College Assembly
Welcome & Overview

Campus Safety & Security ~ 4CD Police Services

Grant Opportunity: HSI STEM & Articulation Programs
~ Ruth Goodin, A’kilah Moore, Danielle Liubicich, Ryan Pedersen

Budget Update ~ President Kratochvil

Facilities Update ~ Vice President Horan

Announcements
Budget Update

- Update on Fiscal Year 2015-16
- 2016-17 Governor’s Budget
- Other Budget Assumptions
Update on 2015-16 Budget

- 2015-16 budget was adopted with a $4.8M structural surplus largely predicated on the following additional, ongoing revenues:
  - $1.35M from a 1.02% COLA;
  - $6.9M from a substantial increase in the base allocations; and
  - $1.54M from dollars earmarked for full-time faculty hires (21 new hires for the District)

- In October 2015, the Governing Board approved a 5% salary increase for permanent employees:
  - Retroactive to July 1, 2015
  - Second salary increase in the past seven years
  - $5.1M in additional salary cost to the District
  - Significantly affects the fund balance
Update on 2015-16 Budget

- **CalSTRS Increase**
  - The employer contribution rate increased from 8.88% to 10.73%, an increase of approximately $1.3M to the District

- **CalPERS Increase**
  - The employer contribution rate increased a tick from 11.77% to 11.84% resulting in about $120,000 cost increase to the District

- **Healthcare Premiums – a mixed bag**
  - Kaiser went down nearly 5%
  - Anthem went up between 16-29% depending upon the plan
    - About 8% increase in aggregate; year-over-year budget increase of approximately $1.4M for active employees
Growth Funding – 2% system-wide

- Potential for the District to earn an additional 575 resident FTES worth approximately $2.7M; District will not earn these FTES or the associated ongoing dollars

Cost of Living Adjustment (COLA) – 0.47%

- Would raise the value of a credit FTES from $4,724 to $4,745, a $21 per FTES increase. This proposal would provide an additional $600,000 in ongoing apportionment funding for the District

Deferred Maintenance and Instructional Equipment - $283M system-wide

- District would receive approximately $6.4M in deferred maintenance and instructional equipment funds
2016-17 Governor’s Budget Summary

Mandate Cost Claim Reimbursements – $76M system-wide

- District would receive approximately $1.6M in one-time funds

Strong Workforce Program - $200M system-wide

- Allocations will be provided to regional consortia; **unknown how the District would participate or how much funding would be available**

Overall - Disappointing Budget, District is hopeful for a better picture by the May Revision

- Growth that can’t be earned
- COLA that does not take into account ongoing, increased costs
- No increase to base funding and very minor amounts of one-time funding
Other Budget Assumptions for 2016-17

- **Employee step and column increases:** 1.2% (projected to cost $1.3M)

- **Pension Costs**
  - **CalSTRS:** The District will see its contributions go from 8.25% in FY 2013-14 to 19.1% in FY 2020-21. Total annual dollars go from $4.8M to $13.4M.

  - **CalPERS:** The District may see its contributions go from 11.85% in FY 2015-16 to 20.4% in FY 2020-21. Beginning with FY 2013-14, total annual dollars goes from $4.1M to $8.6M.

- **Utility costs expected to increase 5% year-over-year, overall increase by $200K**

- **Two local elections for Board members, projected to cost $350K**

- **With these revenue and expense projections, District’s 2016-17 Tentative Budget is expected to reflect a structural deficit over $3M, roughly ⅓ coming from LMC’s Tentative Budget.**
Facilities Update

“Behavior is the function of the person and the environment (BF = P x E)”

Kurt Lewin (1937)
Kevinism

- 1974 – 2002  LMC  v1.0
- 2002 – 2019  LMC  v2.0
- Coming in 2019/20  LMC  v3.0
Projects

- Gym & Tennis Courts (Summer 2016)
- College Complex Roofing (SU/FA 2016)
- 2nd Floor CC Swing Space (Spring 2017)
- Campus Safety Building (Summer 2017)
- Science Lab 103 Conversion (Fall 2017)
- PE Complex & Student Union (Fall 2019)
- Brentwood Center (FA 2019/SP 2020)
Gymnasium
Gymnasium
Open Fall 2017

- 8 Faculty Offices
- 2 Small Conference Rooms
- 9 Classrooms
College Complex – 2nd Floor

Summer Break Fall 2017
Updated Site Scope for Design Development
Student Union – Perspective View from Quad
Student Union – Floor Plans
Updated Site Scope for Design Development
PE Complex – South & West Facades
Funding Sources

- 2006 Measure A: $24.5 million
- 2014 Measure E: $85 million
- Redevelopment Agency Funds: $3.5 million
- Total: $113 million
Spending Timeline

- 2002 Measure A: $81.3 million, 12 years
- 2006 Measure A+: $69.3 million, 15 years
- 2014 Measure E: $85 million, 6 years
Upcoming Activities

- “An Evening of Cultural Conversation” ~ May 5 at 6:00 p.m. in L-109
- Dramatic Arts Production: Project Serenity ~ May 5-7, 9, 12-14 & 16 at 7:00 p.m., Recital Hall
  - Matinee on May 11 (30 tickets available)
- 2nd Annual STEM Research Symposium ~ May 6, 12:30 – 4:30 p.m. in the Science Building
- 22nd Annual Gospel Celebration ~ May 7 at 7:00 p.m. in the Recital Hall
- Retirement Reception ~ May 16, 3:00 – 4:30 p.m. in L-109
- Student Recital (Music) ~ May 17 at 1:00 p.m. in the Recital Hall
- Concert & Special Guest Performers ~ May 18 at 7:30 p.m. in the Recital Hall
- Student Success Ceremony ~ May 20 at 3:00 p.m. in the Recital Hall
- S.T.E.L.A.R. Ceremony ~ May 20 at 4:30 p.m. in the Outdoor Quad
- FINAL EXAMS ~ May 21-27
- Commencement Ceremony ~ May 27 at 6:30 p.m. in LMC Stadium