October 17, 2018**

**UNRESTRICTED GENERAL FUND
CHANGES TO THE FUND BALANCE
FROM 2017-18 ADOPTED BUDGET TO 2018-19 ADOPTED BUDGET
(June 30, 2018)**

DRAFT

	Changes to the Fund Balance	
2017-18 ADOPTED BUDGET - FUND BALANCE - AT 10.46%	\$ 21,640,461	(I)
Plus: 2017-18 Unbudgeted Revenues		
2017-18 COLA (1.56%) - Ongoing	2,170	
2017-18 Increase to Base Allocation - Ongoing	419,199	(A)
Apport. Prior Year Adjustments (Base/Faculty Hiring/Stability) - Ongoing	44,507	
2015-16 Apportionment Surplus & 2017-18 RDA Backfill - One-time	1,222,936	(B)
2016-17 Statewide Apportionment Deficit at 0.0% - One-time	844,796	(C)
2017-18 Growth at Target	1,352,240	(D)
2017-18 Additional Growth Beyond Target Growth	4,891,197	(D)
Nonresident Tuition International	(219,168)	(E)
Lottery Current Year/Prior Year	754,021	(F)
Miscellaneous Revenue	1,066,118	(G)
Changes in 2017-18 Revenues	10,378,016	
Plus: 2017-18 Unexpended Expenditure Budgets		
Permanent Faculty	1,225,960	
Hourly Faculty	(1,009,948)	
Unexpended Budget for Positions and Benefits (Mainly Classified Managers and Staff) ⁽¹⁾	2,367,108	
Unexpended Departmental and Institutional Budgets	417,226	
Unexpended New Resources Allocation Budgets - One-Time	3,650,937	
Changes in 2017-18 Expenditures	6,651,283	(H)
Net Changes in Revenues & Expenditures	17,029,299	(I)
2017-18 Ending Fund Balance - Unrestricted General Fund	38,669,760	(I)
Less: Commitments Carryforward to 2018-19 and fund One-Time Expenditures for 2018-19		
Purchases in Progress and Carryovers	(3,721,106)	(J)
New Resources Allocation Phases 1 to 9	(3,650,937)	(K)
Assigned to fund 2018-19 One-Time Expenditures	(5,832,285)	(L)
Total Commitments and One-time Expenditures	(13,204,328)	(I, H)
Ending Fund Bal. Unrestr. General Fund After Commitments & One-Time Expend.	25,465,432	
2018-19 ADOPTED BUDGET		
Plus: 2018-19 Ongoing Revenues (Includes Student Centered Funding Formula)	200,829,698	(O)
Less: 2018-19 Ongoing Expenditures	(199,890,818)	(M)
Ongoing Budget Surplus	938,880	
ONE-TIME FUNDS		
Plus: 2018-19 One-Time Revenues	13,204,328	
Less: 2018-19 One-Time Expenditures	(13,204,328)	(P)
One-Time Revenues net of One-Time Expenditures	-	
REVENUE GENERATED ACCOUNTS		
Beginning Estimated Balance as of July 1, 2018	8,948,857	
Plus: 2018-19 Revenue Generated Accounts Increases	3,927,075	
Less: 2018-19 Revenue Generated Accounts Decreases	(12,875,932)	
Ending Fund Balance Revenue Generated Accounts	-	
PROJECTED ENDING FUND BALANCE - AT 11.68%	\$ 26,404,312	(I)

(1) Positions currently in progress of being filled.

**UNRESTRICTED GENERAL FUND
CHANGES TO THE FUND BALANCE
FROM 2017-18 ADOPTED BUDGET TO 2018-19 ADOPTED BUDGET
FOOTNOTES
(June 30, 2018)**

