



Chabot-Las Positas
Community College District

Board of Trustees Meeting

September 20, 2016

Adoption Budget
Fiscal Year 2016-17

*Lorenzo Legaspi
Vice Chancellor
Business Services*

Presentation Summary

- Budget Requirement
- State Budget for FY 2016-17
- Student Enrollment Data
 - Budget Stability
 - Decline Restoration
- Major Revenue Assumptions
- Major Expenditure Assumptions
- Budget Allocation Model Summary
- Budgets for District Funds
- Unrestricted General Fund – Ending Balance
- Looking Ahead – Opportunities and Budget Risks
- Questions and Comments

Budget Requirement

- Title 5, Section 58301 and 58305 of the California Code of Regulations require community college districts to:
 - Hold a public hearing on the proposed budget
 - Adopt a final budget on or before the 15th day of September

State Budget for FY2016-17

- Reflects increased revenues and Proposition 98 guarantee
- Access - \$114.3 million to fund 2% growth (CLPCCD @ 1%)
- COLA – Zero percent
- Base Allocation Funding - \$75 million in ongoing funds
- Prior Year Mandated Costs - \$105.5 million in one-time funds
- Workforce - \$200 million added to Economic Workforce Development (EWD)
- Maintenance & Instructional Equipment - \$184.6 million one-time
- Student Fees – maintained at \$46 per credit unit
- Basic Skills - \$30 million increased to existing Basic Skills

Student Enrollment Data – Full Time Equivalent Students (FTES)

<i>YEAR</i>	<i>CHABOT</i>	<i>% Growth</i>	<i>LPC</i>	<i>% Growth</i>	<i>TOTAL</i>	<i>% Growth</i>
2006-2007	10,313	(0.5)	7,089	14.9	17,402	5.2
2007-2008	10,420	1.0	7,186	1.4	17,606	1.2
2008-2009	10,912	4.7	6,591	(8.3)	17,503	(0.6)
2009-2010	11,315	3.7	7,501	13.8	18,816	7.5
2010-2011	10,756	(4.9)	6,744	(10.1)	17,500	(7.0)
2011-2012	9,754	(9.3)	6,442	(4.5)	16,196	(7.5)
2012-2013	9,552	(2.0)	6,651	3.2	16,203	0.0
2013-2014	9,698	1.5	6,758	1.6	16,456	1.6
2014-2015	10,132	4.5	7,065	4.5	17,197	4.5
2015-2016	10,354	2.2	7,183	1.7	17,537	2.0
2016-2017	10,063	(2.8)	7,167	(0.2)	17,230	(1.8)

Title 5 § 58776 Budget Stability

Districts shall receive stability funding only in the initial year of decline in FTES in an amount equaling the revenue loss associated with the FTES reduction for that year.

