

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for July 5, 2017

1:30 p.m. - 3:00 p.m.

Executive Conference Room #114

1. Welcome
2. State/District Budget Update – Hardash
 - 2016-17 Second Principal Apportionment Background Memo/Information posted June 27, 2017 link: [2016-17/P2/BackGroundMemo June 27 2017](#)
 - 2016-17 Second Principal Apportionment Exhibit “C” posted June 23, 2017 report link: [2016-17/P2/Exhibit-C](#)
 - 2015-16 Recalculation, June Revision [2015-16/RECALC/Exhibit-E](#)
 - Final State Budget 2017-18 report link: <http://www.ebudget.ca.gov>
 - CCFC Budget Update- Governor Signs Budget, No Capital Outlay Vetoes
 - SSC- Governor Brown Signs 2017-18 State Budget
3. 2017-18 Proposed Adopted Budget Assumptions – Action Item
 - PERS/STRS Rate Increases
4. Multi-year Projections (MYP)
 - Base MYP
 - Version 2- Stabilization 2016-17 & 2018-19
 - Version 3- Stabilization 2017-18, 2019-20, 2021-22
 - Version 4- Zero Deficit & 2.50% Utilities
 - Version 5- Growth 1% 2018-19 to 2021-22
 - Version 6 Best Case Growth 1%, Zero Deficit, 2.50% Utilities and Base Increases
 - Version 7 Worst Case Negative -1% Growth, 6% H&W 2018-19 to 2021-22
 - Graphs
5. Standing Report from District Council – Mettler
6. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscdd.edu>
 - Vacant Funded Position List as of June 29, 2017
 - Measure “E” Project Cost Summary June 27, 2017
 - Measure “Q” Project Cost Summary May 31, 2017
 - Monthly Cash Flow Summary as of May 31, 2017
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
7. Approval of FRC Minutes – April 19, 2017
8. Other

Next FRC Committee Meeting: August 16, 2017 (Email only)

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.

**CALIFORNIA COMMUNITY COLLEGES
2016-17 SECOND PRINCIPAL APPORTIONMENT
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT**

EXHIBIT C

Workload Measures	Base Funding	Marginal Funding	Base FTES	Growth FTES	Restored FTES	Stability FTES	Total Funded FTES	Unfunded FTES	Actual FTES
Credit FTES	5,005.747440	5,005.747437	22,274.090	699.410	0.000	0.000	22,973.500	0.000	22,973.500
Noncredit FTES	3,010.096810	3,010.096810	702.140	75.400	0.000	0.000	777.540	0.000	777.540
CDCP FTES	5,005.747437	5,005.747437	5,925.410	(744.740)	0.000	0.000	5,180.670	0.000	5,180.670
Total FTES			28,901.640	30.070	0.000	0.000	28,931.710	0.000	28,931.710

I Base Revenues +/- Restore or Decline

A. Basic Allocation				\$10,806,289					
B. Revised Base FTES Revenue				\$143,273,084					
1. Credit Base Revenue		\$111,498,469							
2. Noncredit Base Revenue		\$2,113,509							
3. Career Development College Prep		\$29,661,106							
C. Current Year Decline				\$0					
Total Base Revenue Less Decline				\$154,079,373					

II Inflation Adjustment

A. Statewide Inflation Adjustment			0%						
B. Inflation Adjustment			\$0						
Current Year Base Revenue + Inflation Adjustment				\$154,079,373					

III Basic Allocation & Restoration

A. Basic Allocation Adjustment				\$0					
B. Basic Allocation Adjustment COLA				\$0					
C. Stability Restoration				\$0					
Total Basic Allocation & Restoration				\$0					

IV Growth

A. Target Growth Rate		0.60%		\$854,547					
B. Funded Growth Rate		0.00%		\$51					
C. Funded Credit Growth Revenue		\$3,501,070							
D. Funded Noncredit Growth Revenue		\$226,961							
E. Funded Noncredit CDCP Growth Rev.		(\$3,727,980)							
Total Growth Revenue				\$51					

V Other Revenue Adjustments

A. Misc. Revenue Adjustments	\$0
B. Full-Time Faculty Hiring Adjustments	\$3,834
C. Base Increase FON	\$21,052
D. Base Increase Non-FON	\$2,021,676
Total Revenue Adjustments	\$2,046,562

VI Stability Adjustment

VI Total Computational Revenue (sum of II,III,IV,V, & VI)	\$156,125,986
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VIII District Revenue Source

A1. Property Taxes	\$71,773,234
A2. Less Property Taxes Excess	\$0
B. Student Enrollment Fees	\$8,402,768
C1. State General Apportionment	\$51,937,674
C2. Full-Time Faculty Hiring	\$1,608,953
D. Estimated EPA	\$22,403,357
Available Revenue	\$156,125,986
E. Revenue Shortfall	1.0000000000
Total Revenue Plus shortfall	\$156,125,986

IX Other Allowance and Total Apportionments

A. State General Apportionment	\$53,546,627
B. Statewide Average Replacement Cost	\$0
Number of Faculty Not Hired	0.00
Full-time Faculty Adjustment	\$0
Net State General Apportionment	\$53,546,627

X Unrestored Decline as of July 1st of Current Year

A. 1st Year	\$0
B. 2nd Year	\$0
C. 3rd Year	\$0
Total	\$0

**Basic Allocation Calculation Before Current Year COLA
College/Center Base Funding Rates (Current Year FTES Thresholds)**

Single College District Funding Rates: Total FTES

>20000	>10000	<=10000
\$6,003,494	\$4,802,795	\$3,602,096

FTEs:		
0	0	0

Revenue:		
\$0	\$0	\$0

State Approved Center: Funding Rates		
1	\$1,200,699	

Grandfathered or Previously Approved Center: Funding Rate @ FTES Levels				
>1000	>750	>500	>250	<=100
\$1,200,699	\$900,524	\$600,349	\$300,175	\$150,087

Number of Grandfathered or Previously Approved Centers: @ Total FTES				
1	0	0	0	0

Number of Grandfathered or Previously Approved Centers Revenue				
\$1,200,699	\$0	\$0	\$0	\$0

Mult-College District Funding Rate: Total FTES

Rural	>20000	>10000	<=10000
\$1,145,692	\$4,802,795	\$4,202,446	\$3,602,096

				Total Colleges
0	1	0	1	2

				Total Colleges Revenue
\$0	\$4,802,795	\$0	\$3,602,096	\$8,404,891

Total State Approved Centers		Total Approved Center Revenue	
1	\$1,200,699		

Total Grandfathered or Previously Approved Centers		Total Basic Allocation Revenue	
1	\$1,200,699		\$10,806,289

Total Grandfathered or Previously Approved Centers Rev.			
\$1,200,699	\$1,200,699		

**CALIFORNIA COMMUNITY COLLEGES
2015-16 RECALCULATION APPORTIONMENT
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT**

June Revision
EXHIBIT E

Workload measures:	Base Funding	Marginal Funding	Base FTES	Growth FTES	Restored FTES	Stability FTES	Total Funded FTES	Unfunded FTES	Actual FTES
Credit FTES	4,675.903059	4,723.597254	22,365.780	-91.690	0.000	0.000	22,274.090	0.000	22,274.090
Noncredit FTES	2,811.752093	2,840.431965	749.070	-46.930	0.000	0.000	702.140	0.000	702.140
Noncredit - CDCP FTES	4,675.903043	4,723.597254	5,793.230	132.180	0.000	0.000	5,925.410	0.000	5,925.410
Total FTES:			28,908.080	-6.440	0.000	0.000	28,901.640	0.000	28,901.640

I Base Revenues +/- Restore or Decline

A Basic Allocation		\$10,207,109
B Basic FTES Revenue Before Workload Reduction	\$133,775,000	
C Workload Reduction	\$0.00	
D Revised Base FTES Revenue		\$133,775,000
1 Credit Base Revenue	\$104,580,219	
2 Noncredit Base Revenue	\$2,106,199	
3 Career Development College NonCr	\$27,088,582	
E Current Year Decline		\$0
Total Base Revenue Less Decline		\$143,982,109

V Other Revenue Adjustments

A Misc. Revenue Adjustments	\$0
B Full-Time Faculty Hiring	\$1,584,472
C Base Increase	\$6,986,216
Total Revenue Adjustments	\$8,570,688

VI Stability Adjustment

VI Total Computational Revenue (sum of II, III, IV, V, & VI)	\$154,079,372
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II Inflation Adjustment

A Statewide Inflation Adjustment	1.02%
B Inflation Adjustment	\$1,468,618
C Current Year Base Revenue + Inflation Adjustment	\$145,450,727

VIII District Revenue Source

A1 Property Taxes	\$63,454,808
A2 Less Property Taxes Excess	\$0
B Student Enrollment Fees	\$8,617,318
C1 State General Apportionment	\$56,906,229
C2 Full-Time Faculty Hiring	\$1,584,472
D Estimated EPA	\$23,516,545
Available Revenue	\$154,079,372
E Revenue Shortfall	1.000000000
Total Revenue Plus Shortfall	\$154,079,372

III Basic Allocation & Restoration

A Basic Allocation Adjustment	\$0
B Basic Allocation Adjustment COLA	\$0
C Stability Restoration	\$0
D Restoration of 11-12 Workload Reduction	\$0
Total Basic Allocation & Restoration	\$0

