

THE TENTATIVE BUDGET REPORT provides a summary of the 2015-16 State budget and District budget planning information. It focuses primarily on the Unrestricted General Fund; however, preliminary information is also included about other District funds shown in detail on Exhibits B through K.

The legislature passed the \$117.5 billion spending plan on time. After some changes, the Governor is expected to sign the main budget bill before July 1 with a second bill referred to as “Budget Bill, Jr.” that includes provisions.

May Revision

The Governor’s Budget May Revise was released on May 14th. Reaction to the revised budget was mostly positive. Typically, the release of the May Revise marks the beginning of the final budget negotiations. It includes updated revenue projections including those received in April.

The State treasury reports that actual revenues accumulated in the current fiscal year have exceeded projections since the Governor’s January budget proposal. The surge in revenues is largely due to a growing economy and to the Proposition 30 temporary tax increases approved in 2012. In particular, the higher-than-expected personal income tax collections and higher corporate income tax and sales tax receipts. General Fund revenues reflect a \$6.7 billion increase compared to the January budget.¹

The May Revise focuses on the key elements of the January proposal including continuation of the Local Control Funding Formula, federal health care reform, public safety realignment, the Water Action Plan and the Cap and Trade expenditure plan.

Funding for California K-12 public schools and community colleges is set to increase by \$6 billion in the 2015-2016 fiscal year. The Governor’s office made a point of saying that the proposed increase to education translates to 45% increase in funding over the last four years. Although this has won high praise from education groups, many are quick to mention that the increases are still below pre-recession levels.

In its review of the Governor’s May Revise, the Legislative Analyst’s Office (LAO) asserts that they “do *not* produce a new revenue or budget outlook. Rather, they consider the key factors that may affect May estimates—principally revenues, the Proposition 98 minimum guarantee for schools and community colleges, and Proposition 2, the debt payment and budget reserve measure passed by voters in November 2014.” Prior to the release of the May Revision, the LAO published hypothetical budget scenarios to help the Legislature plan ahead.

In its analyses of the May Revise, School Services of California states that the increases for schools are not expected to continue. When the temporary taxes expire, State revenues are expected to flatten, and the revenue given to K-12 schools and community colleges will decline after next year to the standard 40 percent of the general budget after past obligations to Proposition 98 are fully paid off. This maintenance factor which was as high as \$11 billion because of cuts made during the recession will be under \$800 million after next year.

Following are the key highlights of the Governor’s revised budget relevant to the California Community Colleges and the highlighted text indicates how this affects our District:

- \$49.7 million to increase access from 2 percent to 3 percent (\$156.5M total for 2015-16). ***This is for growth and we will not get this.***
- A decrease of \$31.3 million to reflect a downward adjustment in the COLA from 1.58% to 1.02%. ***No impact on us financially, but makes our compensation settlement look even better.***
- \$75 million to support an increase in full-time faculty hiring. Funding would be allocated per FTES, but districts with relatively low proportions of full-time faculty would be required to hire more than districts with relatively high proportions of full-time faculty. ***Our share should be about \$1.15M.***
- \$141.7 million in additional funds for support of district general operating expenses, bringing the proposed total to \$266.7 million for the 2015-16 fiscal year. ***This is on the base and we will not get this.***

¹ <http://www.ebudget.ca.gov/FullBudgetSummary.pdf>

- \$274.7 million in additional one-time funds to pay down prior mandate obligations, bringing the proposed total to \$626 million. These funds would be distributed on a per-FTES basis. *Our share of these funds would be about \$9.75M, unrestricted one time funds.*
- \$148 million for deferred maintenance and instructional equipment. Of this amount, \$48 million is attributable to the current fiscal year. No local match is required. *Our share would be about \$2.30M. Assumes we will be able to decide locally how much would go to deferred maintenance and instructional equipment. Governor does not say but these are probably one time funds.*
- \$60 million in one-time funds for the Basic Skills and Student Outcomes Transformation Program. These funds are intended to improve basic skills instruction through adoption and/or expansion of evidence-based models of placement, remediation, and student support that will aid the progress and success of basic skills students. More detail will be available in the forthcoming trailer bill. *Unsure, but if this was allocated by FTES, we would get about \$900,000.*
- \$15 million increase for Student Equity Plan funding, bringing the total proposed increase to \$115 million for the 2015-16 fiscal year. Concurrently, provisional language will require the implementation of SB 1023 (Liu, 2014), which authorizes a pilot program to provide additional support of foster youth who participate in EOPS. *Again, not sure how this would be allocated. By FTES, our share would be about \$1.79M.*
- \$15 million increase for the Institutional Effectiveness Partnership Initiative. Of this amount, \$3 million will go toward technical assistance and the remaining \$12 million is for the development and dissemination of effective practices. Provisional language would prioritize development of curriculum and practices for members of the California Conservation Corps and for inmates pursuant to SB 1391 (Hancock, 2014). There will also be language included in the budget encouraging districts to offer up funding to enhance inmate education efforts. *We probably would not see much of this.*
- \$2.5 million to fund the COLA for the EOPS, DSPS, CalWORKs, and the Childcare Tax Bailout programs. *1% COLA on these programs. It would not pay for the District COLA, but will help.*
- \$2 million in one-time funds for a pilot program to foster collaboration between colleges and CSU campuses relating to basic skills instruction for incoming CSU students. *Assuming RFP based.*
- A decrease of \$825,000 in energy efficiency funding pursuant to the California Clean Energy Jobs Act (Proposition 39, 2012). This reduces the amount available in 2015-16 to \$38.7 million. *We should have already received our share of this.*
- \$25 million increase in Proposition 98 funds for the Awards in Innovation in Higher Education. This would bring the proposed total funding to \$50 million for the 2015-16 fiscal year (half Prop 98, half non-98). The May Revision would also reclassify \$23 million in current year awards as Proposition 98 funds, reflecting awards coordinated by community colleges. The May Revision further proposes to allow community colleges to be lead applicants for awards. *Application based.*
- The May Revision makes various other adjustments to the general apportionment, such as the inclusion of funding for projected FTES restoration and revised estimates concerning property taxes and fee revenues.
- Concerning the adult education proposal, the forthcoming trailer bill will propose various modifications, perhaps most notably the elimination of the allocation boards that were proposed in January. Each consortium will instead be required to propose a transparent governance structure for joint approval by the Superintendent of Public Instruction and by the Chancellor. It will no longer be required that each consortium have a fiscal agent, allowing for direct funding of member agencies if so desired. Language will also specify and clarify various reporting and funding deadlines. More information will be provided on these changes as details become available in the trailer bill. *Most of these funds are going locally to our K-12 partners.*

In his most recent update, State Vice Chancellor Dan Troy provided a summary of the Conference Committee actions as of June 9 cautioning that this does not reflect agreement with the Governor. Since the Committee based expenditures on the LAO's higher revenue estimates and not those provided by the Department of Finance, there will be more changes before reaching a final budget. The Conference Committee has approved funding for the California Community Colleges approximately \$80 million over the Governor's May Revise proposal, so it is very possible that some of these items will be reduced or deleted prior to the end of the process.

