

# Solano College FY 2014-15 Budget

Governing Board Study Session  
September 3<sup>rd</sup>, 2014

# Overview

- ▶ Sound Fiscal Management Self-Assessment Summary
- ▶ FY 2013–14 Year-End Close
- ▶ FY 2014–15 General Fund Estimated Savings/Encroachments
- ▶ Proposed FY 2014–15 Adoption Budget
- ▶ FY 2014–15 District Resources and Uses
- ▶ Three Year Look Ahead

# **Sound Fiscal Management Self Assessment Items Requiring Immediate Attention**

**Deficit Spending**

**Enrollment**

**Bargaining Agreements**

**Unrestricted General Fund Staffing**

**Retiree Health Benefits**

# Sound Fiscal Management Self Assessment Checklist **Monitor**

**Fund Balance**

**Unrestricted General Fund Balance**

**Cash Flow Borrowing**

**Management Information Systems**

**Position Control**

**Budget Monitoring**

**Leadership/Stability**

**District Liability**

**Reporting**

**Internal Controls**

# FY 2013-14 Pre-Close

## General Fund Unrestricted

Revenues		46,148,335
Expenditures		
	Academic Salaries	19,625,625
	Classified Salaries	9,463,763
	Benefits	11,718,541
	Supplies	633,977
	Other Operating	5,526,146
	Equipment	208,409
	Other Outgo	<u>24,141</u>
		<u>47,200,602</u>
<b>Deficit</b>		(1,052,267)
Beginning Fund Balance		<u>5,661,304</u>
Ending Fund Balance		<u><u>4,609,037</u></u>
		9.8%

# FY 2013-14 Year End Close

Further Erosion from June Information (000s)

## Encroachments on the General Fund

▶ Financial Aid/Maintenance of Effort	\$ 36
▶ Small Business Development Center	\$ 53
▶ Workforce Development/Community Ed	\$109
▶ Educational Foundation	\$135
▶ Child Development Center	\$170
▶ Disabled Student Program & Services	\$260

# FY 2013-14 Close

## General Fund Unrestricted

Revenues		46,162,964
Expenditures		
	Academic Salaries	19,655,555
	Classified Salaries	9,598,121
	Benefits	11,830,293
	Supplies	634,422
	Other Operating	5,362,372
	Equipment	-
	Other Outgo	<u>400,790</u>
		<u>47,481,553</u>
<b>Deficit</b>		(1,318,589)
Beginning Fund Balance		<u>5,661,304</u>
Ending Fund Balance		<u><u>4,342,715</u></u>
		9.1%

# Budget Assumptions FY 2014–15

## Estimated Savings – General Fund Unrestricted

Estimated Savings			
Adjunct Budget/Summer Session	(293,000)		
Release Time	(80,000)		
Vacancies not yet Filled (3 mo svgs)	<u>(52,000)</u>	(425,000)	(a)
Overtime	(31,000)		
Non-Instructional Hourlies	(63,000)		
Instructional Hourlies	(66,750)		
Student Workers	(12,750)		
Vacancies not yet Filled (3 mo svgs)	<u>(116,000)</u>	(289,500)	(b)
Health Benefits Rates	(249,000)		
Statutory Benefits	(71,000)		
Benefits/Vacancies not yet filled	<u>(122,000)</u>	(442,000)	(c)
Elections	(240,000)		
Memberships	(135,000)		
Conferences	(100,000)		
Mileage	(10,000)		
External Events	<u>(20,000)</u>	(505,000)	(d)
Library Equipment	<u>(35,000)</u>	<u>(35,000)</u>	(e)
		<b>(1,696,500)</b>	

Please note: Legends (a) to (e) Carry Forward to Slide 11 – FY 2013–14 Closing to Proposed FY 2014–15 Adoption Budget

# Budget Assumptions FY 2014–15 Encroachments on General Fund Expenditure Add-Ons

<b>Expenditure Add-Ons</b>		
Additional Maintenance Support/ Total Cost of Ownership	75,000	(f)
Financial Aid/Maintenance of Effort \$150k	-	(g)
Child Development Center	175,000	(h)
Foundation Support	135,000	(i)
Image Campaign	25,000	(j)
Workforce Development & Community Educ	175,000	(k)
Small Business Development Center	<u>80,000</u>	(l)
	<b>665,000</b>	

