

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website : [Fiscal Resources Committee](#)

Agenda for April 23, 2014

1:30 p.m. - 3:00 p.m.

Executive Conference Room #114

1. Welcome
2. State/District Budget Update – Hardash
 - 50% Law
 - FON Penalty
 - P2
3. Budget Allocation Model (BAM) Review:
 - BAM SB 361 Model
 - FRC Workgroup Report on 50% Law/FON Discussions
4. Review of Multi-Year Projections
5. Acquisition of Riverdale Facility-DeCarbo
6. TAG Recommendation Update
7. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of April 14, 2014
 - Measure “E” Project Cost Summary as of April 1, 2014
 - Monthly Cash Flow Statement as of March 31, 2014
8. Approval of FRC Minutes –March 19, 2014
9. Other

Next FRC Committee Meeting: (Executive Conference Room #114 1:30 pm – 3:00 pm)

May 28, 2014

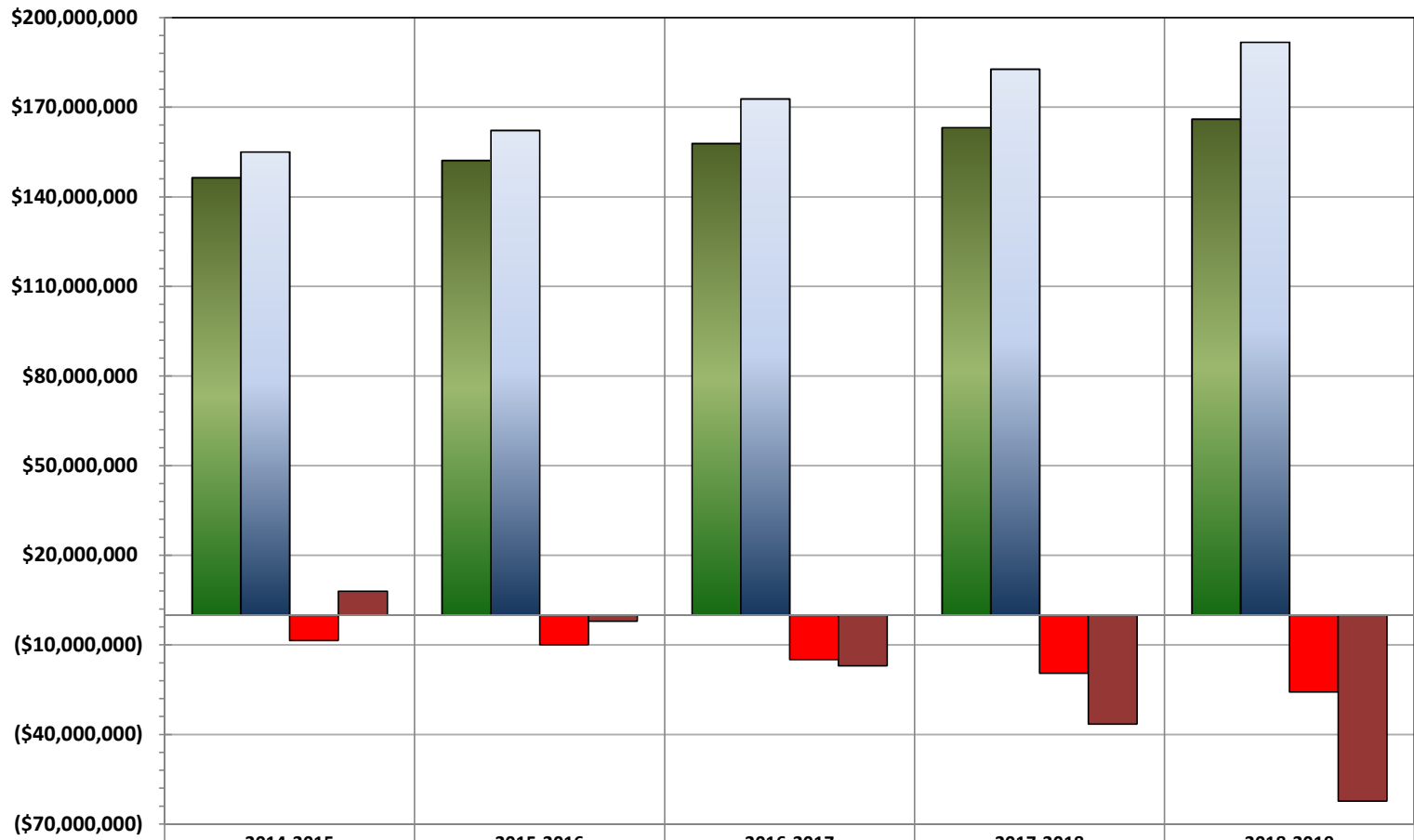
The mission of the Rancho Santiago Community College District is to provide quality educational programs and services that address the needs of our diverse students and communities.