- (A) 2017-18 Increase to Base Allocation adjusted and received with second principal apportionment of June 2018. This allocation will be adjusted in February 2019.
- (B) 2015-16 One-Time Apportionment Surplus and 2017-18 One-Time Apportionment Unused Redevelopment Backfill received during the 2017-18 fiscal year.
- (C) In the 2017-18 Adopted Budget, the College estimated the 2017-18 Apportionment Deficit to be at 0.5% or \$844,796. There was no statewide apportionment deficit for 2017-18.
- (D) The 2017-18 Growth was not included in the 2017-18 Adopted Budget as established in the Budget Review and Development Guide. The rationale is that growth estimates will change multiple times during the year, and the final number is known in February of the following fiscal year. The College reported an increase of 1,124 FTES with the second principal apportionment of June 2018. This increase results in an estimated Growth increase of 3.6% or \$6,243,437. This estimate is subject to change, and the final Growth for 2017-18 fiscal year will be known in February 2019. The College will receive the guarantee Growth at 1% target or \$1,352,240. The additional \$4,891,197 beyond the 1% target is subject to the availability of unused statewide Growth funds.
- (E) The International Student FTEs decreased from 915 in 2016-17 to 842 in 2017-18 as reported in July 2018, which resulted in a decrease of revenues.
- (F) The College received additional revenues for current year and prior year lottery due to increases in FTEs and increases in rates.
- (G) The College received additional revenues in interest as a result of increases in rates and part-time faculty office hours and health insurance.
- (H) The Unexpended Expenditure Budgets positive variance are mainly the result of full-time faculty, classified management, and classified staff vacancies. There is also a significant positive variance for unexpended budgets of New Resources Allocation Requests Phases 3, 8, and 9.
- (I) The College's Net Changes in Revenues and Expenditures or Positive Variance for the 2017-18 fiscal year is \$17,029,299, which added to 2017-18 Adopted Budget Fund Balance of \$21,640,461, results in \$38,669,760 Unrestricted General Ending Fund Balance for the 2017-18 fiscal year. Reducing this amount by \$13,204,328, which includes Commitments made during 2017-18 fiscal year and 2018-19 One-time Expenditures, and adding the 2018-19 Ongoing Surplus of \$938,880; results in the Projected Ending Fund Balance of \$26,404,312 for the 2018-19 Adopted Budget. This balance is \$4.8 million over the 2017-18 Adopted Budget Fund Balance of \$21,640,461. This difference of \$4.8 million is primarily due to the increase in Additional Growth beyond the 1% target earned by the College in 2017-18 and the inclusion of the revenues of new Student Centered Funding Formula in 2018-19.
- (J) Includes a total of \$685,479 for Purchases in Progress and \$3,035,627 for Carryover Budgets.
- (K) Includes a total of \$1,275,398 for New Resources Allocation Committed Carryovers Phases 1 to 5 and \$2,375,539 for New Resources Allocation Committed Carryovers Phases 6 to 9.

**UNRESTRICTED GENERAL FUND
CHANGES TO THE FUND BALANCE
FROM 2017-18 ADOPTED BUDGET TO 2018-19 ADOPTED BUDGET
FOOTNOTES
(June 30, 2018)**

(L) Portion of the 2017-18 Ending Fund Balance is Assigned to fund 2018-19 One-Time Expenditures as follows:

Immediate Needs Requests	\$ 191,045
STRS and PERS Trust	4,000,000
Auxiliary Unfunded PERS Liability	199,590
Computer Replacement Program	250,000
Positions Funded with One-Time Funds	593,757
Election Cost	584,072
Hourly Faculty Budget	405,948
Early High School Program Credit	90,000
2018-19 One-Time Savings from Vacant Positions	(482,127)
	<u>\$ 5,832,285</u>

(O) Includes apportionment revenues as a result of the new Student Centered Funding Formula as per the Chancellor's Office July 2018 Simulation of \$185,717,321, less the Hold Harmless of \$180,429,156, and Less the 2018-19 Estimated Growth of \$759,266.

(M) Includes a \$2.5 million payment towards the annual contribution to the OPEB Trust for 2018-19 as approved by the Board of Trustees on May 27, 2015.

(P) Mainly includes \$3,721,106 for Purchases in Progress and Carryovers, \$3,650,937 for New Resources Allocation Phases 1 to 9, \$191,045 for Immediate Needs One-time, \$4,000,000 for the Mt. SAC STRS/PERS Trust contribution to be approved by the Board of Trustees on September 12, 2018, \$199,590 for the Auxiliary Unfunded PERS Liability, \$250,000 for the Computer Replacement Program, \$593,757 One-time Positions, \$584,072 for Election Cost, \$405,948 for Hourly Faculty Budget, and \$90,000 for Early High School Program Credit.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2018-19 ADOPTED BUDGET
UNRESTRICTED GENERAL FUND
DRAFT**

UNRESTRICTED GENERAL FUND 11:

