



Chabot-Las Positas  
Community College District

Board of Trustees Meeting

September 15, 2015

Adoption Budget  
Fiscal Year 2015-16

*Lorenzo Legaspi  
Vice Chancellor  
Business Services*

# Presentation Summary

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- Budget Requirement
- State Budget for FY 2015-16
- CLPCCD's Budget Development Assumptions
- Enrollment Data
- Budget Allocation Model - Narrative
- Budget Allocation Model - Calculations
- Summary of District Funds
- Concerns and Budget Risks
- Fiscal Assessment Checklist
- Questions and Comments

# Budget Requirement

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- Title 5, Sections 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 15<sup>th</sup> day of September

## State Budget for FY 2015-16

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- Reflects increased revenues and Proposition 98 guarantee
- Access - \$156.5 million to fund 3% growth (CLPCCD @ 1%)
- COLA - \$61 million to fund 1.02%
- Base Allocation Funding - \$266.7 million in ongoing funds
- Prior Year Mandated Costs - \$632 million in one-time funds
- Deferred Maintenance & Instructional Equip - \$148 million in one-time funds
- Student Support & Success Program - \$440 million for SSSP & Student Equity
- Student Fees – maintained at \$46 per credit unit
- Full Time Faculty Hiring - \$62.3 million to fund approx. 600 additional full-time faculty positions in the system

# CLPCCD's Budget Development Assumptions

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- Full Time Equivalent Students (FTES) enrollment of 17,191
  - Chabot College @ 10,129
  - Las Positas College @ 7,062
- Cost-of-Living Adjustment (COLA) @ 1.02%
- Access (Restoration/Growth) @ 1.0%
- Health and Welfare Increases and Employee Contributions to Medical Costs
- Step and Column Salary Increases
- Collective Bargaining Agreement with SEIU
- Full Time Faculty Hiring - New Funding to Increase by 8.3 FTEF