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection**

	2012-2013 Actuals	2013-2014 Revised Budget	2014-2015 Projected Budget	2015-2016 Projected Budget	2016-2017 Projected Budget	2017-2018 Projected Budget	2018-2019 Projected Budget
Assumptions:							
Revenue:							
General Apportionment Deficit Factor	-2.000%	-1.000%	-1.000%	-1.000%	-1.000%	-1.000%	-1.000%
Growth/Access	0.000%	1.630%	3.000%	2.000%	2.000%	2.000%	2.000%
Cost of Living Adjustment	0.000%	1.570%	0.860%	2.200%	2.400%	2.400%	2.700%
One time Funds 2012/13 P3 Adjustment	\$0	\$2,300,000	\$0	\$0	\$0	\$0	\$0
Lottery Revenue-Unrestricted	\$124.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00
Education Protection Account (EPA) funding ends December 2016	0	0	0	0	(\$633,600)	(\$1,267,200)	(\$4,435,200)
Expenditure:							
Step/Column/Salary Net Adjustment	1.000%	3.000%	2.060%	3.400%	3.600%	3.600%	3.900%
Part-time Faculty/FON Obligation	0.00	\$1,154,945	\$2,350,169	\$899,337	\$930,430	\$963,001	\$999,336
STRS Rate	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%
PERS Rate	11.417%	11.442%	11.700%	12.600%	15.000%	16.600%	18.200%
Health and Welfare Premium Percent Increase (District Cost)	6.200%	-3.100%	8.200%	7.500%	7.500%	7.500%	7.500%
CDC Roof Repair/OEC Contribution	0	\$7,400,000	0	0	0	0	0
FON Penalty	0	\$800,000		0	0	0	0
Trustee Election	\$124,715	\$0	\$400,000	\$0	\$400,000	\$0	\$400,000
Utilities Cost Increase	4.200%	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
Additional SSSP (formerly Matriculation) Match			\$2,500,000	\$5,000,000	\$7,500,000	\$10,000,000	\$10,000,000
Other Local Match		\$1,500,000	\$2,933,333	\$1,733,333	\$1,733,333	\$1,733,333	\$1,733,333
Carryover:							
Assumes carryover funds are not spent	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072

Multi-Year Projection:							
Beginning Budget Stabilization Balance	\$30,797,204	\$25,035,466	\$16,509,412	\$7,907,292	(\$2,091,861)	(\$17,009,997)	(\$36,575,069)
Total Revenue	137,265,841	141,473,719	146,434,274	152,215,920	157,893,675	163,187,651	166,009,797
Total Expenditure	143,027,578	144,099,773	155,036,395	162,215,072	172,811,811	182,752,723	191,775,353
Total Budget Centers Carryover	0	0	0	0	0	0	0
OEC Contribution/FON Penalty/One time Funds 2012/13 P3 Adjustment/CDC Roof Repair	0	5,900,000	0	0	0	0	0
Surplus/ (Deficit)	(5,761,738)	(8,526,054)	(8,602,121)	(9,999,152)	(14,918,136)	(19,565,072)	(25,765,556)
Ending Budget Stabilization Balance	\$25,035,466	\$16,509,412	\$7,907,292	(\$2,091,861)	(\$17,009,997)	(\$36,575,069)	(\$62,340,625)
Percentage	17.5%	11.5%	5.1%	-1.3%	-9.8%	-20.0%	-32.5%

