



Sierra Joint Community College District
2017-18 Budget Revision #1

February 13, 2018

Information presented in these exhibits include financial data as of 12/31/17 and assumptions as of 1/12/18.

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
General Fund Narrative Summary

Exhibit A

- 1 **Change in Fund Balance:** Exhibit B shows the District's ending Unrestricted General Fund Balance decreasing from \$16.47M to \$15.14M, or approximately \$1.3M, from Adopted Budget to Budget Revision #1. This change was the result of allocating the 2016-17 surplus, as well as the other revenue and expenditure changes noted below in 2.
- 2 **Changes in Revenues and Expenditures:** The revenue and expense changes associated with the decrease in the Unrestricted General Fund Balance are shown in Exhibit E. Major changes include the following:
REVENUE
 - \$397k increase for mandated cost revenue (one-time & block grant)
 - \$200k decrease for non-resident tuition
 - \$86k increase for other local revenueEXPENSES
 - \$1M increase for one-time payouts to employees funded from the 2016-17 surplus
 - \$292k increase for one-time transfer to Capital Projects funded from the 2016-17 surplus
 - \$299k increase in overall labor costs mainly due to part-time faculty and overload spending trends
- 3 **Deficit Factor:** Budget Revision #1 retains the forecast of a 0.5% deficit factor, reducing projected revenues by approximately \$423k.
- 4 **Projected Surplus:** The District is projecting a surplus of approximately \$2.4M for the 2017-18 fiscal year. MINT reached an agreement to allocate \$1.3M of these one-time funds to the collective bargaining units. The agreement also includes a commitment to increase the health and welfare cap by \$250 per month per eligible employee beginning with the 2018-19 health plan year.
- 5 **One-Time Guided Pathways Funds:** The state budget included \$150M for districts to support guided pathways frameworks on their campuses. Sierra College will receive approximately \$1.7M over the next five years toward this initiative. The first year allocations of funds for this program will begin in April 2018 and will be included in the budget at that time.

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
General Fund Unrestricted & General Fund Restricted Budget Summary

Exhibit B

	Adopted Budget			Budget Revision #1		
	General Fund Unrestricted	General Fund Restricted	General Fund Total	General Fund Unrestricted	General Fund Restricted	General Fund Total
Revenues						
8000 Revenues	90,612,688	42,109,255	132,721,943	91,020,027	45,955,808	136,975,835
Total Revenues	\$ 90,612,688	\$ 42,109,255	\$ 132,721,943	\$ 91,020,027	\$ 45,955,808	\$ 136,975,835
Expenses, Debt, Transfers & Other						
1000 Certificated Salaries	36,778,149	5,040,457	41,818,606	37,686,493	4,934,844	42,621,337
2000 Classified Salaries	17,917,125	4,917,059	22,834,183	18,285,991	5,204,176	23,490,167
3000 Benefits	19,147,000	2,668,136	21,815,136	19,235,000	2,744,982	21,979,982
4000 Supplies and Materials	1,356,810	971,824	2,328,634	1,430,150	1,400,710	2,830,860
5000 Other Operating Expenses and Services	9,419,254	23,964,008	33,383,262	10,094,320	25,556,507	35,650,827
6000 Capital Outlay	256,260	1,659,347	1,915,607	382,740	2,506,886	2,889,627
7000 Debt Payments, Transfers, Other	4,419,067	2,888,425	7,307,492	3,914,723	3,607,704	7,522,427
Total Expenses, Debt, Transfers & Other	\$ 89,293,665	\$ 42,109,255	\$ 131,402,920	\$ 91,029,418	\$ 45,955,808	\$ 136,985,226
One-Time Revenue and Expense Adjustments:						
One-Time Mandated Cost Revenue	-	-	-	391,233	-	391,233
One-Time STRS Excess Sick Leave Payout	(385,000)	-	(385,000)	(385,000)	-	(385,000)
One-Time Transfer to Capital Projects Funded from 2016-17 Surplus	-	-	-	(292,000)	-	(292,000)
One-Time Payouts to Employees Funded from 2016-17 Surplus	-	-	-	(1,007,195)	-	(1,007,195)
One-Time Contributions from Committed Reserves for H&W Costs	(1,160,000)	-	(1,160,000)	(1,160,000)	-	(1,160,000)
Total Expenses, Debt Transfers, Other and One-Time Adjustments	\$ 87,748,665	\$ 42,109,255	\$ 129,857,920	\$ 88,576,456	\$ 45,955,808	\$ 134,532,264
Structural Surplus ¹			\$ 2,864,023			\$ 2,443,571
Fund Balance Summary						
Beginning Fund Balance			\$ 15,151,276			\$ 15,151,276
Change in Fund Balance (Total Revenues Less Total Expenses, Debt, Transfers & Other)			1,319,023			(9,391)
Total Estimated Unrestricted Fund Balance			16,470,299			15,141,885
Less: Nonspendable - Prepaid Expenses & Inventory			(450,000)			(450,000)
Less: Committed Reserve ²			(4,956,665)			(3,595,031)
Total Estimated Unrestricted/Uncommitted Fund Balance			\$ 11,063,634			\$ 11,096,854
Estimated Unrestricted/Uncommitted Fund Balance as a Percent of Expenses			8.4%			8.1%