## Enrollment Data - Full Time Equivalent Student (FTES)

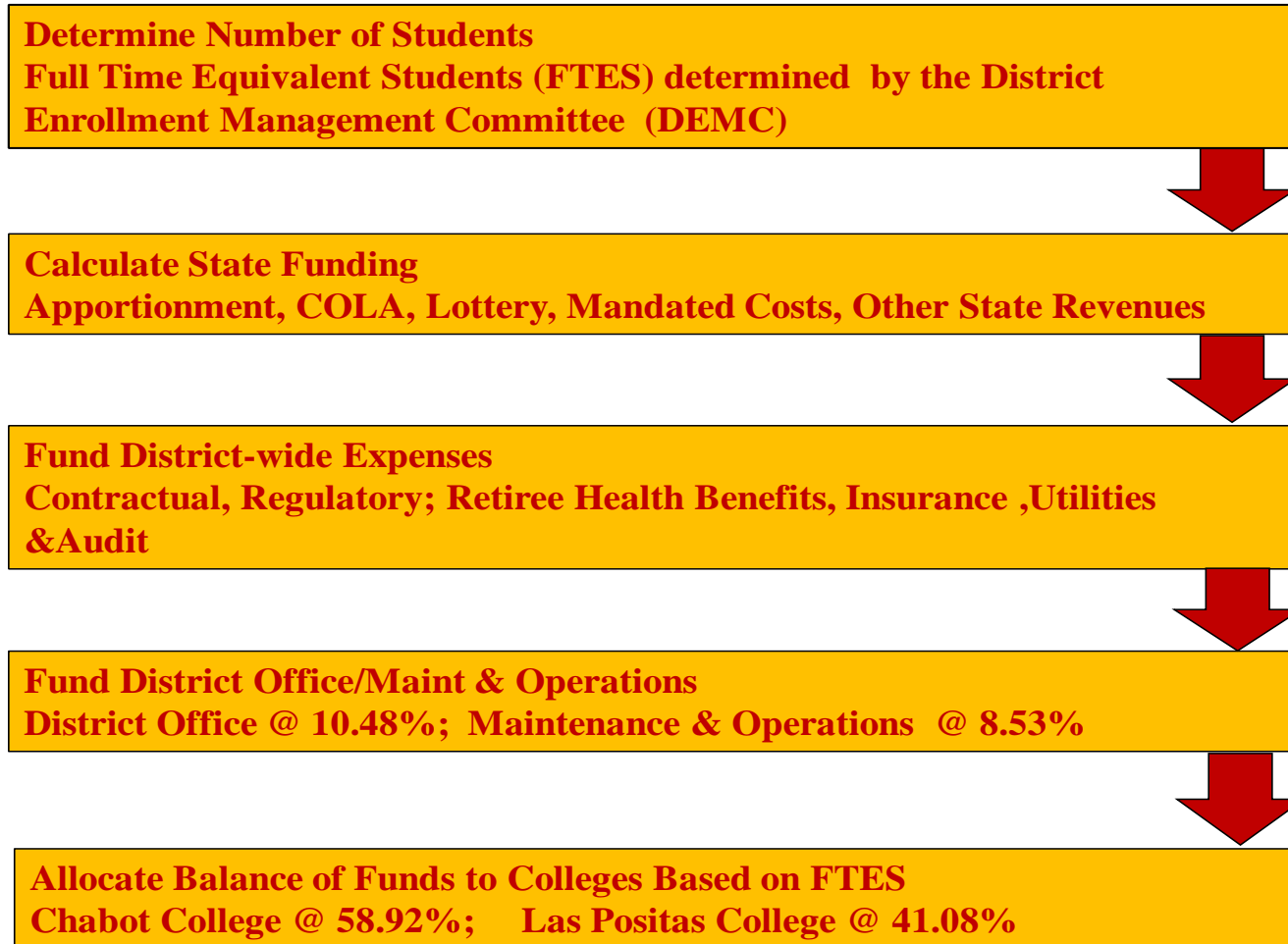
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<i>YEAR</i>	<i>CHABOT</i>	<i>% Growth</i>	<i>LPC</i>	<i>% Growth</i>	<i>TOTAL</i>	<i>% Growth</i>
2005-2006	10,367	(1.1)	6,171	4.8	16,538	1.1
2006-2007	10,313	(0.5)	7,089	14.9	17,402	5.2
2007-2008	10,420	1.0	7,186	1.4	17,606	1.2
2008-2009	10,912	4.7	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
2013-14	9,698	1.5	6,758	1.6	16,456	1.6
2014-15 (Annual P-3)	10,029	3.4	6,992	3.5	17,021	3.4
2015-16 (DEMC Target)	10,129	1.0	7,062	1.0	17,191	1.0

