



**MT. SAN ANTONIO COLLEGE**

**2015-16 TENTATIVE BUDGET**

**June 24, 2015**

**2015-16 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND  
ONGOING REVENUE BUDGET ASSUMPTIONS**

<b>Beginning Fund Balance</b>	<b>\$27,535,104</b>
<b>Base Ongoing Revenue Budget (2014-15)</b>	<b>\$143,368,261</b>
2013-14, & 2014-15 COLA – Adjustments	(1,379)
2015-16 COLA at 1.02%	1,380,741
2012-13 & 2013-14 Growth/Restoration -Adjustments	(179,372)
2014-15 Growth/Restoration - at Cap 2.75%	3,265,572
2015-16 \$266.7 Million Increase to Base Allocation	6,203,028
2015-16 \$49 Million CDCP Equalization	4,926,314
2015-16 \$75 Million for Full-Time Faculty Hiring	1,985,057
Lottery – Estimated Increase of 1,680 FTES	215,040
Interest – Increase as a Result of Decrease in Apportionment Deferrals	50,000
Nonresident Tuition - Based on 2014-15 Estimated Actual Revenue	500,000
Other Miscellaneous Revenue - Mandated Cost Block Grant	54
<b>Total Ongoing Revenue Budget</b>	<b>\$161,713,316</b>

## 2015-16 TENTATIVE BUDGET ONGOING EXPENDITURE BUDGET ASSUMPTIONS

Base Ongoing Expenditure Budget	\$148,804,389
Salary Schedule Progression	1,416,462
Personnel & Benefit Changes (Positions Hired at a Lower Step)	(934,724)
2014-15 H&W Increase - \$366 Funded with 2013-14 Over Cap Growth	296,549
2015-16 Salary & Benefit Increase, Collective Bargaining Contracts	-
2015-16 Estimated Funded COLA at 1.02% - Expenses Placeholder	1,380,741
PERS - Rate Increase from 11.771% to 11.847%	24,791
STRS - Rate Increase from 8.88% to 10.73%	1,195,795
2015-16 New Resources Allocation (\$266.7M Increase Base Allocation)	4,982,442
2015-16 \$49M CDCP Equalization	1,200,000
Reclassification	600,000
New Faculty Positions (Two New Positions)	201,754
2015-16 \$75M for Full-Time Faculty Hiring	1,783,303
Class Schedule Increase – Ongoing Increase for the 2014-15 Growth	1,677,827
Budget Increases	20,968
<b>Total Ongoing Expenditure Budget</b>	<b>\$162,650,297</b>

# 2015-16 TENTATIVE BUDGET UNRESTRICTED GENERAL FUND

Total Ongoing Revenue	\$161,713,316
Total Ongoing Expenditures	(\$162,650,297)
Ongoing Budget Deficit	(\$936,981)

## 2015-16 ONE-TIME REVENUE BUDGET ASSUMPTIONS UNRESTRICTED GENERAL FUND

2015-16 Apportionment Deficit – Estimated at 0.75% of the Total Apportionment	(\$1,109,076)
2015-16 Growth/Restoration - Proposed 3%; Estimated at \$4,681,020 for Mt. SAC – New Growth Funding Allocation Model	-
2015-16 \$626M To Pay Down Outstanding Mandated Claims – 50% of Estimated Mt. SAC Share of \$16.6 M	8,284,304
<b>Total One-Time Revenue Budget</b>	<b>\$7,175,228</b>

# 2015-16 ONE-TIME BUDGET EXPENDITURE ASSUMPTIONS

## UNRESTRICTED GENERAL FUND

Purchases In Progress & Various Carryovers	\$2,263,307
One-Time Support - Child Development	72,462
New Positions & Operating Expenses - Funded with One-Time 2014-15 Anticipated Growth	698,313
Election Cost - For Three Board Members	274,042
Class Schedule Increase – Estimated Increase to Earn the 2015-16 Growth - To Be Determine	-
Immediate Needs Requests	171,943
2015-16 \$626M To Pay Down Outstanding Mandated Claims - Placeholder Expenses	8,284,304
<b>2014-15 New Resources Allocation Request Phase 1 &amp; Phase 2</b>	<b>4,297,568</b>
2015-16 One-Time Savings from Vacant Positions	(784,504)
<b>Total One-time Expenditure Increases</b>	<b>\$15,277,435</b>

**UNRESTRICTED GENERAL FUND  
REVENUE-GENERATED ACCOUNTS  
REVENUE AND EXPENDITURE ASSUMPTIONS**

Beginning Fund Balance	\$3,804,748
Revenue Budgets - Matching Revenue and Expenditure Accounts	2,149,212
<b>Total Revenue Budget</b>	<b>\$5,953,960</b>
2014-15 Carryover – Revenue-Generated Accounts Fund Balance	\$3,804,748
Expenditure Budgets - Matching Revenue and Expenditure Accounts	2,149,212
<b>Total Expenditure Budget</b>	<b>\$5,953,960</b>
<b>Total Revenue-Generated Accounts Increases/(Decreases)</b>	<b>-</b>