Key areas of agreement by the Conference Committee include:

- \$271 million in general operating expense funding (a compromise figure between the Senate and Assembly level)
- \$60 million in one-time funds for the Governor's Basic Skills and Student Outcomes Transformation Program - a grant program aimed at improving and expanding evidence-based practices in basic skills education. The Senate had previously rejected this proposal.
- \$148 million total for deferred maintenance and instructional equipment (the Senate had approved a higher amount)
- \$15 million in one-time funds approved for Professional Development, of which \$6 million is for Professional Development related to the SB 850 Bachelor pilot programs
- \$39 million for financial aid support for Cal Grant B recipients taking 12 or more units (the Senate had not approved this proposal)
- \$10 million increase financial aid administration (the Senate had not approved this proposal)
- Increases for certain categorical programs, including \$250,000 increase for the Academic Senate, \$24 million for the Fund for Student Success, and \$2.23 million to fund COLAs for various programs.
- Reduces the one-time pot of mandate reimbursement payments by about \$22 million (the total amount would decrease from \$626 million to about \$604 million)

The committee agreed to fund the \$75 million Full Time Faculty proposal, but narrowed the tiers to a range of \$73,000 to \$125,000 (the Governor had proposed a range of \$70,000 to \$190,000) and included intent language urging districts to spend funds that would not be required to be spent on FT hires to support FT/PT faculty in ways that foster student success. The State Chancellor's Office would be required to provide a report on the Faculty Obligation Number (FON). However, the Chancellor's Office has informed us that community supported districts will face an increased FON but not receive any of the funding.

Regarding Adult Education, the K-12 maintenance of effort (MOE) would extend to all categories of adult education expenditure for the 2012-13 year, not just the five categories spelled out in AB 86, but would cap the total MOE at \$375 million. Also, \$25 million is provided (K-12 funds) to support data management related to Adult Education.

The items highlighted above only reference areas of disagreement between the houses that need to be resolved. Both houses have already agreed to fund a COLA of 1.02%, growth of 3%, significant increases to Student Success and Support Programs (SSSP) and Student Equity Plans, and to restore EOPS and CalWORKs to pre-recession levels. These items have not changed.

District Budget Planning

As a community supported district, the District is funded almost entirely through local sources. This means the standard non-categorical allocations for public education – such as apportionment, growth and State funded COLA – do not apply to us. The majority of increases to higher education in the State budget in large part do not affect us.

After many months of discussion, the District is implementing a modified resource allocation model for 2015-16. It was approved after several presentations to constituent groups throughout the District during the spring.

Various scenarios and iterations of the model based on historical trends that considered allocation of resources such as FTES, FTE and other productivity factors were presented to the District Committee on Budget and Finance. Other concepts that were considered during development include consistency with SB361, growth funding, international program growth and new program development and innovation. Additionally, the new model aligns with available District resources and priorities identified in the District Strategic Plan.

The model addresses the need for innovation funds expressed by the Colleges. This would allow the Colleges to fund projects that meet the goals identified in the College and District Strategic and Educational Master Plans.

District Cash Flow and Investments

The issuance of Tax and Revenue Anticipation Notes (TRANs) not to exceed \$30 million was approved by the District Board of Trustees on April 29, 2015, to provide the necessary cash flow to fund District operations from July to December prior to the receipt of property tax revenues.

At the May 27th Board meeting, Executive Vice Chancellor Kathy Blackwood presented the Board of Trustees with three options for bond investments which included the County Pool, Guaranteed Investment Contracts (GIC) and Actively Managed Portfolios. Based on the discussion, more information will be provided regarding GICs and Actively Managed Portfolios. The Board would review the District's investment policy before recommending how to proceed with investing bond money.

Measure G

At a time of great need during the recession, the Colleges benefitted immensely from the parcel tax ballot measure passed by San Mateo County voters in June 2010. This tax ended in June 2014 and funds were fully expended in 2014-15.

The impact to our District was significant in stemming the cuts we had to make. The funding afforded the Colleges resources to provide adequate levels of course offerings, continue to serve students in the Library, Learning and Tutoring Centers during expanded evening and weekend hours as well as allow the Colleges to offer additional academic counseling and provide staffing support in high-priority instructional and student support areas. It also helped support innovative activities and programs.

2015-16 Revenue Projection

The revenue estimates are based primarily upon local property taxes, redevelopment funds, and student fees. The District has prepared an estimate of its base revenue taking into consideration a set of factors that include enrollment and higher property tax assessed valuation. The District's total revenue projection is \$150,589,659. The Proposition 30 (Educational Protection Account or EPA) funding is expected to total \$1.8 million in 2015-16.

For 2015-16, the assumptions include:

1. Community supported status continues in 2015-16.
2. 2015-16 FTES based on zero growth over 2014-15 FTES goals.
3. 2015-16 Non-resident FTES grows, International FTES based on College goals.
4. COLA based on salary compensation settlement.
5. 3.0% State funded growth which does not apply to community supported districts.
6. The deficit factor on State revenue projected does not apply to community supported districts.
7. 3.1% inflation on certain expenses.
8. Utilities and benefits are based on Facilities best estimates.
9. No increase for full time faculty outside of what Colleges fund from their site allocations.
10. Fixed costs are based on best estimates.
11. No student fee increase (currently at \$46 per unit).
12. Current property tax increase.

Revenue estimates are based on the assumptions listed above and expenditures include costs to continue ongoing operations. The following tables summarize projected revenues and expenditures. In addition to annual inflationary cost increases, costs include those associated with providing health and medical benefits to active and retired employees, increases in insurance premiums, technology upgrades and maintenance as well as utilities.

Revenues	2014-15 Final Budget	2015-16 Tentative	\$ Change
Total Base Revenue:	\$121,885,887	\$130,135,283	\$8,249,395
Property Taxes	107,075,324	114,594,173	
RDA AB1290/residual	5,878,917	6,609,463	
Student Fees	8,931,647	8,931,647	

Basic Skills/Prop 30	1,961,037	1,857,649	(103,338)
Lottery	2,400,000	2,400,000	0
State PT Faculty Parity	385,618	385,618	0
P/T Faculty Office Hours/Med.	245,772	245,772	0
Apprenticeship	62,148	62,148	0
Non-Resident Tuition	3,170,438	3,986,074	815,636
Interest	1,000,000	1,000,000	0
Mandated Costs	547,000	6,746,820	6,199,820
Miscellaneous	3,015,470	3,770,295	754,825
Total	\$134,673,370	\$150,589,659	\$15,916,288

Expenditures	2014-15 Final Budget	2015-16 Tentative	\$ Change
Site Allocations with Benefits	\$107,014,862	\$109,595,831	\$2,580,969
Other Employee Benefits	2,052,929	1,000,000	(1,052,929)
Retiree Benefits	7,555,835	7,167,000	(388,835)
Formula Adjustments	1,806,889	1,560,388	(246,501)
Apprenticeship	62,150	62,148	(2)
Other Exp (Int'l Ed, Comm Ed)	1,280,123	1,075,587	(204,536)
Utilities	5,148,454	5,503,970	355,516
Salary Commitments	2,647,591	11,424,659	8,777,068
Managed Hiring	994,000	1,000,000	6,000
Insurance	1,259,045	1,298,075	39,030
Consultant/Legal/Election	960,000	1,730,000	770,000
Staff Development	475,000	498,000	23,000
Software/Hardware/Telephone	1,820,119	1,878,800	58,681
Miscellaneous Expenses	1,536,377	1,740,913	204,536
Museum of Tolerance	60,000	60,000	0
Total	\$134,673,374	\$145,595,371	\$10,921,997

The Tentative Budget reflects a surplus where projected revenues are more than estimated expenditures. The Tentative Budget will be revised to include any changes resulting from the enacted State budget and the 2015-16 fiscal year-end numbers along with existing fund balances.