# Budget Allocation Model - Narrative

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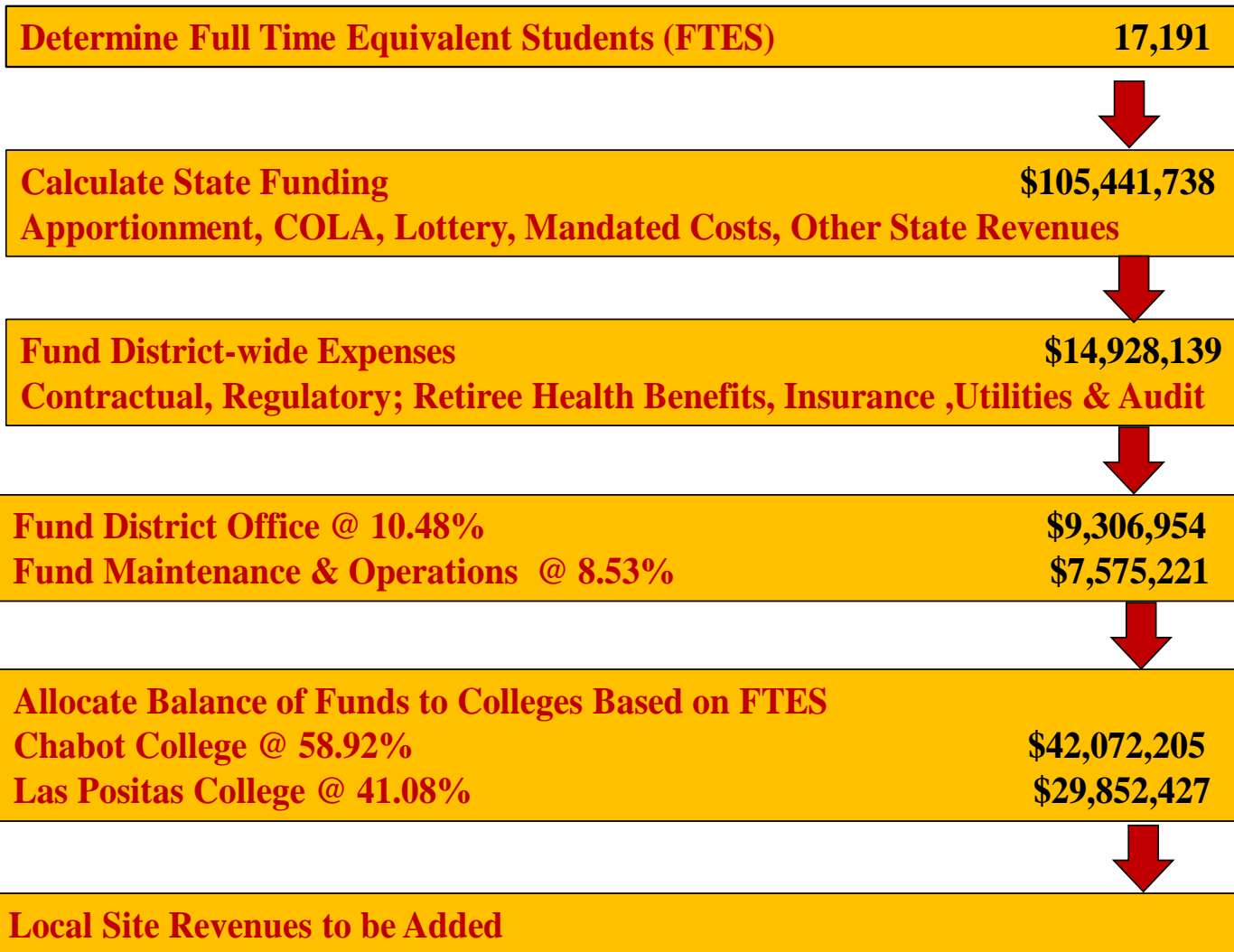
## BUDGET ALLOCATION MODEL



# Budget Allocation Model- Calculations

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## BUDGET ALLOCATION





# Adoption Budget 2015-16 – General Fund

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<b>REVENUE</b>	
State General Apportionment, State /Local/Federal Revenue and Transfers	\$141,556,586
<b>EXPENDITURES</b>	
Total Expenditures	131,079,189
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	10,477,397
<b>BEGINNING BALANCE</b>	17,065,464
<b>ENDING BALANCE</b>	\$27,542,861

# Adoption Budget 2015-16 – Cafeteria Fund

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<b>REVENUE</b>	
Operations/Commissions and Interest	\$77,484
<b>EXPENDITURES</b>	
Expenditures and Transfers	31,670
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	<b>45,814</b>
<b>BEGINNING BALANCE</b>	<b>175,348</b>
<b>ENDING BALANCE</b>	<b>\$221,162</b>

# Adoption Budget 2015-16 - Child Development Fund

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<b>REVENUE</b>	
State /Local/Federal Revenue	\$996,794
Transfers In	\$405,498
<b>EXPENDITURES</b>	
Expenditures	1,402,292
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	<b>\$0</b>
<b>BEGINNING BALANCE</b>	<b>\$0</b>
<b>ENDING BALANCE</b>	<b>\$0</b>