# 2015-16 TENTATIVE BUDGET

## UNRESTRICTED GENERAL FUND BALANCE

Unassigned Fund Balance – 10% Board Policy	10.00%	\$ 18,388,169
Unassigned Fund Balance	0.06%	107,747
<b>Total Fund Balance</b>	<b>10.06%</b>	<b>\$18,495,916</b>

**Note:** As approved by the Board of Trustees on May 27, 2015, the Unrestricted General Fund includes an Ongoing Payment to the OPEB Trust of \$2,500,000. The Retirees Health Premiums and Portion of the OPEB Contribution Estimated at \$4,516,364 will be funded from the Interest Earned from the OPEB Trust. If the \$4,516,364 is funded with the Unrestricted General Fund, the Fund Balance will fall under the 10% Board Policy shown below:

Unassigned Fund Balance – 10% Board Policy	7.42%	\$13,979,552
Unassigned Fund Balance	0.00%	-
<b>Total Fund Balance</b>	<b>7.42%</b>	<b>\$13,979,552</b>



## 2015-16 STATE BUDGET UPDATE

### Good News for Community Colleges

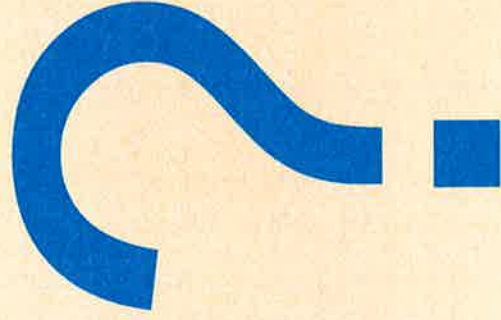
Funding Proposal	Update After May Revise
\$61M COLA (1.02%)	
\$156.5M Growth/Workload Restoration (3.00%)	Supported by Senate & Assembly
\$75M to Support Increase in Full-time Faculty	Supported by Senate & Assembly
\$266.7M to Increase Base Allocation Funding	Supported by Senate & Assembly
\$49M Career Development Preparation Program (CDCP) Rate Equalization	
\$626M One-time Funds to Pay Down Prior Mandate Obligations	Supported by Senate & Assembly
\$100M for Student Success and Support Program	Supported by Senate & assembly
\$115M For Student Equity Plans	Supported by Senate & Assembly
\$148M for Scheduled Maintenance/Instructional Equipment (No Match)	Supported by Senate & Assembly

# 2015-16 STATE BUDGET UPDATE

## Good News for Community Colleges

Funding Proposal	Update After May Revise
\$38.7M for Proposition 39 Energy Efficiency Projects	
\$2.5M COLA for EOPS, DSPS, CalWORKs, & Child Care Tax Bailout	
\$94.5M for Apportionment Cash Deferrals	
\$60M in One-Time Funds for the Basic Skills and Student Outcomes Transformation Program	
\$15M for the Institutional Effectiveness Partnership Initiative	Supported by Senate & Assembly
\$2M One-time Funds for a Pilot Program to Foster Collaboration between Colleges and CSU Campuses Relating to Basic Skills Instruction	

Questions





**UNRESTRICTED GENERAL FUND  
CHANGES TO THE FUND BALANCE  
FROM 2014-15 ADOPTED BUDGET TO 2015-16 TENTATIVE BUDGET  
(May 15, 2015)**