ONGOING REVENUE BUDGET ASSUMPTIONS

Ongoing Revenue Increases/(Decreases)		Fund 11	Fund 13	Total
Base Ongoing Revenue Budget	Balance as of the 2017-18 Adopted Budget	\$ 182,374,487	\$ -	\$ 182,374,487
2016-17 Base Apportionment Adjustment	Per Apportionment Recalculation of April 2018	44,507	-	44,507
2017-18 COLA	Funded COLA at 1.56%	2,170	-	2,170
2018-19 COLA	Estimated Funded COLA at 2.71%. Part of Student Centered Funding Formula (SCFF) Hold Harmless.	4,760,617	-	4,760,617
2017-18 Growth at 1% Target - Estimated	1% Statewide	1,352,240	-	1,352,240
2017-18 Additional Growth Beyond 1% Target - Estimated	The College earned 1,124 FTES or 3.6%, which is translated in \$6,243,437 total Growth. This total Growth less the Growth at 1% Target of \$1,352,240 results in \$4,891,197 Additional Growth Beyond 1% Target. The Growth will be recalculated in February 2019.	4,891,197	-	4,891,197
2017-18 Increase to Base Allocation (Budget Act)	\$183.6 Million Statewide Increase. Estimated additional funds per the second principal apportionment of June 2018.	419,199	-	419,199
2018-19 Faculty Hiring	\$50 Million Statewide as per 2018-19 Governor's State Budget	1,247,957	-	1,247,957
2018-19 New Student Centered Funding Formula (SCFF)	Three-year period phase-in that begins by providing 70% enrollment-based funding, 20% funding based on the enrollment of low income students, and 10% funding based on performance outcomes for 2018-19, with a 65-20-15 split in 2019-20, and a 60-20-20 split in 2020-21. Includes SCFF of \$185,717,321, less Hold Harmless of \$180,429,156, and less the 2018-19 Estimated Growth of \$759,266.	4,528,899	-	4,528,899
2018-19 Lottery - Estimated Increase	Mainly Increase in FTES from 31,928 to 33,423 per the annual attendance report.	385,385	-	385,385
Interest	Increase due to total elimination of the Apportionment deferrals and rate increases	450,000	-	450,000
Nonresident Tuition - International	International Students - Based on 2017-18 Estimated Actuals	(220,000)	-	(220,000)
Nonresident Tuition - Out-of-State	Out-of-State Students - Based on 2017-18 Estimated Actuals	115,000	-	115,000
Part-time Faculty Parity	Per 2018-19 Advance Apportionment	142,929	-	142,929
Part-time Office Hours/Health Insurance	Based on 2017-18 Actuals	242,992	-	242,992
Other Miscellaneous Revenue	Based on 2017-18 Actuals	92,119	-	92,119
Total Revenue Increases/(Decreases)		\$ 18,455,211	\$ -	\$ 18,455,211
Total Ongoing Revenue Budget		\$ 200,829,698	\$ -	\$ 200,829,698

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2018-19 ADOPTED BUDGET
UNRESTRICTED GENERAL FUND
DRAFT**

ONGOING EXPENDITURE BUDGET ASSUMPTIONS

Ongoing Expenditure Increases/(Decreases)		Fund 11	Fund 13	Total
Base Ongoing Expenditure Budget	Balance as of the 2017-18 Adopted Budget	\$ 183,476,155	\$ -	\$ 183,476,155
2018-19 Salary Schedule Progression	Estimated step/column and longevity changes	1,388,476	-	1,388,476
2018-19 Credit/Noncredit Adjunct Step/Column	Estimated step/column increases	233,000	-	233,000
2017-18 Medical Coverage Opt-out	Faculty, Management, and CSEA 262.	(64,763)	-	(64,763)
Misc. Personnel and Benefit Changes	Mainly changes in step and column due to filled vacancies and changes in employer contributions for hourly budgets	(933,877)	-	(933,877)
2018-19 Collective Bargaining Agreements - Placeholder	2018-19 COLA of 2.71% for all units for salary and employer contributions. Settlements of collective bargaining agreements are pending with the exception of the Faculty Association.	4,404,988	-	4,404,988
STRS Employer Rate Increase	Rate increase from 14.43% to 16.28%	1,485,157	-	1,485,157
PERS Employer Rate Increase	Rate increase from 15.531% to 18.062%	1,069,804	-	1,069,804
Reclassification of Personnel	Management and CSEA 262	96,538	-	96,538
New Positions	Mainly Management and Classified. Includes positions funded with the New Resources Allocation Phases 8 & 9 and 2017-18 Immediate Needs (Refer to pages ___ to ___ for details)	1,739,785	-	1,739,785
Faculty Professional Growth	A total of \$50,000 in ongoing funds for Faculty Professional Growth	50,000	-	50,000
2018-19 Faculty Hiring	\$50 Million Statewide (Pending allocation from Chancellor's Office). Set aside for 2019-20	1,247,957	-	1,247,957
Hourly Faculty Budget	Estimated ongoing increase from Summer 2017 to Spring 2018 to earn the 2017-18 Growth	1,165,999	-	1,165,999
Noncredit Programs	High School Programs, Early College High School, Facilities Rental at Rio Verde Academy, Summer High School operations, and increase in hourly pay for Adjunct High School (Refer to pages ___ to ___ for details).	1,347,000	-	1,347,000
Dual Enrollment Program	Instructional Service Agreements and Textbooks for Fall and Winter/Spring (Refer to pages ___ to ___ for details)	245,000	-	245,000
Student Centered Funding Formula (SCFF) Investment	To fund priorities and immediate activities to enhance the new funding formula for community colleges as approve by President's Cabinet	2,000,000	-	2,000,000
Immediate Needs Requests	As approved by President's Cabinet (Refer to page ___ for details)	12,000	-	12,000
2017-18 New Resources Allocation Phase 8 - Operating Expenses	As approved by President's Cabinet on October 31, 2017 (Refer to pages ___to___ for details)	142,200	-	142,200
2017-18 New Resources Allocation Phase 9 - Operating Expenses	As approved by President's Cabinet on May 11 and July 17, 2018 (Refer to pages ___to___ for details)	635,399	-	635,399
2018-19 Rate Driven	For increases in maintenance agreements, institutional memberships, insurance, and utilities.	150,000	-	150,000
Total Net Increase to Ongoing Expenditure Budget		\$ 16,414,663	\$ -	\$ 16,414,663
Total Ongoing Expenditure Budget		\$ 199,890,818	\$ -	\$ 199,890,818
Total Ongoing Budget Surplus/(Deficit)		\$ 938,880	\$ -	\$ 938,880

