

Multi-Year Projections

The five-year District budget projections assume changes related to the new funding formula but do not otherwise assume significant changes at the state or local level. Future changes to revenues or expenditures would alter the projections and impact the net ending balance. For example, these projections do not make any assumptions about future negotiations with employee groups. Any negotiated compensation agreements will increase expenditures and reduce projected ending balances. The key assumptions over the projection period include:

- FTES of 8,436 from 2017-18 through 2018-19; 8,449 from 2019-20 through 2020-21 and 8,521 from 2021-22 through 2022-23
- COLA of 2.71% in 2018-19 and 1.5% from 2019-20 through 2022-23
- Annual increases of \$200,000 in salary costs for step/column/longevity increases
- Annual increase in other operating expenses of 1% (contracts, etc.)
- No assumption of one-time unrestricted funding (e.g., mandate reimbursement)

The following adjustments are made for the 2018-19 Budget to mitigate a potential deficit:

- \$599,835 in net faculty salary savings from the PARS Early Retirement Program
- \$500,000 in management/classified salary savings from frozen vacant positions
- \$86,000 annual transfer from the Bookstore

The District ended the 2017-18 fiscal year with an ending balance lower than the previous year. The net ending balance, including the PARS post-employment benefits trust, was \$9,587,119, which is 17.5% of General Fund expenditures (the 2016-2017 ending balance was 18.9%). The decrease is primarily due to one-time and retroactive negotiated salary increases. For perspective, the average net ending balance for the District's 14 comparable districts was 23.4% at the end of the 2015-16 year.

The District's projected required reserve for 2018-19, based on the recently revised BP 6200, is \$3,281,609. The projected contingency and PARS post-retirement benefits trust is \$8,050,043. Note that the revision to BP 6200 reduces the required reserve and shifts more of the ending balance into the contingency.

It should be further noted that the bulk of the contingency can be attributed to the significant amounts of one-time unrestricted funds the District has received in recent years. From 2014-15 through 2017-18, the District has received over \$5.2 million in one-time funds, with over \$3.9 million of that coming in 2015-16. The District will need to carefully distinguish between one-time and ongoing resources when considering future commitments.

MULTI-YEAR BUDGET PROJECTIONS
UNRESTRICTED GENERAL FUND
2.71% COLA 2018-19
1.5% COLA thru 2021-22
8436 FTES 2017-18 through 2018-19
8449 FTES 2019-20 through 2020-21, 8521 FTES 2021-22 through 2022-23

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
	Unaudited	Budget	Projection	Projection	Projection	Projection
REVENUES						
Beginning Balance	\$9,808,568	\$6,547,820	\$8,292,353	\$9,529,637	\$11,409,365	\$10,859,732
Prior Year Apportionment						
8100 TOTAL FEDERAL REVENUE	\$7,162	\$4,700	\$4,700	\$4,700	\$4,700	\$4,700
8600 TOTAL STATE REVENUE w/o General Apportionment	\$2,983,714	\$3,505,745	\$3,505,745	\$3,505,745	\$3,505,745	\$3,505,745
Unrestricted One-Time Payments	\$203,687					
8800 TOTAL LOCAL REVENUE w/o Property Tax and Enrollment Fees	\$2,210,531	\$1,955,184	\$1,717,037	\$1,717,037	\$1,717,037	\$1,717,037
General Apportionment + Prop Taxes + EPA + Enroll Fees	\$47,137,656	\$49,085,794	\$50,416,019	\$51,172,259	\$51,939,843	\$49,673,941
Growth (Decline)					-\$3,000,000	
COLA	\$646,843	\$1,330,225	\$756,240	\$767,584	\$734,098	\$745,109
Base Allocation Increase	\$1,372,177					
One-Time Allocation						
8900 Other Financing Sources	\$101,840	\$208,441	\$86,000	\$86,000	\$86,000	\$86,000
TOTAL REVENUE	\$54,683,610	\$56,090,089	\$56,485,741	\$57,253,325	\$54,987,423	\$55,732,532
TOTAL REVENUE AND BEGINNING BALANCE	\$64,472,178	\$62,637,909	\$64,778,094	\$66,782,963	\$66,396,788	\$66,592,264
EXPENDITURES						
Certificated (1000)	\$22,847,017	\$23,187,207	\$23,287,207	\$23,387,207	\$23,487,207	\$23,587,207
Unappropriated funds for faculty pay increase						
Savings from efficiencies						
Savings from PARS Early Retirement Program		-\$820,621	-\$820,621	-\$820,621	-\$820,621	-\$820,621
CCFT Salary Incr 1% Retro 7/1/16, 3% Retro 1/1/18	\$701,101					
Classified (2000)	\$11,434,337	\$11,437,275	\$11,537,275	\$11,637,275	\$11,737,275	\$11,837,275
2017-18 CCCUE Salary Increase	\$262,692					
2017-18 Mgt, Supervisor, Conf	\$66,294					
3000 TOTAL STAFF BENEFITS	\$11,005,743	\$12,074,735	\$12,139,378	\$12,210,778	\$12,282,178	\$12,353,578
STRS/PERS Increases			\$733,230	\$509,203	\$322,921	\$274,919
Payment to PARS Early Retirement Program		\$220,786	\$220,786	\$220,786	\$220,786	\$220,786
CCFT Salary Increase	\$84,793					
CCCUE Salary Increase	\$42,504					
Mgt, Supervisor, Conf Increase	\$14,686					
4000 TOTAL SUPPLIES	\$649,988	\$626,927	\$626,927	\$626,927	\$626,927	\$626,927
5000 TOTAL OTHER OPERATING EXPENSES	\$6,833,885	\$7,319,804	\$7,393,002	\$7,466,932	\$7,541,601	\$7,617,017
6000 TOTAL CAPITAL EXPENDITURES	\$533,894	\$239,315	\$75,055	\$75,055	\$75,055	\$75,055
7000 TOTAL OTHER OUTGO**	\$3,447,424	\$408,048	\$400,356	\$400,356	\$400,356	\$400,356
TOTAL EXPENDITURES	\$57,924,358	\$54,693,476	\$55,592,595	\$55,713,898	\$55,873,686	\$56,172,500
TOTAL ENDING BALANCE	\$6,547,820	\$7,944,433	\$9,185,499	\$11,069,064	\$10,523,102	\$10,419,765
REQUIRED RESERVE	\$3,203,567	\$3,281,609	\$3,335,556	\$3,342,834	\$3,352,421	\$3,370,350
Projected Deficit Factor		-\$252,080	-\$255,861	-\$259,699	-\$263,370	-\$252,095
Purchase Order and Budget Carryovers						
Projected unspent budget and benefits		\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Escrowed Growth						
Contingency	\$3,344,253	\$5,010,744	\$6,194,082	\$8,066,531	\$7,507,311	\$7,397,319
PARS Post-Employment Benefits Trust (Fund 78)	\$3,039,299	\$3,039,299	\$3,039,299	\$3,039,299	\$3,039,299	\$3,039,299
PARS not included in Ending Balance						
NET ENDING BALANCE	\$6,547,820	\$8,292,353	\$9,529,637	\$11,409,365	\$10,859,732	\$10,767,669
TOTAL EXPENDITURES AND ENDING BALANCE	\$64,472,178	\$62,637,909	\$64,778,094	\$66,782,963	\$66,396,788	\$66,592,264