



2016 -2017 Draft Adopted Budget Overview

**Opening Day
August 19, 2016**

Presented by:

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An Extraordinary Year

Accomplishments-Short List

- 1 of 15 community colleges to offer a bachelor's degree
- Student Success Scorecard for CTE is 56.1% overall, statewide average is 51.4%; one of the top in the state
- Completed the accreditation self study
- Books Help Program: \$170K in 15-16; \$140K set aside of 16-17; 643 applications as of 8/12/16 thanks to Student Equity Funds
- AVTA free bus passes to students, \$80K AVAQMD grant, \$80K Match with Equity, and AVTA \$80K per year; over 450 applications as of 8/12/16
- Student Equity is sponsoring slots at the CDC & partnering with CCRC (Child Care Resource Center) to pay for child care for eligible students
- Fully integrated business enterprise system as of July 1, 2016
- 1 of 15 community colleges that are fiscally independent as of July 1, 2016
- Expanding Palmdale capacity- Center & Regional Airport training programs
- H&S Virtual Science Lab is now actually a virtual science lab
- Board of Trustees has approved a \$350 million capital bond measure for November 2016 election



2015-2016 Highlights

- Assumed 3.28% growth; actual enrollment flat
- Employee agreements negotiated that includes 2% on schedule, 2% off schedule and an increase to the H&W cap for employees to \$14K
- Unrestricted:
 - Hired 7 Full time Faculty, Hired 7 classified and 1 CMS position
 - Funded \$501K in ongoing resource allocation requests
 - Funded all critical one time funding requests \$876,100
- Hired additional staff to support Equity & SSSP



2015-2016 Estimated Actuals

	<u>2015-2016</u>
Beg. Balance	\$10,365,652
Revenue	\$74,072,828
Expenses	\$64,558,789
Total Ending Fund Balance	\$19,879,692
Surplus/(Deficit)	\$ 9,514,040
One Time Committed Funds & Assigned Reserves	\$(4,336,800)
Unassigned Ending Fund Balance	\$15,542,892
Reserve %	24.1%



Item	2015-2016	2016-2017 January Proposed Augmentation	2016-2017 Governor's May Revision	Senate Actions	Assembly Actions	Conference Actions
	Enacted					
Ongoing Funds						
Cost-of-living adjustment %	1.02%	0.47%	0.00%	Approved	Approved	0.00%
Cost-of-living adjustment \$	\$ 61,000,000	\$ 29,300,000	0.00%	Approved	Approved	0.00%
Categorical COLA \$	\$ 2,500,000	\$ 1,300,000	0.00%	Approved	Approved	0.00%
Enrollment Restoration/Growth %	3.00%	2.00%	2.00%	Approved	Approved	2.00%
Enrollment Restoration/Growth \$	\$ 156,500,000	\$ 114,700,000	\$ 114,700,000	Approved	Approved	\$ 114,700,000
Basic Allocation	\$ 266,700,000	No Augmentation	\$ 75,000,000	\$85.29 Mil Approved	\$75 Mil Approved	\$ 75,000,000
Student Success and Support Program (SSSP)	\$ 299,200,000	No Augmentation	No Augmentation	\$15 Mil Vet, \$15 Mil Local Promise	No Augmentation	No Augmentation
Implementation of Student Equity Plans	\$ 155,000,000	No Augmentation	No Augmentation	Approved	Approved	No Augmentation
Institutional Effectiveness	\$ 17,500,000	\$ 10,000,000	\$ 10,000,000	Approved	Approved	\$ 10,000,000
Apprenticeship Programs	\$ 52,000,000	\$ 1,800,000	\$ 1,660,000	Approved	Approved	\$ 1,660,000
TTIP	No Augmentation	\$ 3,000,000	\$5 Mil + (\$7 Mil one time)	Approved	Approved	\$12M (\$7M one time)
Workforce & CTE Pathways	\$ 248,000,000	\$ 248,000,000	\$ 248,000,000	\$200 Mil ongoing \$48 Mil one time	\$200 Mil, 75/25 district region split/\$48 Mil one time	\$200 Mil Strong Workforce and \$48 Mil CTE Pathways
Part time office hours	No Augmentation	No Augmentation	No Augmentation		\$3.6 Mil	\$3.6 Mil
Full time faculty		\$62.3 Mil	No Augmentation	Only for basic aid districts	\$21.9 Mil	No Augmentation
One-Time Funds						
Open Educational Resources (OER) and Sero Textbook Cost Initiatives	N/A	\$ 5,000,000	\$ 5,000,000	Approved	Approved	\$5 Mil
Innovation Awards (Addressing Equity Issues)	\$ -	\$25 Mil	\$25 Mil	Rejected	Rejected	\$25 Mil
Adult Ed Tech Assist	N/A	N/A	\$ 5,000,000	Approved	Approved	\$5 Mil
Online Education Initiative	N/A	N/A	\$20,000,000	Approved	Rejected	\$20 Mil
Mandate Backlogs	\$ 604,000,000	\$ 76,300,000	\$ 105,500,000	Approved	Approved	\$105.5 Mil
Equal Employment Opportunity	N/A	N/A	\$2.3 Mil	Approved	Ap	\$2 Mil
Deferred Maintenance & Instructional Equipment	\$ 148,000,000	\$ 289,000,000	\$ 219,400,000	\$213 Mil Reduce for other programs	\$174.2 Mil	\$184.5 Mil, not match requirement
Courtesy of the California Community League of California						