IX Other Allowances and Total Apportionments

A State General Apportionment	\$58,490,701
B Statewide Average Replacement Cost	\$73,057
Number of Faculty Not Hired	0.00
Full-time Faculty Adjustment	\$0
Net State General Apportionment	\$58,490,701

IV Growth

A Target Growth Rate	1.43%
B Actual Growth Rate	0.05%
C Target Growth Cap	\$1,797,041
D Actual Growth	\$57,957
E Funded Credit Growth Revenue	\$-433,107
F Funded Noncredit Growth Revenue	\$-133,301
G Funded Noncredit CDCP Growth Revenue	\$624,365
Total Growth Revenue	\$57,957

X Unrestored Decline as of July 1st of Current Year

A 1st Year	\$0
B 2nd Year	\$0
C 3rd Year	\$0
Total	\$0

**Basic Allocation Calculation Before Current Year COLA
College/Center Base Funding Rates (Current Year FTES Thresholds):**

Single College District Funding Rates: Total FTES			Multi-College District Funding Rate: Total FTES			Total Colleges
> 19,880	> 9,940	<= 9,940	Rural	> 19,880	> 9,940	
\$5,670,617	\$4,536,493	\$3,402,370	\$567,062	\$4,536,493	\$3,969,432	\$3,402,370
						Total Colleges
0	0	0	0	1	0	1
						Total Colleges Rev.
\$0	\$0	\$0	\$0	\$4,536,493	\$0	\$3,402,370
						\$7,938,863
State Approved Center: Funding Rates			Total State Approved Centers		Total State Approved Centers Revenue	
			State Approved Centers	Revenue		
1	\$1,134,123		1	\$1,134,123		
						\$1,134,123
Grandfathered or Previously Approved Center: Funding Rates @ FTES Levels					Total Grandfathered or Previously Approved Centers	Total Basic Allocation Revenue
> 994	> 746	> 497	> 249	<= 100		
\$1,134,123	\$850,592	\$567,062	\$283,531	\$141,765		
						Total Grandfathered or Previously Approved Center Revenue
1	0	0	0	0	1	\$10,207,109
						\$10,207,109
Grandfathered or Previously Approved Center Revenue:					Total Grandfathered or Approved Center	
\$1,134,123	\$0	\$0	\$0	\$0	\$1,134,123	

From: CCFC Staff [<mailto:jcontreras@m-w-h.com>]

Sent: Tuesday, June 27, 2017 4:21 PM

To: O'Connor, Adam <OConnor_Adam@rscdd.edu>

Subject: CCFC Budget Update: Governor Signs Budget, No Capital Outlay Vetoes



Governor Signs Budget, No Capital Outlay Vetoes

June 27, 2017

Today, the Governor signed AB 97, the budget bill for FY 2017-18, and a number of accompanying trailer bills to implement policy changes in the budget. The Governor chose not to exercise his line-item veto authority. This means that all 15 new community college capital outlay projects that were approved by the Legislature are funded in the adopted 2017-18 budget.

The Governor also signed trailer bills to make significant changes to the Department of Industrial Relations (DIR) prevailing wage monitoring program, and to increase Division of the State Architect (DSA) filing fees.

On Monday, June 26, the Legislature passed a new budget trailer bill, SB 110, to extend the Proposition 39 energy efficiency program indefinitely for K-12 schools and community colleges. Funding for the program would require an annual appropriation in the budget, and community colleges would receive 11% of the available funds, to be allocated by the Chancellor's Office. This bill would replace a similar bill, SB 518 (De Leon), which is moving through the regular legislative process. It is now awaiting the Governor's action.

Please see below for additional detail regarding items in the budget as signed by the Governor.

Capital Outlay Projects

The budget includes a total of \$16.9 million in FY 2017-18 to fund preliminary plans for 15 new community college capital outlay projects:

- Allan Hancock Joint CCD, Allen Hancock College: Fine Arts Complex
- Coast CCD, Orange Coast College: Language Arts & Social Sciences Building
- Compton CCD, Compton Center: Instructional Building 2 Replacement
- Long Beach CCD, Liberal Arts Campus: Multi-Disciplinary Facility Replacement
- Long Beach CCD, Pacific Coast Campus: Construction Trades Phase 1
- North Orange CCD, Fullerton College: Business 300 and Humanities 500 Buildings Modernization
- Pasadena CCD, Pasadena City College: Armen Sarafian Building Seismic Replacement
- Rancho Santiago CCD, Santa Ana College: Russell Hall Replacement
- San Francisco CCD, Alemany Center: Seismic and Code Upgrades
- San Francisco CCD, Ocean Campus: Utility Infrastructure Replacement
- Santa Monica CCD, Santa Monica College: Math/Science Addition
- Solano County CCD, Solano College: Library Building 100 Replacement
- Sonoma County CCD, Santa Rosa Junior College: Science & Mathematics Replacement
- West Hills CCD, North District Center: Center Expansion
- West Valley-Mission CCD, Mission College: MT Portables Replacement Building

Deferred Maintenance and Instructional Support - The budget includes \$76.8 million (one-time Proposition 98 General Fund) for deferred maintenance, instructional equipment, and specified water conservation projects. No matching funds are required.

Proposition 39 - The budget includes \$46.5 million from the Clean Energy Job Creation Fund (Proposition 39) for community college energy efficiency projects.

Division of the State Architect Filing Fee - Trailer Bill

The Governor signed budget trailer bill AB 111, which increases Division of the State Architect (DSA) project filing fees for construction or alteration of school buildings. The fee will increase from 0.7% to 1.25% for the first \$1 million in construction costs, and from 0.6% to 1.0% for costs in excess of \$1 million. If the balance in the Public School Planning, Design, and Construction Review Revolving Fund exceeds six months of expenditures, the fee will automatically decrease.

Department of Industrial Relations - Trailer Bill

The Governor signed SB 96, which makes changes to the Department of Industrial Relations (DIR) prevailing wage monitoring program, including:

- Raises the threshold for the program's applicability from \$1,000 to \$25,000 for construction projects and \$15,000 for maintenance projects.
- Increases penalties for contractors and subcontractors who fail to register correctly.

- Creates new penalties for awarding bodies, including community college districts, who would be subject to a fine of up to \$100 per day, up to \$10,000.
- An awarding body determined to be a "willful violator" with two program violations within 12 months could lose state facility funding for one year.
- Increases the annual contractor registration fee from \$300 to \$400 and permits a contractor to register for multiple years at a time.

The budget also includes \$805,000 in 2017-18 and \$759,000 in 2018-19 for positions to educate awarding bodies about their requirements under the law.

Additional Items with Possible Facilities Implications

- Operating Expenses - The budget includes \$183.6 million (Proposition 98 General Fund) to support increased community college operating expenses such as employee benefits, facilities, professional development, full-time faculty, and other general expenses.
- Enrollment Growth - The budget provides \$57.8 million (Proposition 98 General Fund) to support 1% enrollment growth, which is about 11,527 full-time equivalent students.
- COLA - The budget provides a cost-of-living adjustment of 1.56% to apportionments and select categoricals.
- Online Education Initiative - The budget includes an additional \$10 million in ongoing Proposition 98 General Fund for the Online Education Initiative, to provide system-wide access to the Initiative's learning management system.
- Integrated Library System - The budget provides \$6 million (one-time Proposition 98 General Fund) to support development of the system-wide Integrated Library System to allow community college students to access a cloud-based library system.

Rebekah Cearley
CCFC Legislative Advocate



Community College Facility Coalition
24th Annual Conference
November 13-15, 2017 - Sacramento, CA
Hyatt Regency Sacramento & Sacramento Convention Center



Professional Opportunities Listings

Check out the CCFC Professional Opportunities Listings under the Resources Page on our website to submit jobs!

[Professional Opportunities](#)

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Community College Facility Coalition, 1303 J Street, Suite 520, Sacramento, CA 95814

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COMMUNITY COLLEGE UPDATE

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Volume 37

For Publication Date: June 30, 2017

No. 13

Governor Brown Signs 2017-18 State Budget

Yesterday, June 27, 2017, as expected, Governor Jerry Brown signed the \$125 billion [2017-18 State Budget](#) that the Legislature passed and sent to him on June 15.

The State Budget includes a total investment in Proposition 98 of \$74.5 billion, an increase of \$2.6 billion over last year's Budget Act level. Some of the new features of the California Community College (CCC) budget includes \$150 million one-time funding for community colleges to develop and implement "guided pathway" programs, \$25 million for a new CCC Completion Grant Program to provide grants of up to \$2,000 to community college students who meet specified criteria, \$10 million to provide all colleges with access to the Online Education Initiative's learning management system, and an increase of \$6 million one-time funding to facilitate the development of an integrated library system for the community colleges.

Additional CCC expenditures for 2017-18 include:

- \$382 million in apportionments funding
- \$20 million in one-time funding for the Innovation Awards
- \$25 million for the Full-Time Student Success Grant
- \$11.3 million in one-time funding to the Compton Community College District for the transition of Compton Community College from a learning center back to a community college
- \$10 million for Veteran Resource Centers (\$5 million in one-time funding and \$2 million for Norco College)
- \$76.9 million for deferred maintenance, instructional equipment, and certain water conservation projects
- \$16.9 million in Proposition 51 bond funds for initial design activities for 15 community college facilities projects

The Budget also includes some significant policies, such as:

- Requirement to give union access to New Employee Orientations
- Furthers the expectation that higher education leaders ensure their institutions are "student ready" by smoothing the transition between K-12 and higher education

The major budget bills relating to education are:

- [AB 97](#) and [AB 120](#) – Budget Act of 2017
- [SB 85](#) – California Community College Trailer Bill
- [AB 99](#) – Education Budget Trailer Bill
- [AB 119](#) – State Government Budget Trailer Bill (New Employee Orientation)
- [SB 96](#) – State Government Budget Trailer Bill (Public Works Monitoring)

Although Governor Brown has the authority to veto any budget line item, in that he brokered an agreement with the Legislature about what the budget would be, he did not issue any line-item vetoes.

