



SOLANO
COMMUNITY COLLEGE

TENTATIVE BUDGET 2016-17
Governing Board Meeting
JUNE 1, 2016
First Reading

SERVING SOLANO AND YOLO COUNTIES AND THE CITY OF WINTERS, CALIFORNIA



TRANSFORMING STUDENTS' LIVES



REPORT BY:

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2016-17 California Community College Funding

| Item | 2015-16 Enacted Totals | 2016-17 Governor's January Proposal | 2016-17 Governor's May Revision |
|---|------------------------|-------------------------------------|---------------------------------|
| Ongoing Funds | | | |
| Cost of Living Adjustment (COLA) | \$61M (1.02%) | \$29.3M (0.47%) | 0% |
| Enrollment Growth | \$156.5M (3%) | \$114.7M (2%) | \$114.7M (2%) |
| Student Success and Support Program (SSSP) | \$299.2M | No Augmentation | No Augmentation |
| SSSP - Equity | \$155M | No Augmentation | No Augmentation |
| Workforce & CTE Pathways | No Augmentation | \$248M | \$248M |
| Base Augmentation | \$266.7M | No Augmentation | \$75M |
| Institutional Effectiveness | \$17.5M | \$10M | \$10M |
| Apprenticeship Programs | \$52M | \$1.8M | \$1.66M |
| Categorical Program COLA | \$2.5M | \$1.3M | No Augmentation |
| Basic Skills | One-Time Funds | \$30M | \$30M |
| Telecommunications and Technology Infrastructure | No Augmentation | \$3M | \$8M (+\$7M one-time) |
| Full-Time Cal Grant B Student Financial Aid Program | \$39M | No Augmentation | \$2.2M |
| Equal Employment Opportunity | N/A | N/A | \$2.3M |
| Academic Senate | No Augmentation | No Augmentation | \$300,000 |

2016-17 California Community College Funding

| Item | 2015-16 Enacted Totals | 2016-17 Governor's January Proposal | 2016-17 Governor's May Revision |
|---|------------------------|-------------------------------------|---------------------------------|
| <i>One-Time Funds</i> | | | |
| Open Educational Resources (OER) and Zero Textbook Cost Initiatives | N/A | \$5M | \$5M |
| Innovation Awards | N/A | \$25M | \$25M |
| Online Education Initiative | N/A | N/A | \$20M |
| Adult Education Technology Assistance | N/A | N/A | \$5M |
| Mandates | \$604M | \$76.3M | \$105.5M |
| Deferred Maintenance & Instructional Equipment | \$148M | \$289M | \$219.4M |
| Adjustments | | | |
| Redevelopment Shortfall | N/A | N/A | \$38.6M |
| Property Taxes | N/A | N/A | \$51.2 |
| Student Fees | N/A | N/A | (-) \$9.8M |
| <i>Funding Tied to Partnerships</i> | | | |
| Adult Education | \$500M | No Augmentation | No Augmentation |
| <i>Other</i> | | | |
| Prop 39 | \$38.8M | \$45.2M | \$49.3 |

SOLANO COLLEGE 2016-17 BUDGET ASSUMPTIONS

- The budget is based on **8,300 funded FTES**

REVENUES

EXPENDITURES

ENROLLMENT/APPORTIONMENT PROJECTIONS

| | | | | | | | |
|-------------------------------|----------|---------------------|--------------|-------------------|--------------|-------------------|---------------------|
| Governing Board | 6/1/2016 | | | | | | |
| Enrollments/Apportionments | | | | | | ** | |
| | | FY 2012-13 * | FY 2013-14 * | FY 2014-15 | FY 2015-16 | FY 2016-17 | FY 2017-18 |
| SCC Reported FTES | | | | | | | |
| Summer | | - | 723 | 24 | 806 | | 861 |
| Fall | | 3,479 | 3,317 | 3,502 | 3,536 | 3,642 | 3,751 |
| Spring | | 3,535 | 3,395 | 3,370 | 3,181 | 3,276 | 3,375 |
| Summer | | <u>14</u> | <u>766</u> | <u>-</u> | <u>836</u> | <u>-</u> | <u>361</u> |
| FTES Reported | | 7,028 | 8,201 | 6,896 | 8,359 | 6,919 | 8,348 |
| CCCCO Apportionment Schedules | | | | | | | |
| Base | | 8,502 | 7,056 | 8,201 | 6,896 | 8,359 | 6,919 |
| Stability 12/13 | | (1,446) | | | | | |
| Stability 14/15 | | | | (1,305) | | | |
| Stability 16/17 | | | | | | (1,440) | |
| Stability Restoration 12/13 | | | 1,145 | | 301 | | |
| Stability Restoration 14/15 | | | | | 1,162 | | |
| Stability Restoration 16/17 | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,440</u> |
| FTES Funded | | 7,056 | 8,201 | 8,201 | 8,359 | 6,919 | 8,359 |
| Growth | 0.5% | | | | <u>-</u> | | <u>42</u> |
| Adjusted Base | | | | | 8,359 | | 8,401 |

DISTRICT RESOURCES

GENERAL FUND

- a. Unrestricted [11]
- b. Restricted [12-14]

DEBT SERVICE

- a. Measure G [21]
- b. Measure Q [22]
- c. Energy Conservation Bond [29]

CHILD DEVELOPMENT [33]

CAPITAL OUTLAY

- a. Measure G [420]
- b. Measure Q [421]
- c. Theater Project [416]
- d. Capital Outlay [41]

ENTERPRISE

- a. Bookstore [51]