Unrestricted General Fund 5 Year Multi-Year Projection Base Scenario



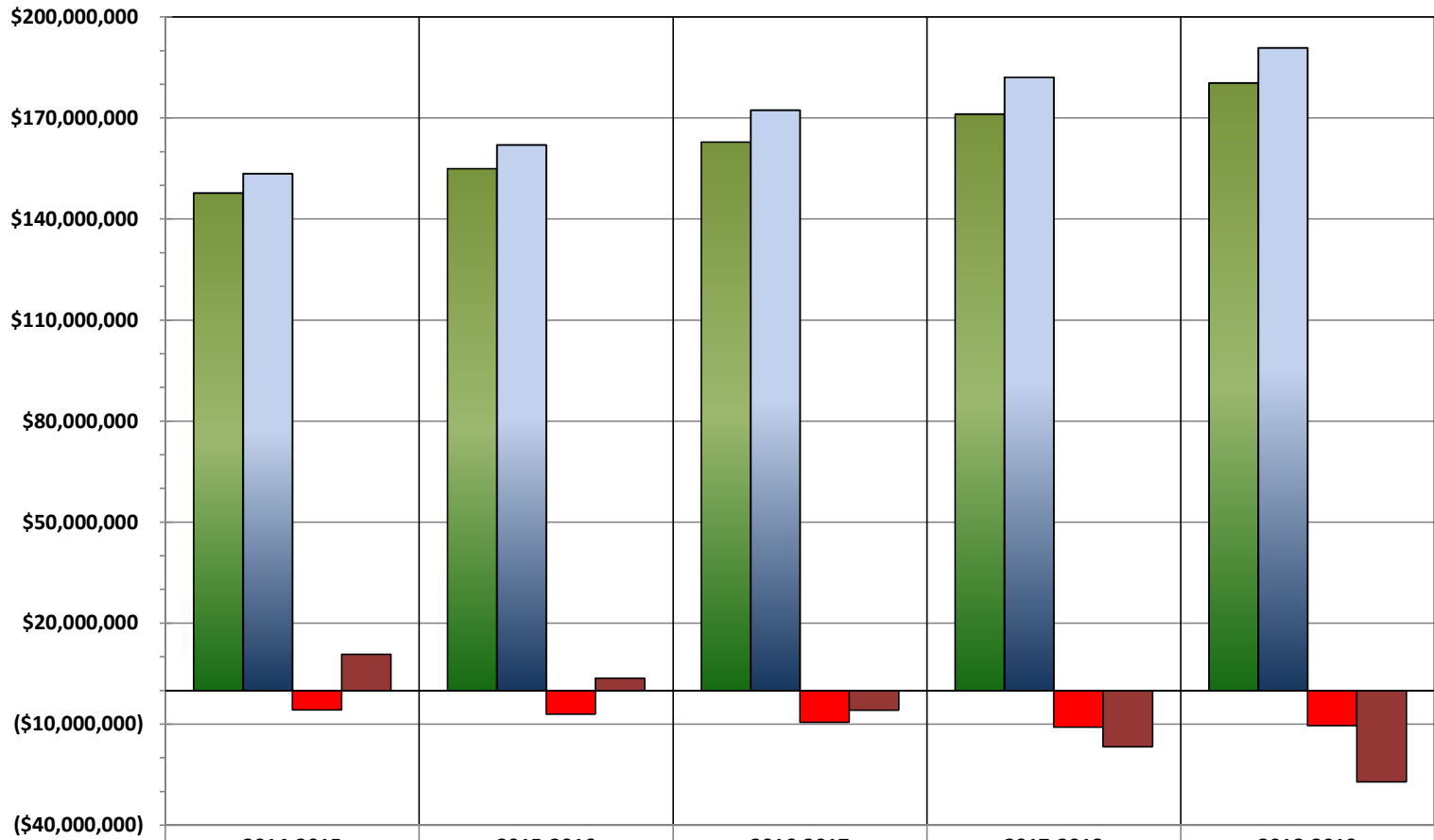
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Revenues	146,434,274	152,215,920	157,893,675	163,187,651	166,009,797
Expenditures	155,036,395	162,215,072	172,811,811	182,752,723	191,775,353
Surplus/ (Deficit)	(8,602,121)	(9,999,152)	(14,918,136)	(19,565,072)	(25,765,556)
Ending Budget Stabilization Balance	7,907,292	(2,091,861)	(17,009,997)	(36,575,069)	(62,340,625)