—*SSC Team*

posted 06/27/2017

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2017-18 Adopted Budget Assumptions
June 28, 2017**

I. State Revenue

A. Budgeting will continue to utilize the District's Budget Allocation Model (BAM) based on SB 361.

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded	Actual Growth
2012/13	27,711.41	28,185.04	28,185.04	1.71%
2013/14	28,185.04	28,688.93	28,688.93	1.79%
2014/15	28,688.93	28,908.08	28,908.08	0.76%
2015/16	P3 28,908.08	28,901.63	28,901.63	-0.02%
2016/17	P2 28,901.63	27,755.00	28,932.00	-3.97%

a - based on submitted P3, small reduction, but slight increase in revenue based on mix of FTES between CR, NC and CDCP

b - based on submitted P2, anticipated loss of FTES at 3.97%

Based on the FTES reported on the 320 submitted at P2, the district has declined by 1,177 FTES and would be in stabilization in 2016/17. To maintain the 2015/16 funding level the district borrowed from summer 2017 for reporting purposes. A decision will need to be made by fiscal year end whether to borrow or remain in stabilization for 2016/17.

The May Revise includes 1% systemwide growth funding, 1.56% COLA, and an additional base allocation increase.

Projected COLA of 1.56%	\$2,400,000	
Projected Growth/Access (Decline of 3.97%)	\$0	(Effective loss of \$5,893,110 in revenue based on this decline in FTES)
Projected Base Allocation Increase	\$4,590,000	
Continued Projected Deficit (est. 0.708%)	\$0	
Apportionment Base Incr (Decr) for 2017/18	\$6,990,000	

2017/18 Potential Growth at 0.5% based on 1.34% system 29,046

C. Education Protection Account (EPA) funding estimated at \$22,783,410 based on 2016/17 Advance. These are not additional funds. The EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. We intend to charge a portion of faculty salaries to this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at \$144 per FTES (\$4,269,070). Restricted lottery at \$45 per FTES (\$1,334,084). (2016/17 P1 of resident & nonresident factored FTES, 29,646.32 x 144 = \$4,269,070 unrestricted lottery; 29,646.32 x 45 = \$1,334,084.) Slight increase.

E. Estimated reimbursement for part-time faculty compensation is estimated at \$592,773 (2016/17 Advance). Unchanged.

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA is being proposed on certain categorical programs. Without COLA, other categorical reductions would be required to remain in balance if settlements were reached with bargaining groups. The colleges will need to budget for any program match requirements using unrestricted funds.

G. BOG fee waivers 2% administration funding estimated at 2016/17 Advance of \$294,302. Unchanged.

H. Mandates Block Grant estimated at a total budget of \$795,000. Unchanged. No additional one-time allocation proposed.

II. Other Revenue

I. Non-Resident Tuition budgeted at \$2,925,000. \$325,000 increase. (SAC \$2,300,000, SCC \$625,000)

J. Interest earnings estimated at \$665,000. Increase based on County interest rate and cash balance increase.

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately \$350,000. Unchanged.

L. Apprenticeship revenue estimated at \$2,670,285. Unchanged.
(Corresponding expenses related to this allocation must be budgeted for additional apprenticeship course offerings)

M. Scheduled Maintenance/Instructional Equipment allocation \$1.96 million (no match required).

N. Energy Efficiency/Prop 39 revenue allocation of \$993,000. Slight decrease from 2016/17.

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2017-18 Adopted Budget Assumptions
June 28, 2017**

III. Appropriations and Expenditures

- A. As the District's budget model is a revenue allocation model, revenues flow through the model to the colleges as earned. The colleges have the responsibility, within their earned revenue, to budget for ALL necessary expenditures including but not limited to all full time and part time employees, utilities, instructional services agreements, multi-year maintenance and other contracts, supplies, equipment and other operating costs.
- B. The state is estimating a Cost of Living Allowance (COLA) of 1.56%. Any collectively bargained increased costs will be added to the budget. The estimated cost of a 1% salary increase is \$1.5 million.
- C. Step and column movement is budgeted at an additional cost of approximately \$1.2 million including benefits. (FARSCCD approximate cost \$410,000, CSEA approximate cost \$476,000, Management/Other approximate cost \$314,000)
- D. Health and Welfare benefit premium cost increase as of 1/1/18 is estimated at 3.5% for an additional cost of approximately \$501,000 for active employees and an additional cost of \$170,000 for retirees, for a combined increase of \$671,000. State Unemployment Insurance local experience charges are estimated at \$250,000 (2016/17 budgeted amount). Unchanged. CalPERS employer contribution rate will increase in 2017/18 from 13.888% to 15.531% for an increase of \$607,948.
(Note: The cost of each 1% increase in the PERS rate is approximately \$350,000.)
CalSTRS employer contribution rate will increase in 2017/18 from 12.58% to 14.43% for an increase of \$1,196,296.
(Note: The cost of each 1% increase in the STRS rate is approximately \$700,000.)
- E. The full-time faculty obligation (FON) for Fall 2017 is estimated at 364.4. The District is currently recruiting to replace 18 faculty vacancies (plus one additional noncredit position which does not count toward the FON). The District expects to meet its obligation. SAC has 13 vacancies and is adding two new positions. SCC is filling five vacancies. The current cost for a new position is budgeted at Class VI, Step 12 at approximately \$136,500. Penalties for not meeting the obligation amount to approximately \$71,000 per FTE not filled.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/16 for hourly faculty is \$1,275. Increase of \$26.
- G. Retiree Health Benefit Fund (OPEB/GASB 45 Obligation) - The District will continue to contribute an amount to fund the total actuarially determined Annual Required Contribution (ARC). The ARC increased in 2016/17 by over \$3.3 million from \$8.35 million to a cost of \$11.7 million. This increased cost was covered with one-time funds in 2016/17, but with no new one-time allocation proposed in the state budget, this is now added as an ongoing expense. This will require an increase in the percentage charged to payroll from 1% to 3.63% effective 7/1/17. The unrestricted general fund portion of this increase amounts to approximately \$2.6 million.
- H. Capital Outlay Fund - In addition to the state allocation for Scheduled Maintenance/Instructional Equipment, the District will continue to budget \$1.5 million for capital outlay needs.
- I. Utilities cost increases of 5%, estimated at \$200,000.
- J. Information Technology licensing contract escalation cost of 7%, estimated at \$125,000.
- K. Property and Liability Insurance transfer estimated at \$1,970,000. Unchanged.
- L. Other additional DS/Institutional Cost expenses:
 - Legal Expenses of \$150,000 ongoing
 - 50% Cost of New Sergeant Position \$70,000 ongoing
 - Interest Expense increase of \$15,000 as offset for additional Interest Earnings in II.J(Remaining allocation in 2016/17 for executive recruitment will be carried over for Vice Chancellor recruitment in 2017/18)
- M. Child Development Fund - The District will continue to budget \$250,000 as an interfund transfer from the unrestricted general fund as a contingency plan. (\$140,000 was transferred in 2014/15 and 2015/16, and expected in 2016/17)
- N. According to the District budget reduction strategy, round 1 ongoing reductions of \$2 million are incorporated in the adopted budget and \$2 million in one-time reductions are incorporated as well.
\$2 million is being budgeted for one-time costs related to the SCC ADA settlement.

Rancho Santiago Community College District Unrestricted General Fund Summary 2017-18 Adopted Budget Assumptions Analysis June 28, 2017

	<u>New Revenues</u>	Ongoing Only	One-Time
*			
B	COLA 1.56%	\$2,400,000	
B	Growth (Decline of 3.97%/Borrow from summer) ¹	\$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	\$273,000	
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	One-time Budget Reductions	\$0	(\$2,000,000)
N	SCC ADA Settlement Costs	\$0	\$2,000,000
N	Ongoing Budget Reductions	(\$2,000,000)	\$0
	Total	\$7,484,350	\$0
	2017-18 Budget Year Surplus (Deficit)	\$72,179	

Note: Budget Stabilization Fund Balance at 6/30/2017 is estimated at \$13.7 million.

¹ Based on the FTES reported on the 320 submitted at P2, the district has declined by 1,177 FTES and would be in stabilization in 2016/17. To maintain the 2015/16 funding level the district borrowed from summer 2017 for reporting purposes. A decision will need to be made by fiscal year end whether to borrow or remain in stabilization for 2016/17.