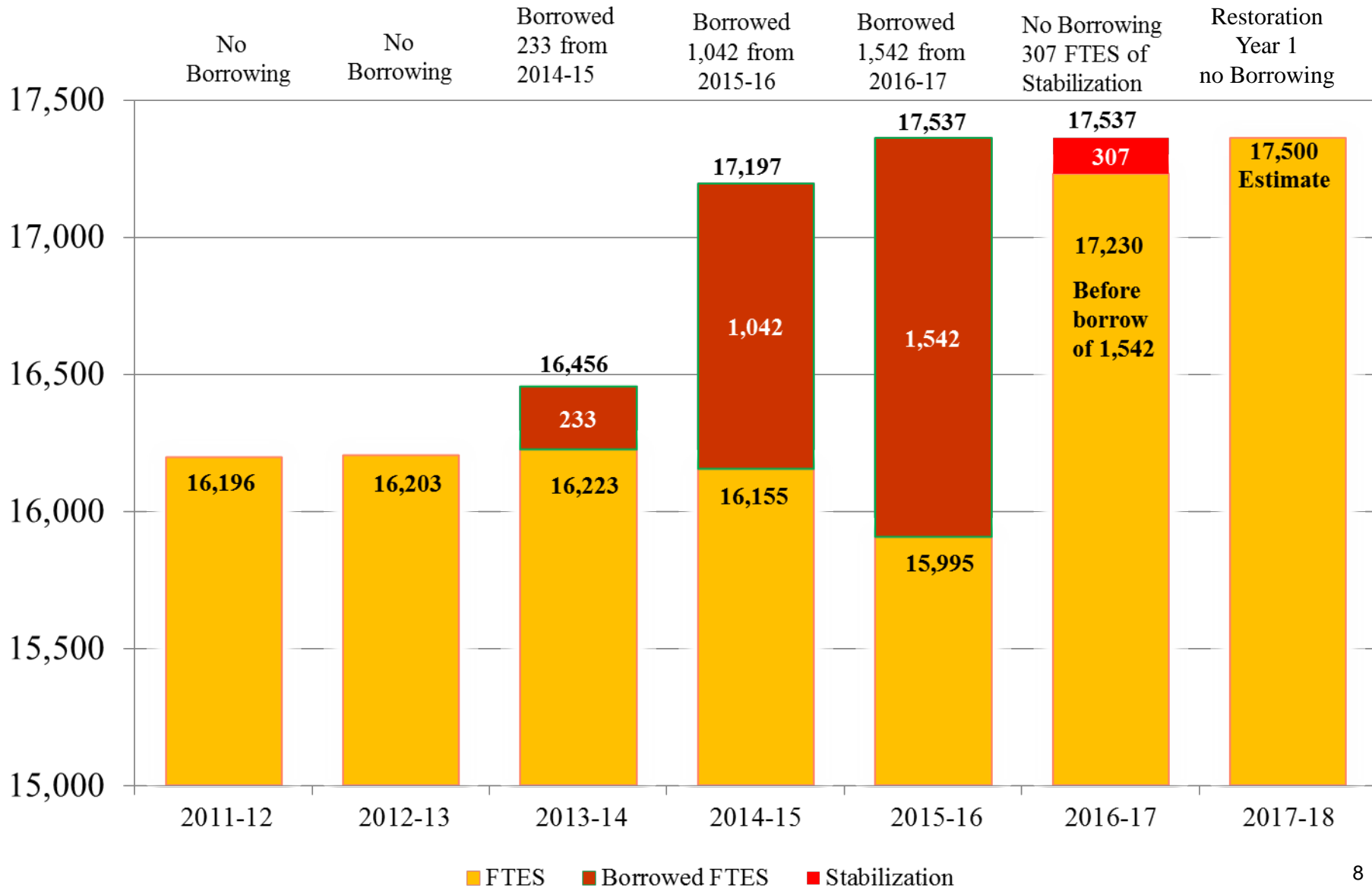
Declines in college FTES that result in a reduction of calculated basic allocation will not cause a reduction in basic allocation base revenue until the third year after the year of the FTES decline, and the basic allocation will not be reduced if the FTES is restored back to or above the pre-decline base.

Title 5 § 58777 Decline Restoration

(a) Districts shall be entitled to restore any reductions in apportionment revenue due to declines in FTES during the three years following the initial year of decline in credit, noncredit, or career development and college preparation FTES if there is a subsequent increase in FTES.

(b) Restoration of revenue for declining workload and the inflation adjustments made between the year of decline and the year of restoration shall be made at the district's current marginal growth funding rate.