**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection**

	2012-2013 Actuals	2013-2014 Revised Budget	2014-2015 Projected Budget	2015-2016 Projected Budget	2016-2017 Projected Budget	2017-2018 Projected Budget	2018-2019 Projected Budget
Assumptions:							
Revenue:							
General Apportionment Deficit Factor	-2.000%	-1.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Growth/Access	0.000%	1.630%	3.000%	3.000%	3.000%	3.000%	3.000%
Cost of Living Adjustment	0.000%	1.570%	0.860%	2.200%	2.400%	2.400%	2.700%
One time Funds 2012/13 P3 Adjustment	\$0	\$2,300,000	\$0	\$0	\$0	\$0	\$0
Lottery Revenue-Unrestricted	\$124.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00
Education Protection Account (EPA) funding ends December 2016	0	0	0	0	0	0	0
Expenditure:							
Step/Column/Salary Net Adjustment	1.000%	3.000%	2.060%	3.400%	3.600%	3.600%	3.900%
Part-time Faculty/FON Obligation	0.00	\$1,154,945	\$2,350,169	\$1,278,417	\$1,315,693	\$1,489,632	\$1,536,870
STRS Rate	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%	8.250%
PERS Rate	11.417%	11.442%	11.700%	12.600%	15.000%	16.600%	18.200%
Health and Welfare Premium Percent Increase (District Cost)	6.200%	-3.100%	8.200%	5.000%	5.000%	5.000%	5.000%
CDC Roof Repair/OEC Contribution	0	\$7,400,000	0	0	0	0	0
FON Penalty		\$800,000					
Trustee Election	\$124,715	\$0	\$400,000	\$0	\$400,000	\$0	\$400,000
Utilities Cost Increase	4.200%	5.000%	3.000%	3.000%	3.000%	3.000%	3.000%
Additional SSSP (formerly Matriculation) Match			\$2,500,000	\$5,000,000	\$7,500,000	\$10,000,000	\$10,000,000
Other Local Match		\$1,500,000	\$0	\$0	\$0	\$0	\$0
Carryover:							
Assumes carryover funds are not spent	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072

Multi-Year Projection:							
Beginning Budget Stabilization Balance	\$30,797,204	\$25,035,466	\$16,509,412	\$10,742,874	\$3,660,174	(\$5,836,807)	(\$16,743,803)
Total Revenue	137,265,841	141,473,719	147,759,696	154,986,846	162,882,229	171,203,964	180,462,355
Total Expenditure	143,027,578	144,099,773	153,526,234	162,069,545	172,379,211	182,110,959	190,875,459
Total Budget Centers Carryover	0	0	0	0	0	0	0
OEC Contribution/FON Penalty/One time Funds 2012/13 P3 Adjustment/CDC Roof Repair	0	5,900,000	0	0	0	0	0
Surplus/ (Deficit)	<u>(5,761,738)</u>	<u>(8,526,054)</u>	<u>(5,766,538)</u>	<u>(7,082,700)</u>	<u>(9,496,981)</u>	<u>(10,906,996)</u>	<u>(10,413,103)</u>
Ending Budget Stabilization Balance	\$25,035,466	\$16,509,412	\$10,742,874	\$3,660,174	(\$5,836,807)	(\$16,743,803)	(\$27,156,906)
Percentage	17.5%	11.5%	7.0%	2.3%	-3.4%	-9.2%	-14.2%

Unrestricted General Fund 5 Year Multi-Year Projection Best Case Scenario



	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Revenues	147,759,696	154,986,846	162,882,229	171,203,964	180,462,355
Expenditures	153,526,234	162,069,545	172,379,211	182,110,959	190,875,459
Surplus/ (Deficit)	(5,766,538)	(7,082,700)	(9,496,981)	(10,906,996)	(10,413,103)
Ending Budget Stabilization Balance	\$10,742,874	\$3,660,174	(\$5,836,807)	(\$16,743,803)	(\$27,156,906)