	<b>Changes to the Fund Balance</b>
<b>2014-15 ADOPTED BUDGET - FUND BALANCE - At 10.28%</b>	<b>\$ 16,370,910</b>
<b>Plus: 2014-15 Estimated Unbudgeted Revenues</b>	
Non Resident Tuition (International and Out-of-State)	611,223
Prior Year Lottery Adjustment	104,098
1996 PARS Supp. Retirement Plan Termination Refund & Other Misc. Revenue	195,410
2012-13 & 2013-14 Growth Adjustments	(360,123)
2014-15 Growth at Cap (2.75%)	3,265,572 (A)
2012-13 & 2013-14 Apportionment Deficit Recovery	958,237 (B)
2014-15 Reimbursement State-Mandated Local Programs Costs	1,311,035 (C)
<b>Changes in 2014-15 Estimated Revenues</b>	<b>6,085,452</b>
<b>Plus: 2014-15 Estimated Savings in Expenditures</b>	
Permanent/Hourly Faculty and Classified Permanent Positions	2,716,701 (D)
Departmental Budgets (Short-Term Hourly, Overtime and Operating Expenditures)	683,388
Institutional Budgets (Utilities, Rate Driven, Instructional Equipment, Memberships & Contracted Services)	1,678,653 (E)
<b>Changes in 2014-15 Estimated Expenditures</b>	<b>5,078,742</b>
<b>Net Changes in Estimated Revenues &amp; Expenditures</b>	<b>11,164,194</b>
<b>Estimated Ending Fund Balance Unrestricted General Fund</b>	<b>27,535,104</b>
<b>Less: 2014-15 Commitments</b>	
Purchases in Progress & Carryovers from 2014-15	(2,263,307)
<b>2014-15 New Resources Allocation Phase 1 &amp; 2</b>	<b>(4,297,568)</b>
<b>Total 2014-15 Commitments</b>	<b>(6,560,875)</b>
<b>Unrestricted General Fund - Positive Variance</b>	<b>4,603,319</b>
<b>Estimated Ending Fund Balance Unrestricted General Fund After Commitments</b>	<b>20,974,229</b>
<b>2015-16 TENTATIVE BUDGET</b>	
<b>Plus: 2015-16 Ongoing Revenues</b>	161,713,316
<b>Less: 2015-16 Ongoing Expenditures</b>	(162,650,297) (F)
<b>Ongoing Deficit</b>	<b>(936,981)</b>
<b>Plus: 2015-16 One-Time Revenues</b>	7,175,228
<b>Less: 2015-16 One-Time Expenditures</b>	(8,716,560)
<b>One-Time Revenues net of One-Time Expenditures</b>	<b>(1,541,332)</b>
<b>REVENUE GENERATED ACCOUNTS</b>	
<b>Plus: 2014-15 Estimated Savings in Revenue Generated Accounts/Beginning Balance</b>	3,804,748
<b>Plus: 2015-16 Revenue Generated Accounts Increases</b>	2,149,212
<b>Less: 2015-16 Revenue Generated Accounts Decreases</b>	(5,953,960)
<b>Ending Fund Balance Revenue Generated Accounts</b>	<b>-</b>
<b>ENDING FUND BALANCE - At 10.06%</b>	<b>\$ 18,495,916</b>

**UNRESTRICTED GENERAL FUND  
CHANGES TO THE FUND BALANCE  
FROM 2014-15 ADOPTED BUDGET TO 2015-16 PRELIMINARY TENTATIVE BUDGET  
FOOTNOTES  
(May 15, 2015)**

- (A) The 2014-15 Growth was not included in the 2014-15 Adopted Budget as established in the Budget Review and Development Process Guide. The rationale is that growth estimates will change multiple times during the year, and the final number is known in February of the following fiscal year. The College needs to increase courses to earn the Growth.
- (B) The College had Apportionment Deficits of \$4,704, 308 or 3.7% for the fiscal year 2012-13 and \$2,253,660 or 1.7% for the fiscal year 2013-14. The College recovered \$222,094 for 2012-13 and \$759,279 for 2013-14 during the fiscal year 2014-15.
- (C) The College did not budget for the 2014-15 Reimbursement State-Mandated Local Program Costs because the allocations were announced in December 2014. The College received payment in January 2015.
- (D) The savings are mainly the result of vacancies for management and classified positions and the hourly adjunct faculty budget.
- (E) The savings are primarily in the Utilities, Rate Driven, Memberships, and Contracted Services budgets. In addition, the College received Instructional Equipment Block Grant for the fiscal year 2014-15. This grant did not require matching funds; therefore, the College achieved savings in the Unrestricted General Fund by not expensing the matching funds. When Instructional Equipment matching funds are not expensed, the funds will carryover to to the following fiscal year.
- (F) Includes a \$2.5 million payment toward the Annual Contribution to the OPEB Trust as approved by the Board of Trustees on May 27, 2015.

**MT. SAN ANTONIO COLLEGE**  
**2015-16 BUDGET SCENARIOS DEFINITIONS AND FOOTNOTES**  
**(June 3, 2015)**

**Definitions:**

**Conservative:**

- Information available at the time the budget is prepared
- Worst case scenario of state – at risk
- Historical patterns for revenues and expenditures

**Likely:**

- Worst case scenario may not happen because they do not materialize and are mitigated during the year. Example: revenues are backfilled, or economic situation changes.
- Offline conversations with decision makers.

**Optimistic:**

- Most favorable outcome of every situation

Footnote	Narrative
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**(1) Conservative, Likely, and Optimistic:**  
 For 2014-15 Adopted Budget Ending Fund Balance, please refer to page 4 of the 2014-15 Adopted Budget.