2014-15 Ending Balance Estimates

The current projections of 2014-15 ending balances submitted by the Budget Offices at each site for the Tentative Budget are as follows:

Cañada College	\$517,434
College of San Mateo	\$348,220
Skyline College	\$1,143,035
District Office	\$85,650
Facilities	\$675,200

2015-16 Estimated Beginning Balance

The beginning balance is estimated at \$21,315,577 and includes reserves of 9%. Details of the Unrestricted General Fund are detailed in Exhibit A. The remaining balance originates from specific projects and activities in 2014-15 and will be carried over into the new fiscal year as committed to these purposes. The current estimate is subject to change when final amounts become available following year-end close of the District's financial records.

2015-16 Site Allocations

The site allocations for the Tentative Budget will be adjusted for step, column, and longevity increases according to the resource allocation model. Benefits are managed at each of the sites. Any additional adjustments to the allocations will be made to the adopted budget.

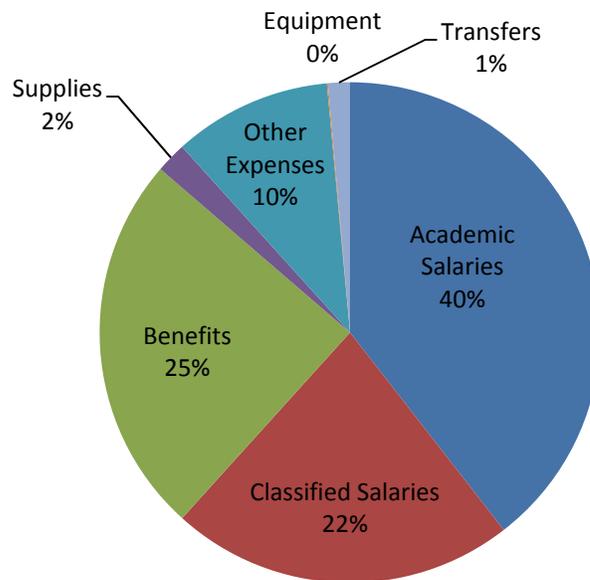
<u>Site</u>	<u>Allocation total with benefits</u>
Cañada College	\$20,142,711
College of San Mateo	32,150,278
Skyline College	33,114,767
District Office	13,016,665
Facilities	11,171,409

The major functional uses of the unrestricted general fund budget are illustrated below by major account category.

Account Category	2014-15 Final Budget	2015-16 Tentative	\$ Change
Certificated Salaries	\$55,307,959	\$57,469,923	2,161,964
Classified Salaries	32,394,037	32,353,077	(40,960)
Employee Benefits	34,910,023	35,866,602	956,579
Supplies/Materials	7,205,354	2,874,680	(4,330,673)
Operating Expenses	13,442,418	14,874,408	1,431,991
Capital Outlay	140,730	101,900	(38,830)
Transfers/Other	1,969,841	2,054,780	84,939
Total	\$145,370,362	*\$145,595,370	\$225,008

*Does not include beginning balance/carryover as final figures will not be known until after the 2014-15 books are closed.

2015-16 Tentative Expenses



**2015-16 TENTATIVE BUDGET - UNRESTRICTED GENERAL FUND
NET BEGINNING BALANCE (PRIOR YEAR CARRYOVER)**

	Final Budget 2013-14	Tentative Budget 2014-15	Final Budget 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE				
Carryover Balances - Committed but unexpended				
Professional Development	\$260,496	\$280,000	\$271,471	\$320,000
Program Improvement	0	0	0	50,000
Staff Development	61,629	10,000	10,838	70,000
Duplicating Equipment Upgrade	7,181	19,170	19,170	9,000
CSM Science Sales	6,704	5,500	5,459	5,400
Cañada SFSU/Facilities Contracts	429,320	400,000	352,606	300,000
College Events Funds	111,226	115,000	73,369	70,000
Emergency Preparedness	437,596	397,000	422,936	340,000
Fleet Program	113,104	100,000	114,012	40,000
Equipment Surplus	34,455	31,000	13,274	5,000
Satellite Dish Contracts	1,012,600	850,000	981,702	900,000
Apprenticeship Programs	135,095	150,000	171,711	200,000
College International Programs	277,073	650,000	735,612	650,000
Skyline Special Project Allocations	1,130,791	943,450	830,039	634,500
President's Innovation Fund	28,812	43,180	25,959	73,800
Other Miscellaneous Projects	3,537,946	2,955,101	1,578,230	789,755
Subtotal	\$7,584,028	\$6,949,401	\$5,606,388	\$4,457,455
Savings for Rebudgeting				
Cañada College	624,554	645,420	640,047	517,434
College of San Mateo	858,330	1,414,224	1,474,836	348,220
Skyline College	902,516	1,332,728	1,252,335	1,143,035
Chanc. Office/Facilities	1,378,342	1,144,700	760,894	760,850
Subtotal	\$3,763,742	\$4,537,072	\$4,128,112	\$2,769,539
ESTIMATED COMMITMENTS/SAVINGS TO REBUDGET	\$11,347,770	\$11,486,473	\$9,734,496	\$7,226,994
Reserve for Contingency	\$6,519,951	\$6,618,302	\$9,427,316	\$13,103,583
Revolving Fund, and General Reserve	0	0	0	0
Subtotal	\$6,519,951	\$6,618,302	\$9,427,316	\$13,103,583
Unrestricted Balance	1,836,044	1,200,000	962,312	985,000
TOTAL ESTIMATED NET BEGINNING BALANCE	\$19,703,765	\$19,304,774	\$20,124,124	\$21,315,577

INCOME ASSUMPTIONS

ESTIMATED CURRENT INCOME				
Property Taxes and Fees	112,476,346	115,873,998	116,006,971	123,525,820
Redevelopment Funds	3,743,832	3,942,377	5,878,917	6,609,463
Proposition 30 (EPA)	3,896,442	1,856,766	1,961,037	1,857,649
Lottery	2,400,000	2,400,000	2,400,000	2,400,000
State Part-Time Faculty Support	631,390	631,390	631,390	631,390
Apprenticeship Programs	62,150	62,150	62,148	62,148
Non-Resident Tuition	2,474,413	3,002,696	3,170,438	3,986,074
Interest Income	1,200,000	1,000,000	1,000,000	1,000,000
Miscellaneous Income	3,414,444	3,596,655	3,562,470	10,517,115
TOTAL ESTIMATED CURRENT INCOME	130,299,018	132,366,032	134,673,372	150,589,659
TOTAL INCOME + NET BEGINNING BALANCE (Unrestricted General Fund)	\$150,002,783	\$151,670,806	\$154,797,496	\$171,905,236