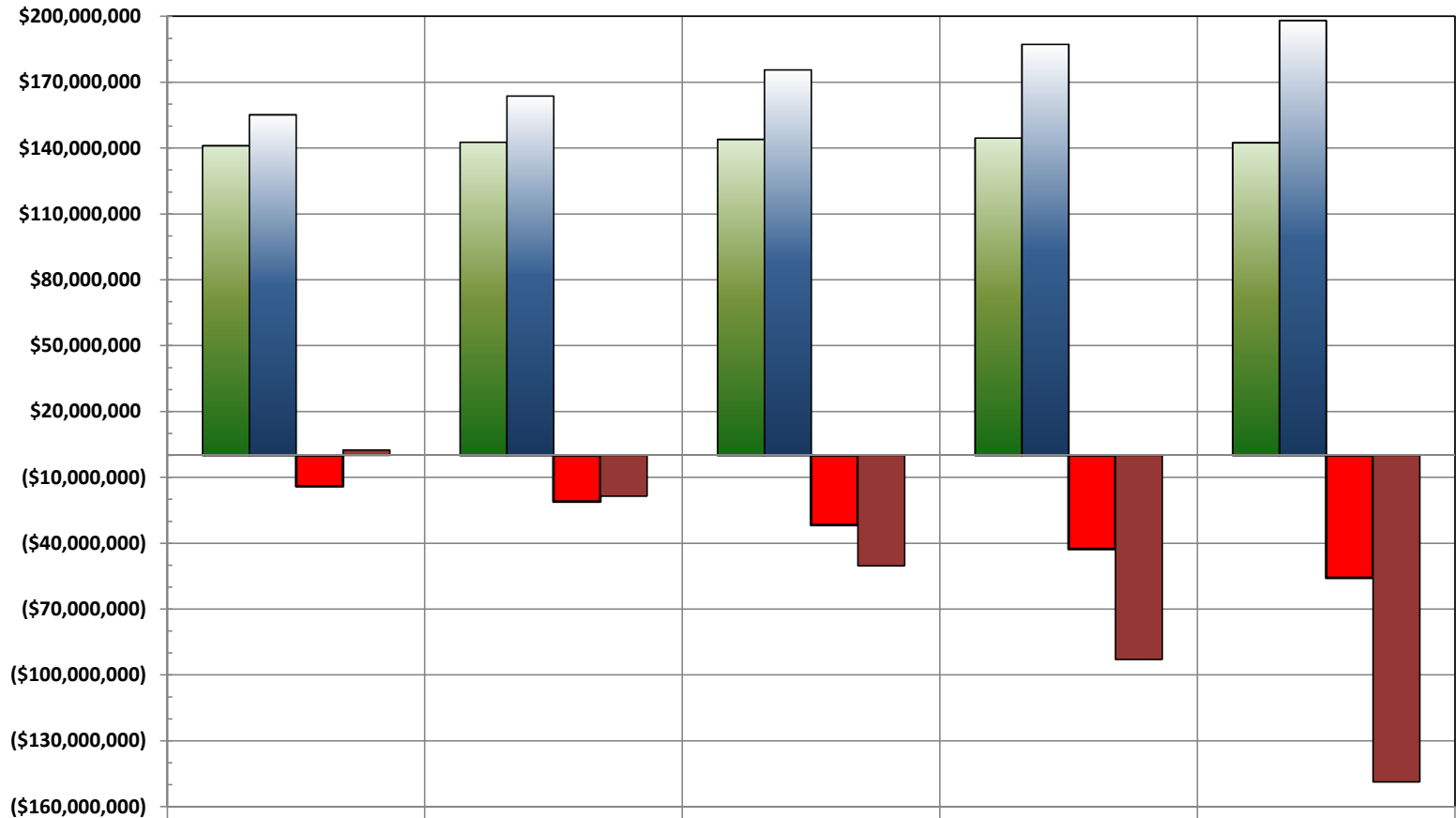
**Rancho Santiago Community College District
Unrestricted General Fund 5 Year Multi-Year Projection**

Summary-Worst Case Scenario

	2012-2013 Actuals	2013-2014 Revised Budget	2014-2015 Projected Budget	2015-2016 Projected Budget	2016-2017 Projected Budget	2017-2018 Projected Budget	2018-2019 Projected Budget
Assumptions:							
Revenue:							
General Apportionment Deficit Factor	-2.000%	-1.000%	-2.000%	-2.000%	-2.000%	-2.000%	-2.000%
Growth/Access	0.000%	1.630%	2.000%	2.000%	2.000%	2.000%	2.000%
Cost of Living Adjustment	0.000%	1.570%	0.860%	2.200%	2.400%	2.400%	2.700%
One time Funds 2012/13 P3 Adjustment	\$0	\$2,300,000	\$0	\$0	\$0	\$0	\$0
Lottery Revenue-Unrestricted	\$124.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00
Education Protection Account (EPA) funding ends December 2016	0	0	0	0	(\$633,600)	(\$1,267,200)	(\$4,435,200)
Expenditure:							
Step/Column/Salary Net Adjustment	1.000%	3.000%	2.060%	3.400%	3.600%	3.600%	3.900%
Part-time Faculty/FON Obligation	0.00	\$1,154,945	\$2,350,169	\$910,028	\$951,287	\$996,772	\$1,047,405
STRS Rate	8.250%	8.250%	8.250%	9.250%	10.000%	11.000%	12.000%
PERS Rate	11.417%	11.442%	11.700%	12.600%	15.000%	16.600%	18.200%
Health and Welfare Premium Percent Increase (District Cost)	6.200%	-3.100%	8.200%	10.000%	10.000%	10.000%	10.000%
CDC Roof Repair/OEC Contribution	0	\$7,400,000	0	0	0	0	0
FON Penalty		\$800,000					
Trustee Election	\$124,715	\$0	\$400,000	\$0	\$400,000	\$0	\$400,000
Utilities Cost Increase	4.200%	5.000%	10.000%	10.000%	10.000%	10.000%	10.000%
Additional SSSP (formerly Matriculation) Match			\$2,500,000	\$5,000,000	\$7,500,000	\$10,000,000	\$10,000,000
Other Local Match		\$1,500,000	\$2,933,333	\$1,733,333	\$1,733,333	\$1,733,333	\$1,733,333
Carryover:							
Assumes carryover funds are not spent	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072	\$5,502,072