**(2) Conservative, Likely, and Optimistic:**  
 The following are the changes from the 2014-15 Adopted Budget to arrive at an Estimated Ending Fund Balance for the Unrestricted General Fund:

	<b>Changes to the Fund Balance</b>
<b>2014-15 ADOPTED BUDGET - FUND BALANCE - At 10.28%</b>	<b>\$ 16,370,910</b>
<b>Plus: 2014-15 Estimated Unbudgeted Revenues</b>	
Non Resident Tuition (International and Out-of-State)	611,223
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Permanent/Hourly Faculty and Classified Permanent Positions	2,716,701 (D)
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<b>Net Changes in Estimated Revenues &amp; Expenditures</b>	<b>11,164,194</b>
<b>Estimated Ending Fund Balance Unrestricted General Fund</b>	<b>27,535,104</b>

**Footnote**

**Narrative**

- (A) The 2014-15 Growth was not included in the 2014-15 Adopted Budget as established in the Budget Review and Development Process Guide. The rationale is that growth estimates will change multiple times during the year, and the final number is known in February of the following fiscal year. The College needs to increase courses to earn the Growth.
- (B) The College had Apportionment Deficits of \$4,704, 308 or 3.7% for the fiscal year 2012-13 and \$2,253,660 or 1.7% for the fiscal year 2013-14. The College recovered \$222,094 for 2012-13 and \$759,279 for 2013-14 during the fiscal year 2014-15.
- (C) The College did not budget for the 2014-15 Reimbursement State-Mandated Local Program Costs because the allocations were announced in December 2014. The College received payment in January 2015.
- (D) The savings are mainly the result of vacancies for management and classified positions and the hourly adjunct faculty budget.
- (E) The savings are primarily in the Utilities, Rate Driven, Memberships, and Contracted Services budgets. In addition, the College received Instructional Equipment Block Grant for the fiscal year 2014-15. This grant did not require matching funds; therefore, the College achieved savings in the Unrestricted General Fund by not expensing the matching funds. When Instructional Equipment matching funds are not expensed, the funds will carryover to the following fiscal year.

**(3) Conservative, Likely, and Optimistic:**

Total Base Apportionment of \$130,987,762 plus COLA (0.85%) of \$1,113,396 as per first principal apportionment dated April 22, 2015.

<b>CALIFORNIA COMMUNITY COLLEGES</b>											
<b>2014-15 FIRST PRINCIPAL APPORTIONMENT</b>											
<b>MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT</b>											
<b>APRIL REVISION</b>											
<b>EXHIBIT C</b>											
<b>Workload measures:</b>	<b>Base Funding</b>	<b>Marginal Funding</b>	<b>Base FTES</b>	<b>11-12 Workload Restoration FTES</b>	<b>Growth FTES</b>	<b>Restored FTES</b>	<b>Stability FTES</b>	<b>Total Funded FTES</b>	<b>Unfunded FTES</b>	<b>Actual FTES</b>	
Credit FTES	4,636,492,853	4,675,903,043	23,277,477	1,192,935	0,000	0,000	0,000	24,470,412	820,788	25,291,200	
Noncredit FTES	2,788,053,637	2,811,752,093	1,902,640	917,790	0,000	0,000	0,000	2,820,430	0,000	2,820,430	
Noncredit - CDCP FTES	3,282,811,061	3,310,714,955	3,696,350	-574,070	0,000	0,000	0,000	3,122,280	0,000	3,122,280	
<b>Total FTES:</b>			<b>28,876,467</b>	<b>1,536,655</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>30,413,122</b>	<b>820,788</b>	<b>31,233,910</b>	
<b>I Base Revenues +/- Restore or Decline</b>				<b>V Other Revenues Adjustments</b>							
A Basic Allocation				\$5,622,823						\$0	
B Basic FTES Revenue Before Workload Reduction			\$125,364,939							\$0	
C Workload Reduction			\$0.00								
D Revised Base FTES Revenue				\$125,364,939						\$0	
1 Credit Base Revenue			\$107,925,858								
2 Noncredit Base Revenue			\$5,304,662								
3 Career Development College NonCr			\$12,134,419								
E Current Year Decline				\$0							
Total Base Revenue Less Decline				<b>\$130,987,762</b>							
<b>II Inflation Adjustment</b>				<b>VII Total Computational Revenue</b>				<b>(sum of II, III, IV, V, &amp; VI)</b>			
A Statewide Inflation Adjustment		0.85%								\$138,359,222	
B Inflation Adjustment			\$1,113,396								
Total Inflation Adjustment				<b>\$1,113,396</b>							
				<b>VIII District Revenue Source</b>							
				A1 Property Taxes				\$19,730,322			
				A2 Less Property Taxes Excess				\$0			
				B Student Enrollment Fees				\$8,201,044			
				C State General Apportionment				\$86,646,075			
				D Estimated EPA				\$21,320,610			



**Footnote**

**Narrative**

**(4) Conservative and Optimistic:**

The total Growth is estimated to be 4%, or approximately \$4,749,923, as per the March 31, 2014 President's Cabinet Notes. The estimated Growth at Cap of 2.75% is \$3,265,572, and the Over Cap Growth of 1.25% is the difference of \$1,484,351. These estimates are very preliminary and will change several times. The total 2014-15 Growth will be known in February 2016.

**(5) Conservative, Likely, and Optimistic:**

The Governor's State Budget May Revision includes a proposal to increase the Cost-of-Living Adjustment (COLA) by 1.02%. This is estimated as follows:

Base Apportionment plus COLA (0.85%) as per 2014-15	\$132,101,158
2014-15 Growth at Cap 2.75%	<u>3,265,572</u>
Total	\$135,366,730
COLA @ 1.02%	\$1,380,741

A corresponding expense placeholder has been included in the budget as an ongoing expenditure.