¹ Structural surplus is a forward-looking snapshot of the District's financial health heading into the next fiscal year. The current year surplus and subsequent allocations are separately calculated utilizing the Allocation Formula.

² Committed Reserve includes projected District obligations and commitments as of June 30, 2018 as follows:

Health & Welfare Reserve (Remainder of 2017-18 Plan Year: July 2018 - Sept 2018)	325,000	325,000
Unspent Portion of 2015-16 Full-Time Faculty Revenue	420,031	420,031
Preliminary 2016-17 Allocation Formula Surplus	1,297,611	-
2017-18 Adopted Budget Structural Surplus - Committed to One-Time Purposes	2,864,023	-
2017-18 Estimated Allocation Formula Surplus - Committed to MINT (see Exhibit A)	-	2,400,000
Staff Training on Interest Based Bargaining	50,000	50,000
Estimated June 2018 Bond Election Costs	-	400,000
Estimated Committed Reserve as of June 30, 2018	<u>\$ 4,956,665</u>	<u>\$ 3,595,031</u>

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
General Fund Unrestricted Budget Detail

Exhibit C

	General Fund Unrestricted		
	Adopted Budget	Budget Revision #1	YTD Actuals (12/31/17)
Revenues			
8000 State Apportionment (Includes EPA Funds)	2,453,050	2,453,050	1,201,899
8000 Property Taxes	75,092,816	75,092,816	31,702,755
8000 Enrollment Fees	7,056,000	7,056,000	7,192,289
8000 Total State Revenues	84,601,866	84,601,866	40,096,943
8000 Less: .5% Assumed Deficit Factor	(423,009)	(423,009)	-
8000 Total State Apportionment with Deficit	84,178,857	84,178,857	40,096,943
8000 Federal Revenues	13,500	13,500	-
8000 Other State Program Revenues	2,783,131	3,180,547	1,773,576
8000 Local/Other Revenues	3,637,200	3,647,123	2,756,835
8000 One-Time Prior Year Apportionment Adjustment	-	-	-
Total Revenues	\$ 90,612,688	\$ 91,020,027	\$ 44,627,353
Expenses			
1000 Certificated Salaries - Instructional	15,323,190	15,365,729	7,966,037
1000 Certificated Salaries - Non-Instructional	1,988,152	2,129,568	1,116,418
1000 Certificated Salaries - Ed Admin	3,484,906	3,425,316	1,719,337
1000 Certificated PT - Instructional	10,268,000	10,755,744	5,822,176
1000 Certificated Salaries - PT Non-Instructional	916,000	938,993	395,188
1000 Reassigned Time	1,024,580	992,291	484,603
1000 Stipends	790,000	795,953	403,379
1000 Staff Development Flex Hours	308,000	308,000	172,698
1000 Overload Pay - Instructional	2,579,000	2,879,000	1,441,678
1000 Overload Pay - Non-Instructional	56,000	56,000	6,089
1000 Board Member	40,320	39,900	19,320
2000 Classified Supervisory & Confidential	2,818,282	2,803,769	1,391,976
2000 Classified Instructional Aides	1,991,540	1,889,323	948,340
2000 Classified Salaries - FT & PT	11,169,603	11,605,325	5,775,575
2000 Classified Salaries - Overtime & Standby	270,000	270,000	142,974
2000 Classified Salaries - Temporary	730,000	730,000	391,873
2000 Student Help and Tutors	937,700	987,575	437,376
3000 Benefits	16,108,000	16,168,000	8,075,377
3000 Retiree Benefits	3,039,000	3,067,000	1,538,691
4000 Supplies and Materials	1,356,810	1,430,150	496,875
5000 Other Operating Expenses and Services	9,419,254	10,094,320	5,249,145
6000 Capital Outlay	256,260	382,740	131,704
Total Expenses	\$ 84,874,598	\$ 87,114,695	\$ 44,126,829
Debt, Transfers & Other			
7000 Debt Payment Transfers	1,392,058	1,392,058	600,258
7000 Inter-Fund Transfers (Including Match)	1,333,141	1,678,090	427,202
7000 Other	-	-	-
7000 Contingency	1,693,868	844,575	-
Total Debt, Transfers & Other	\$ 4,419,067	\$ 3,914,723	\$ 1,027,460
Total Expenses, Debt, Transfers & Other	\$ 89,293,665	\$ 91,029,418	
Beginning Fund Balance	15,151,276	15,151,276	
Change in Fund Balance (Total Revenues Less Total Expenses, Debt, Transfers & Other)	1,319,023	(9,391)	
Total Estimated Unrestricted Fund Balance	16,470,299	15,141,885	
Less: Nonspendable - Prepaid Expenses & Inventory	(450,000)	(450,000)	
Less: Committed Reserve	(4,956,665)	(3,595,031)	
Total Estimated Unrestricted/Uncommitted Fund Balance	\$ 11,063,634	\$ 11,096,854	