Stability and Restoration



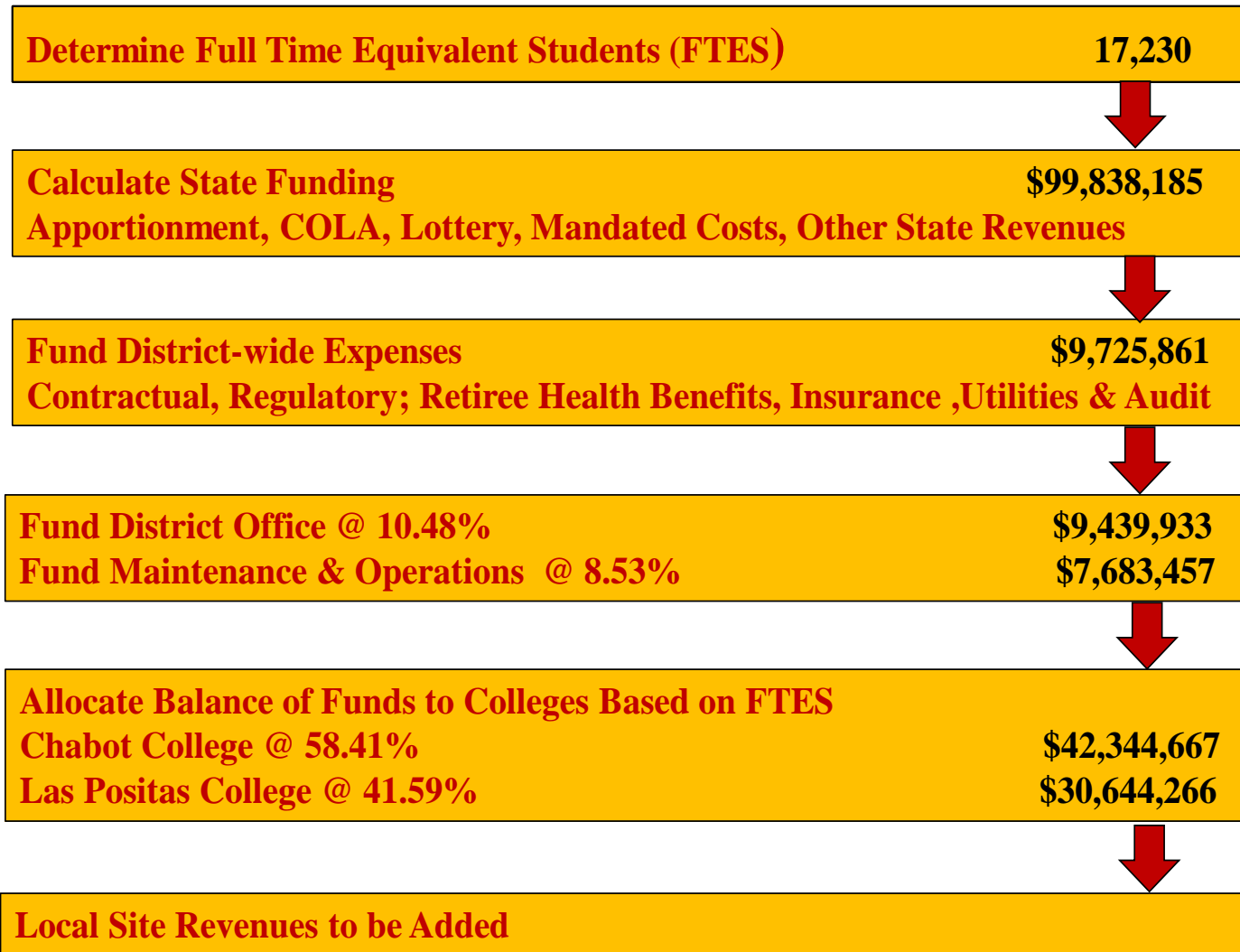
Major Revenue Assumptions

Major Expenditure Assumptions

- Based on serving 17,230 FTES
- Salary increase at 4% for all employee groups
- Step/column and longevity included
- Includes SEIU classification study at 1.53%
- Premium increases for health & welfare, assumes status quo employee contributions
- Retiree health benefits consistent with 2015 actuarial report
- STRS/PERS increased rates
- Utilities budget increased by 5%
- Includes increases for Confidentials and Supervisors Classification Study