Please note: Legends (f) to (l) Carry Forward to Slide 11 –  
FY 2013–14 Closing to Proposed FY 2014–15 Adoption Budget

# FY 2013-14 Closing to Proposed FY 2014-15 Adoption Budget

	Projected FY 2013-14	Unadjusted Budget FY 2014-15		FY 2014-15 Savings / Add-backs	Proposed FY 2014-15 Adopted Budget
Revenues	46,162,964	46,237,007			46,237,007
Expenditures					
Academic Salaries	19,655,555	19,877,036	(a)	(425,000)	19,452,036
Classified Salaries	9,598,121	9,589,648	(b)	(289,500)	9,300,148
Benefits	11,830,293	13,338,322	(c)	(442,000)	12,896,322
Supplies	634,422	458,838			458,838
Other Operating	5,362,372	5,242,792	(d)	(505,000)	4,737,792
Equipment	-	35,000	(e)	(35,000)	-
Other Outgo and Strategic Proposals	400,790	300,000	(f) - (l)		965,000
	<u>47,481,553</u>	<u>48,841,636</u>			<u>47,810,136</u>
<b>Deficit</b>	<b>(1,318,589)</b>	<b>(2,604,629)</b>			<b>(1,573,129)</b>
Beginning Fund Balance	<u>5,661,304</u>	<u>4,342,715</u>			<u>4,342,715</u>
Ending Fund Balance	<u>4,342,715</u>	<u>1,738,086</u>			<u>2,769,586</u>
	9.1%	3.6%			5.79%

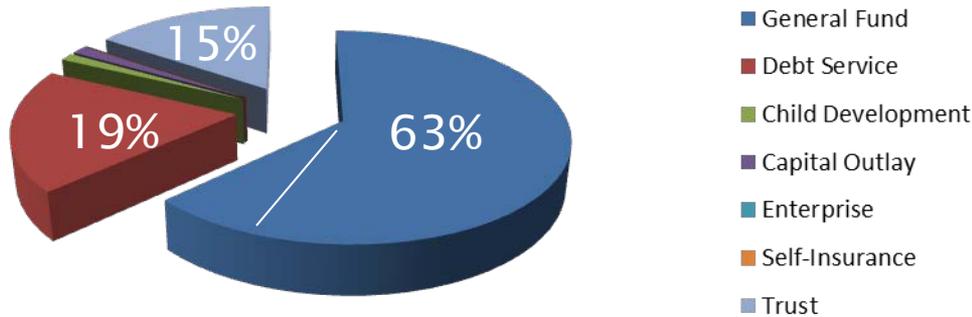
For alpha legends (a) through (l), please refer to Slides 9 and 10 -  
Budget Assumptions for FY 2014-15