* Reference to budget assumption number

STRS & PERS - Future Employer Rates and Additional Ongoing Unrestricted General Fund Costs

	STRS				PERS				Total Annual Impact	Combined Cumulative Impact
	Annual Change	Rate	Annual Impact ¹	Cumulative Impact	Annual Change	Rate	Annual Impact ²	Cumulative Impact		
2013-14		8.250%				11.442%				
2014-15	0.630	8.880%	\$346,500	\$346,500	0.329	11.771%	\$98,700	\$98,700	\$445,200	\$445,200
2015-16	1.850	10.730%	\$1,048,025	\$1,394,525	0.076	11.847%	\$23,484	\$122,184	\$1,071,509	\$1,516,709
2016-17	1.850	12.580%	\$1,161,452	\$2,555,977	2.041	13.888%	\$630,063	\$752,247	\$1,791,515	\$3,308,224
2017-18	1.850	14.430%	\$1,196,296	\$3,752,273	1.643	15.531%	\$607,948	\$1,360,195	\$1,804,244	\$5,112,468
2018-19	1.850	16.280%	\$1,220,221	\$4,972,494	2.569	18.100%	\$969,601	\$2,329,796	\$2,189,823	\$7,302,290
2019-20	1.850	18.130%	\$1,244,626	\$6,217,120	2.700	20.800%	\$1,039,425	\$3,369,221	\$2,284,050	\$9,586,341
2020-21	0.970	19.100%	\$665,639	\$6,882,759	3.000	23.800%	\$1,178,015	\$4,547,235	\$1,843,654	\$11,429,995
2021-22	1.000	20.100% *	\$699,951	\$7,582,710	1.400	25.200%	\$560,735	\$5,107,970	\$1,260,686	\$12,690,680
2022-23	0.150	20.250% *	\$107,092	\$7,689,802	0.900	26.100%	\$367,682	\$5,475,652	\$474,774	\$13,165,455
2023-24	0.000	20.250% *	\$0	\$7,689,802	0.700	26.800%	\$291,694	\$5,767,346	\$291,694	\$13,457,149

¹ Each 1% increase in STRS rate is approximately \$700,000

² Each 1% increase in PERS rate is approximately \$350,000

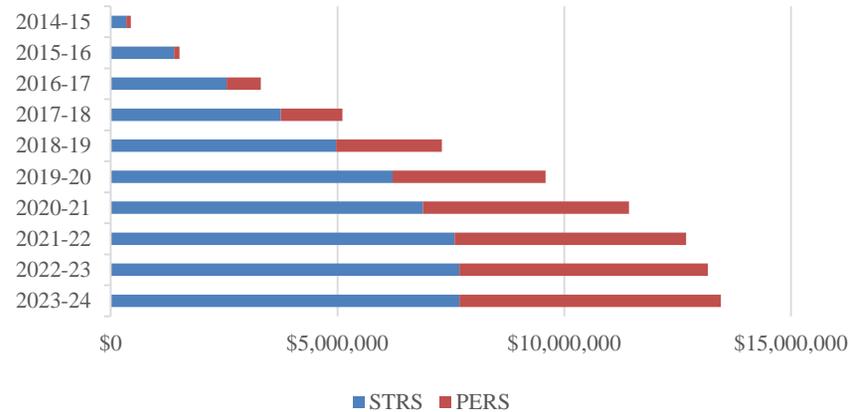
Employee Contribution % for STRS = 10.25%/9.205%

Employee Contribution % for PERS = 7.00%/6.50%

STRS & PERS Annual Increases



STRS & PERS Cumulative Impact



* Current law increases contribution rates to 19.1% beginning July 1, 2020, and also gives the CalSTRS Board authority to increase rates to 20.1% beginning July 1, 2021, and to 20.25% beginning July 1, 2022, if necessary. (Current law limits the employer contribution rate to 20.25%.)

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
Base Version**

Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
			Estimated	Proposed	Projected	Projected	Projected	Projected
			Actuals	Budget	Budget	Budget	Budget	Budget
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	-1.000%	-1.000%	-1.000%	-1.000%
9		Growth/Access	-3.970%	0.00%	0.000%	0.000%	0.000%	0.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$0	\$0	\$0
11		Borrowing	\$5,893,110	\$0	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	(\$5,893,110)	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$5,880,868	(\$8,172,418)	(\$27,952,646)
38		Total Revenue	170,814,255	178,386,156	174,319,406	176,412,263	178,881,068	181,388,000
39		Total Expenditure	170,814,255	178,370,784	182,129,023	190,465,549	198,661,296	206,645,514
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(7,809,617)	(14,053,286)	(19,780,228)	(25,257,514)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$5,880,868	(\$8,172,418)	(\$27,952,646)	(\$53,210,160)
43		Percentage	8.0%	7.7%	3.2%	-4.3%	-14.1%	-25.7%

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
#2-Base Version-Stabilization 2016-17 & 2018-19**

Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
			Estimated	Proposed	Projected	Projected	Projected	Projected
			Actuals	Budget	Budget	Budget	Budget	Budget
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	-1.000%	-1.000%	-1.000%	-1.000%
9		Growth/Access	-3.970%	0.00%	0.000%	0.000%	0.000%	0.000%
10		Stabilization	\$5,893,110	\$0	\$11,786,250	\$0	\$0	\$0
11		Borrowing	\$0	\$5,893,110	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	\$0	(\$5,893,110)	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$11,773,978	(\$2,201,136)	(\$21,901,984)
38		Total Revenue	170,814,255	178,386,156	180,212,516	176,490,435	178,960,448	181,468,605
39		Total Expenditure	170,814,255	178,370,784	182,129,023	190,465,549	198,661,296	206,645,514
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(1,916,507)	(13,975,114)	(19,700,848)	(25,176,909)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$11,773,978	(\$2,201,136)	(\$21,901,984)	(\$47,078,893)
43		Percentage	8.0%	7.7%	6.5%	-1.2%	-11.0%	-22.8%

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
#3-Base Version-Stabilization 2017-18, 2019-20, 2021-22**

Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
1			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
2			Estimated	Proposed	Projected	Projected	Projected	Projected
3			Actuals	Budget	Budget	Budget	Budget	Budget
4								
5								
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	-1.000%	-1.000%	-1.000%	-1.000%
9		Growth/Access	-3.970%	0.00%	0.000%	0.000%	0.000%	0.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$11,786,250	\$0	\$11,786,250
11		Borrowing	\$5,893,110	\$0	\$5,893,110	\$0	\$5,893,110	\$0
12		Permanent Loss	\$0	\$0	\$0	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$11,773,978	\$3,691,974	(\$10,024,757)
38		Total Revenue	170,814,255	178,386,156	180,212,516	182,383,545	184,944,565	187,545,135
39		Total Expenditure	170,814,255	178,370,784	182,129,023	190,465,549	198,661,296	206,645,514
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(1,916,507)	(8,082,004)	(13,716,731)	(19,100,379)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$11,773,978	\$3,691,974	(\$10,024,757)	(\$29,125,136)
43		Percentage	8.0%	7.7%	6.5%	1.9%	-5.0%	-14.1%

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
#4 Base Version-Zero Deficit & 2.50% Utilities**

Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
1			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
2			Estimated	Proposed	Projected	Projected	Projected	Projected
3			Actuals	Budget	Budget	Budget	Budget	Budget
4								
5								
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	0.000%	0.000%	0.000%	0.000%
9		Growth/Access	-3.970%	0.00%	0.000%	0.000%	0.000%	0.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$0	\$0	\$0
11		Borrowing	\$5,893,110	\$0	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	(\$5,893,110)	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
20		Part-time Faculty/FON Obligation	\$0		\$0	\$0	\$0	\$0
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	2.500%	2.500%	2.500%	2.500%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$7,612,274	(\$2,963,122)	(\$17,441,049)
38		Total Revenue	170,814,255	178,386,156	175,972,597	179,719,109	183,912,643	188,213,950
39		Total Expenditure	170,814,255	178,370,784	182,050,808	190,294,505	198,390,570	206,267,853
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(6,078,211)	(10,575,396)	(14,477,927)	(18,053,902)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$7,612,274	(\$2,963,122)	(\$17,441,049)	(\$35,494,951)
43		Percentage	8.0%	7.7%	4.2%	-1.6%	-8.8%	-17.2%

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
#5 Base Version with Growth 1% FY 2018-19 to 2021-22**

Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
			Estimated	Proposed	Projected	Projected	Projected	Projected
			Actuals	Budget	Budget	Budget	Budget	Budget
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	-1.000%	-1.000%	-1.000%	-1.000%
9		Growth/Access	-3.970%	0.00%	1.000%	1.000%	1.000%	1.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$0	\$0	\$0
11		Borrowing	\$5,893,110	\$0	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	(\$4,239,919)	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
20		Part-time Faculty/FON Obligation	\$0		\$552,197	\$578,670	\$604,024	\$630,586
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$6,965,331	(\$4,969,815)	(\$21,583,642)
38		Total Revenue	170,814,255	178,386,156	175,956,065	179,685,873	183,861,819	188,144,659
39		Total Expenditure	170,814,255	178,370,784	182,681,220	191,621,018	200,475,647	209,176,859
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(6,725,155)	(11,935,145)	(16,613,828)	(21,032,200)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$6,965,331	(\$4,969,815)	(\$21,583,642)	(\$42,615,842)
43		Percentage	8.0%	7.7%	3.8%	-2.6%	-10.8%	-20.4%

Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
Best Case Version-Growth 1%, Zero Deficit, 2.50% Utilities & Base Increases