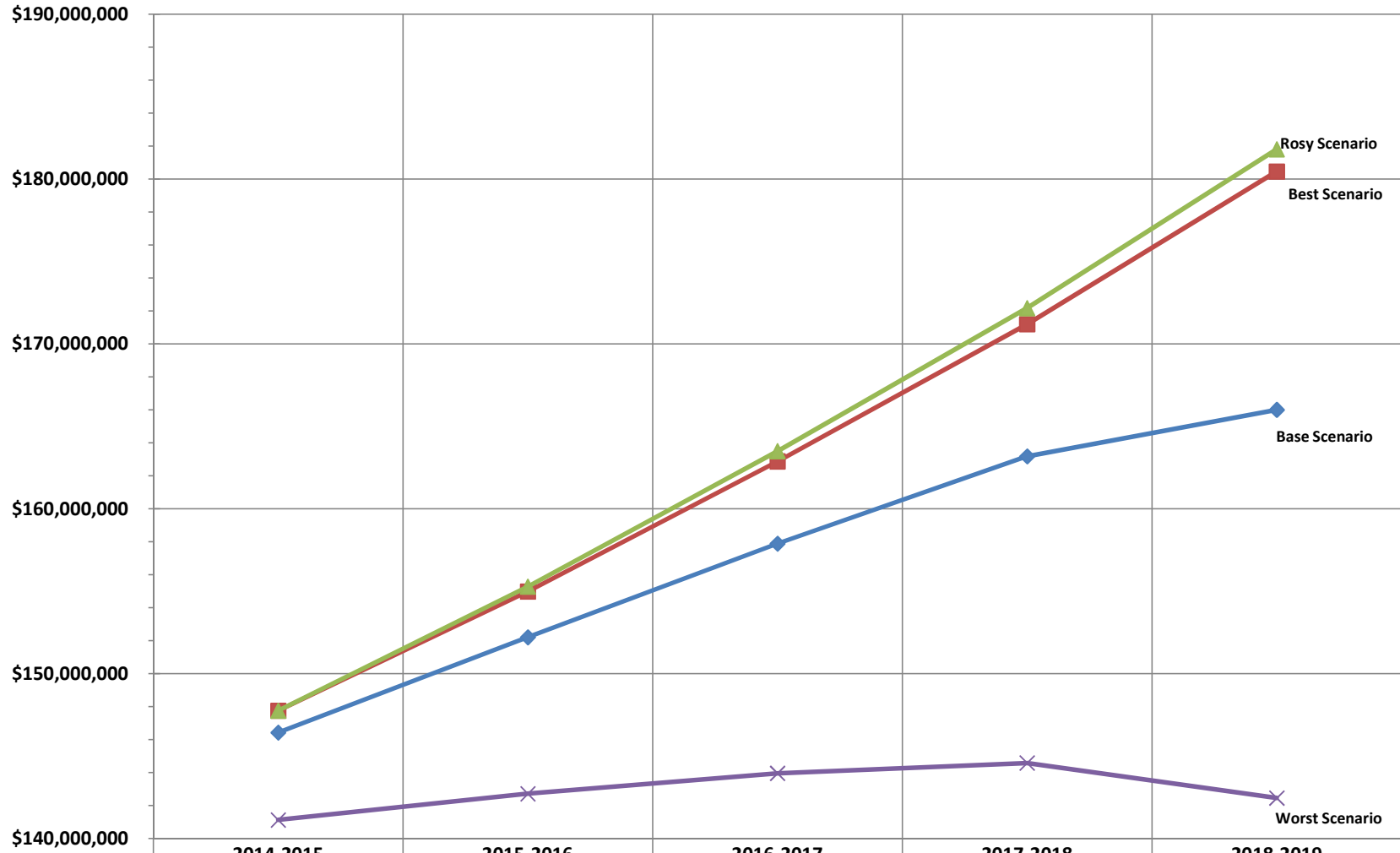
Multi-Year Projection:							
Beginning Budget Stabilization Balance	\$30,797,204	\$25,035,466	\$16,509,412	\$2,413,537	(\$18,597,721)	(\$50,309,560)	(\$92,999,123)
Total Revenue	137,265,841	141,473,719	141,132,590	142,720,869	143,962,496	144,587,907	142,461,508
Total Expenditure	143,027,578	144,099,773	155,228,466	163,732,127	175,674,335	187,277,470	198,174,581
Total Budget Centers Carryover	0	0	0	0	0	0	0
OEC Contribution/FON Penalty/One time Funds 2012/13 P3 Adjustment/CDC Roof Repair	0	5,900,000	0	0	0	0	0
Surplus/ (Deficit)	<u>(5,761,738)</u>	<u>(8,526,054)</u>	<u>(14,095,875)</u>	<u>(21,011,258)</u>	<u>(31,711,839)</u>	<u>(42,689,563)</u>	<u>(55,713,072)</u>
Ending Budget Stabilization Balance	\$25,035,466	\$16,509,412	\$2,413,537	(\$18,597,721)	(\$50,309,560)	(\$92,999,123)	(\$148,712,195)
Percentage	17.5%	11.5%	1.6%	-11.4%	-28.6%	-49.7%	-75.0%