# Proposed FY 2014-15 Adoption Budget General Fund – Unrestricted

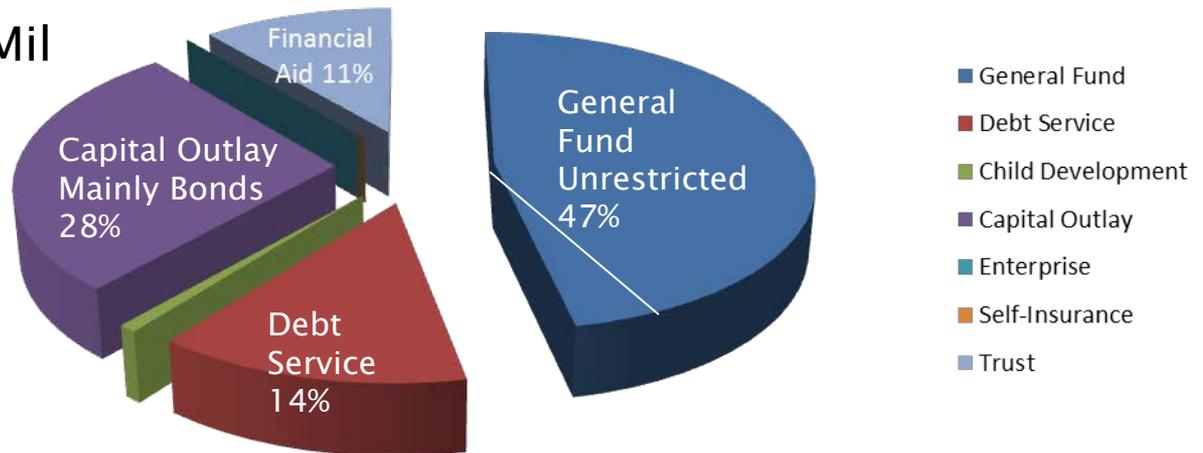
		Proposed Adopted Budget
Revenues		46,237,007
Expenditures		
	Academic Salaries	19,452,036
	Classified Salaries	9,300,148
	Benefits	12,896,322
	Supplies	458,838
	Other Operating	4,737,792
	Equipment	-
	Other Outgo	<u>965,000</u>
		<u>47,810,136</u>
<b>Deficit</b>		<b>(1,573,129)</b>
Beginning Fund Balance		<u>4,342,715</u>
Ending Fund Balance		<u>2,769,586</u>
		<b>5.79%</b>

# Resources and Uses FY 2014-15

Revenues \$81 Mil



Expenditures \$113 Mil



# Three Year Look Ahead Assumptions

Assumptions	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
COLA	1.57%	0.85%	1.00%	1.00%
CCCCO Deficit Factor	-1.72%	-0.55%	-0.50%	0.00%
Growth	0.00%	0.00%	2.50%	0.00%
Non-Resident Tuition			100,000	100,000
Step/Lane Movement, incl Statutory			1.25%	1.25%
Health Benefits			750,000	750,000
Trustee Elections		80,000	-	240,000
Supplies			100,000	0
Contracts			100,000	0
Equipment			50,000	0

# Three Year Look Ahead Assumptions

<b>Apportionment Revenues</b>			FY 2015-16	FY 2016-17
Base FTES			8,196	7,200
Stability FTES				1,515
Stability Restoration FTES			304	-
Growth FTES			215	-
Total FTES			8,715	8,715
Revenue/Credit FTE			4,723	4,770
<b>Other Revenues</b>			<b>2,409,375</b>	<b>2,320,000</b>
Lottery			1,089,375	900,000
Non-Resident Tuition			500,000	600,000
Part-Time Faculty Allocation			200,000	200,000
Student Fees			120,000	120,000
Various Other			500,000	500,000
<b>Position Reinstatements</b>			250,000	0
<b>Expenditures/Other Outgo</b>			<b>760,000</b>	<b>590,000</b>
Strategic Proposals			300,000	300,000
Child Development Center			100,000	75,000
Maintenance			75,000	75,000
WDCE			150,000	75,000
Foundation			135,000	65,000

# Three Year Look Ahead

	Projected FY 2013-14	Proposed FY 2014-15 Adopted Budget	Estimated FY 2015-16	Estimated FY 2016-17
Revenues	46,162,964	46,237,007	49,063,202	49,163,202
Expenditures				
Academic Salaries	19,655,555	19,452,036	19,920,186	20,169,189
Classified Salaries	9,598,121	9,300,148	9,541,400	9,660,667
Benefits	11,830,293	12,896,322	13,646,322	14,396,322
Supplies	634,422	458,838	558,838	558,838
Other Operating	5,362,372	4,737,792	4,837,792	5,077,792
Equipment	0	0	50,000	50,000
Other Outgo	400,790	965,000	760,000	590,000
	47,481,553	47,810,136	49,314,538	50,502,808
Deficit	(1,318,589)	(1,573,129)	(251,337)	(1,339,607)
Beginning Fund Balance	5,661,304	4,342,715	2,769,586	2,518,249
Ending Fund Balance	4,342,715	2,769,586	2,518,249	1,178,642
	9.15%	5.79%	5.11%	2.33%