Adopted Budget Assumptions : June 28, 2017

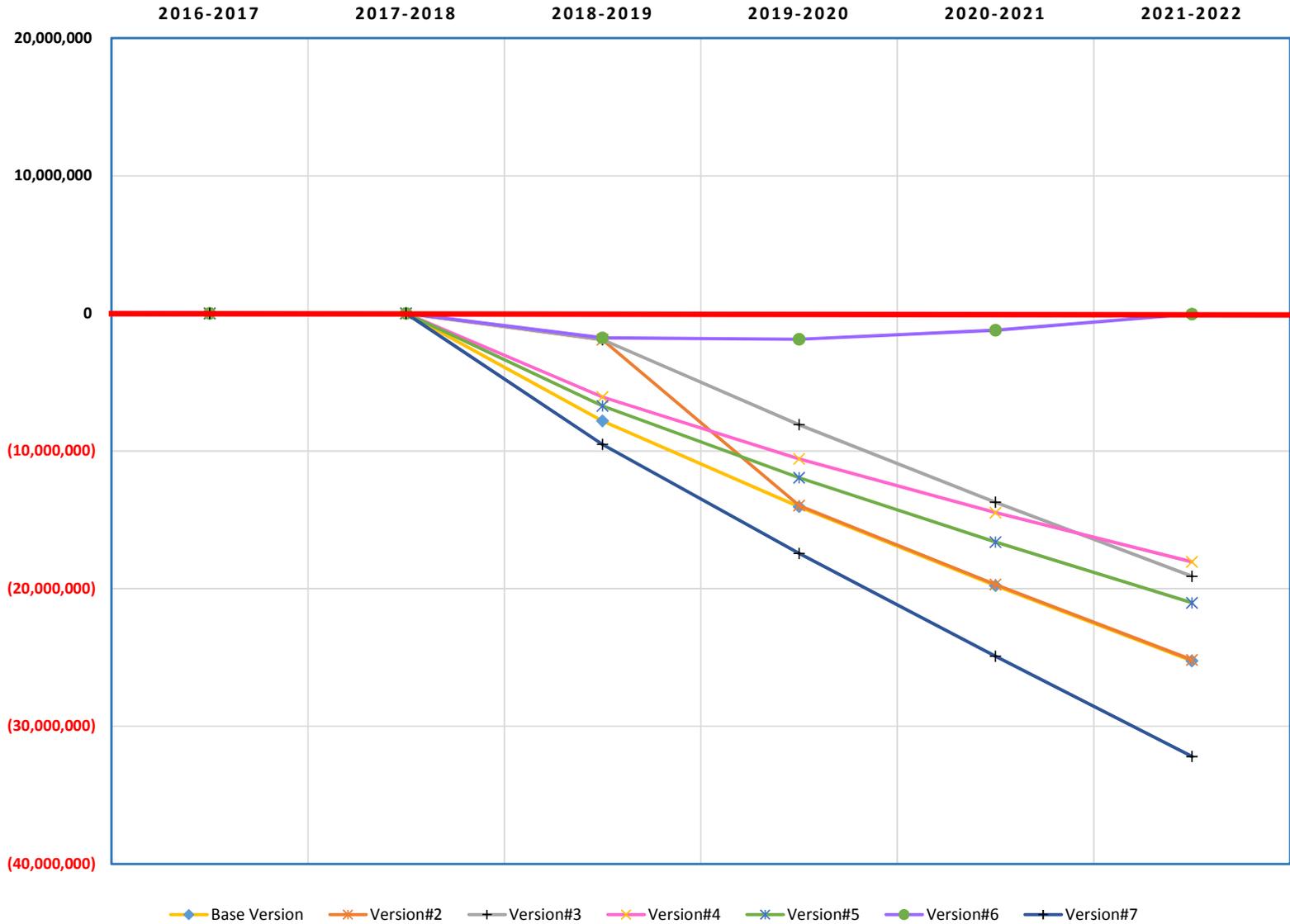
	A	B	C	D	E	F	G	H
1			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
2			Estimated	Proposed	Projected	Projected	Projected	Projected
3			Actuals	Budget	Budget	Budget	Budget	Budget
4								
5								
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	0.000%	0.000%	0.000%	0.000%
9		Growth/Access	-3.970%	0.00%	1.000%	1.000%	1.000%	1.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$0	\$0	\$0
11		Borrowing	\$5,893,110	\$0	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	(\$4,239,919)	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
20		Part-time Faculty/FON Obligation	\$0		\$552,197	\$578,670	\$604,024	\$630,586
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	3.500%	3.500%	3.500%	3.500%
28		Utilities Cost Increase	5.000%	5.000%	2.500%	2.500%	2.500%	2.500%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$11,913,269	\$10,031,042	\$8,815,191
38		Total Revenue	170,814,255	178,386,156	180,825,789	189,567,748	198,989,070	208,749,154
39		Total Expenditure	170,814,255	178,370,784	182,603,005	191,449,974	200,204,921	208,799,198
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(1,777,216)	(1,882,227)	(1,215,851)	(50,044)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$11,913,269	\$10,031,042	\$8,815,191	\$8,765,147
43		Percentage	8.0%	7.7%	6.5%	5.2%	4.4%	4.2%

Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection
Worst Case Version-Negative -1% Growth & 6.0% H&W FY 2018-19 to 2021-22

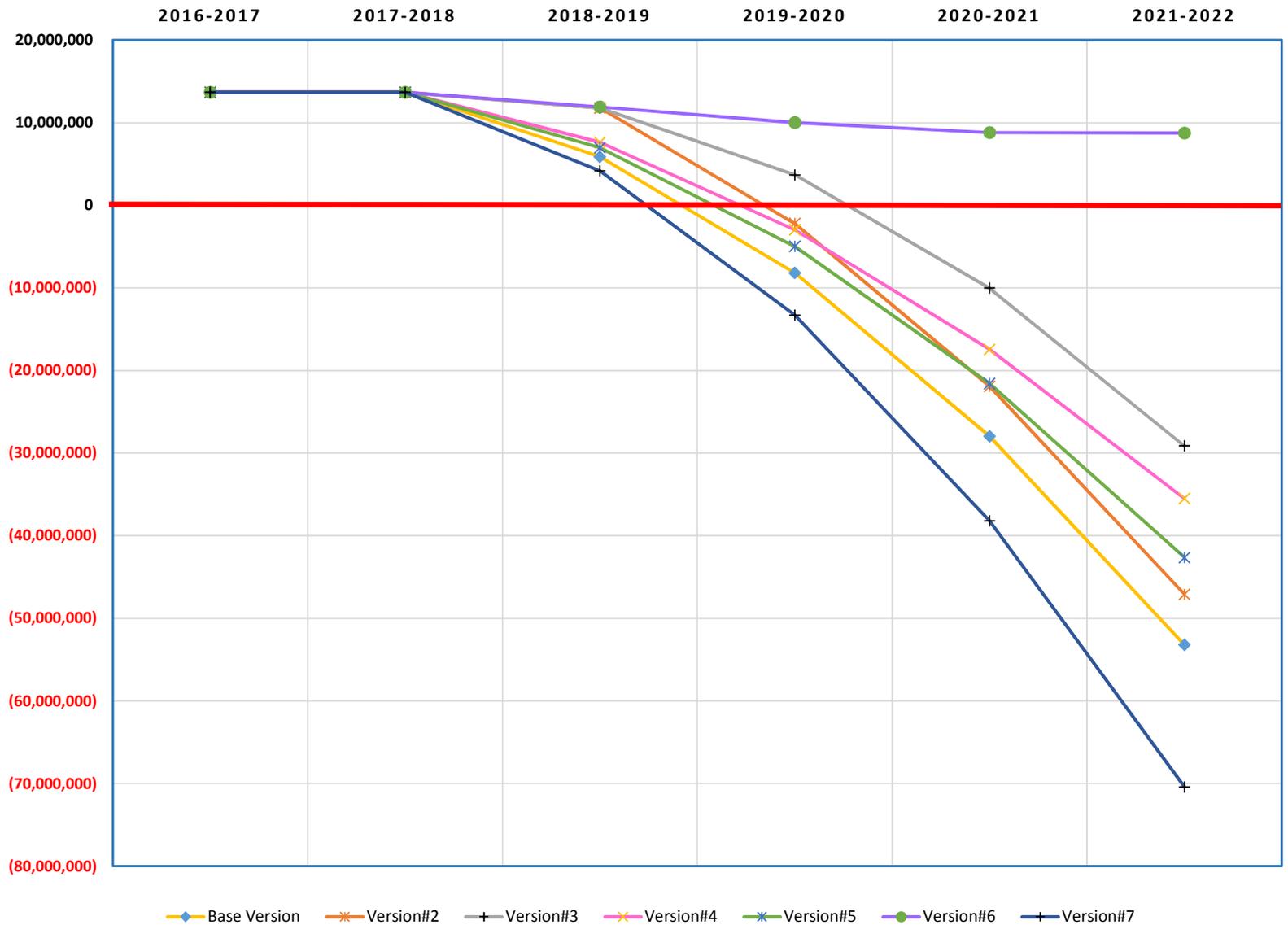
Adopted Budget Assumptions : June 28, 2017