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2018-19 ADOPTED BUDGET
UNRESTRICTED GENERAL FUND**

DRAFT

ONE-TIME REVENUE AND EXPENDITURE BUDGET ASSUMPTIONS

Beginning Fund Balance and One-Time Revenue Budget Increases/(Decreases)		Fund 11	Fund 13	Total
Beginning Fund Balance	Carryover Ending Fund Balance as of June 30, 2018	\$ 13,204,328	\$ -	\$ 13,204,328
2018-19 Growth	1% Statewide. The estimated Growth at target is \$759,266 per the 2018-19 Advance Apportionment. Mt. SAC does not budget Growth until earned.	-	-	-
Total Beginning Fund Balance and One-Time Revenue Budget		\$ 13,204,328	\$ -	\$ 13,204,328

One-Time Expenditure Budget Increases/(Decreases)		Fund 11	Fund 13	Total
Purchases In Progress	Carryover from 2017-18 (Refer to page __ for details)	\$ 685,479	\$ -	\$ 685,479
Carryover Budgets	Carryover from 2017-18 (Refer to page __ for details)	3,035,627	-	3,035,627
New Resources Allocation Phases 1 to 9	Committed carryovers as approved by President Cabinet (Refer to pages __ to __ for details)	3,650,937	-	3,650,937
Immediate Needs Requests	As approved by President's Cabinet (Refer to page __ for details)	191,045	-	191,045
STRS and PERS Trust	Set aside budget for the 2018-19 Contribution (Pending Board of Trustees Approval)	4,000,000	-	4,000,000
Auxiliary Unfunded PERS Liability	Set aside budget for the 2018-19 Contribution (Pending Board of Trustees Approval)	199,590	-	199,590
Computer Replacement Program	For faculty and staff	250,000	-	250,000
Positions Funded with One-Time Funds	Management and classified (Funded one-time or on paid leave-of-absence) (Refer to page __ for details)	593,757	-	593,757
Election Cost	Election costs for one Board Member. Based on latest election costs for 2015-16 fiscal year	584,072	-	584,072
Hourly Faculty Budget	Estimated increase to earn the 2018-19 Growth	405,948	-	405,948
Early High School Program Credit	50% Cost of Principal and Administrative Assistance of Rio Verde Academy/West Covina Unified School District	90,000	-	90,000
2018-19 One-Time Savings from Vacant Positions	Salary and benefits savings - Less requested backfill budget (Refer to pages __to__ for details)	(482,127)	-	(482,127)
Total One-Time Expenditure Budget Increases/(Decreases)		\$ 13,204,328	\$ -	\$ 13,204,328

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2018-19 ADOPTED BUDGET
UNRESTRICTED GENERAL FUND
DRAFT**

UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS:

REVENUE AND EXPENDITURE ASSUMPTIONS

Beginning Fund Balance and One-Time Revenue Budget Increases/(Decreases)		Fund 11	Fund 13	Total
Beginning Balance	Fund Balance as of June 30, 2018	\$ -	\$ 8,948,857	\$ 8,948,857
2018-19 Revenue Budgets	Matching Revenue and Expenditure Accounts	-	3,927,075	3,927,075
Total Revenue Budget		\$ -	\$ 12,875,932	\$ 12,875,932

One-Time Expenditure Budget Increases/(Decreases) - Funded from the Unassigned Fund Balance		Fund 11	Fund 13	Total
2017-18 Carryover	Revenue-Generated Accounts - Carryover Balances as of June 30, 2018 (Refer to pages __to__ for details)	-	8,948,857	8,948,857
2018-19 Expenditure Budgets	Matching Revenue and Expenditure Accounts	-	3,927,075	3,927,075
Total Expenditure Budget - Funded from the Assigned Fund Balance		\$ -	\$ 12,875,932	\$ 12,875,932

Beginning Fund Balances - Revenue Generated Accounts	\$ 13,204,328	\$ 8,948,857	\$ 22,153,185
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Total Unrestricted General Fund Revenue Budget - Ongoing, One-Time, and Revenue Gen. Accounts	\$ 200,829,698	\$ 3,927,075	\$ 204,756,773
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Total Unrestricted General Fund Expenditure Budget - Ongoing, One-Time, and Revenue Gen. Accounts	\$ 213,095,146	\$ 12,875,932	\$ 225,971,078
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**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON HISTORY
Unrestricted General Fund
DRAFT**