Unrestricted General Fund 5 Year Multi-Year Projection Worst Case Scenario



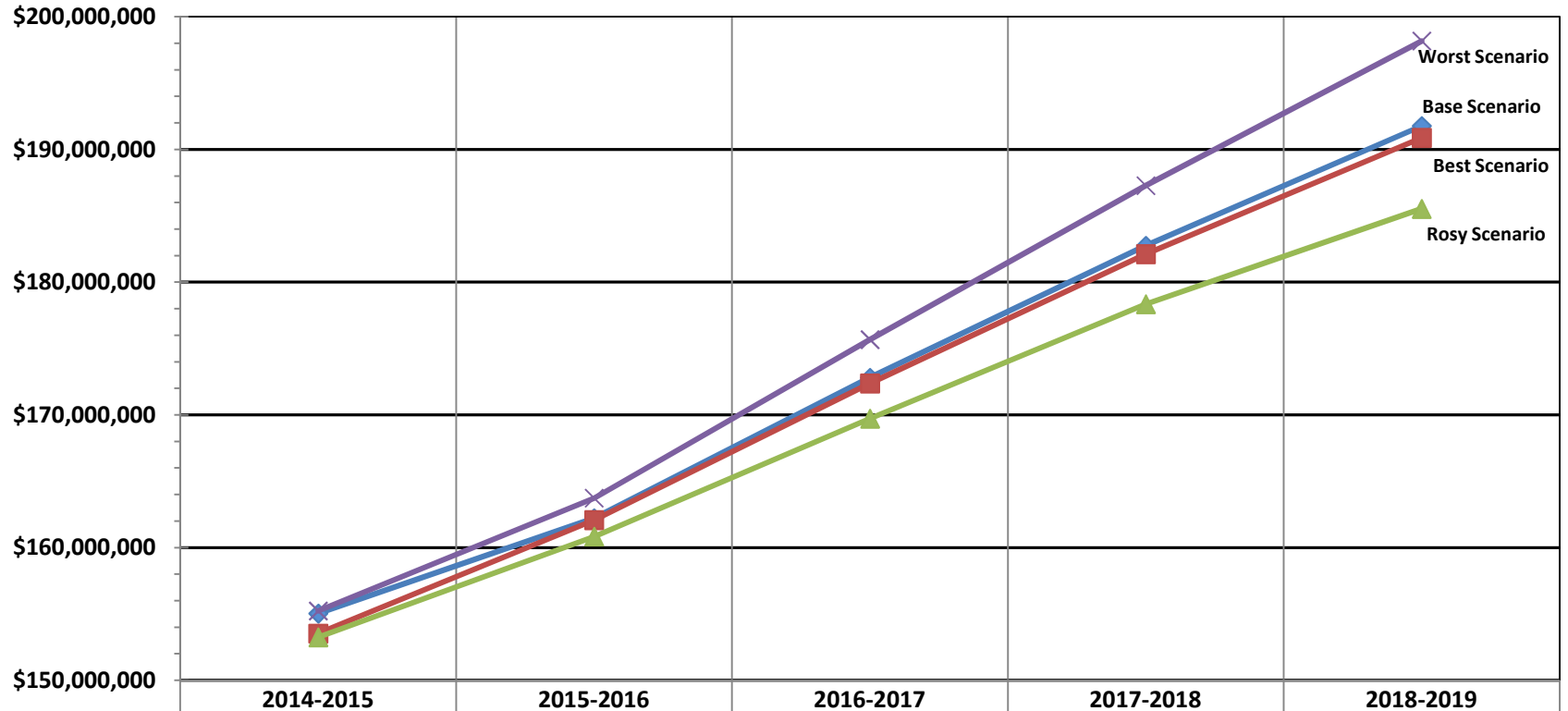
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
■ Revenues	141,132,590	142,720,869	143,962,496	144,587,907	142,461,508
■ Expenditures	155,228,466	163,732,127	175,674,335	187,277,470	198,174,581
■ Surplus/ (Deficit)	(14,095,875)	(21,011,258)	(31,711,839)	(42,689,563)	(55,713,072)
■ Ending Budget Stabilization Balance	2,413,537	(18,597,721)	(50,309,560)	(92,999,123)	(148,712,195)