**2015-16 TENTATIVE BUDGET - UNRESTRICTED GENERAL FUND
ESTIMATED EXPENDITURES**

	Final Budget 2013-14	Tentative Budget 2014-15	Final Budget 2014-15	Tentative Budget 2015-16
EXPENDITURE PLAN				
ESTIMATED 2013-14 CARRYOVER				
COMMITMENTS (From Previous Page)	\$7,584,028	\$6,949,401	\$5,606,388	\$4,457,455
ESTIMATED SAVINGS FOR				
REBUDGETING (From Previous Page)	3,763,743	4,438,724	4,128,112	2,769,539
COMMITMENTS AND REBUDGETED SAVINGS	\$11,347,770	\$11,388,125	\$9,734,500	\$7,226,994
ESTIMATED CURRENT EXPENDITURES:				
Site Allocations				
College/District Base Allocations	98,363,481	99,069,987	107,014,862	109,595,830
Formula Adjustments/Contracts	1,083,790	1,778,142	1,806,889	1,560,388
Apprenticeship Programs	62,150	62,150	62,150	62,148
Salary commitments	5,484,698	5,852,010	2,647,591	11,424,659
Districtwide Obligations				
Other Employee/Retiree Benefits	10,128,165	10,378,497	9,608,764	8,167,000
Utilities	5,068,914	5,148,454	5,148,454	5,503,970
Insurance	1,152,156	1,259,045	1,259,045	1,298,075
Soft/Hardware Maintenance Contracts	1,923,119	1,890,747	1,820,119	1,878,800
Special Appropriations				
FTES Growth	0	0	0	0
Managed Hiring	2,001,000	894,000	994,000	1,000,000
Resource Allocation	0	0	0	0
Other Expenses (i.e. Int'l Ed, Comm Ed)	776,802	2,000,000	682,653	1,075,587
Consultants/Legal Expense	466,000	260,000	560,000	1,330,000
Election	400,000	400,000	400,000	400,000
Program Improvement	0	50,000	50,000	50,000
Classified Staff Development	50,000	130,000	130,000	153,000
Management Staff Development	9,743	50,000	50,000	50,000
Professional Development	237,000	245,000	245,000	245,000
Technology Advancement	0	0	0	0
Miscellaneous Expenses	3,032,000	2,838,000	2,133,847	1,740,914
Museum of Tolerance	60,000	60,000	60,000	60,000
ESTIMATED CURRENT EXPENDITURES	\$130,299,018	\$132,366,032	\$134,673,374	\$145,595,371
TOTAL ESTIMATED EXPENDITURES	\$141,646,788	\$143,754,157	\$144,407,874	\$152,822,365
including carryover				
Reserve for Contingency	\$6,519,951	\$6,618,302	\$9,427,316	\$13,103,583
Revolving Fund, Stores, & General Reserve	0	0	0	0
Unallocated Ending Balance	1,836,044	1,200,000	962,312	985,000
Estimated Marginal Revenue/Deficit	0	0	0	4,994,288
Subtotal	\$8,355,995	\$7,818,302	\$10,389,628	\$19,082,871
TOTAL EXPENDITURES + RESERVES	\$150,002,783	\$151,572,459	\$154,797,502	\$171,905,236
(Unrestricted General Fund)				

*Minor differences due to rounding.

2015-16 TENTATIVE BUDGET - Proposition 30 (EPA)
Detail of Educational Protection Account (Fund 11002)

	Final Budget 2013-14	Tentative Budget 2014-15	Final Budget 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE**	\$ 1,948,221	\$ -	\$ -	* \$ -
ESTIMATED INCOME				
State allocation \$100 per FTES	\$ 1,948,221	\$ 1,856,766	\$ 1,961,037	\$ 1,857,649
TOTAL ESTIMATED INCOME	<u>\$ 1,948,221</u>	<u>\$ 1,856,766</u>	<u>\$ 1,961,037</u>	<u>\$ 1,857,649</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u><u>\$ 3,896,442</u></u>	<u><u>\$ 1,856,766</u></u>	<u><u>\$ 1,961,037</u></u>	<u><u>\$ 1,857,649</u></u>
ESTIMATED EXPENDITURES				
Salaries	\$ 2,666,267	\$ 1,374,674	\$ 1,165,721	\$ 1,487,407
Benefits	545,494	394,240	248,018	370,242
Supplies	278,990	25,800	495,360	-
Operating Expenses	405,691	62,052	51,938	-
TOTAL ESTIMATED EXPENDITURES	<u>\$ 3,896,442</u>	<u>\$ 1,856,766</u>	<u>\$ 1,961,037</u>	<u>\$ 1,857,649</u>
TOTAL ENDING BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u><u>\$ 3,896,442</u></u>	<u><u>\$ 1,856,766</u></u>	<u><u>\$ 1,961,037</u></u>	<u><u>\$ 1,857,649</u></u>

2015-16 TENTATIVE BUDGET - SELF-INSURANCE FUND

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 9,018,291	\$ 6,772,977	\$ 6,772,977	\$ 6,996,891
ESTIMATED INCOME				
Self Insurance Transfer	956,991	995,271	1,047,078	1,150,000
TOTAL ESTIMATED INCOME	<u>\$ 956,991</u>	<u>\$ 995,271</u>	<u>\$ 1,047,078</u>	<u>\$ 1,150,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 9,975,282</u>	<u>\$ 7,768,248</u>	<u>\$ 7,820,055</u>	<u>\$ 8,146,891</u>
ESTIMATED EXPENDITURES				
Salaries	\$ 116,063	\$ 33,032	\$ 78,720	\$ 79,000
Benefits	44,798	14,514	34,444	35,000
Supplies	-	5,000	-	1,500
Operating Expenses	3,041,444	705,000	710,000	710,000
TOTAL ESTIMATED EXPENDITURES	<u>\$ 3,202,305</u>	<u>\$ 757,546</u>	<u>\$ 823,164</u>	<u>\$ 825,500</u>
TOTAL ENDING BALANCE	<u>\$ 6,772,977</u>	<u>\$ 7,010,702</u>	<u>\$ 6,996,891</u>	<u>\$ 7,321,391</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u>\$ 9,975,282</u>	<u>\$ 7,768,248</u>	<u>\$ 7,820,055</u>	<u>\$ 8,146,891</u>

2015-16 TENTATIVE BUDGET - DEBT SERVICE

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 26,472,082	\$ 28,911,154	\$ 28,911,154	\$ 30,324,930
ESTIMATED INCOME				
Interest	\$ 204,332	\$ 111,750	\$ 113,226	\$ 114,000
Property Taxes	31,170,300	31,249,100	31,000,000	38,594,612
Other Income	304,050	-	-	-
Other Taxes Revenues	177,362	176,020	90,000	150,000
TOTAL ESTIMATED INCOME	<u>31,856,043</u>	<u>31,536,870</u>	<u>31,203,226</u>	<u>38,858,612</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 58,328,125</u>	<u>\$ 60,448,024</u>	<u>\$ 60,114,380</u>	<u>\$ 69,183,542</u>
ESTIMATED EXPENDITURES				
Debt Reduction - Principal	\$ 17,290,000	\$ 19,475,000	\$ 19,475,000	\$ 23,060,000
Debt Reduction - Interest	12,126,971	11,458,220	10,314,450	15,534,612
Others	-	-	-	-
TOTAL ESTIMATED EXPENDITURES	<u>\$ 29,416,971</u>	<u>\$ 30,933,220</u>	<u>\$ 29,789,450</u>	<u>\$ 38,594,612</u>
TOTAL ENDING BALANCE	<u>\$ 28,911,154</u>	<u>\$ 29,514,804</u>	<u>\$ 30,324,930</u>	<u>\$ 30,588,930</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u>\$ 58,328,125</u>	<u>\$ 60,448,024</u>	<u>\$ 60,114,380</u>	<u>\$ 69,183,542</u>