**(6) Conservative, Likely, and Optimistic:**

The Governor's State Budget May Revision includes a proposal to increase the Base Allocation by \$266.7 Million statewide. This funding is for operating expenses such as STRS and PERS costs increases. Mt. SAC's share is approximately \$6,203,028. This was estimated on FTES from the 2014-15 first principal apportionment released in April 2015 and a simulation developed by the Chancellor's Office.

**(7) Conservative, Likely, and Optimistic:**

The Governor's State Budget includes a proposal to increase the Career Development and College Preparation Courses (CDCP) funding by \$49 Million statewide. The goal is to match the rate of the credit FTES. As per the latest apportionment report, CDCP FTES are valued at \$3,282.81 and Credit FTES are valued at \$4,636.49, therefore, the increase per FTE is approximately 41%. Mt. SAC's share is approximately \$4,926,314. This was estimated on 2013-14 CDCP FTES as per the April 2015 Apportionment Recalculation.

\$1,200,000 expense placeholder has been included in the budget as an ongoing expenditure.

**(8) Conservative, Likely, and Optimistic:**

The Governor's State Budget May Revision includes a proposal to increase funding by \$75 Million to hire full-time faculty. Mt. SAC's share is approximately \$1,985,057. This was estimated on FTES from the 2013-14 Apportionment Recalculation released on April 2015.

Two Faculty positions for \$201,754 plus an additional \$1,783,303 have been included in the budget as an ongoing expenditures.

**Footnote****Narrative****(9) Conservative, Likely, Optimistic:**

Lottery revenues increased by \$215,040 (from \$3,903,232 to \$4,118,272). The estimate is based on the 2014-15 P2 annual attendance report as follows:

32,174 FTES times \$128 per FTE = \$4,118,272

The Lottery revenue budget will be recalculated at year-end when the annual attendance for 2014-15 is known.

**(10) Conservative, Likely, Optimistic:**

These budgets include Nonresident fees, interest and other miscellaneous fees. Some of these budgets will be adjusted to actuals after the 2014-15 College books are closed.

**(11) Conservative, Likely, Optimistic:**

The Mandated Cost Block Grant was reclassified as ongoing revenue because the College has been receiving these revenues since the fiscal year 2012-13. These revenues became recurrent or ongoing revenues.

**(12) Conservative, Likely, Optimistic:**

Revenues as of April 29, 2015 showed an increase of \$430,000 in nonresident fees for international students and \$50,000 in nonresident fees for out-of-state students. The revenue budget was adjusted to the estimated actual revenue received in 2014-15.

**(13) Conservative, Likely, and Optimistic:**

For the Base Ongoing Expenditures, please refer to page 20 of the 2014-15 Adopted Budget.

**(14) Conservative, Likely, and Optimistic:**

On May 27, 2015, the Board of Trustees approved a Funding Plan of Other Post-Employment Benefits Other than Pensions (OPEB) and a Change to the Financial Presentation. The Change consists on funding on an ongoing basis \$2,500,000 from the Unrestricted General Fund and paying the Retirees Health Premiums from the OPEB Trust. The Total Ongoing Expenditure Budget of \$153,207,508 includes a budget of \$6,903,119, which is the Total Expenditure for the OPEB Contribution and the Health Retirees Premiums. \$4,403,119 is being removed as this will be funded from interest earned on the OPEB Trust, leaving \$148,804,389 as an Adjusted 2014-15 Base Ongoing Expenditure Budget.

The 2014-15 Total Expenditure for the OPEB Contribution and the Health Retirees Premiums of \$4,403,119 that will be funded from interest earned on the OPEB Trust has been increased by \$113,245 for 2015-16 resulting in a total of \$4,513,364. The increase is the result of increases in the Retirees Health Premiums.

**(15) Conservative, Likely, and Optimistic:**

Salary schedule progression includes projected step/column increases for full-time permanent employees based on individual employee records.

**Footnote****Narrative**

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**(16) Conservative, Likely, and Optimistic:**

Miscellaneous personnel and benefit changes mainly include changes in step/column due to positions becoming vacant and filled vacancies during the year. Vacancies for managers, classified, supervisory, and confidential employees are budgeted at step 3. Vacancies for full-time faculty are budgeted at step 7, column 9.

**(17) Conservative, Likely, and Optimistic:**

The College received 2013-14 Over Cap Growth and as a result, permanent employees received an ongoing annual increase of \$366 in their Health and Welfare.

**(18) Conservative, Likely, and Optimistic:**

The STRS employer rate will increase from 8.88% to 10.73%. Includes full-time and adjunct faculty.

**(19) Conservative, Likely, and Optimistic:**

The PERS employer rate will increase from 11.771% to 11.847%.