	<u>2015-16 Actuals</u>	<u>2016-17 Actuals</u>	<u>2017-18 Adopted Budget</u>	<u>2017-18 Actuals</u>	<u>2018-19 Adopted Budget</u>	<u>Est. 2019-20 Preliminary Budget</u>	<u>Est. 2020-21 Preliminary Budget</u>
UNRESTRICTED GENERAL							
Base Apportionment	\$ 132,101,158	\$ 154,123,550	\$ 161,924,254	\$ 161,964,335	\$ 169,425,102 (18)	\$ -	\$ -
2015-16 COLA (1.02%)	1,467,240	-	-	-	-	-	-
2016-17 COLA (0.00%)	-	-	-	-	-	-	-
2017-18 COLA (1.56%)	-	-	2,493,309	2,495,479 (1)	-	-	-
2018-19 COLA (2.71%)	-	-	-	-	4,760,617 (18)	-	-
2014-15 Growth/Restoration (2.75%)	6,031,585	-	-	-	-	-	-
2015-16 Growth (2.00%)	-	5,564,914	-	-	-	-	-
2016-17 Growth (2.00%)	-	-	-	-	-	-	-
2017-18 Growth (1.00%)	-	-	-	-	6,243,437 (5, 18)	-	-
2018-19 Growth (1.00%)	-	-	-	-	-	-	-
2015-16 CDCP Equalization	5,714,336	-	-	-	-	-	-
2015-16 Increase to Base Allocation	7,137,537	106,530	-	-	-	-	-
2016-17 Increase to Base Allocation	-	2,072,183	-	-	-	-	-
2017-18 Increase to Base Allocation	-	-	4,546,089	4,965,288 (2)	-	-	-
2015-16 Full-Time Faculty Hiring	1,671,728	29,394	(37,432)	-	-	-	-
2016-17 Stability/Restoration Adjustment	-	27,683	33,006	-	-	-	-
Total Apportionment - SCFF Hold Harmless	\$ 154,123,584	\$ 161,924,254	\$ 168,959,226	\$ 169,425,102	\$ 180,429,156 (18)	\$ 186,965,278 (27)	\$ 189,130,811
2018-19 Full-Time Faculty Hiring	-	-	-	-	1,247,957 (19)	-	-
Student Centered Funding Formula (SCFF)	-	-	-	-	4,528,899 (20)	2,165,533 (28)	2,677,323 (28)
Total Apportionment Including SCFF	\$ 154,123,584	\$ 161,924,254	\$ 168,959,226	\$ 169,425,102	\$ 186,206,012	\$ 189,130,811	\$ 191,808,134
Lottery - Current Year	4,620,543	4,567,300	4,661,488	4,889,454	5,046,873 (21)	5,046,873	5,046,873
Miscellaneous Revenues	8,884,947	9,288,191	8,753,773	10,126,778 (3)	9,576,813 (22)	9,576,813	9,576,813
TOTAL ONGOING REVENUES	\$ 167,629,074	\$ 175,779,745	\$ 182,374,487	\$ 184,441,334	\$ 200,829,698	\$ 203,754,497	\$ 206,431,820
Salaries, Benefits, and Operating Expenditures	\$ (156,573,569)	\$ (166,639,678)	\$ (180,976,155)	\$ (175,935,179)	\$ (197,390,818)	\$ (201,059,544) (29)	\$ (203,987,922) (29)
OPEB - Contribution	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000) (4)	(2,500,000) (4)	(2,500,000) (4)	(2,500,000) (4)
TOTAL ONGOING EXPENDITURES	\$ (159,073,569)	\$ (169,139,678)	\$ (183,476,155)	\$ (178,435,179)	\$ (199,890,818)	\$ (203,559,544)	\$ (206,487,922)
ONGOING/SURPLUS (DEFICIT)	\$ 8,555,505	\$ 6,640,067	\$ (1,101,668)	\$ 6,006,155	\$ 938,880	\$ 194,953	\$ (56,102)

Please see Footnotes Pages ___to___

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON HISTORY
Unrestricted General Fund
DRAFT**

