

PRESENTATION OF THE 2015-2016
3RD QUARTER BUDGET REPORT
MAY 3, 2016

SANTA MONICA COLLEGE

THINGS CAN STILL CHANGE...

- May Revise
- P2
- CCCCCO DF: <1.28%> or <\$1,485,408>
- District Proj.: <0.59%> or <\$684,300>

OVERVIEW

- Recal - The “Recap”
- Changes in projected revenues
- Changes in projected expenditure
- Changes in projected fund balance

Recalculation of 2014-2015

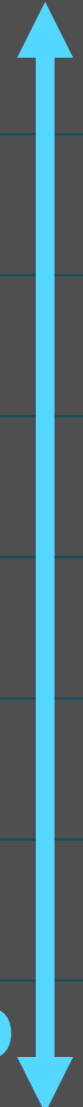
RECALCULATION OF 2014-2015

| | |
|---|------------------|
| 14-15 Deficit Factor - P2 (0.32%) | <\$344,556> |
| 14-15 Deficit Factor - Recal (0.00%) | <\$0.00> |
| Difference | \$344,556 |
| FTES Reduction of <7.32> | <\$34,229> |
| 14-15 EPA and Other | \$52,675 |
| Total 2014-2015 Revenue Rec. in CY | \$363,002 |
| 14-15 EPA Adjustment | <\$48,279> |
| Amount Budgeted for In Q2 | <\$0.00> |
| <u>One-time Net Increase in Revenue</u> | <u>\$314,723</u> |

Changes in Revenue

PROJECTED CHANGES IN REVENUE 2ND QTR TO 3RD QTR PROJECTIONS

| | |
|--|-------------|
| 2015-2016 Second Quarter Revenue Projection: | 169,102,973 |
| Non-Resident Tuition | 881,271 |
| Baccalaureate Pilot Program - One-time | 350,000 |
| PY Apportionment- One-Time | 314,723 |
| Lottery | 15,055 |
| Growth - (YTD <\$1,802,450>) | -57,851 |
| Apportionment | -69,639 |
| Other | 11,035 |
| \$1,444,594 or 0.85% | |
| 2015-2016 Third Quarter Revenue Projection | 170,547,567 |



Changes in Expenditures

PROJECTED CHANGES IN EXPENDITURES 2ND QTR TO 3RD QTR PROJECTIONS

| | |
|--|-------------|
| 2015-2016 Second Quarter Expenditure Projection: | 164,644,620 |
| Net Effect of Hiring, Separations and Adj. | 441,642 |
| Health and welfare and retiree benefits | 299,129 |
| Non Health and Welfare Benefits | 59,520 |
| Supplies and Contracts | -142,396 |
| Vacancy List | -259,250 |
| Hourly Instruction and Non-instruction | -289,507 |
| Equipment, Technology and TCO Replacement | -498,214 |
| Others | 2,500 |
| <\$386,576> or <0.2%> | |
| 2015-2016 Third Quarter Expenditure Projection: | 164,258,044 |

Changes in Fund Balance

THE “BOTTOM LINE”

| | 2015-2016 Adopted | 2015-2016 Second Q | 2015-2016 Third Q |
|--|----------------------|-----------------------|----------------------|
| Beg. Fund Balance | \$13,781,577 | \$13,781,577 | \$13,781,577 |
| Structural Surplus/Deficit | -942,959 | -3,919,983 | -3,376,248 |
| One-Time items | \$8,346,750 | \$8,378,336 | \$9,665,771 |
| Ending Fund Balance | 21,185,368 | 18,239,930 | 20,071,100 |
| Fund Balance to TTL Expenditures and Transfers | 12.94% | 11.08% | 12.22% |

2016-2017 Proposed Ongoing Apportionment Funds Effect on the Structural Deficit

| | 2016 - 2017 |
|---------------------------------|-------------|
| Structural Surplus/Deficit | -3,376,248 |
| Growth/Access -1% | 1,018,311 |
| Inflationary Adjustment - 0.47% | 544,725 |
| Structural Deficit | -1,813,212 |

IN SUMMARY

- Projected revenues increased \$1,444,594 or 0.85% from second quarter
- Projected expenditures decreased \$386,576 or 0.2% from Adopted - Mostly ongoing increases
- Operating deficit, with one-time items, was reduced by \$543,735 - Is significantly higher than Adopted
- Fund Balance is projected to increase by \$1,831,170 to \$20,071,100 or 12.22% - Mostly one-time revenues and deferred expenditures
- Structural deficit is <\$3,376,248>. 2014-2015 closed with a <\$1,851,658> deficit

Thank You!!!

The Accounting Team with Special
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Lau

Charlie Yen, Greg Brown and the
Facilities Team



Budget Committee