**(20) Conservative, Likely, and Optimistic:**

The 2015-16 New Resources Allocation budget is the funded with the \$266.7 Increase in Base Allocation. The estimate is the difference after funding the STRS and PERS Cost increases.

**(21) Conservative, Likely, and Optimistic:**

Mainly includes the Cost of Reclassification as approved by the Board of Trustees on March 25 and May 27, 2015, and preliminary projections for the Classification Study to be approved at a later time.

**(22) Conservative, Likely, and Optimistic:**

The Class Schedule Increase to earn the 2014-15 Growth has been estimated at \$1,677,827. This estimate will be revised when the final adjunct faculty payroll is paid for 2014-15.

**(23) Optimistic**

The estimate included is for the 3% Growth as per the Governor's State Budget May Revision. It is based on a simulation of the new growth formula prepared by the Chancellor's Office. This formula accounts for district demographics related to poverty and college attainment. The new growth formula also seeks to balance two key elements: 1) need based on local demographics, and 2) actual demand as demonstrated by the number of students served in previous fiscal years.

**(24) Conservative, Likely, and Optimistic:**

The Apportionment Deficit as of June 30, 2014 was 1.7%. Through April 2015, this deficit remains at 0.5%. The deficit for 2014-15 is 1.6% as of April 2015. As a result of these continuous deficits, .75% of the Total Apportionment has been estimated as a deficit for 2015-16.

**Footnote****Narrative**

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**(25) Conservative, Likely, and Optimistic:**

The Governor's State Budget May Revision includes a proposal to increase funding by \$626 Million to pay down Outstanding Mandated Claims. Mt. SAC's share is approximately \$16,568,607. This was estimated on FTEs from the 2013-14 Apportionment Recalculation released on April 2015.

Half of the estimate or \$8,384,304 has been included as a one-time revenue with the corresponding placeholder for one-time expenditures as a Conservative assumption. Under the Likely and Optimistic assumptions the total estimate of \$16,568,607 has been included as one-time revenues with the corresponding one-time expenditures.

**(26) Conservative, Likely, and Optimistic:**

The Positions and Operating Expenses Funded with 2014-15 One-Time Anticipated Growth will be further reviewed by President's Cabinet before the budget is adopted for 2015-16.

**(27) Conservative, Likely, and Optimistic:**

The 2014-15 New Resources Allocation Requests were approved by President's Cabinet on March 24 and April 21, 2015.

**(28) Conservative, Likely, and Optimistic:**

The Revenue Generated Accounts are budgets for college programs that produce revenue to fund the total cost of the program. Some examples are the Athletic Program, Music Program and Community Services.

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
2015-16 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND**

**UNRESTRICTED GENERAL FUND 11 AND 12:**

**ONGOING REVENUE BUDGET ASSUMPTIONS**

	Fund 11/12	Fund 13	Total
<b>Base Ongoing Revenue Budget</b>	<b>\$ 142,556,172</b>	<b>\$ -</b>	<b>\$ 142,556,172</b>
Mandated Cost Block Grant	812,089	-	812,089
<b>Balance as of the 2014-15 Adopted Budget</b>	<b>\$ 143,368,261</b>	<b>\$ -</b>	<b>\$ 143,368,261</b>
Reclassified as Ongoing Revenues Because the College has been Receiving These Revenues Since Fiscal Year 2012-13			
<b>Base Ongoing Revenue Budget</b>	<b>\$ 143,368,261</b>	<b>\$ -</b>	<b>\$ 143,368,261</b>
Cost Block Grant Reclassification			
2013-14 COLA	144	-	144
2014-15 COLA	(1,523)	-	(1,523)
2015-16 COLA	1,380,741	-	1,380,741
2012-13 Growth/Restoration	9,176	-	9,176
2013-14 Growth/Restoration	182,735	-	182,735
2013-14 Over Cap Growth/Restoration	(371,283)	-	(371,283)
2014-15 Growth/Restoration	3,265,572	-	3,265,572
2014-15 Over Cap Growth/Restoration	-	-	-
2015-16 \$266.7 Million Increase to Base Allocation	6,203,028	-	6,203,028
2015-16 \$49 Million CDCP Equalization	4,926,314	-	4,926,314
2015-16 \$75 Million for Full-time Faculty Hiring	1,985,057	-	1,985,057
Lottery	215,040	-	215,040
Interest	50,000	-	50,000
Nonresident Tuition	500,000	-	500,000
PT Faculty Office Hours/Health Insurance	-	-	-
PT Faculty Parity	-	-	-
Other Miscellaneous Revenue	54	-	54
<b>Total Revenue Increases/(Decreases)</b>	<b>\$ 18,345,055</b>	<b>\$ -</b>	<b>\$ 18,345,055</b>
<b>Total Ongoing Revenue Budget</b>	<b>\$ 161,713,316</b>	<b>\$ -</b>	<b>\$ 161,713,316</b>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
2015-16 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND**

