

2017-18 TENTATIVE BUDGET

June 29, 2017

Walt Tribley, President/Superintendent
Steve Crow, Vice President Administrative Services
Rosemary Barrios, Controller

MPC 2017-18 BUDGET ASSUMPTIONS

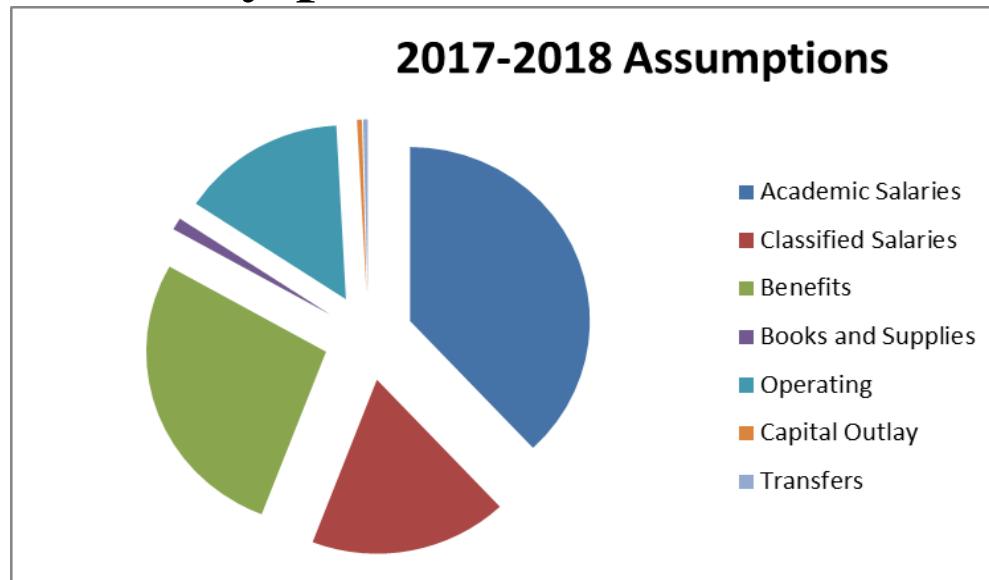
- Tentative Budget Revenue is based on “May Revise”
- MPC apportionment at ~\$40M
- Assumes COLA 1.58%
- Assumes base increase of ~\$800,000
- Assumes an increase to both PERS/STRS rate increase
- Assumes status quo or reduced budgets with the exception of fixed cost increases, and salary raises due to advancement via the cost of step and column increases
- Assumes a 5% increase in self-insurance - compensation
- Unrestricted and Restricted budgets are balanced

Unrestricted General Fund Revenue

Apportionment: The largest source of unrestricted revenue is based upon an anticipated Full Time Equivalent Student (FTES) target of 6,700 that partially restores previously lost FTES through the use of summer borrowing. This projected apportionment revenue includes an increase to the base and a COLA of 1.54%.

2016-17 TENTATIVE BUDGET

- Tentative Budget is projected to be “Balanced” (without including needed expenses e.g. ERP, restoration of key positions)



- Minimum 10% General Reserve fund balance per policy

Pending MPC Budget Issues

- Maintaining partial restored FTES @ 6700+
- If restoration is not sustained a potential loss of over \$1M in 18-19
- MPC not eligible for growth funding until fully restored
- Growth is capped at near 1% under new funding formula
- State funding formula continues to change with greater restrictions.
- STRS & PERS will continue to increase expenditures.
- MPC needed expenditures not included in Tentative:
 - ERP Annual Licensing and Operational Support
 - Director Title IX & EEO
 - Director Facilities & Planning
 - Restoration of staffing in key areas of support
 - Faculty & Staff needed for expansion of services.

These items total over \$2M.