2015-16 TENTATIVE BUDGET - SPECIALLY FUNDED PROGRAMS
Based on Current Agreements and Funding Estimates

<u>Fund</u>	<u>Program</u>	<u>Source</u>	<u>College of San Mateo</u>	<u>Cañada College</u>	<u>Skyline College</u>	<u>Chancellor's Office</u>	<u>Total</u>
30005	Work Study	Federal	106,385	83,799	262,102		452,286
30007	CTEA Perkins IV-1C	Federal	190,556	130,405	237,977		558,938
30028	TRIO - Student Support Services	Federal		40,000			40,000
30057	Workability III CA Rehab	Federal			149,214		149,214
30101	TRIO - Student Support Services	Federal			70,000		70,000
30102	HSI STEM	Federal		1,125,903			1,125,903
30105	CTE Transitions	Federal	45,119	45,119	45,119		135,357
30110	TRIO - Upward Bound	Federal		262,500			262,500
30111	HSI Cooperative A2B	Federal		694,859			694,859
30116	NSF Univ of New Hampshire subaward	Federal		10,000			10,000
30117	NSF S-STEM Scholarships	Federal		155,677			155,677
30118	NSF Engineering Workshop	Federal		20,000			20,000
30119	Jacobs Techology NASA Interns	Federal		20,000			20,000
30120	NSF CALSTEP	Federal		250,242			250,242
30121	HSI Institutional ESO	Federal		694,859			694,859
30122	IMLS STEM Workshops for ECE	Federal		10,000			10,000
30124	Small Business Div Ctr-HSUSPF	Federal	80,000				80,000
30125	CDFA Biocontrol of Olive Fruit Fly	Federal		5,508			5,508
30126	NSF BioBridge	Federal			67,865		67,865
31002	DSP&S	State	841,849	308,074	516,080		1,666,003
31003	EOP&S	State	493,533	412,390	434,328		1,340,251
31004	EOP&S/CARE	State	21,951	30,167	30,369		82,487
31009	Student Success and Support Program	State	1,818,415	1,317,498	1,916,801		5,052,714
31012	Foster Care Education	State		81,505			81,505
31016	AB602-Board Fin Asst Prog Adm Allow	State	307,989	244,974	338,292		891,255
31031	CalWORKs	State	127,436	131,074	141,985		400,495
31033	TANF	Federal	29,823	30,667	33,197		93,687
31045	Staff Diversity	State				7,798	7,798
31055	MESA/CCCP/FSS	State		50,500	50,500		101,000
31065	RCSD CBET	State		50,000			50,000
31069	Prop 20 Lottery - Instructional Materials	State				600,000	600,000
31077	MESA/CCCP/FSS	State		20,000	15,000		35,000
31078	Enrollment Growth AD Nursing	State	163,787				163,787
31128	UC Regents Puente Program	State	1,500				1,500
31135	CCCCO-CEP-Career Advancement Acader	State	72,000	150,000	750,000		972,000
31137	El Camino CCD Sector Navigator-Retail	State			30,000		30,000
31139	Basic Skills 2014-15 Allocation	State	50,000	50,000	50,000		150,000
31140	Deputy Navigator-Global Trade	State			250,000		250,000
31141	Deputy Navigator-Retail	State			180,000		180,000
31142	Student Equity Program	State	767,731	548,379	877,405		2,193,515
31143	CTE Enhancement Fund	State			382,214		382,214
31144	Peralta CCD Prop 39 Prog Imp Funds	State			5,000		5,000
31145	CTE Enhancement Fund	State		163,806			163,806
31146	CTE Enhancement Fund	State	168,643				168,643
3114X	SMC HSA CalFresh	State		15,000			15,000
3114X	FHDA CCD-DSN Energy	State			14,200		14,200
3115X	UC Regents Puente Program	State		1,500			1,500
3115X	CCSF-DSN ATR AutoBridge	State			25,155		25,155

<u>Fund</u>	<u>Program</u>	<u>Source</u>	<u>College of San Mateo</u>	<u>Cañada College</u>	<u>Skyline College</u>	<u>Chancellor's Office</u>	<u>Total</u>
3115X	Deputy Navigator-Global Trade	State			200,000		200,000
3115X	Deputy Navigator-Retail	State			200,000		200,000
3115X	Basic Skills 2015-16 Allocation	State	90,000	90,000	90,000		270,000
32003	Public Bdcst-CSG-TV	Local	432,538				432,538
32004	Public Bdcst-CSG-FM	Local	126,380				126,380
32005	Public Bdcst-CSG-Interconnect	Local	7,825				7,825
32017	Menlo Park Redevelopment	Local		265,000			265,000
32047	UC Regents Puente Program	Local			1,500		1,500
32063	SMCOE - First 5 Early Childhood - EQuIP	Local		149,680			149,680
32080	The Grove Foundation-CAN CBET	Local		20,000			20,000
32099	The Grove Foundation-SKY CTE Schol	Local			125,000		125,000
32101	Silicon Valley CF-EWAP	Local		50,000			50,000
32102	Working Families Success Network	Local			116,000		116,000
32103	Working Families Success Network	Local		110,000			110,000
32106	UWBA-SparkPoint	Local		5,000			5,000
32107	SF Foundation - Warehouse/Logistics	Local			90,000		90,000
32108	SF Foundation - ICT Coding	Local		85,000			85,000
32109	Cerritos College Foundation - ECE	Local			35,000		35,000
32110	Public Bdcst-CSG-FM Restricted	Local	45,262				45,262
3211X	Walter Johnson Foundation Guardian Schol	Local			155,000		155,000
35022	KCSM TV	Local	1,000,000				1,000,000
35023	KCSM FM	Local	1,700,000				1,700,000
35045	Financial Aid Admin Cost Allow	Local	14,000	1,000	9,000		24,000
35046	Peninsula Library System	Local				142,500	142,500
39001	Parking Fees	Local				3,200,000	3,200,000
39030	Health Service Fees	Local	850,000	310,000	500,000		1,660,000
Total 2015-2016 Tentative Budget			<u>\$9,552,722</u>	<u>\$8,240,085</u>	<u>\$8,394,303</u>	<u>\$3,950,298</u>	<u>\$30,137,408</u>