**ONGOING EXPENDITURE BUDGET ASSUMPTIONS**

		Fund 11/12	Fund 13	Total
<b>Base Ongoing Expenditure Budget</b>	<b>Balance as of the 2014-15 Adopted Budget</b>	<b>\$ 153,207,508</b>	<b>\$ -</b>	<b>\$ 153,207,508</b>
Retirees Health Premium and OPEB Contribution	On May 27, 2015, the Board of Trustees approved a Funding Plan of Other Post-Employment Benefits Other than Pensions (OPEB) and a Change to the Financial Presentation. The Change consists on funding on an ongoing basis \$2,500,000 from the Unrestricted General Fund and paying the Retirees Health Premiums from the OPEB Trust. The Total Ongoing Expenditure Budget of \$153,207,508 includes a budget of \$6,903,119, which is the Total Expenditure for the OPEB Contribution and the Health Retirees Premiums. \$4,403,119 is being removed as this will be funded from interest earned on the OPEB Trust, leaving \$148,804,389 as an Adjusted 2014-15 Base Ongoing Expenditure Budget.	(4,403,119)	-	(4,403,119)
<b>Base Ongoing Expenditure Budget</b>	<b>Balance as of the 2014-15 Adopted Budget - After New OPEB Financial Presentation</b>	<b>\$ 148,804,389</b>	<b>\$ -</b>	<b>\$ 148,804,389</b>
2015-16 Salary Schedule Progression	Estimated Step/Column and Longevity Changes	1,183,462	-	1,183,462
2015-16 Adjunct Salary Schedule Progression	Estimated Step/Column Changes	128,000	-	128,000
2015-16 Noncredit Adjunct Step/Column	Estimated Step/Column Changes	105,000	-	105,000
2014-15 Medical Coverage Opt-out	Faculty, CSEA 262, and CSEA 651	(39,037)	-	(39,037)
Misc. Personnel and Benefit Changes	Mainly Changes in Step and Column due to Filled Vacancies and Changes in Employer Contributions for Hourly Budgets	(895,687)	-	(895,687)
2014-15 Health and Welfare Increase- All Units	\$366 Increase in Annual Contribution as a result of the 2013-14 Over-Cap Growth	296,549	-	296,549
2015-16 Salary and Benefit Increase, Collective Bargaining Contracts	To be Determined	-	-	-
2015-16 Estimated Funded COLA at 1.02% - Expenses Placeholder	To be Determined	1,380,741	-	1,380,741
STRS Employer Rate Increase	Rate Increase from 8.88% to 10.73%	1,195,795	-	1,195,795
PERS Employer Rate Increase	Rate Increase from 11.771% to 11.847%	24,791	-	24,791
2015-16 New Resources Allocation	Mt. SAC Share of the \$266.7M Increase in Base Allocation less STRS and PERS Placeholder to Fund CDCP Expenses	4,982,442	-	4,982,442
2015-16 \$49 Million for CDCP Expenses	No Change. Rate Remains at 0.05%	1,200,000	-	1,200,000
Unemployment Insurance	Rate Increase from 1.59% to ___% - To be Determined	-	-	-
Worker's Compensation Increase	Ongoing Cost for 2015-16 as approved by the Board of Trustees on March 25 and May 27, 2015	600,000	-	600,000
Reclassification	Two New Faculty Positions (Refer to Page ___ for Details)	201,754	-	201,754
New Faculty Positions	Funding for Additional Full-Time Faculty Positions as per Governor's May Revise	1,783,303	-	1,783,303
2015-16 \$75 Million for Full-Time Faculty Hiring	Ongoing Increase of ___ FTEs to earn the 2014-15 Growth. Preliminary Estimate to be Recalculated at Year-End.	1,677,827	-	1,677,827
Class Schedule Increase	Approved by President's Cabinet (Refer to Page ___ for Details)	20,968	-	20,968
Budget Increases				
<b>Total Net Increase to Ongoing Expenditure Budget</b>		<b>\$ 13,845,908</b>	<b>\$ -</b>	<b>\$ 13,845,908</b>
<b>Total Ongoing Expenditure Budget</b>		<b>\$ 162,650,297</b>	<b>\$ -</b>	<b>\$ 162,650,297</b>
<b>Total Ongoing Budget Surplus/(Deficit)</b>		<b>\$ (936,981)</b>	<b>\$ -</b>	<b>\$ (936,981)</b>

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
2015-16 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND**

