

Los Rios Community College District

2015-16 Tentative Budget

Presented to the Board of Trustees

June 10, 2015

2015-16 Tentative Budget California Community Colleges

Description	January Proposal	May Revise	Conference Committee
COLA	\$92.4M (1.58%)	\$61.0M (1.02%)	May Revise
Growth	\$106.9M (2.00%)	\$156.6M (3.00%)	May Revise
Basic Allocation	\$125M	\$266.7M	\$271.0M
Mandate Past Claims	\$361M	\$626M	\$604M
Increase Regular Faculty	N/A	\$75M	\$75M; designated residual funds for faculty related purposes
Student Success & Support	\$100	\$100	May Revise
Student Equity	\$100	\$115	May Revise
COLA for Categorical programs	0	\$2.5M	COLA plus growth and restoring CalWORKs and EOPS
SMSR/SIEF	0	\$148M	May Revise
Basic Skills Program	0	\$60M	May Revise
Other			\$64M - \$39M for CalGrant; \$15M for Professional Development; \$10M for Financial Aid Admin. (BFAP)

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Los Rios Projected Increases

General Purpose Allocations	2013-14 Increase	2014-15 Increase	2015-16 Projected
Growth	\$ 5.3M	\$ 9.4M	\$ 4.9M
Funding for new centers (West Sacramento & Elk Grove)		\$ 1.1M	\$ 1.1M
COLA	\$ 3.8M	\$ 2.1M	\$ 2.7M
Base Allocation Increase	0	0	\$11.7M
New Faculty Funding	0	0	\$ 3.3M
Total General Purpose – continuing	\$ 9.1M	\$12.6M	\$23.7M
Prior Years' Claims for Mandated Costs (one-time)	0	\$ 2.2M	\$28.7M

Categorical Programs	Base 2013-14	Total 2014-15	Estimated 2015-16
Student Success & Support Program (SSSP)	\$ 4.2M	\$ 9.3M	\$13.3M
Student Equity Program	0	\$ 3.2M	\$ 8.2M
SMSR/SIEF & LM – One-time only	0	\$ 6.6M	\$ 6.6M

Note – EOPS & CalWORKS still funded \$2M less than 2008-09 but overall net increase Student Service categorical programs is \$15.3M over 2008-09.

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Good News

- No more deferrals of apportionment
- Budget is balanced, reserves are not needed to support base operations
- Medical premium increases are minimal (Kaiser HMO plan zero increase)
- Significant on-going funds to support compensation and operational increases
- Significant allocation for one-time that can be used to restore reserves and invest in infrastructure
- Additional investments in student success & equity
- Recognition of need for more full-time faculty

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Good News – One-Time Funding

- One-time Allocation for Past Claims for Mandates
 - January proposal was \$351.3M; Los Rios estimated \$16.1M and Budget Committee made initial recommendation for allocation of funds which is recorded at Tentative
 - \$3M to restore capital outlay projects fund reserves
 - \$3.3M each for Instructional Equipment and Scheduled Maintenance
 - \$2.2M set-aside to support smoothing STRS/PERS increases
 - \$1.6M for deficit backfill
 - \$500K for safety & security, health & wellness
 - \$500K for non-instructional equipment

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Not so Good News

- Growth is difficult to achieve
- Retirement increases need to be funded
- Compensation increases, including pension costs, will result in higher percentage of budget expended on all regular and adjunct salaries and benefits – 89% for 2013-14; Statewide average was 87%.
- Sales tax portion of Proposition 30 is set to expire December 2016