	2015-16 Actuals	2016-17 Actuals	2017-18 Adopted Budget	2017-18 Actuals	2018-19 Adopted Budget	Est. 2019-20 Preliminary Budget	Est. 2020-21 Preliminary Budget
ONE-TIME REVENUE - INCREASES/(DECREASES):							
2014-15 Growth/Restoration (2.75%)*	\$ (786,116)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015-16 Growth (2%)*	4,072,418	1,492,496	-	-	-	-	-
2017-18 Growth (1%)	-	-	-	6,243,437 (5)	-	-	-
2018-19 Growth (1%)	-	-	-	-	(23)	759,266 (27)	-
One-Time Apportionment/Prior Year Apportionment Adjustment*	432,693	614,644	-	1,222,936 (6)	-	-	-
Apportionment Statewide Deficit	441,629	-	(844,796)	- (7)	(24)	-	-
CalSTRS On-Behalf Payments	4,512,080	6,576,477	-	6,011,425 (8)	-	-	-
State Mandated Costs Reimbursement	17,309,311	2,860,953	-	-	-	-	-
Other Miscellaneous Revenues	-	931,367	-	-	-	-	-
TOTAL ONE-TIME REVENUE	\$ 25,982,015	\$ 12,475,937	\$ (844,796)	\$ 13,477,798	\$ -	\$ 759,266	\$ -
ONE-TIME EXPENDITURES - INCREASES/(DECREASES):							
One-Time Expenditures	\$ (3,675,330)	\$ (5,646,425)	\$ (4,813,303)	\$ (5,514,824) (9)	\$ (5,629,570) (25)	\$ (3,923,650) (30)	\$ (4,534,170) (30)
New Resources Allocations Phases 1 to 9	(15,927,795)	(2,940,968)	(5,599,225)	(2,511,039) (10)	(3,650,937) (26)	-	-
CalSTRS On-Behalf Payments	(4,512,080)	(6,576,477)	-	(6,011,425) (8)	-	-	-
Section 115 Mt. San Antonio College STRS/PERS Trust	(4,000,000)	(4,000,000)	(2,000,000)	(2,000,000) (11)	(4,000,000) (11)	-	-
Hourly Faculty Expenditures (Course Offerings)	(1,948,116)	-	(403,776)	(1,180,134) (12)	(405,948)	-	-
Savings from Vacant Positions	256,597	742,142	391,548	391,548	482,127	482,127	482,127
TOTAL ONE-TIME EXPENDITURES	\$ (29,806,724)	\$ (18,421,728)	\$ (12,424,756)	\$ (16,825,874)	\$ (13,204,328)	\$ (3,441,523)	\$ (4,052,043)
TOTAL ONE-TIME REVENUES NET OF EXPENDITURES	\$ (3,824,709)	\$ (5,945,791)	\$ (13,269,552)	\$ (3,348,076)	\$ (13,204,328)	\$ (2,682,257)	\$ (4,052,043)

UNRESTR. GENERAL FUND - REV. GENERATED ACCOUNTS

TOTAL REVENUES	\$ 4,871,649	\$ 5,140,016	\$ 3,214,858	\$ 5,566,845 (13)	\$ 3,927,075 (13)	\$ 3,927,075	\$ 3,927,075
TOTAL EXPENDITURES	(3,172,424)	(2,913,852)	(11,060,488)	(4,463,618) (13)	(12,875,932) (13)	(12,875,932)	(12,875,932)
TOTAL REVENUE GENERATED INCREASES/DECREASES	\$ 1,699,225	\$ 2,226,164	\$ (7,845,630)	\$ 1,103,227	\$ (8,948,857)	\$ (8,948,857)	\$ (8,948,857)

SUMMARY OF FUND BALANCE:

Assigned Fund Balance - New Resources Allocation Requests	\$ 8,593,901	\$ 3,223,225	\$ -	\$ 3,650,937 (14)	\$ -	\$ -	\$ -
Assigned Fund Balance - Carryovers/Purchases in Progress	2,617,962	2,842,370	-	3,721,106 (15)	-	-	-
Assigned Fund Balance - 2018-19 One-Time Expenditures	3,373,706	7,203,957	-	5,832,285 (16)	-	-	-
Assigned Fund Balance	\$ 14,585,569	\$ 13,269,552	\$ -	\$ 13,204,328 (16)	\$ -	\$ -	\$ -
10% - Board Policy	19,205,272	19,047,526	20,696,140	19,972,467	22,597,108	14,968,151	1,911,149
Unassigned Fund Balance	1,526,564	3,694,603	944,321	5,492,965	3,807,204	-	-
Unassigned Fund Balance	\$ 20,731,836	\$ 22,742,129	\$ 21,640,461	\$ 25,465,432	\$ 26,404,312	\$ 14,968,151	\$ 1,911,149
Fund Balance - Unrestricted General Fund	\$ 35,317,405	\$ 36,011,681	\$ 21,640,461	\$ 38,669,760 (17)	\$ 26,404,312	\$ 14,968,151	\$ 1,911,149
Assigned Fund Balance - Revenue-Generated Accounts	\$ 5,619,466	\$ 7,845,630	\$ -	\$ 8,948,857	\$ -	\$ -	\$ -
Fund Bal. Unrestr. General Fund Plus Fund Bal. Rev. Generated Accounts	\$ 40,936,871	\$ 43,857,311	\$ 21,640,461 (17)	\$ 47,618,617	\$ 26,404,312 (17)	\$ 14,968,151	\$ 1,911,149
Total Fund Balance Percentage Unrestricted General Fund	21.32%	23.03%	10.46%	23.84%	11.68%	6.81%	0.86%

Note:

OPEB (Other Post-Employment Benefits) Contrib/Retirees Health Premiums:

