



SANTA ANA
COLLEGE



Santiago
Canyon
College

2017-2018 TENTATIVE BUDGET

Board of Trustees Meeting
June 12, 2017

The mission of the Rancho Santiago Community College District is to provide quality educational programs and services that address the needs of our diverse students and communities

Outline of Presentation

1. Budget Planning Process
2. RSCCD 2017-2018 Proposed Tentative Budget
3. Recommendation

Budget Planning Process

Budget Planning Process

- ▣ Governor's January Proposal for 2017-2018 Released January 10th
- ▣ Board Presentations and Tentative Budget Assumptions (February 6th, March 27th and April 24th)
 - FRC and District Council Review and Recommended Assumptions
- ▣ Governor's May Revision Released May 11th
- ▣ Board Presentation (May 15th) and Tentative Budget Approval tonight
 - FRC and District Council Review and Recommended Tentative Budget

Budget Planning Process

- ▣ Legislative Budget Conference Committee concluded their work last Thursday
- ▣ Augmented May Revise with various small ongoing and one time categorically restricted programs funding
- ▣ Santa Ana College Russell Hall Replacement project added to the 2017-2018 state capital outlay bond projects list!
 - List originally only 5 projects, then 9, finally 15 out of the total 29 projects on the 2017-2018 BOG Capital Outlay Plan
- ▣ May Revision COLA and Base increase funding remained the same
- ▣ State Budget to be approved by Legislature by June 15th (this Thursday) and Governor to sign by July 1
 - No changes expected

Budget Planning Process

- ▣ Chancellor's Office Fiscal Self-assessment Checklists included in budgets since 2013-2014
 - Pages 102 through 104 in 2017-2018 Tentative Budget document
- ▣ Multi-year Projections included in Adopted Budgets since 2014-2015
- ▣ Pointed out growth concerns and yearly cost increases outpacing revenue increases in Board presentations since 2014
 - Various discussions in FRC last two years
- ▣ New unrestricted revenues are projected to be outspent with new unrestricted expenditures absent additional supporting unrestricted revenues from the state or the need to further reduce district expenditures.
- ▣ Continued careful budget monitoring and planning will be necessary

RSCCD
2017-2018
Proposed Tentative Budget

Proposed Tentative Budget

- ▣ Includes Board approved Budget Assumptions, updated with the latest information from May Revise (p. 83-85)
- ▣ Includes \$4,590,000 in ongoing base increase funding
- ▣ Includes ongoing cuts of \$2 million (50% of round 1 cuts)
 - Remaining \$2 million in one-time reductions will be included in Adopted Budget
- ▣ Balanced Budget with estimated \$345,179 to the good
- ▣ Tentative Budget is a placeholder budget in order to continue to pay employees and obligations starting July 1st
 - More budget detail developed for Adopted Budget once:
 - ▣ state budget is enacted – more detailed revenue allocations
 - ▣ “Blue Book” is issued by state Chancellor’s Office in August
 - ▣ 2016-2017 fiscal year closing and actual balances known

Budget Assumptions Recap

<u>New Revenues</u>		Ongoing Only	One-Time
B	COLA 1.56%	\$2,400,000	
B	Growth (Decline of 3.97%/Borrow from summer)	\$0	
B	Base Allocation	\$4,590,000	
B	Deficit Factor est. at 0.708%	\$0	
D	Unrestricted Lottery	\$126,529	
H	Mandates Block Grant (one-time)	\$0	\$0
I	Non-Resident Tuition	\$325,000	
J	Interest Earnings	\$115,000	
L	Apprenticeship - SCC	\$0	
EGHK	Misc Income	\$0	
Total		\$7,556,529	\$0
<u>New Expenditures</u>			
B	COLA 1.56%	\$2,400,000	
C	Step/Column	\$1,200,000	
D	Health and Welfare/Benefits Increase	\$671,000	
D	CalPERS Increase	\$607,948	
D	CalSTRS Increase	\$1,196,296	
E	Full Time Faculty Obligation Hires	\$0	
E/F	Hourly Faculty Budgets (Convert to Full Time)	\$0	
G	Increased Cost of Retiree Health Benefit ARC	\$2,576,106	
H	Capital Outlay/Scheduled Maintenance Match	\$0	
I	Utilities Increase	\$200,000	
J	ITS Licensing/Contract Escalation Cost	\$125,000	
K	Property, Liability and All Risks Insurance	\$0	
I.L	Apprenticeship - SCC	\$0	
L	Other Additional DS/Institutional Costs	\$235,000	
N	Ongoing Budget Reductions	(\$2,000,000)	\$0
Total		\$7,211,350	\$0
2017-18 Budget Year Surplus (Deficit)		\$345,179	

All District Funds

List of Funds Budgeted

General Fund

Expenditures	\$ 279,589,697
Board Policy Contingency (5%)	8,950,249
Restricted Reserves	3,876,371
Budget Stabilization	13,690,485
Unrestricted Contingency	3,461,724

Total General Fund		\$ 309,568,526
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Bond Interest and Redemption Funds	52,670,067
Bookstore Fund	10,764,192
Child Development Fund	7,929,088
Capital Outlay Projects Fund	72,304,544
General Obligation Bond Fund - Measure E	0
General Obligation Bond Fund - Measure Q	139,853,504
Self-Insurance Fund - Property and Liability	6,414,915
Self-Insurance Fund - Workers' Compensation	10,327,957
Retiree Benefits Fund	840,539
Associated Students Fund	1,098,086
Representation Fee Trust Fund	173,748
Student Financial Aid Fund	30,141,719
Community Education Fund	1,201,999
Diversified Trust Fund	4,372,882

Total All Funds		\$ 647,661,766
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Tentative Budget Recommendation

- ▣ Recommend approval of the proposed 2017-2018 Tentative Budget as presented