## Adoption Budget 2015-16 - Self Insurance Fund (RUMBL)

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<b>REVENUE</b>	
Transfers and Interest	\$5,204,000
<b>EXPENDITURES</b>	
Expenditures and Transfers	5,200,000
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	4,000
<b>BEGINNING BALANCE</b>	4,603,295
<b>ENDING BALANCE</b>	\$4,607,295

# Adoption Budget 2015-16 - Measure B Capital Projects Fund

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<b>REVENUE</b>	
Revenue	\$552,608
<b>EXPENDITURES</b>	
Expenditures	17,997,182
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	<b>(17,444,574)</b>
<b>BEGINNING BALANCE</b>	<b>80,490,095</b>
<b>ENDING BALANCE</b>	<b>\$63,045,521</b>

# Adoption Budget 2015-16 - Capital Projects Fund

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<b>REVENUE</b>	
State/Local/Federal Revenue and Transfers	\$2,295,341
<b>EXPENDITURES</b>	
Expenditures	1,496,356
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	<b>798,985</b>
<b>BEGINNING BALANCE</b>	<b>7,252,279</b>
<b>ENDING BALANCE</b>	<b>\$8,051,264</b>

# Adoption Budget 2015-16 - Special Reserve Funds (Nike Project, COP)

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<b>REVENUE</b>	
Interest	\$3,000
<b>EXPENDITURES</b>	
Expenditures	478,427
<b>NET INCREASE/(DECREASE) IN FUND BALANCE</b>	<b>(475,427)</b>
<b>BEGINNING BALANCE</b>	<b>3,333,289</b>
<b>ENDING BALANCE</b>	<b>\$2,857,862</b>

# Concerns and Budget Risks

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- Enrollment/Enrollment/Enrollment
- Plan for expenses charged to Measure B interest going back to General Fund
- STRS and PERS Funding Plan
- Accreditation
- Get Financial House in Order
- Prepare for Next Downtime in Economy



# Fiscal Self Assessment Checklist

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## 1. **Deficit Spending** – Is this area acceptable? **Yes / No**

- Is the district spending within their revenue budget in the current year?
- Has the district controlled deficit spending over multiple years?
- Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?
- Are district revenue estimates based upon past history?
- Does the district automatically build in growth revenue estimates?

## 2. **Fund Balance** – Is this area acceptable? **Yes / No**

- Is the district's fund balance stable or consistently increasing?
- Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?

# Fiscal Self Assessment Checklist – *Continued*

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## 3. **Enrollment** – Is this area acceptable? **Yes / No**

- Has the district's enrollment been increasing or stable for multiple years?
- Are the district's enrollment projections updated at least semi-annually?
- Are staffing adjustments consistent with the enrollment trends?
- Does the district analyze enrollment and full-time equivalent students (FTES) data?
- Does the district track historical data to establish future trends between P-1 and Annual for projection purposes?
- Has the district avoided stabilization funding?

## 4. **Unrestricted General Fund Balance** – Is this area acceptable? **Yes / No**

- Is the district's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level (5% of the total unrestricted general fund expenditures)?
- Is the district's unrestricted fund balance maintained throughout the year?

# Fiscal Self Assessment Checklist - *Continued*

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## 5. **Cash Flow Borrowing** – Is this area acceptable? **Yes / No**

- Can the district manage its cash flow without inter-fund borrowing?
- Is the district repaying TRANS and/or borrowed funds within the required statutory period.

## 6. **Bargaining Agreements** – Is this area acceptable? **Yes / No**

- Has the district settled bargaining agreements within new revenue sources during the past three years?
- Did the district conduct a pre-settlement analysis identifying an ongoing revenue source to support the agreement?
- Did the district correctly identify the related costs?
- Did the district address budget reductions necessary to sustain the total compensation increase?

# Questions and Comments

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