2015-16 TENTATIVE BUDGET - CAPITAL PROJECTS FUND

	Actual 2013-14	Final* Budget 2014-15	Estimated Actual 2014-15	Tentative * Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 113,255,732	\$ 110,414,131	\$ 110,414,131	\$ 224,060,824
ESTIMATED INCOME				
Bond Construction -Measure A	\$ 10,387,590	\$ 210,000	\$ 158,544	\$ 100,000
Bond Construction -Measure H	0	0	127,000,000	1,300,000
Capital Outlay Projects - State Funded	4,808,034	532,775	2,828,793	199,654
Capital Outlay - Planning	10,594,294	1,130,000	1,557,714	401,000
College Projects Fund	1,412,545	0	1,200,003	0
College Capital Outlay Planning	5,632,170	0	0	0
College Housing Planning	11,669	0	0	0
College Housing Maintenance Reserves	1,217,000	90,000	183,000	60,500
Facilities Capital Improvement	1,752,901	0	25,013	306
Foundation Funded Projects	3,192	0	2,822	0
Hazardous Substances Projects -State Funded	0	0	0	0
Interest	269,675	200,000	0	0
Pacific Heights Project - Skyline	0	0	0	0
Redevelopment	228,707	228,000	128,878	228,000
Scheduled Maintenance - State Funded	0	0	0	0
Scheduled Maintenance - District Funded	744,972	0	0	0
Aux. Svcs Equipments Reserves	22,584	22,584	18,820	3,764
Non-resident capital outlay recovery fee	126,835	126,835	179,771	250,000
TOTAL ESTIMATED INCOME	\$ 37,212,168	\$ 2,540,194	\$ 133,283,358	\$ 2,543,224
TOTAL INCOME & NET BEGINNING BALANCE	\$ 150,467,900	\$ 112,954,325	\$ 243,697,489	\$ 226,604,048
ESTIMATED EXPENDITURES				
Bond Construction -Measures A	\$ 12,019,413	\$ 10,000,000	\$ 9,858,819	\$ 20,789,638
Bond Construction -Measures H			194,804	\$ 7,395,425
Capital Outlay - Planning	15,763,368	15,022,276	1,205,100	19,389,542
Capital Outlay Projects - State Funded	4,777,056	5,034,872	274,790	2,840,320
C.O.P. Capital Projects	61,075	161,645	3,813	96,757
College Projects Fund	1,003,576	1,000,000	3,314,986	3,711,208
College Capital Outlay Planning	-	1,000,000	1,000,000	14,367,136
College Housing Maintenance Reserves	140,343	0	0	469,914
College Housing Planning	0	0	0	7,682,837
Facilities Capital Improvement	370,575	1,000,000	188,472	5,945,230
Foundation Funded Projects	3,192	0	242,102	721
Pacific Heights Project - Skyline	558,330	1,000,000	450,000	16,442,044
Property Management Study	0	0	16,718	38,472
Redevelopment	531,244	1,000,000	563,634	2,921,424
Redevelopment - ChildCare Outgoing Transfer	344,770	370,000	360,000	370,500
Scheduled Maintenance - State Funded	0	0	0	0
Scheduled Maintenance - District Funded	4,477,641	4,500,000	1,929,579	2,056,441
Aux. Svcs Equipments Reserves	0	5,000	33,848	51,496
Non-resident capital outlay recovery fee	3,186	250,000	0	1,119,829
TOTAL ESTIMATED EXPENDITURES	\$ 40,053,769	\$ 40,343,793	\$ 19,636,665	\$ 105,688,933
TOTAL ENDING BALANCE	\$ 110,414,131	\$ 72,610,532	\$ 224,060,824	\$ 120,915,115
TOTAL EXPENDITURES & ENDING BALANCE	\$ 150,467,900	\$ 112,954,325	\$ 243,697,489	\$ 226,604,048

* Final and Tentative Budget are based on one year estimated operations.

2015-16 TENTATIVE BUDGET - BOOKSTORE FUND

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 6,673,642	\$ 7,061,109	\$ 7,061,109	\$ 7,790,175
ESTIMATED INCOME				
Sales	\$ 7,093,931	\$ 7,800,000	\$ 7,321,061	\$ 7,500,000
Other	775,579	200,000	871,622	900,000
TOTAL ESTIMATED INCOME	\$ 7,869,510	\$ 8,000,000	\$ 8,192,683	\$ 8,400,000
TOTAL INCOME & NET BEGINNING BALANCE	\$ 14,543,152	\$ 15,061,109	\$ 15,253,792	\$ 16,190,175
ESTIMATED EXPENDITURES				
Cost of Merchandise Sold	\$ 4,623,397	\$ 4,680,000	\$ 4,373,344	\$ 5,000,000
(Classified) Salaries	1,641,772	1,650,000	\$ 1,739,793	1,750,000
Employee Benefits	427,895	415,000	\$ 507,343	510,000
Supplies	49,330	48,000	\$ 26,720	30,000
Other Operating Expense	583,601	667,300	\$ 673,175	675,000
TOTAL ESTIMATED EXPENDITURES	\$ 7,325,995	\$ 7,460,300	\$ 7,320,374	\$ 7,965,000
DISTRICT SUPPORT PAID/(RECEIVED)				
Salaries & Benefits	\$ 58,632	\$ 150,000	\$65,115	\$ 65,000
Rent	67,700	67,700	\$67,770	67,700
Donations	29,716	15,000	\$10,359	15,000
TOTAL DISTRICT SUPPORT	\$ 156,048	\$ 232,700	\$ 143,243	\$ 147,700
TOTAL ENDING BALANCE	\$ 7,061,109	\$ 7,368,109	\$ 7,790,175	\$ 8,077,475
TOTAL EXPENDITURES & ENDING BALANCE	\$ 14,543,152	\$ 15,061,109	\$ 15,253,792	\$ 16,190,175

2015-16 TENTATIVE BUDGET - CAFETERIA FUND

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 353,375	\$ 456,337	\$ 456,337	\$ 574,242
ESTIMATED INCOME				
Food Service Income	\$ 175,344	\$ 185,000	\$ 154,399	\$ 170,000
Vending Income	54,275	55,000	57,770	\$ 55,000
Event Facilities Rental Income	77,083	90,000	79,825	\$ 90,000
Other (interest/other)	7,584	5,000	3,802	\$ 5,000
TOTAL INCOME	\$ 314,286	\$ 335,000	\$ 295,797	\$ 320,000
TOTAL INCOME & NET BEGINNING BALANCE	\$ 667,661	\$ 791,337	\$ 752,133	\$ 894,242
ESTIMATED EXPENDITURES				
District/College Support	\$ 54,275	\$ 55,000	\$ 59,741	\$ 55,000
Operational Expenses	157,049	\$ 130,500	118,150	125,000
TOTAL EXPENDITURES	\$ 211,324	\$ 185,500	\$ 177,892	\$ 180,000
TOTAL ENDING BALANCE	\$ 456,337	\$ 605,837	\$ 574,242	\$ 714,242
TOTAL EXPENDITURES & ENDING BALANCE	\$ 667,661	\$ 791,337	\$ 752,133	\$ 894,242

2015-16 TENTATIVE BUDGET - SAN MATEO ATHLETIC CLUB & AQUATIC CENTER

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 816,787	\$ 1,344,972	\$ 1,344,972	\$ 1,920,086
ESTIMATED INCOME				
From operation - Registration and Memberships	\$ 4,104,263	\$ 4,200,000	\$ 4,287,398	\$ 4,300,000
District Support-interest, operating exp dist share	\$ 130,596	\$ 70,000	\$ 145,581	\$ 150,000
TOTAL ESTIMATED INCOME	<u>\$ 4,234,859</u>	<u>\$ 4,270,000</u>	<u>\$ 4,432,979</u>	<u>\$ 4,450,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 5,051,647</u>	<u>\$ 5,614,972</u>	<u>\$ 5,777,950</u>	<u>\$ 6,370,086</u>
ESTIMATED EXPENDITURES				
Salaries	\$ 167,204	\$ 170,000	\$ 184,933	\$ 185,000
Employee Benefits	41,279	42,000	42,280	43,000
Supplies	-	-	-	-
Operating Expenses	<u>3,118,287</u>	<u>3,167,805</u>	<u>3,219,393</u>	<u>3,300,000</u>
TOTAL ESTIMATED EXPENDITURES	<u>\$ 3,326,770</u>	<u>\$ 3,379,805</u>	<u>\$ 3,446,606</u>	<u>\$ 3,528,000</u>
DISTRICT SUPPORT				
Exp - Utilities, Pool Expenses	<u>76,712</u>	<u>188,000</u>	<u>81,258</u>	<u>85,000</u>
TOTAL DISTRICT SUPPORT	<u>\$ 76,712</u>	<u>\$ 188,000</u>	<u>\$ 81,258</u>	<u>\$ 85,000</u>
COLLEGE SUPPORT	<u>\$ 303,193</u>	<u>\$ -</u>	<u>\$ 330,000</u>	<u>\$ 300,000</u>
TOTAL ENDING BALANCE	<u>\$ 1,344,972</u>	<u>\$ 2,047,167</u>	<u>\$ 1,920,086</u>	<u>\$ 2,457,086</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 5,051,647</u>	<u>\$ 5,614,972</u>	<u>\$ 5,777,950</u>	<u>\$ 6,370,086</u>

