

# Pasadena Area Community College District


## Tentative Budget Fiscal Year 2018-19

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RECOMMENDED FOR ADOPTION BY THE BOARD OF TRUSTEES

PRESENTED BY: DR. RICHARD STORTI,  
ASSISTANT SUPERINTENDENT & VICE PRESIDENT  
BUSINESS & ADMINISTRATIVE SERVICES

MAY 23, 2018

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# California Budget Highlights Community Colleges

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## Unrestricted Ongoing Funding Increases

- Access / Enrollment Growth - \$60 million (1%) increase
  - PCC: \$1.2 million / 240 FTES
- Cost of Living Adjustment of 2.71% (COLA) - \$173 million
  - PCC: \$3.6 million
- Support For New Funding Formula - \$175 million (uses 60-20-20 split for funding elements)
  - PCC: TBD
- New Online College - \$120 million (\$20 million ongoing / \$100 million one-time)
- California College Promise Program - \$46 million

# California Budget Highlights Community Colleges

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## Restricted One-time Funding

- \$143.5 million for deferred maintenance / instructional equipment
  - PCC: \$2.8 million
- Capital Outlay - \$50 million (Proposition 51 Bond Projects)
  - PCC: \$1.6 million (U Building Working Drawings)

# Cautions and Concerns

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- **Economic and political uncertainties**

- **STRS and PERS**

- **Increasing Employer Contribution Rates**

Year	STRS	PERS
2016/17	12.58%	13.89%
2017/18	14.43%	15.80%
2018/19	16.28%	18.06%
2019/20	18.13%	20.80%
2020/21	19.10%	23.50%

- Annual ongoing STRS / PERS expense will increase \$6.0 million annually from FY 2017/18 to FY 2022/23

- **Other Postemployment Benefit (OPEB) Liability**

# General Fund Tentative Budget FY 2018/19

## Revenue

State Apportionment	\$136,741,094	84.0%
Lottery	3,781,606	2.3%
State Mandated Claims	682,214	0.4%
Non-resident Tuition	12,177,024	7.5%
CalSTRS On Behalf Payment	5,000,000	3.1%
Categorical / Student Fees / Other	4,413,335	2.7%
<b>Total Revenue</b>	<b>\$162,795,273</b>	<b>100.0%</b>

## Expenses

Salaries and Benefits	\$142,454,708	87.5%
Supplies and Materials	1,946,245	1.2%
Operating Expenses and Services	14,536,288	8.9%
Capital Outlay	714,878	0.4%
Other Outgoing / Transfers	3,143,154	1.9%
<b>Total Expenses and Transfers</b>	<b>\$162,795,273</b>	<b>100.0%</b>
<b>Surplus (Deficit)</b>	<b>-0-</b>	<b>0.0%</b>

# Revenue Assumptions

## Changes from FY 2017/18 to 2018/19

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Description	Financial Impact
Apportionment (including COLA)	3,000,000
Non-resident Tuition	1,600,000
Other	( 700,000)
<b>Total</b>	<b>3,900,000</b>

# Expense Assumptions

## Changes from FY 2017/18 to 2018/19

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Description	Financial Impact
Total Compensation – 3.5% Increase	4,800,000
General Operating Expenses	1,900,000
Decrease in Transfers to Other Funds	(2,800,000)
<b>Total</b>	<b>3,900,000</b>

# Transfers

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Fund	Transfers
01 General Fund	(3,143,154)
33 Child Development Center Fund	36,000
41 Capital Outlay Fund	600,000
62 Property & Liability Self -Insurance Fund	1,411,016
64 OPEB Self-Insurance Fund	1,000,000
69 Other Internal Service Fund - PERS/STRS	96,138
<b>Total</b>	<b>\$ -</b>

# Summary of Funds

## 2018/2019 Tentative Budget

Fund	Beginning Balance	Income	Expenditures	Transfers	Net Activity	Ending Balance
01 General Fund	\$26,502,806	\$162,795,273	\$(159,652,119)	\$ (3,143,154)	-	\$ 26,502,806
03 Restricted General Fund	1,782,120	45,701,192	( 47,319,583)		(1,618,391)	163,729
29 Capital Servicing Fund	114,860	0	( 114,860)		(114,860)	-
33 Child Development Center Fund	281,246	977,134	( 1,020,400)	36,000	(7,266)	273,980
41 Capital Outlay Fund	8,141,717	3,778,148	( 6,923,598)	600,000	(2,545,450)	5,596,267
42 Building Fund - Measure P	5,190,272	0	( 5,190,272)		(5,190,272)	-
43 Scheduled Maintenance	5,024,176	738,346	( 4,546,871)		(3,808,525)	1,215,651
59 Identity Services Fund	112,212	45,000	( 53,920)		(8,920)	103,292
61 Workers Compensation Self- Insurance Fund	2,439,843	2,234,129	( 2,234,129)		-	2,439,843
62 Property & Liability Self -Insurance Fund	511,365	0	( 1,411,016)	1,411,016	-	511,365
63 Dental Coverage Self - Insurance Fund	2,658,060	1,170,000	( 1,170,000)		-	2,658,060
64 OPEB Self-Insurance Fund	3,884,804	0	(2,000,000)	1,000,000	(1,000,000)	2,884,804
69 Other Internal Service Fund - PERS/STRS	1,846,176	0	0	96,138	96,138	1,942,314
74 Student Financial Aid Fund	760,389	45,486,588	(45,486,588)		-	760,389
<b>Total</b>	<b>\$ 59,250,046</b>	<b>\$ 262,925,810</b>	<b>\$(277,123,356)</b>	<b>\$ -</b>	<b>\$ (14,197,546)</b>	<b>\$ 45,052,500</b>

# Questions

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