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
General Fund Unrestricted Revenue Detail

Exhibit D

	General Fund Unrestricted		
	Adopted Budget	Budget Revision #1	YTD Actuals (12/31/17)
State Apportionment			
State Apportionment (Includes EPA Funds)	2,453,050	2,453,050	1,201,899
Property Taxes	75,092,816	75,092,816	31,702,755
Enrollment Fees	7,056,000	7,056,000	7,192,289
Total State Revenues	84,601,866	84,601,866	40,096,943
Less: .5% Statewide Deficit Factor	(423,009)	(423,009)	-
Total State Apportionment with Deficit	84,178,857	84,178,857	40,096,943
Federal Revenues			
Forest Reserve Revenue	10,000	10,000	-
Veterans	3,500	3,500	-
Other Federal Revenue	-	-	-
Total Federal Revenues	13,500	13,500	-
Other State Program Revenues			
PT Faculty Office Hours	18,000	18,000	-
PT Faculty Compensation	290,163	290,163	150,885
BOG Fee Waiver Adm.2%	183,423	183,423	95,380
Lottery	1,899,349	1,899,349	737,699
Mandated Costs	392,196	789,612	789,612
Other General Categorical	-	-	-
Total Other State Program Revenues	2,783,131	3,180,547	1,773,576
Local/Other Revenues			
Contributions, Gifts, Grants	15,000	58,000	15,000
2% Enrollment Fee	144,000	144,000	146,781
Sales, Commission	700,000	653,614	278,070
Rentals & Leases	35,000	35,000	22,363
Interest Income	220,000	220,000	129,236
Student Records	32,000	32,000	12,660
Non-Resident Tuition	2,050,000	1,850,000	1,800,322
Audit Fee	7,000	7,000	3,297
Other Student Fees	2,000	2,000	1,840
Other Local Revenue	221,000	320,184	272,523
Indirect Costs	360,000	360,000	112,110
Bad Debt Collection	20,000	20,000	14,922
Uncollectible Res/Non-Res Tuition	(179,000)	(158,000)	(154,246)
Transfers In	-	96,825	96,825
Unrealized Gain (Loss) on Investment & Gain (Loss) on sale of Assets	-	-	-
Other Contract Services	-	3,300	3,300
Misc (Surplus, Returned Item)	10,200	3,200	1,832
Total Local/Other Revenues	3,637,200	3,647,123	2,756,835
One-Time Revenues			
One-Time Prior Year Apportionment Adjustment	-	-	-
Total Revenues	\$ 90,612,688	\$ 91,020,027	\$ 44,627,353

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
General Fund Unrestricted Variances (Adopted to Revision #1)