	A	B	C	D	E	F	G	H
1			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
2			Estimated	Proposed	Projected	Projected	Projected	Projected
3			Actuals	Budget	Budget	Budget	Budget	Budget
4								
5								
6	Assumptions:							
7	Revenue:							
8		General Apportionment Deficit Factor	-0.708%	-0.708%	-1.000%	-1.000%	-1.000%	-1.000%
9		Growth/Access	-3.970%	0.00%	-1.000%	-1.000%	-1.000%	-1.000%
10		Stabilization	\$0	\$11,786,250	\$0	\$0	\$0	\$0
11		Borrowing	\$5,893,110	\$0	\$0	\$0	\$0	\$0
12		Permanent Loss	\$0	\$0	(\$7,546,301)	\$0	\$0	\$0
13		Cost of Living Adjustment	0.00%	1.560%	2.15%	2.35%	2.57%	2.57%
14		One time Funds Prior Year Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
15		Lottery Revenue-Unrestricted	\$140.00	\$144.00	\$144.00	\$144.00	\$144.00	\$144.00
17		Base Allocation Increase	\$1,904,074	\$4,590,000	\$0.00	\$0.00	\$0.00	\$0.00
18	Expenditure:							
19		Step/Column/Salary Net Adjustment	1.200%	2.760%	3.350%	3.550%	3.770%	3.770%
21		Allocation of Full time Faculty	\$0	\$0	\$0	\$0	\$0	\$0
22		STRS Rate	12.580%	14.430%	16.280%	18.130%	19.100%	20.100%
23		PERS Rate	13.888%	15.531%	18.100%	20.800%	23.800%	25.200%
24		Health and Welfare Premium Percent Increase (District Cost)	2.500%	3.500%	6.000%	6.000%	6.000%	6.000%
28		Utilities Cost Increase	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
30		ITS Licensing/Contract Escalation Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
34								
35								
36	Multi-Year Projection:							
37		Beginning Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$13,690,485	\$4,173,559	(\$13,277,520)	(\$38,199,501)
38		Total Revenue	170,814,255	178,386,156	172,682,747	173,171,820	174,000,143	174,832,848
39		Total Expenditure	170,814,255	178,370,784	182,199,673	190,622,898	198,922,125	207,029,580
40		Unallocated #7910 Unrestricted Contingency	0	15,372	0	0	0	0
41		Surplus/ (Deficit)	0	0	(9,516,927)	(17,451,079)	(24,921,981)	(32,196,732)
42		Ending Budget Stabilization Balance	\$13,690,485	\$13,690,485	\$4,173,559	(\$13,277,520)	(\$38,199,501)	(\$70,396,234)
43		Percentage	8.0%	7.7%	2.3%	-7.0%	-19.2%	-34.0%

UNRESTRICTED GENERAL FUND MULTI-YEAR PROJECTION CHANGES IN SURPLUS/DEFICIT BALANCE FY 2016-2017 TO 2021-2022



UNRESTRICTED GENERAL FUND MULTI-YEAR PROJECTION CHANGES IN BUDGET STABILIZATION FUND BALANCE FY 2016-2017 TO 2021-2022



Vacant Funded Positions as of 6/29/2017 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Title	Reasons	Site	Effective Date	Notes	2016-17 Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Conner-Crabbe, Tracey	Director, Purchasing Services	Retirement	District	8/1/2017		181,297	
11	Oropeza, Alfonso	Director, Information Systems	Transfer to SCC	District	12/17/2015		191,496	710,786
11	Tran, Sheena	Internal Audit Manager	Promotion	District	7/10/2017		171,297	
11	Winter, Alistair	Chief District Safety/Security	Promotion	District	7/1/2016	Toni Bland interim Chief 7/1/17-9/30/17	166,696	
11	Bryant, Micki	Dean of Counseling	Retirement	SAC	7/7/2017		185,695	
11	Becerra, Rosio	Associate Dean of Student Development	Resignation	SAC	4/24/2017	John Steffens - interim Associate Dean of Student Development	-	
11	Grant, Madeline	Professor, Management/Marketing	Interim assignment	SAC	9/23/2014		148,269	882,041
11	Huynh-Dang, KC	Professor, Pharmacy	Deceased	SAC	4/30/2017		140,081	
70%-fd 11 30%-fd 31	Langston, Rhonda	Director, Auxiliary Services	Retirement	SAC	5/1/2017	Jennie Adams interim Director Auxiliary Services 7/1/17-12/31/17	113,797	
11	Shigematsu, Ted	Professor, Philosophy	Retirement	SAC	6/8/2017		143,991	
11	Wheeler, Mark	Facilities Manager	Resignation	SAC	5/12/2017		150,207	
11	Irwin, Kari	Assoc Dean, BCTED	Resignation	SCC	6/2/2017		191,494	
11	Hernandez, John	Vice President of Student Services	Promotion	SCC	7/1/2016	Ruth Babeshoff, interim VP Student Services 7/1/17-06/30/18	32,678	
11	Kennedy, James	Dean, Instr & Std Svcs	Promotion	OEC	8/1/2011		193,258	565,700
11	Walker, Mary	Coordinator, ESL Integrated	Retirement	SCC	6/30/2016		148,269	
11	Weispfenning, John	President, SCC	Resignation	SCC	7/15/2016	AC17-0607 - John Hernandez, interim President		
							2,158,527	
	Classified	Title	Reasons		Effective Date	Notes	2015-16 Annual Budgeted Salary/Ben	Total Unr. General Fund by Site
11	Cadotte, Angela	Payroll Specialist	Promotion	District	4/26/2017		92,541	
11	Easter, Candi	Accountant	Promotion	District	5/31/2017		99,400	
48%-fd 11 52%-fd 12	Frausto Aguado, Erica	Business Services Coordinator	Resignation	District	9/26/2014	CL14-0608 - FUNDING NEEDS TO BE ALL FD 12 WHEN HIRED	-	
11	Hsieh, Larry	Network Specialist II	Resignation	District	4/18/2017	CL17-0971	117,153	504,448
11	Villasenor, Francisco	Accountant	Promotion	District	3/2/2017		99,401	
11	Vink, Eileen	Desktop Publishing Tech	Retirement	District	12/29/2016	CL17-0900	95,953	
70%-fd 11 30%-fd 12	Andrade, Jose	Instructional Center Technician	Promotion	SAC	2/12/2017		84,044	
11	Ames, Richard P	Gardener/Utility Worke	Retirement	SAC	6/11/2017		98,634	
11	Bagdonas, Sheri	Administrative Secretary	Retirement	SAC	3/10/2017		95,953	
11	Barker, Hillary	General Office Clerk	Promotion	SAC	10/22/2015		-	
11	Brennan, Stephen	Media Systems Electronic Technicia	Retirement	SAC	6/30/2016		99,399	
11	Cabrera, Juan	Instructional Assistant	Promotion	SAC	9/14/2014	CL17-0941	-	
11	Cartwright, Tasha	Instructional Assistant	Resignation	SAC	9/30/2015	CL17-0941	-	
11	Diaz, Ana	Administrative Clerk	Promotion	SAC	9/14/2015		25,968	
11	Donelan, Cynthia	Learning Facilitator	Resignation	SAC	1/28/2016		-	
11	Freeman, Dianne	Support Services Assistant	Retirement	SAC	7/1/2016		95,953	
11	Guevara, Angela	Success Center Specialist	FT Coordinator	SAC	8/14/2016		89,881	1,100,640
11	Hoang, Lisa	Counseling Assistant	Resignation	SAC	6/26/2017		21,488	
11	Houghtaling, Charlotte	Instructional Center Technician	Medical Layoff	SAC	3/2/2015		-	
11	Huynh, Kim	Instructional Assistant	Resignation	SAC	12/31/2012	CL17-0941	-	
50%-fd 11 50%-fd 12	Ngo, Joseph	Instructional Assistant	Resignation	SAC	10/30/2015		-	
11	Ordiano, Cesar	Video Technician	Resignation	SAC	10/19/2015		-	
50%-fd 11 50%-fd 12	Pedroza, Guadalupe	Admission & Records Spec II	Retirement	SAC	12/30/2015		86,276	
82%-fd 11 18%-fd 12	Salas, Sarah	Admissions/Records Specialist III	Promotion	SAC	2/5/2017		89,881	
50%-fd 11 50%-fd 12	Sandoval, Juan	Instructional Assistant	Resignation	SAC	2/1/2016		-	
75%-fd 11 25%-fd 12	Saavedra, Lupe	Test Projctor	Retirement	SAC	6/9/2017		-	
11	Schug, Nora	Athletic Trainer/Therapist	Retirement	SAC	8/2/2017		86,828	
11	Steward, Christie-50%	Admission/Rec Spec I	Retirement	SAC	10/17/2016		27,920	
11	Villegas Villalpando, Jose Javier	Sr Custodian/Util Work	Retirement	SAC	6/30/2017		99,014	
11	Wood-Rogers, Leslie	Science Lab Coordinator	Retirement	SAC	3/31/2017	CL17-0969	99,400	
11	Zambrano, Adalberto	Instructional Assistant	Resignation	SAC	8/16/2015		-	
11	Alluis, Elizabeth	Administrative Secretary	Resignation	SCC	5/6/2017		95,953	
11	Barrios, Blanca	Instructional Assistant	Resignation	SCC	9/4/2015	CL15-0725	-	
14%-fd 11 86%-fd 12	Berganza, Leyvi C	High School & Community Outreach	Promotion	OEC	3/19/2017		101,165	
11	Cruz, Jana	Senior Accountant	Resignation	SCC	3/17/2017		107,411	
11	Gleason, Kathryn	Instructional Assistant	Resignation	SCC	6/11/2017	CL17-0946	-	
11	Holmes, Michelle	Learning Assistant	Resignation	SCC	2/8/2013		23,804	520,240
11	Patel, Jagruti	Science Lab Coordinator	Medical Layoff	SCC	2/1/2017		-	
11	Sapak Winder, Linda	Administrative Secretary	Promotion	SCC	4/5/2017		95,953	
11	Vasquez, Reyes V	Administrative Secretary	Promotion	SCC	4/16/2017	CL17-0968	95,953	
TOTAL							4,283,855	