3-Year Comparison

	2014-2015	2015-2016	2016-2017		2017-2018	% >
	<u>Actual</u>	<u>Actual</u>	<u>Act thru May*</u>	<u>Revised Budget</u>	<u>Budget</u>	<u>Budget to Final Budget</u>
Unrestricted General Fund:						
Income						
Federal	\$12,431	\$2,349	\$2,349	\$11,000	\$10,300	-6.4%
State	\$16,066,173	\$19,818,748	\$15,452,192	\$17,889,166	\$17,730,212	-0.9%
Local	\$21,907,198	\$23,053,270	\$23,284,226	\$22,337,223	\$22,305,444	-0.1%
Total Income	\$37,985,802	\$42,874,367	\$38,738,768	\$40,237,389	\$40,045,956	-0.5%
Expense						
Academic Salaries	\$14,344,525	\$15,122,308	\$13,817,634	\$15,625,022	\$14,779,101	-5.4%
Classified Salaries	\$7,080,888	\$7,103,255	\$6,567,008	\$7,474,383	\$6,919,074	-7.4%
Fringe Benefits	\$8,931,276	\$10,376,392	\$10,090,233	\$11,078,792	\$11,447,841	3.3%
Books and Supplies	\$38,670	\$684,246	\$550,456	\$471,573	\$450,567	-4.5%
Operating	\$5,317,293	\$5,618,294	\$5,646,476	\$6,270,354	\$6,114,034	-2.5%
Capital Outlay	\$269,634	\$502,044	\$138,990	\$178,079	\$165,756	-6.9%
Transfers	\$1,328,481	\$925,220	\$100,000	\$169,583	\$169,583	0.0%
Total Expenses	\$37,310,767	\$40,331,759	\$36,910,798	\$41,267,787	\$40,045,956	-3.0%



Summary of All Funds

MPC 2017-2018 Tentative Budget

Funds	Beginning	Budgets		Ending
	Fund Balance 7/1/2017	2017-2018		Fund Balance 6/30/2018
		<u>Revenue</u>	<u>Expense</u>	
General				
Unrestricted	\$4,543,767	\$40,045,956	\$40,045,956	\$4,543,767
Restricted	\$0	\$8,998,493	\$8,998,493	\$0
Special Revenue				
Child Development - Unrestricted	\$0	\$204,600	\$204,600	\$0
Child Development - Restricted	\$0	\$429,737	\$429,737	\$0
Student Center	\$590,109	\$241,500	\$240,225	\$591,384
Parking	\$560,013	\$555,000	\$735,132	\$379,881
Debt Service				
Student Center	\$22,534	\$20,900	\$20,900	\$22,534
Debt Service	\$200,604	\$1,000	\$0	\$201,604
Capital Projects				
Building	\$9,537,578	\$120,000	\$115,110	\$9,542,468
Self Insurance	\$2,547,905	\$7,786,867	\$7,385,138	\$2,949,634
Other Post Employment Benefits (OPEB)	\$530,860	\$112,014	\$112,014	\$530,860
Worker Comp Insurance	\$148,111	\$22,100	\$92,000	\$78,211
Fiduciary				
Financial Aid	\$19,146	\$6,200,000	\$6,200,000	\$19,146
Associated Students	\$211,320	\$80,000	\$80,000	\$211,320
Scholarship and Loans	\$68,307	\$3,500,000	\$3,500,000	\$68,307
Trust Funds	\$348,636	\$2,135,000	\$1,930,000	\$553,636
Orr Scholarship	\$30,333	\$25,000	\$20,000	\$35,333
Total	\$19,949,550	\$70,531,869	\$70,581,119	\$19,900,300



The following chart shows the 18 largest categorical programs and their respective funding level for the 2017–18 Tentative Budget:

	2016-17	2017-18	Change
Access Resource Center (DSP&S)	\$669,929	\$569,389	-\$100,540
CalWorks/TANF	\$246,551	\$199,503	-\$47,048
Enrollment Growth Nursing	\$142,600	\$142,600	\$0
Extended Opportunities Programs and Services (EOP&S)	\$942,356	\$1,008,823	\$66,467
Federal Work Study	\$151,539	\$151,539	\$0
Fire Training (Fees Supported)	\$190,278	\$190,200	-\$78
First 5 Monterey County Workforce Devt.	\$109,723	\$99,999	-\$9,724
Health Services	\$305,226	\$305,226	\$0
ITEST (National Science Foundation)	\$402,699	\$384,518	-\$18,181
Lottery	\$239,394	\$239,394	\$0
Marine Tech Mentor/Intern	\$103,759	\$56,400	-\$47,359
MATE Support Center	\$402,699	\$408,979	\$6,280
Math Science (TRIO)	\$376,701	\$382,851	\$6,150
Upward Bound (TRIO)	\$388,453	\$400,107	\$11,654
Student Support Services (TRIO)	\$294,916	\$303,227	\$8,311
Student Success - CR/NCR	\$1,625,872	\$1,699,664	\$73,792
Student Equity	\$608,102	\$608,102	\$0
Student Financial Aid Administration	\$245,736	\$355,864	\$110,128



DISCUSSION