2015-16 TENTATIVE BUDGET - CHILD DEVELOPMENT FUND

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$0	\$0	\$0	\$0
ESTIMATED INCOME				
Fees	\$460,212	\$485,796	\$431,995	\$475,194
Calif. Dept. of Educ. - Child Development	299,469	313,000	348,349	350,000
Calif. Dept. of Educ. - Child Nutrition	2,731	2,800	2,771	2,900
Federal Revenue - Child Nutrition	50,967	51,000	50,767	52,000
Sequoia Healthcare District Grant	10,500	10,500	10,500	11,000
Western Growers Foundation Grant	0	823	823	0
Incoming Transfers/Other	385,867	421,682	391,384	382,284
TOTAL INCOME	\$1,209,746	\$1,285,600	\$1,236,589	\$1,273,378
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$1,209,746</u>	<u>\$1,285,600</u>	<u>\$1,236,589</u>	<u>\$1,273,378</u>
ESTIMATED EXPENDITURES				
Salaries	\$831,879	\$837,286	\$818,022	\$840,343
Employee Benefits	273,873	327,277	309,768	323,535
Supplies	24,141	30,123	23,560	23,500
Food	78,325	88,000	81,433	82,000
Other Operating Expense	1,528	2,915	3,805	4,000
Outgoing Transfers	0	0	0	0
TOTAL ESTIMATED EXPENDITURES	\$1,209,746	\$1,285,600	\$1,236,589	\$1,273,378
ESTIMATED ENDING BALANCE	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$1,209,746</u>	<u>\$1,285,600</u>	<u>\$1,236,589</u>	<u>\$1,273,378</u>

2015-16 TENTATIVE BUDGET - TRUST FUNDS

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$206,796	\$130,251	\$130,251	\$130,251
ESTIMATED INCOME				
Federal PELL, SEOG, Direct Loans	\$20,592,613	\$20,861,647	\$19,329,514	\$19,381,021
Cal Grants	929,217	1,034,500	1,050,000	1,050,000
Scholarships SMCCCF	710,200	720,000	780,000	780,000
Transfers-In	278,931	0	333,186	330,000
Other	(76,545)	0	0	0
TOTAL ESTIMATED INCOME	<u>\$22,434,416</u>	<u>\$22,616,147</u>	<u>\$21,492,700</u>	<u>\$21,541,021</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$22,641,212</u>	<u>\$22,746,397</u>	<u>\$21,622,951</u>	<u>\$21,671,272</u>
ESTIMATED EXPENDITURES				
Federal PELL, SEOG, Direct Loans	\$20,588,076	\$20,861,647	\$19,329,514	\$19,381,021
Cal Grants	929,217	1,034,500	1,050,000	1,050,000
Scholarships SMCCCF	719,850	720,000	780,000	780,000
Scholarships Grove Foundation	103,003	0	86,125	80,000
Other (EOP&S, CARE, TRIO, NSF)	170,815	0	247,061	250,000
TOTAL EXPENDITURES	<u>\$22,510,961</u>	<u>\$22,616,147</u>	<u>\$21,492,700</u>	<u>\$21,541,021</u>
TOTAL ENDING BALANCE	\$130,251	\$130,251	\$130,251	\$130,251
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$22,641,212</u>	<u>\$22,746,397</u>	<u>\$21,622,951</u>	<u>\$21,671,272</u>

2015-16 TENTATIVE BUDGET - RESERVE FUND FOR POST-RETIREMENT BENEFITS

	Actual 2013-14	Final Budget 2014-15	Estimated Actual 2014-15	Tentative Budget 2015-16
ESTIMATED NET BEGINNING BALANCE	\$ 19,983,831	\$ 23,641,326	\$ 23,641,326	\$ 17,626,281
ESTIMATED INCOME				
Interest	\$ 167,537	\$ 225,000	\$ 210,500	\$ 225,000
OPEB Contribution	5,479,649	1,926,250	3,753,800	3,800,000
Incoming Transfer	9,000,000	2,000,000	0	-
Home Loan Income	15,309	16,000	25,655	48,000
TOTAL INCOME	<u>\$ 14,662,495</u>	<u>\$ 4,167,250</u>	<u>\$ 3,989,955</u>	<u>\$ 4,073,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 34,646,326</u>	<u>\$ 27,808,576</u>	<u>\$ 27,631,281</u>	<u>\$ 21,699,281</u>
ESTIMATED EXPENDITURES				
Retirement Board Transfer out	\$ 10,000,000	\$ 12,000,000	\$ 10,000,000	\$ 10,000,000
Other Outgo	1,000,000	2,000,000	0	0
Operating Expenses	5,000	5,000	5,000	5,000
ESTIMATED EXPENDITURES	<u>\$ 11,005,000</u>	<u>\$ 14,005,000</u>	<u>\$ 10,005,000</u>	<u>\$ 10,005,000</u>
TOTAL ENDING BALANCE	<u>\$ 23,641,326</u>	<u>\$ 13,803,576</u>	<u>\$ 17,626,281</u>	<u>\$ 11,694,281</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 34,646,326</u>	<u>\$ 27,808,576</u>	<u>\$ 27,631,281</u>	<u>\$ 21,699,281</u>

California Community Colleges

Sound Fiscal Management

2015-16 Self-Assessment Checklist

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

- Is the district spending within their revenue budget in the current year?
 - Yes, the district will have a surplus in 14/15 and a surplus in 15/16.
- Has the district controlled deficit spending over multiple years?
 - Yes, the District's unrestricted GF Net Change in Fund Balance for 2011/12 was (\$1,024,052), 2012/13 was \$102,185 and 2013/14 was 420,363. The unrestricted GF Net Change in Fund Balance for 2014/15 is projected to be a surplus, and the ending fund balance continues to be above the 15% level.
- Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?
 - Yes, by fund balance, revenue increases (growth) and expenditure reductions.
- Are district revenue estimates based upon past history?
 - District revenue estimates are based upon a combination of past history as well as projections for local property tax growth in assessed valuation and changes to redevelopment agency funding.
- Does the district automatically build in growth revenue estimates?
 - The District is now building in changes in assessed valuation and consequent changes in property taxes received. State growth funding no longer affects the District.