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
MEASURE E
Projects Cost Summary
As of 06/27/17 on 06/27/17

Special Project #	Description	Project Allocation	Total PY Expenditures	FY 2016-2017		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
COMPLETED PROJECTS/PENDING CLOSEOUT								
SANTA ANA COLLEGE								
3001	Renovation of Buildings / Building "G" Renovation	9,302,490	9,302,490	-	-	9,302,490	-	100%
3002	SAC Library Renovation	339,623	339,623	-	-	339,623	-	100%
3003	Renovate Campus Infrastructure Design/Construct Maintenance/Operations Design/Construct Classroom Building	24,927,689	24,927,689	-	-	24,927,689	-	100%
3007	Child Care/Classroom-Centennial Renovate and Improve Centennial Ed Center	1,662,032	1,662,032	-	-	1,662,032	-	100%
3008	Renovate & Expand Athletic Fields	10,082,438	10,082,438	-	-	10,082,438	-	100%
3013	Acquisition of Land Adjacent to SAC	15,962,453	15,962,453	-	-	15,962,453	-	100%
3016	Design New Child Development Center Construct New Child Development Center	10,362,051	10,362,051	-	-	10,362,051	-	100%
3017	Design Women's Locker Room Construct Women's Locker Room Augment State-Funded PE Seismic Project	14,455,332	14,455,332	-	-	14,455,332	-	100%
3019	Design Sheriff Training Facility Construct Sheriff Training Facility Fire Science Program (Net 6 Facility) Fire Science Prog. @ MCAS, Inc. 2	29,121,885	29,121,885	-	-	29,121,885	-	100%
3020	Design/Construct Digital Media Center	14,000,656	14,000,656	-	-	14,000,656	-	100%
3028	Design & Construct Parking Structure	2,046,955	2,046,955	-	-	2,046,955	-	100%
3029	Parking Lot #11 Expansion and Improvements	10,434,241	10,434,241	-	-	10,434,241	0	100%
3030	Perimeter Site Improvements	6,736,615	6,736,615	-	-	6,736,615	0	100%
3031	Tessman Planetarium Upgrade and Restroom Addition	3,686,064	3,686,064	-	-	3,686,064	0	100%
3032	Dunlap Hall Renovation	5,267,967	5,267,967	-	-	5,267,967	0	100%
3034	SAC Sheriff Training Academy Road	56,239	56,239	-	-	56,239	-	100%
3035	Johnson Center Renovation	49,300	49,300	-	-	49,300	0	100%
3036	Temporary Village	3,868,982	3,868,982	-	-	3,868,982	-	100%
3038	Campus Lighting Upgrade	6,825	6,825	-	-	6,825	-	100%
3042	Central Plant Infrastructure	5,860,719	4,467,571	1,393,148	-	5,860,719	0	100%
3043	Property Acquisition 17th/Bristol	5,110,237	5,110,237	-	-	5,110,237	-	100%
3045	Chavez Hall Renovation	138,168	138,168	-	-	138,168	-	100%
3054	Temporary Village Phase 2	1,088,602	994,922	93,680	-	1,088,602	-	100%
TOTAL SANTA ANA COLLEGE		174,567,563	173,080,734	1,486,828	-	174,567,562	0	100%
SANTIAGO CANYON COLLEGE								
3004	SCC Infrastructure	37,187,826	37,187,826	-	-	37,187,826	-	100%
3011	Land Acquisition	24,791,777	24,791,777	-	-	24,791,777	-	100%
3012	Acquire Prop & Construct Cont Ed	27,554,640	27,554,640	-	-	27,554,640	-	100%
3014	Construct New Library & Resource Center	4,375,350	4,375,350	-	-	4,375,350	-	100%
3021	Construct Student Services & Classroom Bldg	8,073,049	8,073,049	-	-	8,073,049	-	100%
3022	Humanities Building	32,558,237	32,558,237	-	-	32,558,237	0	100%
3025	Athletics and Aquatics Center: Netting and Sound System	19,940,273	19,940,273	-	-	19,940,273	0	100%
3026	Science and Math Building	26,415,964	26,415,964	-	-	26,415,964	-	100%
3027	Construct Additional Parking Facilities	1,047,212	1,047,212	-	-	1,047,212	-	100%
3046	Orange Education Center Building Certification	1,337,157	1,337,157	-	-	1,337,157	-	100%
3058	SCC Aquatic Bleachers Certification	39,609	10,919	28,690	-	39,609	-	100%
3672	SCC Building U Portables Certification	280,098	254,315	25,783	-	280,098	-	100%
TOTAL SANTIAGO CANYON COLLEGE		183,601,192	183,546,719	54,473	0	183,601,192	0	100%
DISTRICT/ DISTRICTWIDE OPERATIONS								
3009	Replace Aging Telephone & Computer Network	14,056,433	14,056,433	-	-	14,056,433	-	100%
3039	LED Lighting Upgrade	157,200	157,200	-	-	157,200	-	100%
3044	Project Closeout/Certification	419,805	419,805	-	-	419,805	-	100%
TOTAL DISTRICT/DISTRICTWIDE		14,633,438	14,633,438	-	-	14,633,438	-	100%
COMPLETED PROJECTS - ALL SITES		372,802,193	371,260,891	1,541,301	-	372,802,192	0	100%
RECAP:								
	Santa Ana College	174,567,563	173,080,734	1,486,828	0	174,567,562	0	100%
	Santiago Canyon College	183,601,192	183,546,719	54,473	0	183,601,192	0	100%
	District/Districtwide Operations	14,633,438	14,633,438	0	0	14,633,438	0	100%
GRAND TOTAL - ALL SITES		372,802,193	371,260,891	1,541,301	0	372,802,192	0	100%
SOURCE OF FUNDS								
	ORIGINAL Bond Proceeds	337,000,000						
	Refunding Proceeds	5,001,231						
	Interest Earned	30,800,962						
	Totals	372,802,193						

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE Q

Projects Cost Summary
05/31/17 on 06/13/17

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2016-2017		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3032	Dunlap Hall Renovation	12,634,041	12,620,659	-	13,382	12,634,041	0	100%
	Agency Cost		559	-		559		
	Professional Services		1,139,116	-	13,382	1,152,498		
	Construction Services		11,480,984	-	-	11,480,984		
	Furniture and Equipment		-	-	-	-		
3035	Johnson Student Center	38,957,630	509,351	955,162	3,596,437	5,060,949	33,896,681	13%
	Agency Cost		343	4,676	1,557	6,576		
	Professional Services		509,007	950,486	3,594,880	5,054,373		
	Construction Services		-	-	-	-		
	Furniture and Equipment		-	-	-	-		
3042	Central Plant Infrastructure	68,170,000	13,755,800	23,176,443	23,731,468	60,663,711	7,506,289	89%
	Agency Cost		322,282	(6,886)	1,905	317,300		
	Professional Services		5,629,739	2,179,901	4,391,343	12,200,982		
	Construction Services		7,803,780	21,003,428	19,338,220	48,145,429		
	Furniture and Equipment		-	-	-	-		
3043	17th & Bristol Street Parking Lot	2,500,000	136,167	5,394	639	142,200	2,357,800	6%
	Agency Cost		15,110	1,041	139	16,290		
	Professional Services		68,061	4,353	500	72,914		
	Construction Services		52,996	-	-	52,996		
	Furniture and Equipment		-	-	-	-		
3049	Science Center & Building J Demolition	73,380,861	1,709,965	1,799,022	2,044,498	5,553,485	67,827,376	8%
	Agency Cost		348	387,014	1,386	388,748		
	Professional Services		1,709,617	1,412,008	2,043,112	5,164,737		
	Construction Services		-	-	-	-		
	Furniture and Equipment		-	-	-	-		
3056	Johnson Demolition	2,500,000	605	1,690	-	2,295	2,497,705	0%
	Agency Cost		120	-	-	120		
	Professional Services		485	-	-	485		
	Construction Services		-	1,690	-	1,690		
	Furniture and Equipment		-	-	-	-		
TOTAL		198,142,532	28,732,546	25,937,710	29,386,424	84,056,681	114,085,851	42%
ACTIVE PROJECTS		198,142,532	28,732,546	25,937,710	29,386,424	84,056,681	114,085,851	42%
SOURCE OF FUNDS								
	ORIGINAL Bond Proceeds	198,000,000						
	Interest Earned	142,532						
	Totals	198,142,532						

Rancho Santiago Community College
Unrestricted General Fund Cash Flow Summary
FY 2016-2017, 2015-2016, 2014-2015
YTD Actuals-May 31, 2017

	FY 2016/2017											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February	March	April	May	June
Beginning Fund Balance	\$37,337,509	\$43,659,310	\$38,942,462	\$40,612,040	\$33,062,929	\$34,229,575	\$42,459,562	\$43,134,026	\$31,800,890	\$32,162,993	\$40,281,587	\$29,305,004
Total Revenues	13,118,834	7,775,788	14,807,440	6,989,278	16,318,429	21,285,974	12,932,478	2,505,845	14,007,467	21,314,466	6,217,900	
Total Expenditures	6,797,032	12,492,636	13,137,862	14,538,388	15,151,783	13,055,987	12,258,015	13,838,981	13,645,364	13,195,872	17,194,484	
Change in Fund Balance	6,321,801	(4,716,848)	1,669,577	(7,549,110)	1,166,645	8,229,987	674,464	(11,333,136)	362,103	8,118,595	(10,976,584)	0
Ending Fund Balance	\$43,659,310	\$38,942,462	\$40,612,040	\$33,062,929	\$34,229,575	\$42,459,562	\$43,134,026	\$31,800,890	\$32,162,993	\$40,281,587	\$29,305,004	\$29,305,004