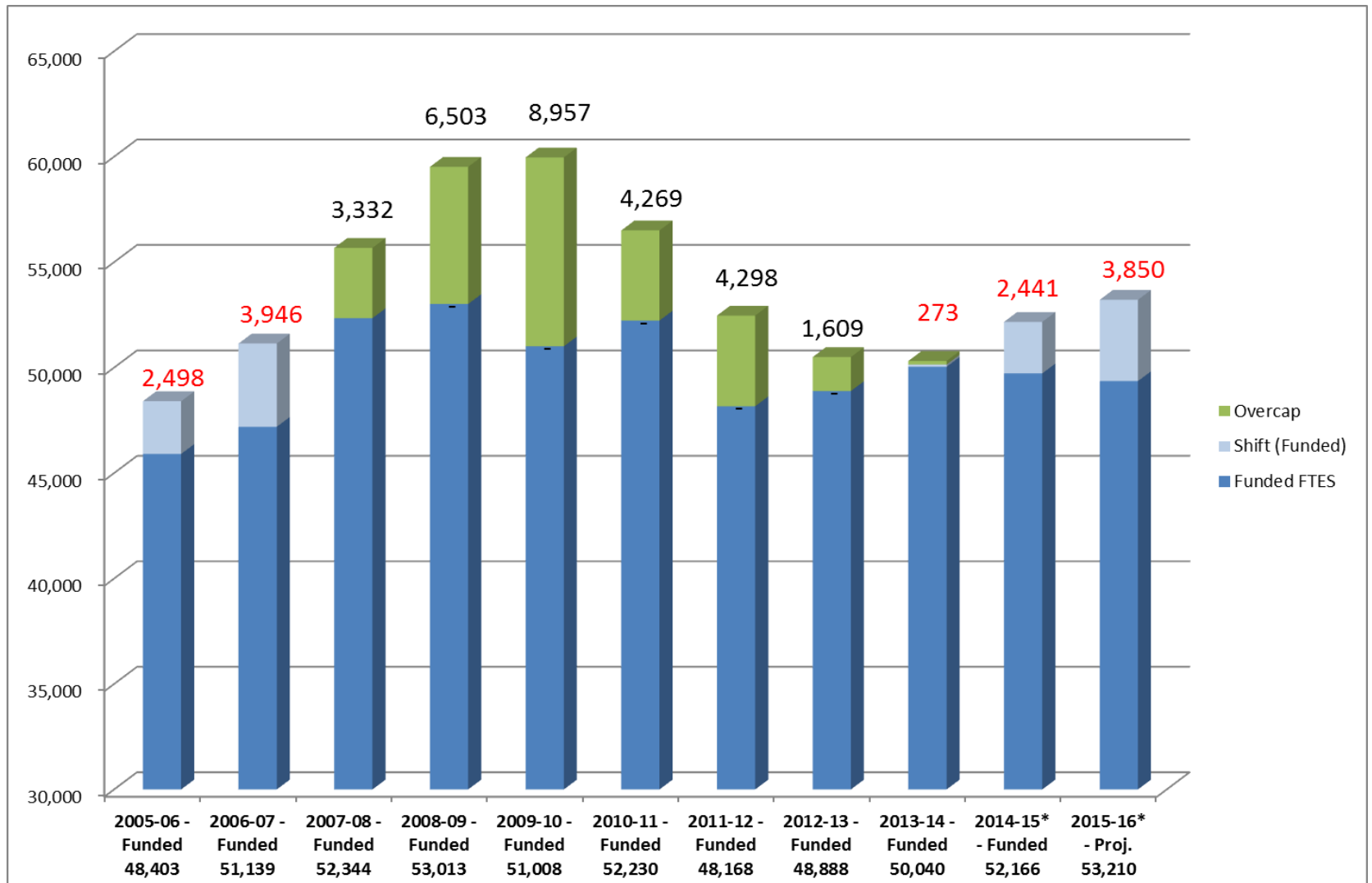
2015-16 Tentative Budget Institutional Effectiveness

- Institutional Effectiveness Goals
 - 2015-16 - Fund balance and Audit Results
 - Statewide average for 2013-14 was 16.8%

Ending unrestricted general fund balance as a percentage of total expenditures				
2013-14	2012-13	2011-12	2010-11	2009-10
11.2%	11.8%	12.8%	14.3%	11.6%

- Future goals are Percentage Expended on Salaries & Benefits, Annual Operating Excess/(Deficiency), i.e., is the budget balanced, & Cash Balance

2015-16 Tentative Budget Enrollment



2015-16 Tentative Budget Staffing

- FTEF for instruction – Growth Goal is 3.6%
- Achieve by adding FTEF of 47 and productivity improvements in fall/spring

Term	Utilized Instructional Staffing								Authorized
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Summer	148.76	148.54	145.83	138.39	105.20	86.21	85.52	91.27	104.92
Fall	1,495.50	1,502.07	1,478.50	1,401.81	1,373.68	1,380.33	1,375.21	1,399.43	1,437.87
Spring	1,488.23	1,482.23	1,451.62	1,425.18	1,398.08	1,373.40	1,388.96	1,408.97	1,437.87
Annualized Total	1,640.63	1,640.69	1,610.89	1,551.89	1,491.08	1,463.08	1,467.61	1,495.47	1,542.79
Cumulative Change			(30)	(89)	(150)	(178)	5	28	47

Term	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (proj.)
Summer Productivity	483	533	607	559	583	572	558	572	539
Fall Productivity	515	551	582	558	538	529	521	516	518
Spring Productivity	503	548	577	562	554	536	517	498	518