Exhibit E

	Revenue (8000)	Certificated Salaries (1000)	Classified Salaries (2000)	Benefits (3000)	Supplies, Other Operating, Capital Outlay, Transfers (4000 - 7000)
Budget Presentation					
Adopted Budget	90,612,688	36,778,149	17,917,125	19,147,000	15,451,391
Budget Revision #1 as of 12/31/17	91,020,027	37,686,493	18,285,991	19,235,000	15,821,934
Difference	407,339	908,344	368,867	88,000	370,543
Explanation of Adjustments					
One-Time Mandated Cost Revenue	397,416				
Non-Resident Tuition	(200,000)				
Local Revenue (e.g. Bookstore, STRS DBS Refund)	85,847				
Transfers In from Capital Projects	96,825				96,825
Athletics Gate Receipts	27,251				27,251
One-Time Employee Payouts		631,548	335,183	51,122	(10,658)
Retirements/Vacancies/PTF & Overload Spending Trends		277,787	(16,064)	8,878	
Retiree Health & Welfare Benefits				28,000	
Student Help & Tutors			49,875		(49,875)
One-Time Transfer to Capital Projects from 2016-17 Surplus					292,000
NCC Facility Use Maintenance					15,000
Miscellaneous Other Adjustments		(991)	(127)		
Total Adjustments	407,339	908,344	368,867	88,000	370,543

Sierra Joint Community College District
2017-18 Budget Revision #1 - Board of Trustees Meeting: February 13, 2018
All Funds Budget Summary

Exhibit F

	Governmental Fund Types Budget Revision #1				Fiduciary Fund Types Budget Revision #1				TOTAL ALL FUNDS
	General Fund	Capital Projects Fund	Debt Service Funds	Residence Halls	Post-Employment Medical Trust	Student Center Fee	Associated Student Body (ASSC)	Student Financial Aid	
Revenues									
8000 Revenues	136,975,835	5,972,617	6,465,953	930,000	507,000	160,000	137,846	30,699,021	181,848,272
Total Revenues	\$ 136,975,835	\$ 5,972,617	\$ 6,465,953	\$ 930,000	\$ 507,000	\$ 160,000	\$ 137,846	\$ 30,699,021	\$ 181,848,272
Expenses, Debt, Transfers & Other									
1000 Certificated Salaries	42,621,337	-	-	-	-	-	-	-	42,621,337
2000 Classified Salaries	23,490,167	-	-	206,970	-	30,948	13,230	-	23,741,315
3000 Benefits	21,979,982	-	-	58,345	-	9,948	270	-	22,048,545
4000 Supplies and Materials	2,830,860	47,705	-	30,000	-	365,648	129,440	-	3,403,654
5000 Other Operating Expenses and Services	35,650,827	2,067,947	-	372,465	90,000	27	85,255	-	38,266,522
6000 Capital Outlay	2,889,627	3,988,791	-	15,000	-	-	13,586	-	6,907,005
7000 Debt Payments, Transfers, Other	7,522,427	3,483,098	6,462,643	278,785	-	-	307,986	30,699,021	48,753,961
Total Expenses, Debt, Transfers & Other	\$ 136,985,226	\$ 9,587,542	\$ 6,462,643	\$ 961,565	\$ 90,000	\$ 406,571	\$ 549,768	\$ 30,699,021	\$ 185,742,337
Change in Fund Balance	\$ (9,391)	\$ (3,614,925)	\$ 3,310	\$ (31,565)	\$ 417,000	\$ (246,571)	\$ (411,923)	\$ -	\$ (3,894,065)
Beginning Fund Balance	15,151,276	21,612,117	5,360,400	713,187	11,393,543	406,232	411,923	2,304	55,050,982
Change in Fund Balance	(9,391)	(3,614,925)	3,310	(31,565)	417,000	(246,571)	(411,923)	-	(3,894,065)
Less: Nonspendable - Prepaid Expenses & Inventory	(450,000)								(450,000)
Less: Committed Reserve	(3,595,031)								(3,595,031)
Total Estimated Unrestricted/Uncommitted Fund Balance	\$ 11,096,854	\$ 17,997,192	\$ 5,363,710	\$ 681,622	\$ 11,810,543	\$ 159,661	\$ 0	\$ 2,304	\$ 47,111,886
Estimated Unrestricted/Uncommitted Fund Balance as a Percent of Expenses	8.1%								