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

- Is the district's fund balance stable or consistently increasing?
 - The District's fund balance is fairly stable, increasing over the last 3 years to partially account for increases in spending and a conservative approach to budgeting revenue. The fund balances were \$19,601,578 in 2011/12, \$19,703,765 in 2012/13 and \$20,124,128 in 2013/14.
- Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?
 - The fund balance is relatively stable.

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

- Has the district's enrollment been increasing or stable for multiple years?
 - Yes. The District's enrollment had increased every year since 2005/06, but in 2009/10, due to state workload reductions, the District was over the funded enrollment cap, so enrollment was reduced in succeeding years.
- Are the district's enrollment projections updated at least semiannually?
 - The District's enrollment projections are updated at P-1 and P-2.
- Are staffing adjustments consistent with the enrollment trends?
 - The Colleges adjust their adjunct faculty budgets to match their enrollment projections.
- Does the district analyze enrollment and full time equivalent students (FTES) data?
 - Yes. The CBO works with the VPIs to review the enrollment estimates and compare the trends to historical data.
- Does the District track historical data to establish future trends between P-1 and annual for projection purposes?
 - Yes. The historical data includes P-1, P-2 and P-Annual and includes a review of the estimates after P-A.

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- Has the District avoided stabilization funding?
 - Yes. The District has achieved its funded enrollment cap every year from 2005/06 through 2010/11. With the advent of Community-Supported status, the District is no longer eligible for 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)?
 - The District's unrestricted GF balance has consistently been 9%-18% for the last several years. In 2014/15, the District budget for a 7% reserve.
- Is the District's unrestricted fund balance maintained throughout the year?
 - Mostly, although the District does not do mid-year accruals of revenue and some sources of revenue lag, such as lottery. If the accruals were done, the balance would be fairly consistent.

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

- Can the district manage its cash flow without interfund borrowing?
 - With the advent of Community-Supported status, the District relies on both TRANS and interfund borrowing to maintain adequate cash.
- Is the district repaying TRANS and/or borrowed funds within the required statutory period?
 - Yes.

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

- Has the district settled bargaining agreements within new revenue sources during the past three years?
 - The District reached agreement with all 3 unions for 3 year agreements for 2013/14 through 2015/16. The agreements called for reopeners for the District medical cap which CSEA and AFSCME settled for in 2014/15. However, AFT is in impasse.
- Did the district conduct a pre-settlement analysis identifying an ongoing revenue source to support the agreement?
 - The analyses have been ongoing.
- Did the district correctly identify the related costs?
 - Yes, increases in statutory, as well as health and welfare benefits, are included in the total cost when any analysis is done.
- Did the district address budget reductions necessary to sustain the total compensation increase?
 - Budget reductions have not been necessary in the past and are not necessary for these settlements.

7. **Unrestricted General Fund Staffing** - Is this area acceptable? **Yes / No**

- Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?
 - Permanent staff are controlled through position control and are budgeted out of each entity's site allocation, which is derived in the budgeting process from ongoing revenues.
- Is the percentage of district general fund budget allocated to salaries and benefits at or less than the statewide average (i.e. the statewide average for 2003-04 is 85%)?
 - According to the Chancellor's Office Trend Analysis, in 2011/12 the District was at 81.8%, in 2012/13 the District was at 77% and in 2013/14, the District was at 77.7%.

8. **Internal Controls** - Is this area acceptable? **Yes / No**

- Does the district have adequate internal controls to insure the integrity of the general ledger?
 - Yes. The District has had no audit findings for internal controls.
- Does the district have adequate internal controls to safeguard the district's assets?
 - Yes. The District has had no audit findings for internal controls.

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9. **Management Information Systems** - Is this area acceptable? **Yes / No**

- Is the district data accurate and timely?
 - Banner is real time and information is updated automatically in a variety of instances.
- Are the county and state reports filed in a timely manner?
 - All reports are filed on time.
- Are key fiscal reports readily available and understandable?
 - Banner reports are readily available and managers are trained in Banner.

10. **Position Control** – Is this area acceptable? **Yes / No**

- Is position control integrated with payroll?
 - Position control was integrated with payroll when Banner payroll was implemented in January, 2007.
- Does the district control unauthorized hiring?
 - With the implementation of Banner payroll, all positions are approved in advance and no person can receive a paycheck without having his or her paperwork entered into Banner by HR staff and being assigned to an approved position.
- Does the district have controls over part-time academic staff hiring?
 - Part-time academic staff hiring is controlled by the College Instruction Offices and reviewed by Human Resources.

11. **Budget Monitoring** - Is this area acceptable? **Yes / No**

- Is there sufficient consideration to the budget, related to long-term bargaining agreements?
 - All District proposals are costed out for at least 3 years prior to finalizing the proposals.
- Are budget revisions completed in a timely manner?
 - Budget revisions are taken to the Board twice a year.
- Does the district openly discuss the impact of budget revisions at the board level?
 - The Board approves all budget revisions. Any use of contingency funds must be approved by a 2/3 majority of the Board.
- Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?
 - Since the District has a history of multi-year agreements, the budget has not had to be revised, but can be planned in advance.
- Has the district's long-term debt decreased from the prior fiscal year?
 - No. Pursuant to the voters' approval of Measure H, the District issued \$127 million in bonds in May 2015.
- Has the district identified the repayment sources for the long-term debt?
 - General Obligation Bonds are paid through property taxes.
- Does the district compile annualized revenue and expenditure projections throughout the year?
 - The District Committee on Budget and Finance reviews revenue projections for the current and three future years.

12. **Retiree Health Benefits** - Is this area acceptable? **Yes / No**

- Has the district completed an actuarial calculation to determine the unfunded liability?
 - The District completes an actuarial study every two years and last completed a study in April 2015.
- Does the district have a plan for addressing the retiree benefits liabilities?
 - The District is on a pay as you go plan for current retirees, but also established a self-assessment for future OPEB benefits in line with the actuarial study. The District established an OPEB Trust and is in the process of funding the District's long term liabilities for post-employment health benefits. In addition, the District capped lifetime benefits in the 1990's.

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13. Leadership/Stability - Is this area acceptable? Yes / No

- Has the district experienced recent turnover in its management team (including the Chief Executive Officer, Chief Business Officer and Board of Trustees)?
 - The District hired a new president for Cañada College in January 2013. The position was vacated due to retirement. One Board member retired in May 2013 and was replaced in the following November election. There has been no turnover in the CEO or CBO.

14. District Liability – Is this area acceptable? Yes / No

- Has the district performed the proper legal analysis regarding potential lawsuits that may require the district to maintain increased reserve levels?
 - Yes, this is done as part of the year-end close every year.
- Has the district set up contingent liabilities for anticipated settlements, legal fees, etc?
 - None are currently needed.

15. Reporting – Is this area acceptable? Yes / No

- Has the district filed the annual audit report with the System Office on a timely basis?
 - The audit was filed in December 2014 for 2013/14. The current contract with the auditors specifies that the audit must be complete and filed by December 31.
- Has the district taken appropriate actions to address material findings cited in their annual audit report?
 - There have been no material findings. The District has addressed the State compliance findings.
- Has the district met the requirements of the 50 percent law?
 - Yes.
- Have the Quarterly Financial Status Reports (CCFS-311Q), Annual Financial and Budget Reports (CCFS-311), and Apportionment Attendance Reports (CCFS-320) been submitted to the System Office on or before the stated deadlines?
 - Yes, all have been timely.