OPEB Contrib./Retiree Health Premiums - Funded from OPEB Trust Interest Ea	\$ 3,931,388	\$ 3,900,334	\$ 3,900,334 (4)	\$ 3,972,151 (4)	\$ 3,972,151	\$ 3,972,151	\$ 3,972,151
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Please see Footnotes Pages ___to___

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON – FOOTNOTES

Unrestricted General Fund

2017-18 Actuals and 2018-19 Adopted Budget:

- (1) This is the Funded COLA at 1.56% for the 2017-18 fiscal year as estimated in the June 2018 second principal apportionment.
- (2) This is the \$183.6 million statewide Increase to the Base Allocation for the 2017-18 fiscal year per the June 2018 second principal apportionment.
- (3) The College received additional revenues for Current and Prior Year Lottery Adjustment, Interest, Faculty Part-time Health Insurance, Faculty Part-time Office Hours.
- (4) On May 27, 2015, the Board of Trustees approved a funding plan of Other Post-Employment Benefits Other than Pensions (OPEB) and a change to the financial presentation. The Change consists of funding on an ongoing basis \$2,500,000 from the Unrestricted General Fund and paying the Retirees Health Premiums from the interest earned on the OPEB Trust. The District paid \$2,500,000 for the 2017-18 fiscal year.
- (5) The 2017-18 Growth was not included in the 2017-18 Adopted Budget as established in the Budget Review and Development Guide. The rationale is that growth estimates will change multiple times during the year, and the final number is known in February of the following fiscal year. The College reported an increase of 1,124 FTEs with the second principal apportionment in June 2018. This increase results in an estimated Growth increase of 3.6% or \$6,243,437. This estimate is subject to change and the final Growth for 2017-18 fiscal year will be known in February 2019. The College will receive the guarantee Growth at 1% target or \$1,352,240. The additional \$4,891,198 beyond the 1% target is subject to the availability of unused statewide Growth funds.
- (6) The College received 2015-16 One-Time Apportionment Surplus and 2017-18 One-Time Apportionment Unused Redevelopment Backfill during the 2017-18 fiscal year.
- (7) In the 2017-18 Adopted Budget, the College budgeted a deficit of \$844,796, which was estimated at 0.5% of the total apportionment. There was no statewide apportionment deficit for the 2017-18 fiscal year.
- (8) On-behalf contributions are contributions made by the State of California, pursuant to Section 22955.1 of the Education Code, to CalSTRS on behalf of Local Educational Agencies members or school employers. As such, the Chancellor's Office, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and Financial Reporting for Pension an Amendment of GASB Statement No. 27, requires that the College records an equal amount of revenues and expenditures for the value of the on-behalf STRS contributions in its books.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON – FOOTNOTES**

Unrestricted General Fund

- (9) Includes expenditures for commitments for Various Carryovers and Purchases in Progress (\$1,712,626), Immediate Needs (\$2,070,717), Auxiliary Services Unfunded PERS Liability (\$154,250), International Nonresident Fee (\$70,932), Computer Replacement Program (\$249,711), Faculty Positions Funded with One-Time Funds (\$484,891), and Summer Growth for Noncredit (\$771,697).
- (10) Includes expenditures for commitments for New Resources Allocation Phase 1 (\$10,750), Phase 3 (\$120,685), Phase 4 (\$142,677), Phase 5 (\$1,134,996), Phase 6 (\$259,278), Phase 7 (\$654,583), Phase 8 (\$159,556), and Phase 9 (\$28,514) as approved by President's Cabinet in the 2015-16, 2016-17, and 2017-18 fiscal years.
- (11) On June 22, 2016, the Board of Trustees approved the establishment of Section 115 Mt. San Antonio College STRS/PERS irrevocable governmental trust, in which funds will be deposited for employer's pension obligations. The College deposited \$2,000,000 in March 2018. The College will be making a \$4,000,000 contribution in the 2018-19 fiscal year. This contribution is pending Board of Trustees approval.
- (12) These are the Hourly Faculty Expenditures to earn the 2017-18 Growth.
- (13) 2017-18 actuals for Revenue Generated Accounts. The 2018-19 expenditure budget is funded with the 2017-18 ending fund balance and the 2018-19 projected revenues.
- (14) Includes Commitments for 2017-18 Various Carryovers (\$3,035,627) and Purchases in Progress (\$685,479).
- (15) Includes Commitments for New Resources Allocation Requests Phase 1 (\$146,596), Phase 2 (\$10,557), Phase 3 (\$574,828), Phase 4 (\$258,427), Phase 5 (\$284,990), Phase 6 (\$278,852), Phase 7 (\$181,372), Phase 8 (\$490,209), and Phase 9 (\$1,425,106).
- (16) Portion of the 2017-18 Ending Fund Balance is Assigned to fund the 2018-19 One-Time Expenditures as follows::