**ONE-TIME REVENUE AND EXPENDITURE BUDGET ASSUMPTIONS**

One-Time Revenue Budget Increases/(Decreases)	Fund 11/12	Fund 13	Total
2014-15 Apportionment Deficit	\$ -	\$ -	\$ -
2015-16 Apportionment Deficit	(1,109,076)	-	(1,109,076)
2015-16 Growth/Restoration	-	-	-
2015-16 \$626 Million To Pay Down Outstanding Mandated Claims	8,284,304	-	8,284,304
<b>Total One-Time Revenue Budget</b>	<b>\$ 7,175,228</b>	<b>\$ -</b>	<b>\$ 7,175,228</b>
<b>One-Time Expenditure Budget Increases/(Decreases)</b>	<b>Fund 11/12</b>	<b>Fund 13</b>	<b>Total</b>
Purchases In Progress	\$ 637,501	\$ -	\$ 637,501
Various Carryover Budgets	1,625,806	-	1,625,806
One-Time Support	72,462	-	72,462
Positions Funded with One-Time Anticipated 2014-15 Growth	592,143	-	592,143
Operating Expenses Funded with One-Time Anticipated 2014-15 Growth	106,170	-	106,170
Immediate Needs Requests - One-Time	171,943	-	171,943
Election Cost	274,042	-	274,042
2015-16 \$626 Million To Pay Down Outstanding Mandated Claims - Placeholder Expenses	8,284,304	-	8,284,304
<b>2014-15 New Resources Allocation Requests</b>	<b>4,297,568</b>	<b>-</b>	<b>4,297,568</b>
Class Schedule Increase	-	-	-
2015-16 One-Time Savings from Vacant Positions	(784,504)	-	(784,504)
<b>Total One-Time Expenditure Budget Increases/(Decreases)</b>	<b>\$ 15,277,435</b>	<b>\$ -</b>	<b>\$ 15,277,435</b>

Per P2 Estimated at \_\_\_% . Chancellor's Office Estimates the Deficit to Over \_\_\_% at the February 2016 Recalculation.

2015-16 Apportionment Deficit Estimated at 0.75% of the Total 2015-16 Estimated Apportionment or (\$147,876,813)

2015-16 Growth/Restoration Estimated at \$4,681,020 as per New Growth Funding Allocation Model

2015-16 \$626 Million To Pay Down Outstanding Mandated Claims Per Governor's May Revise. Budgeted 50% of Estimated Budget of \$16,568,607

Estimated Carryover from 2013-14 (Refer to Page \_\_\_ for Details)

Estimated Carryover for 2014-15 (Refer to Page \_\_\_ for Details)

Child Development Center as Approved by President's Cabinet (Refer to Page \_\_\_ for Details)

Some Positions Were Initially Approved by President's Cabinet as 2013-14 New Resources Allocation and 2013-14 Immediate Needs One-Time. Additional Positions have been Approved During 2014-15 (Refer to page \_\_\_ for details)

Initially Approved by President's Cabinet as 2013-14 New Resources Allocation (Refer to page \_\_\_ for details)

Approved by President's Cabinet (Refer to Pages \_\_\_ - \_\_\_ for Details)

Election Costs for Three Board Members. Based on November 2013 Election Cost

As per Governor's May Revise. Budgeted 50% of Estimated Budget at \$16,568,607

As approved by President's Cabinet on March 24 and April 21, 2015

Estimated Increase to earn the 2015-16 Growth at 3% - To be Determined

Salary and Benefit Savings - Less Requested Backfill Budget (Refer to Pages \_\_\_ - \_\_\_ for Details) Based on 2014-15

**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
2015-16 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND**

**UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS:**

**REVENUE AND EXPENDITURE ASSUMPTIONS**

One-Time Revenue Budget Increases/(Decreases)	Fund 11/12	Fund 13	Total
Beginning Balance			
2015-16 Revenue Budgets	\$ -	\$ 3,804,748	\$ 3,804,748
<small>Actual Balance as of June 30, 2014</small>			
<small>Matching Revenue and Expenditure Accounts. Based on 2014-15</small>			
<b>Total Revenue Budget</b>	<b>\$ -</b>	<b>\$ 5,953,960</b>	<b>\$ 5,953,960</b>

One-Time Expenditure Budget Increases/(Decreases) - Funded from the Unassigned Fund Balance	Fund 11	Fund 13	Total
2014-15 Carryover			
2015-16 Expenditure Budgets	-	2,149,212	2,149,212
<small>Revenue-Generated Accounts - Fund Balance (Refer to Pages ___ for Details) Based on 2013-14 Actuals</small>			
<small>Matching Revenue and Expenditure Accounts Based on 2014-15</small>			
<b>Total Expenditure Budget - Funded from the Assigned Fund Balance</b>	<b>\$ -</b>	<b>\$ 5,953,960</b>	<b>\$ 5,953,960</b>

<b>Total Unrestricted General Fund Revenue Budget - Ongoing, One-Time, and Revenue Gen. Accounts</b>	<b>\$ 168,888,544</b>	<b>\$ 5,953,960</b>	<b>\$ 174,842,504</b>
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<b>Total Unrestricted General Fund Expenditure Budget - Ongoing, One-Time, and Revenue Gen. Accounts</b>	<b>\$ 177,927,732</b>	<b>\$ 5,953,960</b>	<b>\$ 183,881,692</b>
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