2016 – 2017 AVC Highlights

- Revenues:
 - The “Un-COLA”. USDOC released the Implicit Rate Deflator; used to calculate statutory COLA for K-14. Deflator is 0.0029%. Estimates were 0.47%, Adopted budget is 0% COLA, categorical COLA also removed = \$30.6M
 - Base Augmentation of \$75M
 - 2% growth in budget, AVC not assuming growth
 - Funding for one time mandated costs assumed
 - Scheduled maintenance & block grant funding of \$184.5 Mil for CCs. No match required.
- Expenses
 - Includes negotiated agreement: 2% on schedule, 2% off schedule
 - Resource allocation funding and Palmdale staffing set aside
 - STRS/PERS increases
 - Security contract increase
 - Minimum wage increase to \$10 per hour
 - Hiring an additional dean – AA reorg



2016-2017 Resource Allocation

	Requested Positions	Total Positions Funded	Total Requested Amount	Total Amount Funded
Faculty	16	8	1,386,720	693,360
Classified	15	7	1,028,754	490,151
CMS	6	1	632,580	118,452
On Going Non Staff	-	-	855,484	125,358
One Time Non Staff	-	-	2,340,392	250,000
Total			6,243,930	1,677,320
Includes facilities requests that may be able to be funded with scheduled maintenance				



2016-2017 “Draft” Adopted Budget

	<u>2016-2017</u>
Beginning Fund Balance	19,879,692
Revenue	67,981,004
Expenses	71,354,830
Total Ending Fund Balance	16,505,866
Surplus/(Deficit)	(\$3,373,826)
One Time Committed Funds & Assigned Reserves	(\$1,113,364)
Unassigned Ending Fund Balance	\$15,392,502
Reserve %	21.6%



3 Year Budget Projection

		2017-2018 Projected Budget	2018-2019 Projected Budget	2019-2020 Projected Budget
BEGINNING FUND BALANCE		16,505,866	12,517,503	7,264,539
REVENUE				
8100-8200	Federal	15,506	15,506	15,506
8600-8700	State	57,993,650	57,993,650	57,993,650
8800	Local	<u>9,267,117</u>	<u>9,267,117</u>	<u>9,267,117</u>
Total Revenue		67,276,273	67,276,273	67,276,273
REVENUE PLUS BEGINNING FUND BALANCE		83,782,138	79,793,775	74,540,811
EXPENDITURES				
1100-1400	Academic Salaries	31,223,957	31,536,196	31,851,558
2100-2400	Classified Salaries	13,352,053	13,472,173	13,593,495
3100-3800	Employee Benefits	14,582,985	15,317,234	15,874,803
4100-4700	Supplies	1,339,829	1,339,829	1,339,829
5100-5800	Other Operating Costs	8,042,419	8,312,287	8,289,419
6100-6700	Capital Expenditures	308,415	308,415	308,415
<u>Total Expenditures</u>		68,849,658	70,286,135	71,257,519
7100-7600	Other Outgo	2,227,978	2,243,102	2,262,103
Total Expenditures & Other Outgo		71,077,635	72,529,237	73,519,621
Ending Fund Balance		12,517,503	7,264,539	1,021,190
Surplus/(Deficit)		(3,801,363)	(5,252,964)	(6,243,349)
One Time Committed Funds		0	0	0
Assigned Aside for Categorical Salaries + Benes		(436,980)	(628,627)	(873,960)
Unassigned Ending Fund Balance		12,080,523	6,635,912	147,230
Reserve %		17.0%	9.1%	0.2%