Budget Allocation Model - Calculations

BUDGET ALLOCATION



Adoption Budget 2016-17 – Unrestricted General Fund

REVENUE	
State General Apportionment, State /Local/Federal Revenue and Transfers	\$119,160,814
EXPENDITURES	
Total Expenditures	117,660,484
Net Increase/(Decrease) in Fund Balance	1,500,330
Beginning Balance	26,316,964
Ending Balance	\$27,817,295

Adoption Budget 2016-17– Restricted General Fund

REVENUE	
State General Apportionment, State /Local/Federal Revenue and Transfers	\$47,548,117
EXPENDITURES	
Total Expenditures	47,548,117
Net Increase/(Decrease) in Fund Balance	0
Beginning Balance	1,270,613
Ending Balance	\$1,270,613

Adoption Budget 2016-17– Cafeteria Fund

REVENUE	
Operations/Commissions and Interest	\$35,684
EXPENDITURES	
Expenditures and Transfers	257,562
Net Increase/(Decrease) in Fund Balance	(221,878)
Beginning Balance	243,545
Ending Balance	\$21,667

Adoption Budget 2016-17 - Child Development Fund

REVENUE	
State/Local/Federal Revenue Transfers In	\$1,453,154
EXPENDITURES	
Expenditures	1,413,050
Net Increase/(Decrease) in Fund Balance	\$40,104
Beginning Balance	\$377,639
Ending Balance	\$417,743

Adoption Budget 2016-17 - Self Insurance Fund (RUMBL)

REVENUE	
Transfers and Interest	\$5,341,382
EXPENDITURES	
Expenditures and Transfers	5,331,382
Net Increase/(Decrease) in Fund Balance	10,000
Beginning Balance	\$4,579,922
Ending Balance	\$4,589,922

Adoption Budget 2016-17 - Measure B Capital Projects Fund

REVENUE	
Interest	\$482,608
EXPENDITURES	
Expenditures	15,331,087
Net Increase/(Decrease) in Fund Balance	(14,848,479)
Beginning Balance	64,827,616
Ending Balance	\$49,979,137

Adoption Budget 2016-17 - Capital Projects Fund

REVENUE	
State /Local/Federal Revenue and Transfers	\$3,289,547
EXPENDITURES	
Expenditures	3,009,041
Net Increase/(Decrease) in Fund Balance	280,506
Beginning Balance	7,098,198
Ending Balance	\$7,378,704

Adoption Budget 2016-17 - Special Reserve Funds (Nike Project, COP)

REVENUE	
Interest	\$13,000
EXPENDITURES	
Expenditures	230,000
Net Increase/(Decrease) in Fund Balance	(217,000)
Beginning Balance	3,197,381
Ending Balance	\$2,980,381

