

LOS MEDANOS
COLLEGE

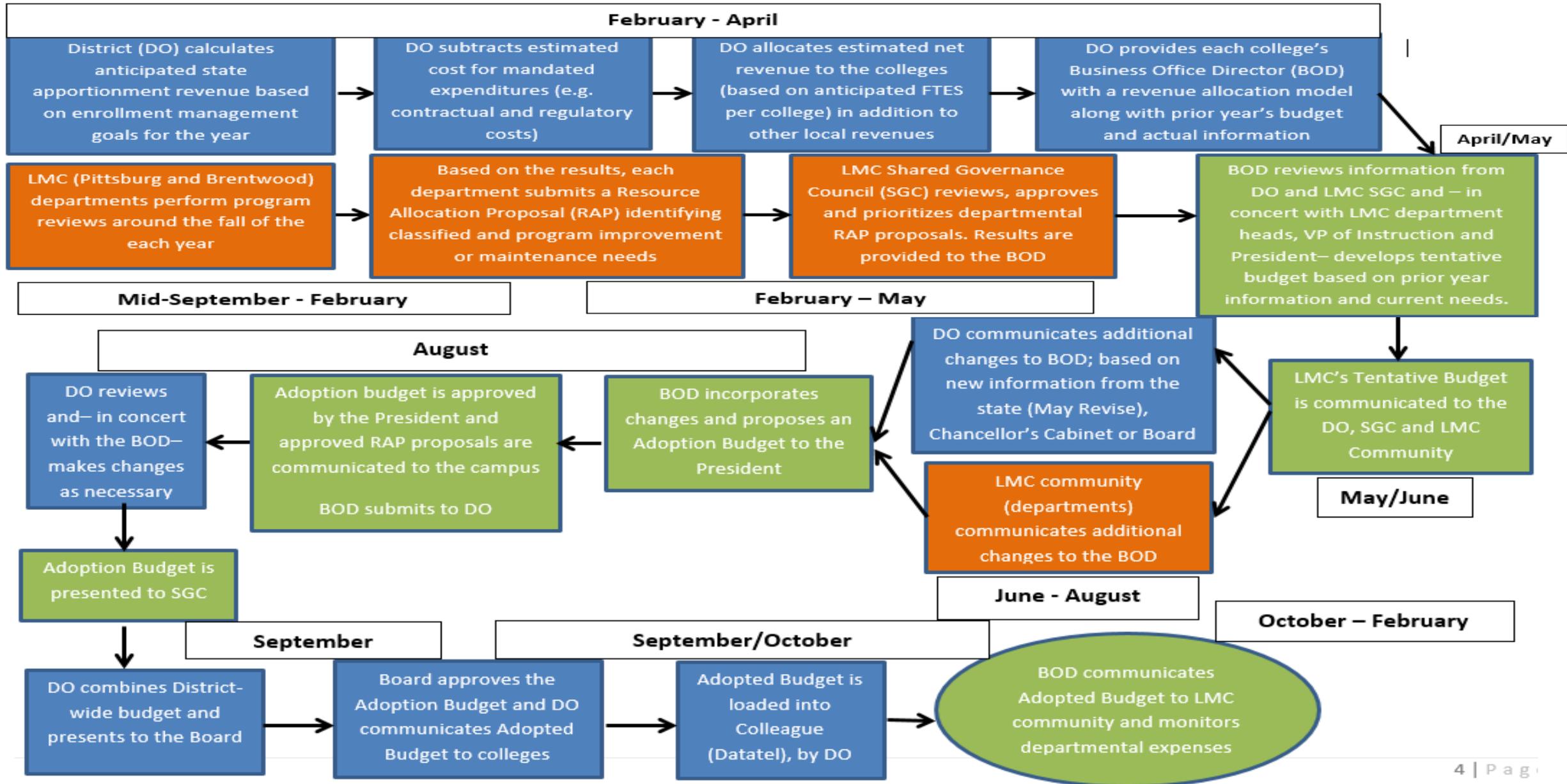
2014-15 Adopted Budget

October 27, 2014

College Assembly

LMC's Budgeting Cycle

Blue boxes- District Office or Board's Processes
 Orange boxes- LMC Community's Processes
 Green boxes- Business Office Director or President's Processes



2014-15 Budget: Key Factors

- Based on State's enacted budget, District received more funding!
 - ▣ ...but mostly for restricted purposes:
 - Student Success and Support Program (LMC received \$1.06M)
 - Student Equity funding (LMC received \$0.375M)
 - Deferred Maintenance (LMC received \$1.01M)
 - And more – <http://www.ebudget.ca.gov/2014-15/pdf/Enacted/BudgetSummary/HigherEducation.pdf>
 - ▣ Minimal ongoing and unrestricted
 - 0.85% Cost of Living Adjustment (COLA)
- Total FTES target = 7,851 (7,751 residents, 100 non-resident)
 - ▣ Target not met in 13/14; we borrowed FTES from Summer 14/15 to get funded at our target.

