

2016-17
Budget Workshop

Compton Community College District

Board Meeting

April 19, 2016

Presented by Felipe Lopez, Chief Business Officer

Agenda

- Governor's Budget Proposal
- 2016-17 Overarching Priorities
- 2016-17 Preliminary Budget Assumptions

Governor's 2016-17 Budget Proposal

- **No** monies allocated for operating expenses, including annual pension benefit expense increases (PERS/STRS), retirement benefits, professional development, facilities, and other general operating expenses.
 - Received approximately \$630,000 in 2015-2016

Governor's 2016-17 Budget Proposal

- **\$29.3M for COLA** – This would fund the statutory cost-of-living-adjustment of 0.47%.
 - COLA for Compton is approximately \$150,000.

Governor's 2016-17 Budget Proposal

- **\$114.7M to increase for access (growth)** – This is an increase of roughly 2 percent.
 - However, Compton will unlikely receive any access dollars based on current enrollment trends.

Governor's 2016-17 Budget Proposal

- **\$200M to support Workforce Programs** – This will enable community colleges to expand access to additional career technical education course and programs.

Governor's 2016-17 Budget Proposal

- **\$76.3M for Mandate Reimbursements** – These one-time funds would be allocated on a per-FTES basis to retire outstanding mandate claims.
 - Compton will received approximately \$394K in one-time funds.

Governor's 2016-17 Budget Proposal

- **\$45M for Prop 39**—These funds support projects and workforce development related to energy sustainability, consistent with the provisions of Proposition 39.
 - Funding is approximately \$230,000 used to improve interior lighting and other energy efficient projects.

Budget Proposal

Cautions and Concerns

- Although the budget is positive, we must note that increases in the PERS/STRS employer contribution rates will impact our general fund budget.
- Proposition 30 is temporary and will begin phasing out in December 31, 2016.
- We have significant unfunded OPEB (\$15.6M) and Pension (\$22.8M) obligations we must address.

2016-17 Overarching Priorities

1. Increase Student Enrollment by 8%.
 - (Strategic Initiative – A, B, D, E, F)
2. Support El Camino College Compton Center Accreditation.
 - (Strategic Initiative – A, B, C, D, E, F)

2016-17 Overarching Priorities

3. Ensure the Student Success activities are coordinated & support the Compton Center Institutional Effectiveness Outcomes.
 - (Strategic Initiative – A, B, C, D, E)

4. Continue to develop and enhance partnerships with schools, colleges, universities, businesses, and community-based organizations to respond to the educational, workforce training, and economic development.
 - (Strategic Initiative – D)

2016-17 Overarching Priorities

5. Continue to implement the Planning & Budget Process.
 - (Strategic Initiative – B, C, E)

6. Improve facilities to support student learning and success.
 - (Strategic Initiative – A, B, E, F)

2016-17 Overarching Priorities

7. Enhance communication with students, employees, and the community.
 - (Strategic Initiative – B, C, D)

8. Develop Professional Development opportunities for employees.
 - (Strategic Initiative – C)

2016-17 Budget Assumptions

- Projected beginning fund balance - \$9.7M
- Estimated State Apportionment - \$33.3M
 - \$23.0M – State Revenues
 - \$5.3M – Prop 30 (EPA)
 - \$4.1M – Property Taxes
 - \$897K – Enrollment Fees

2016-17 Budget Assumptions

- Prop 30 (EPA Funds) – to be spent on instructional salaries only
- Revenues based on 6,060 FTES
- Cost of Living Adjustment (COLA) of 0.47%, an increase of \$22.20 per credit FTES

2016-17 Budget Assumptions

- Increase employee retirement systems
 - CalSTRS – from 10.73% to 12.58%,
 - CalPERS – from 11.847% to 13.050%
- One-Time Augmentations/Enhancements - \$100K
 - Enrollment Management Plan (\$100K)

2016-17 Budget Assumptions

- Fill seven full-time faculty positions
- Fill one full-time classified position
- Line of credit debt payment - \$1.3M
- Police Services Contract - \$1.4M
- OPEB Contribution - \$250K
- PERS/STRS Contribution - \$200K
- Personnel Commission - \$280K
- Transfers for Property & Liability Fund – \$400K

Questions & Discussions