SELF-INSURANCE [61]

FINANCIAL AID [74]

2016-17 GENERAL FUND BUDGET

UNRESTRICTED [11]

| REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE | Adopted Budget 2015-16 | Projected Yr Totals 2015-16 | Ongoing 2016-17 | One-time only 2016-17 | Total 2016-17 |
|--|---------------------------------------|--|----------------------------|--------------------------------------|--------------------------|
| REVENUES: | | | | | |
| Federal Sources | | | | | |
| State Sources | 36,879,566 | 34,505,592 | 30,662,156 | 828,951 | 31,491,107 |
| Local Sources | 17,917,062 | 19,987,132 | 19,987,132 | | 19,987,132 |
| Other Revenue | | | | | |
| Total Revenue | 54,796,628 | 54,492,724 | 50,649,288 | 828,951 | 51,478,239 |
| EXPENDITURES: | | | | | |
| Academic Salaries | 21,148,227 | 21,127,873 | 20,553,932 | | 20,553,932 |
| Classified Salaries | 10,285,509 | 9,474,659 | 10,701,895 | | 10,701,895 |
| Benefits | 14,380,193 | 13,814,821 | 14,704,461 | | 14,704,461 |
| Supplies and Materials | 536,052 | 504,085 | 578,595 | | 578,595 |
| Other Operating | 5,597,972 | 5,711,825 | 5,807,474 | | 5,807,474 |
| Capital Outlay | 40,000 | 42,089 | 83,487 | | 83,487 |
| Strategic Proposals | 300,000 | 102,516 | 100,000 | | 100,000 |
| Other Outgo | 34,800 | 33,296 | 30,000 | | 30,000 |
| Reductions Needed | (750,000) | | | | |
| TOTAL EXPENDITURES | 51,572,753 | 50,811,164 | 52,559,844 | 0 | 52,559,844 |
| NET INCREASE (DECREASE) IN FUND BALANCE | 3,223,875 | 3,681,560 | (1,910,556) | 828,951 | (1,081,605) |
| Beginning Fund Balance | 2,768,567 | 2,768,567 | 6,450,127 | | 6,450,127 |
| Estimated Ending Balance | 5,992,442 | 6,450,127 | 4,539,571 | | 5,368,522 |
| | 11.62% | 12.69% | 8.64% | | 10.21% |

5 YEAR FISCAL LOOK AHEAD FOR PLANNING PURPOSES

Proposed Options to get to a Balanced Budget

| Solano College | | | | | |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|
| 5-Year Look Ahead | | | | | |
| | stability | | stability | | stability |
| | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 |
| FTES | 8,359 | 8,401 | 8,401 | 8,506 | 8,506 |
| Revenues | 51,478,239 | 51,095,916 | 51,457,958 | 52,469,350 | 52,965,806 |
| Expenditures | | | | | |
| Certificated Salaries | 20,297,008 | 20,339,356 | 20,113,908 | 19,785,155 | 19,347,182 |
| Classified Salaries | 9,904,138 | 9,953,802 | 10,006,253 | 10,055,650 | 10,104,124 |
| Health and Welfare | 13,968,874 | 14,568,703 | 15,078,206 | 16,105,832 | 16,833,438 |
| 25% Growth/Efficiency to Operations | | | 221,599 | 451,481 | 333,106 |
| Supplies | 578,595 | 578,595 | 578,595 | 578,595 | 578,595 |
| Other Operating (incl. Trustee Election Costs) | 6,020,961 | 5,555,961 | 5,775,961 | 5,455,961 | 5,695,961 |
| | <u>50,769,576</u> | <u>50,996,416</u> | <u>51,774,522</u> | <u>52,432,673</u> | <u>52,892,406</u> |
| Revenues in Excess of Expenditures/(Deficit) | 708,663 | 99,500 | (316,565) | 36,677 | 73,400 |
| Reserves | | | | | |
| Beginning Reserve | 6,450,127 | 7,158,790 | 7,258,290 | 6,941,725 | 6,978,403 |
| Ending Reserve | <u>7,158,790</u> | <u>7,258,290</u> | <u>6,941,725</u> | <u>6,978,402.51</u> | <u>7,051,803</u> |
| Reserve as a Percent of Unrestricted Expenditures | 14.10% | 14.23% | 13.41% | 13.31% | 13.33% |
| Assumptions | | | | | |
| Cost of Living Adjustment | | 0.50% | 0.75% | 1.00% | 1.00% |
| Growth | | 0.50% | 0.00% | 1.00% | 0.00% |
| Increased Productivity | 1.27% | 2.60% | 2.67% | 4.17% | 4.35% |
| Expenditure Increases | | | | | |
| PERS | | 3.55% | 1.60% | 1.70% | 0.50% |
| STRS | | 1.85% | 1.85% | 1.85% | 0.97% |
| Health and Welfare | | 8.00% | 8.00% | 8.00% | 8.00% |
| Step and Column | | 1.00% | 1.00% | 1.00% | 1.00% |
| Trustee Election Costs | 240,000 | | 320,000 | | 240,000 |
| Reduction Strategies | | | | | |
| Salary Savings | 797,757 | 210,000 | 130,000 | 130,000 | 130,000 |
| Associated Benefits | 609,505 | 160,445 | 99,323 | 99,323 | 99,323 |
| Implement Public Employee Pension Reform Act | 126,082 | 234,067 | 234,067 | - | - |
| Shifts to Categoricals | | 100,000 | 100,000 | - | - |
| Property Tax Assessment Vallejo | | 125,000 | - | - | - |