2014-15 Budget: Key Factors

- Step/column and longevity increases
- Healthcare cost increased by 14%
- PERS increased from 11.44% to 11.77% (+0.33%)
- STRS increased from 8.25% to 8.88% (+0.63%)
- Hired 11 full-time faculty (based on Box 2A)
- Restored 21 previously reduced positions (based on RAP)
- Hired 2 full-time technology positions (based on RAP)
- Budgeted at a reduced productivity ratio of 16.5 (FTES/FTEF), resulting in higher instructional costs in order to meet FTES target.

2014-15 Budget: Revenues

□ State Revenues

■ Apportionment

- Base allocation (\$3M – colleges, \$1M – approved centers)
- Major source of funding driven primarily by the total number of full-time equivalent students (FTES) generated by the District; funded at approximately \$4,676 per credit FTES and \$2,812 for non-credit FTES.

■ Other

- Lottery funds
- Mandated cost block grants
- Part-time faculty health benefits, office hours, and parity payments

□ Local Revenues

- Generated by the college (e.g. 2% enrollment fees, student fees, and rental income)

2014-15 Budget: Expenses

- Approximately 94% of LMC's expenses are in salaries and benefits:
 - ▣ 52% in academic salaries (FT and PT faculty and academic managers)
 - ▣ 19% in classified salaries (FT, PT, managers and students)
 - ▣ 23% in benefits (academic and classified)
- 2% supplies
- 4% other operating expenses
- < 1% capital outlay

2014-15 Budget: Reserves

- Set aside for anticipated/unanticipated events that may impact College operations
 - ▣ Anticipated:
 - 1% minimum reserves required by District Procedure 18.01
 - Load bank and vacation liabilities (local and District)
 - Deficit funding
 - ▣ Unanticipated:
 - Major equipment replacements

One-Time Revenues/Expenses

- Annual budget is built based on reasonable assumptions.
- Changes due to actual occurrences may result in one-time revenues or expenses at year-end. Examples include:
 - Revenues
 - Unspent budgets
 - Operating revenue realized as a result of spending out grant allocations
 - Unspent funds released from reserves
 - Expenses
 - RAP
 - College-wide projects/initiatives

2014-15 RAP Funding Summary

Total 2014/15 RAP proposals submitted	\$ 2,020,501		
Total amount funded	\$ 1,078,687		
Total percentage funded	53%		
Total number of RAPs submitted	89		
Total funded	72		
Funding Sources	Phase 1	Phase II	Total
Operating Budget: <i>One-time Funding</i>	\$ 164,410	\$ 256,949	\$ 421,359
Operating Budget: <i>Ongoing Funding</i>	\$ 300,118	\$ 45,774	\$ 345,892
Perkins: <i>One-time Funding</i>	\$ 179,940		\$ 179,940
BSI: <i>One-time Funding</i>	\$ 84,457		\$ 84,457
3SP: <i>One-Time Funding</i>		\$ 31,836	\$ 31,836
STEM: <i>One-time Funding</i>	\$ 15,203		\$ 15,203
Total	\$ 744,128	\$ 334,559	\$ 1,078,687

3-Year Trending & 2014-15 Adopted Budget

Description	2011/12 YTD Actual	2012/13 YTD Actual	2013/14 YTD Actuals	2014/15 Budget
Beginning Fund Balance	\$ 2,491,430	\$ 2,220,869	\$ 3,241,176	\$ 1,967,004
Revenues	\$ 32,609,270	\$ 33,055,422	\$ 34,325,558	\$ 35,070,421
Federal	\$ 2,610	\$ 4,629	\$ 597	
State	\$ 150,829	\$ 141,769	\$ 85,935	\$ 93,783
Local	\$ 803,860	\$ 861,305	\$ 783,604	\$ 913,352
Other Finance (operating)	\$ 31,651,971	\$ 32,047,719	\$ 33,455,422	\$ 34,063,286
Expenses	\$ 32,879,831	\$ 32,035,118	\$ 35,599,731	\$ 35,292,048
Academic Salaries	\$ 16,547,522	\$ 16,502,946	\$ 17,087,806	\$ 17,941,005
Classified Salaries	\$ 6,457,178	\$ 6,234,398	\$ 6,486,716	\$ 6,575,504
Benefits	\$ 7,129,045	\$ 7,010,681	\$ 7,085,665	\$ 8,130,697
Supplies	\$ 522,680	\$ 445,920	\$ 514,805	\$ 656,502
Other Operating Expense	\$ 1,368,790	\$ 1,667,234	\$ 1,566,010	\$ 1,941,178
Capital Outlay	\$ 36,341	\$ 25,835	\$ 60,953	\$ 13,650
Transfers and Other Outgoing	\$ 818,275	\$ 148,104	\$ 2,797,776	\$ 33,512
Ending Fund Balance	\$ 2,220,869	\$ 3,241,173	\$ 1,967,004	\$ 1,745,377
Reserves				\$ 1,745,378
Deficit Funding				\$ 164,050
College 1% (minimum reserves)				\$ 556,120
Load Bank and Vacation Liabilities				\$ 88,941
Designated Departmental Reserves				\$ 497,673
Total Restricted				\$ 1,306,784
Total Unrestricted				\$ 438,594

Questions?