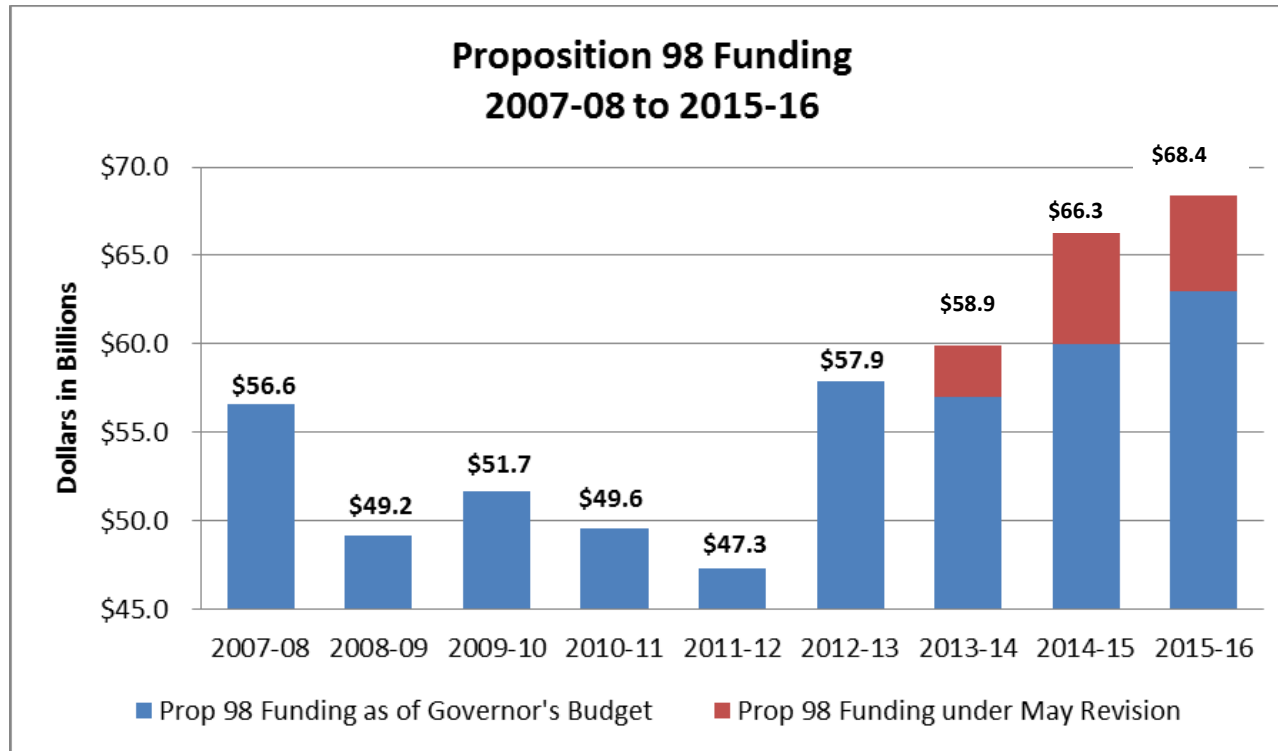
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Faculty Staffing

- Added 18 full-time faculty growth positions for fall 2015 (reduced regular faculty by 70 during downturn)
- State budget provides funding to increase full-time faculty positions
- Los Rios is in top (best) quintile based upon 75:25

	Faculty Obligation Number (FON)									Fall 2015 True FON
	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015 (proj.)	
<i>FT Faculty Filled</i>	969.90	1,028.60	1,036.30	1,025.50	994.10	967.50	967.80	954.80	977.24	992.24
<i>PT Faculty Utilized</i>	539.70	491.80	450.60	443.80	439.30	458.50	457.00	478.50	507.50	507.50
Total Faculty	1,509.60	1,520.40	1,486.90	1,469.30	1,433.40	1,426.00	1,424.80	1,433.30	1,484.74	1,499.74
FT Faculty Obligation	936.20	956.20	956.20	955.20	955.20	890.20	861.20	873.20	937.20	963.20
FTF above FON	34	72	80	70	39	77	107	82	40	29
75:25	64.20%	67.65%	69.70%	69.80%	69.35%	67.85%	67.93%	66.62%	65.82%	66.2%

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K-14 schools were \$56.6 billion in 2007-08 and sank to \$47.3 billion in 2011-12. From this recent low, funding has been at all-time highs since 2012-13 and is expected to grow to \$68.4 billion in 2015-16, an increase of \$2.7 billion compared to the level expected in January. The Proposition 98 maintenance factor- and indicator of the past cuts made to schools and community colleges- totaled nearly \$11 billion as recently as 2011-12. Under the May Revision, this amount is reduced to \$772 million.

Source: California Dept. of Finance, 2015-16 May Revision Summary

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