Immediate Needs Requests	\$ 191,045
STRS and PERS Trust	4,000,000
Auxiliary Services Unfunded Liability	199,590
Computer Replacement Program	250,000
Positions Funded with One-Time Funds	593,757
Election Cost	584,072
Hourly Faculty Budget	405,948
Early High School Program Credit	90,000
2018-19 One-Time Savings from Vacant Positions	<u>(482,127)</u>
	<u>\$5,832,285</u>
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MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON – FOOTNOTES

Unrestricted General Fund

- (17) The College's Net Changes in Revenues and Expenditures or Positive Variance for the 2017-18 fiscal year is \$17,029,299, which added to 2017-18 Adopted Budget Fund Balance of \$21,640,461, results in \$38,669,760 Unrestricted General Ending Fund Balance for the 2017-18 fiscal year. Reducing this amount by \$13,204,328, which includes Commitments made during 2017-18 fiscal year and 2018-19 One-time Expenditures, and adding the 2018-19 Ongoing Surplus of \$938,880; results in the Projected Ending Fund Balance of \$26,404,312 for the 2018-19 Adopted Budget. This balance is \$4.8 million over the 2017-18 Adopted Budget Fund Balance of \$21,640,461. This difference of \$4.8 million is primarily due to the increase in Additional Growth beyond the 1% target earned by the College in 2017-18 and the inclusion of the revenues of new Student Centered Funding Formula in 2018-19.
- (18) The 2017-18 Total Computational Revenue (TCR) as of June 30, 2018 is comprised of the Base Apportionment of \$169,425,102 plus the 2017-18 Growth of \$6,243,437, which equals \$175,668,539. The 2.71% funded COLA is applied to this TCR, resulting in a total of \$4,760,617. This figure is added to the TCR to arrive at the 2018-19 Hold Harmless Apportionment Revenue funding of \$180,429,156. This total of \$180,429,156 will be the minimum funding to be received by the College in the 2018-19 fiscal year as stated in the new Student Centered Funding Formula (SCFF) regulations.
- (19) The 2018-19 Governor's State Budget includes a \$50 million statewide allocation for Full-time Faculty Hiring. College's allocations have not been released by the Chancellor's Office. The College will set aside these funds to be used in the 2019-20 fiscal year.
- (20) This is the funding for the new Student Centered Funding Formula (SCFF), which stipulates a three-year period phase-in that begins by providing 70% enrollment-based funding, 20% funding based on the enrollment of low income students, and 10% funding based on performance outcomes for 2018-19, with a 65-20-15 split in 2019-20, and a 60-20-20 split in 2020-21. The 2018-19 Adopted Budget includes \$185,717,321 (Chancellor's Office July 2018 Simulation), less the Hold Harmless of \$180,429,156, less the 2018-19 Estimated Growth of \$759,266; resulting in \$4,528,899.
- (21) Lottery revenues increased as a result of increases in rates and an increase in FTEs from 31,928 to 33,423.
- (22) Mainly increases in Interest, Part-time Faculty Parity, Part-time Faculty Office Hours, and Part-time Faculty Health Insurance.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
BUDGET AND ACTUALS COMPARISON – FOOTNOTES**

Unrestricted General Fund

- (23) The 2018-19 Advance Apportionment estimates the 2018-19 Growth to be at \$759,266. This 2018-19 Growth is not included in the 2018-19 Adopted Budget as established in the Budget Review and Development Guide. The rationale is that growth estimates will change multiple times during the year, and the final number is known in February of the following fiscal year. The College will need to increase courses to earn this growth during 2018-19.
- (24) Community Colleges have not experienced statewide apportionment deficits since the 2014-15 fiscal year; therefore, the College is not budgeting for an apportionment deficit.
- (25) Includes committed funding for the 2017-18 Carryovers and Purchases in Progress (\$3,721,106), Immediate Needs Requests (\$191,045), Auxiliary Unfunded PERS Liability (\$199,590), Computer Replacement Program (\$250,000), Positions Funded with One-Time Funds (\$593,757), Election Cost (\$584,072), and Early High School Program Credit (\$90,000).
- (26) Includes committed funding for New Resources Allocation Phase 1 (\$146,596), Phase 2 (\$10,557), Phase 3 (\$574,828), Phase 4 (\$258,427), Phase 5 (\$284,990), Phase 6 (\$278,852), Phase 7 (\$181,372), Phase 8 (\$490,209), and Phase 9 (\$1,425,106), as approved by President’s Cabinet in the 2015-16, 2016-17, and 2017-18 fiscal years.

* Apportionment Prior Year Adjustments.

Multi-year Projections:

- (27) Includes the Projected Growth for 2018-19 as per the Advance Apportionment of \$759,266. This Growth is included as ongoing and one-time because it will increase the Ending Fund Balance when the books are closed in the fiscal year 2018-19.
- (28) Includes Estimated Student Centered Funding Formula projections.
- (29) Includes Step/Column Increases and Rate Increases for CalSTRS and CalPERS.
- (30) Includes Carryovers and Purchases in Progress, Auxiliary PERS Unfunded Liability, and Election Cost.