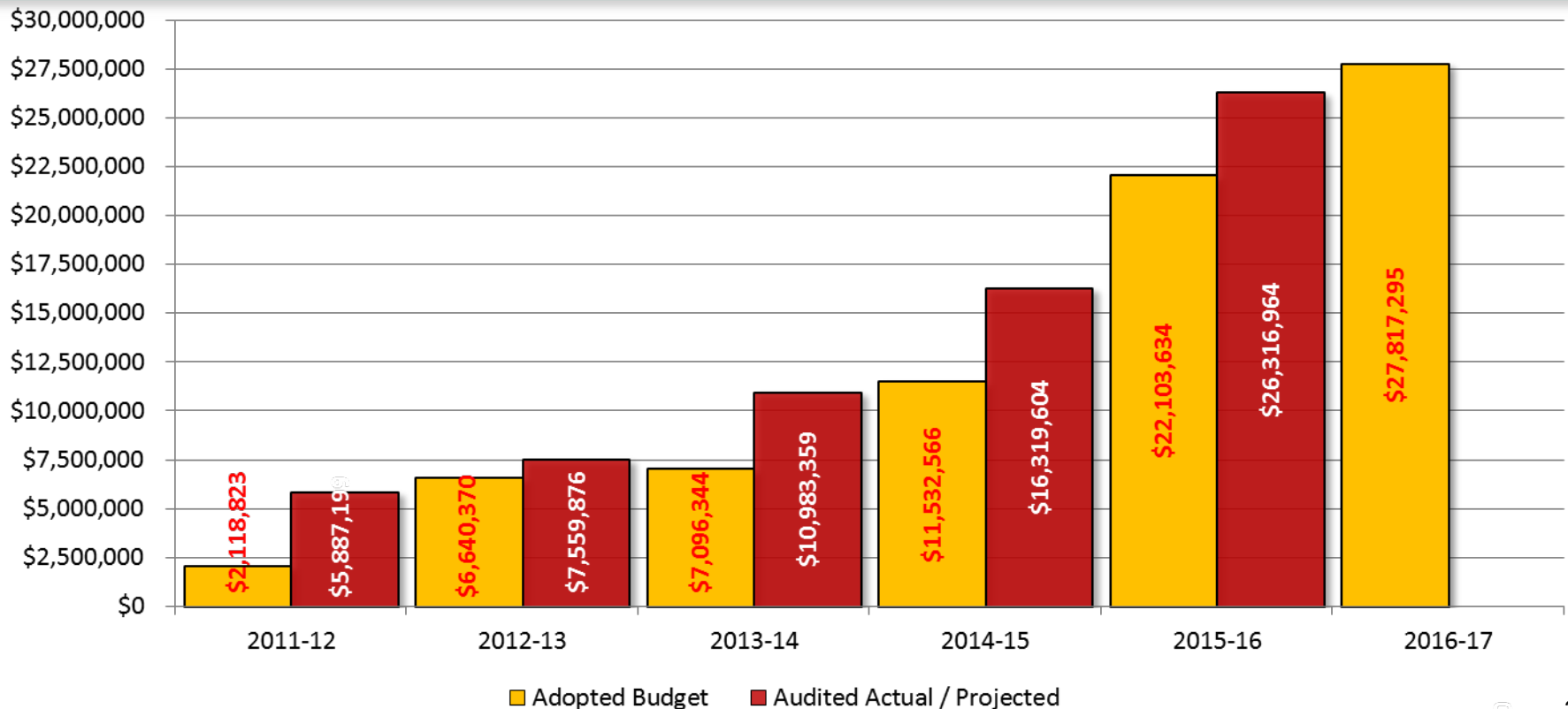
Unrestricted General Fund – Ending Balance

	Audited Actual	Actual	Adoption Budget
	2014-15	2015-16	2016-17
Total Revenue and Transfers In	\$110,288,321	\$130,221,105	\$119,160,814
Total Expenditures and Transfers Out	<u>(104,952,076)</u>	<u>(120,223,745)</u>	<u>(117,660,484)</u>
Increase/(Decrease) in Fund Balance	\$5,336,245	\$9,997,360	\$1,500,330
Beginning Balance	\$10,983,359	\$16,319,604	\$26,316,964
Ending Fund Balance	\$16,319,604	\$26,316,964	\$27,817,295
Ending Balance as % of Total Expenditures	15.97%	22.78%	23.99%

Unrestricted General Fund – Ending Balance

- » The District has a history of budgeting conservatively
 - The expectation is that the fiscal year 2016-17 ending fund balance will be approximately \$28 million
- » The District has exceeded its budgeted result for the last 5 years

Comparison of Budgeted v. Actual Ending Balance of Unrestricted General Fund



Looking Ahead – Opportunities and Budget Risks

- Enrollment: Stability/Restoration
- Rainy Day Fund/Planning for the next Recession
- STRS/PERS Increases
- Economy
- Growth versus Student Success and Equity

Questions and Comments