	FY 2015/2016 ¹											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$26,389,958	\$33,760,785	\$28,433,699	\$33,215,060	\$26,385,950	\$22,398,504	\$48,655,042	\$42,536,913	\$37,514,073	\$38,286,526	\$47,812,448	\$40,669,186
Total Revenues	14,244,503	6,444,443	17,588,326	7,209,443	11,458,655	38,551,516	5,737,888	8,326,767	14,201,229	22,411,480	7,788,719	17,380,868
Total Expenditures	6,873,676	11,771,529	12,806,966	14,038,552	15,446,100	12,294,979	11,856,017	13,349,606	13,428,776	12,885,558	14,931,981	20,712,546
Change in Fund Balance	7,370,827	(5,327,086)	4,781,361	(6,829,110)	(3,987,446)	26,256,537	(6,118,129)	(5,022,839)	772,453	9,525,922	(7,143,262)	(3,331,678)
Ending Fund Balance	\$33,760,785	\$28,433,699	\$33,215,060	\$26,385,950	\$22,398,504	\$48,655,042	\$42,536,913	\$37,514,073	\$38,286,526	\$47,812,448	\$40,669,186	\$37,337,509

	FY 2014/2015											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$27,739,523	\$32,666,433	\$29,404,614	\$28,748,094	\$21,976,034	\$22,144,852	\$37,611,213	\$38,435,535	\$31,154,090	\$31,279,907	\$39,748,481	\$32,434,104
Total Revenues	12,347,417	7,989,510	12,117,283	7,274,970	13,596,920	27,460,042	13,197,669	5,864,310	12,974,089	20,664,808	5,750,375	10,406,896
Total Expenditures	7,420,507	11,251,330	12,773,804	14,047,030	13,428,102	11,993,681	12,373,347	13,145,754	12,848,272	12,196,234	13,064,752	16,451,041
Change in Fund Balance	4,926,911	(3,261,819)	(656,520)	(6,772,060)	168,818	15,466,361	824,322	(7,281,444)	125,817	8,468,574	(7,314,377)	(6,044,146)
Ending Fund Balance	\$32,666,433	\$29,404,614	\$28,748,094	\$21,976,034	\$22,144,852	\$37,611,213	\$38,435,535	\$31,154,090	\$31,279,907	\$39,748,481	\$32,434,104	\$26,389,958

Notes:

¹ Beginning in FY 2015/16, cash flow activity will be for Unrestricted Ongoing General Fund (11) and not Unrestricted One-Time Funds (13)

Fiscal Resources Committee
Executive Conference Room – District Office
1:30 p.m. – 3:00 p.m.

Meeting Minutes for April 19, 2017

FRC Members Present: Michael Collins, Jimmy Nguyen, Arleen Satele, Steven Deeley, Mary Mettler, Pilar Gutierrez-Lucero, Peter Hardash, Adam O'Connor, Lee Krichmar and Maria Gil

Alternates/Guests Present: Jose Vargas, Enrique Perez and Esmeralda Abejar

1. Welcome: Mr. Hardash called the meeting at 1:35 p.m.
2. State/District Budget Update – Hardash: District budget – The Chancellor convened a special District Council meeting to discuss reductions in 2017/18, draft Minutes of that meeting were distributed, some edits will be suggested for accuracy. Board members have concerns about the fiscal stability of the district and also called for a Board Fiscal Audit Review committee meeting, including the external auditors to discuss the increases to PERS, STRS, step and column movement, increases from negotiations and the annual contribution to OPEB. The auditor stated that this is a problem throughout the state and not specific to RSCCD. There is no additional state funding to help the District with these increases.

The Budget Assumption showed approximately \$6 million of deficit spending, at that time this amount was a projection, primarily because the district is not growing. At this time, now that collective bargaining has been settled the deficit has increased to approximately \$8 million, as a reminder the state provided zero COLA, however, the District provided increased salary and benefits to all employees. Dr. Rodriguez directed that half of the \$8 million, \$4 million would be the target for reductions assuming the other \$4 million would come from the budget stabilization fund if the Board of Trustees approves.

The following discussion took place in Chancellor's Cabinet on how the \$4 million in cuts would be split. It was agreed that the split for the \$4 million, referred to as Round #1 reductions would be the following: District Services to cut 18.83% (per page 19 of the 2016/17 Adopted Budget) - \$753,200; the remaining amount of \$3,246,800 would be split 69.93% at SAC - \$2,270,487 and SCC the remaining 30.07% - \$976,313.

Should the Board of Trustees not approve using budget stabilization funds for the remaining \$4 million in budget shortfall, there will be a need to discuss additional reductions as Phase 2 for the Adopted Budget. The deadline for the identified reductions is April 25, 2017.

The vacant position list was distributed for review. Chancellor's Cabinet has decided that position currently in the process of recruiting will continue to move forward. The yellow highlighted positions are new position requests. Some positions that are 100% categorically funded were released, however, any positions with partial or full funding by general fund will be reviewed by Chancellor's Cabinet and moved forward for hiring based on the urgency of the position. Some positions will continue to be held. The purpose of reviewing the positions on a weekly basis is to be able to move the position forward for hiring or to remove an unfunded position from the list and use the savings of a vacant position instead of the possibility, if we get to that point, to avoid laying off a person in a position. All District Safety positions will be released as these positions are the priority in order to support the colleges.

It was also mentioned that the draft District Council Minutes did not mention that one-time savings can be used to reach the target reduction at the colleges and District Office. This component of the formula in the BAM is waived just for this year in order to make the necessary reductions. The entire BAM is not suspended, only the utilization of savings toward reductions. Mr. Perez will coordinate the edits to the draft Minutes of District Council. The District Office has reviewed all budgets and has identified the \$753,200 in reductions.

A tri-Cabinet meeting was held to discuss keeping the district whole for another year by borrowing the maximum FTES in 16/17 summer, next year we would fall into stabilization. We would need to borrow approximately 1,500 FTES from summer. The plan to borrow was approved by the Chancellor's Cabinet members, SAC Cabinet members and the SCC Cabinet members. Discussion ensued on strategies if the Board of Trustees should not approve the use of budget stabilization fund to augment the necessary cuts.

3. ITS Replacement Schedule – Krichmar: Ms. Krichmar distributed and reviewed the computer replacement plan including identifying the oldest models, replacement of oldest computers, the replacement of classroom instructor stations, replacement of oldest classroom student stations, replacement of oldest non-instructional computers, the replacement of the oldest computers handling services to include video surveillance and EMS, the process and priority of the replacement plan and funding associated with the replacement plan. An item to keep in mind is that some computers are funded when a new or renovated building comes online; however, there is not a plan or budget for the replacement of those computers. A strategy for such circumstances needs to be on the center's radar for future replacement.
4. PERS and STRS Rate Increases – Hardash: Mr. Hardash reviewed the STRS and PERS future employer rates and additional ongoing unrestricted general fund costs comparison from 2013-14 through 2023-24. The cumulative impact to the district is an approximate increase to the District's general fund of \$13 million by 2023-24. The new rates are updated and included in both the Tentative and Adopted Budgets and also included in the presentation/discussion with the Board of Trustees.
5. Standing Report from District Council – Mettler: At the last special District Council meeting the plan for the \$4 million in reductions was discussed and two reorganizations, the decentralization of Auxiliary Services from District to each of the colleges and the District Safety Sergeants.
6. 2017/18 Meeting Schedule – Hardash/O'Connor: The proposed meeting schedule was reviewed, Dr. Collins made the motion, seconded by Ms. Mettler and approved unanimously to adopt the proposed 2017/18 meeting schedule. Meetings will be held in the Executive Conference Room from 1:30 – 3:00.
7. Informational Handouts - Hardash
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of April 12, 2017
 - Measure "E" Project Cost Summary as of March 31, 2017
 - Measure "Q" Project Cost Summary as of March 31, 2017
 - Monthly Cash Flow Summary as of March 31, 2017
 - SAC Planning and Budget Committee Agendas and Minutes link
 - SCC Budget Committee Agendas and Minutes link

8. Approval of the FRC Minutes – March 22, 2017 – Hardash
Mr. Hardash called for a motion to approve the Fiscal Resources Committee Minutes of the March 22, 2017 meeting. A motion was made by Dr. Collins, seconded by Mr. O'Connor and approved unanimously.

Next meeting: Wednesday, July 5, 2017, 1:30 – 3:00 in the Executive Conference Room, District Office. The Tentative Budget will be emailed to the committee for review and approval by email in place of a May meeting.

Other: Santa Ana College has the Russell Hall replacement project on the state approved list for 50/50 funding of the state-wide bond. Of 29 projects, the Governor approved five of 29 projects, however, it is rumored 11 may be approved. The District is working with our lobbying firm to obtain support from our local legislators, Senator Nguyen and Assembly member Daly. The District still needs to come up with the other 50% to fund the project if it is approved.

The meeting was adjourned at 2:55 p.m.