Unrestricted General Fund 5 Year Multi-Year Projection Revenue



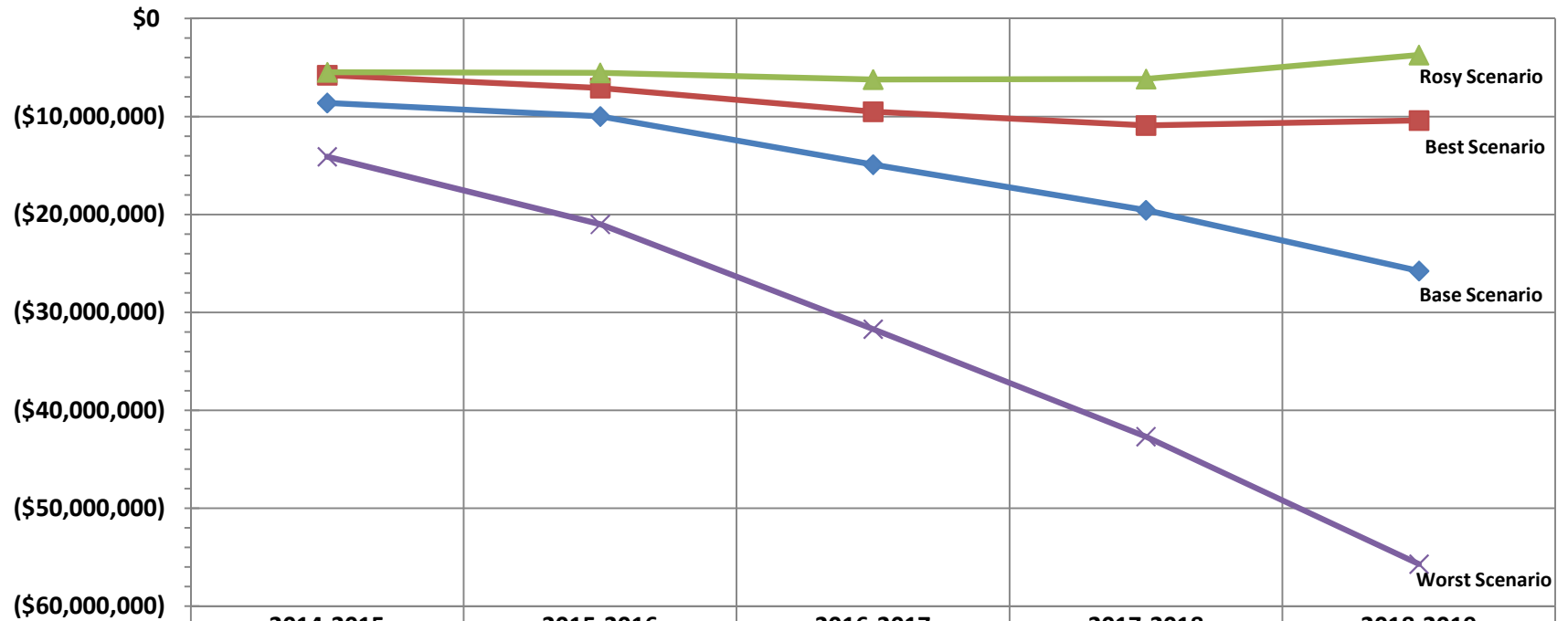
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
◆ Base Scenario	146,434,274	152,215,920	157,893,675	163,187,651	166,009,797
■ Best Scenario	147,759,696	154,986,846	162,882,229	171,203,964	180,462,355
▲ Rosy Scenario	147,759,696	155,286,537	163,506,036	172,178,302	181,815,794
✕ Worst Scenario	141,132,590	142,720,869	143,962,496	144,587,907	142,461,508

Unrestricted General Fund 5 Year Multi-Year Projection Expenditures



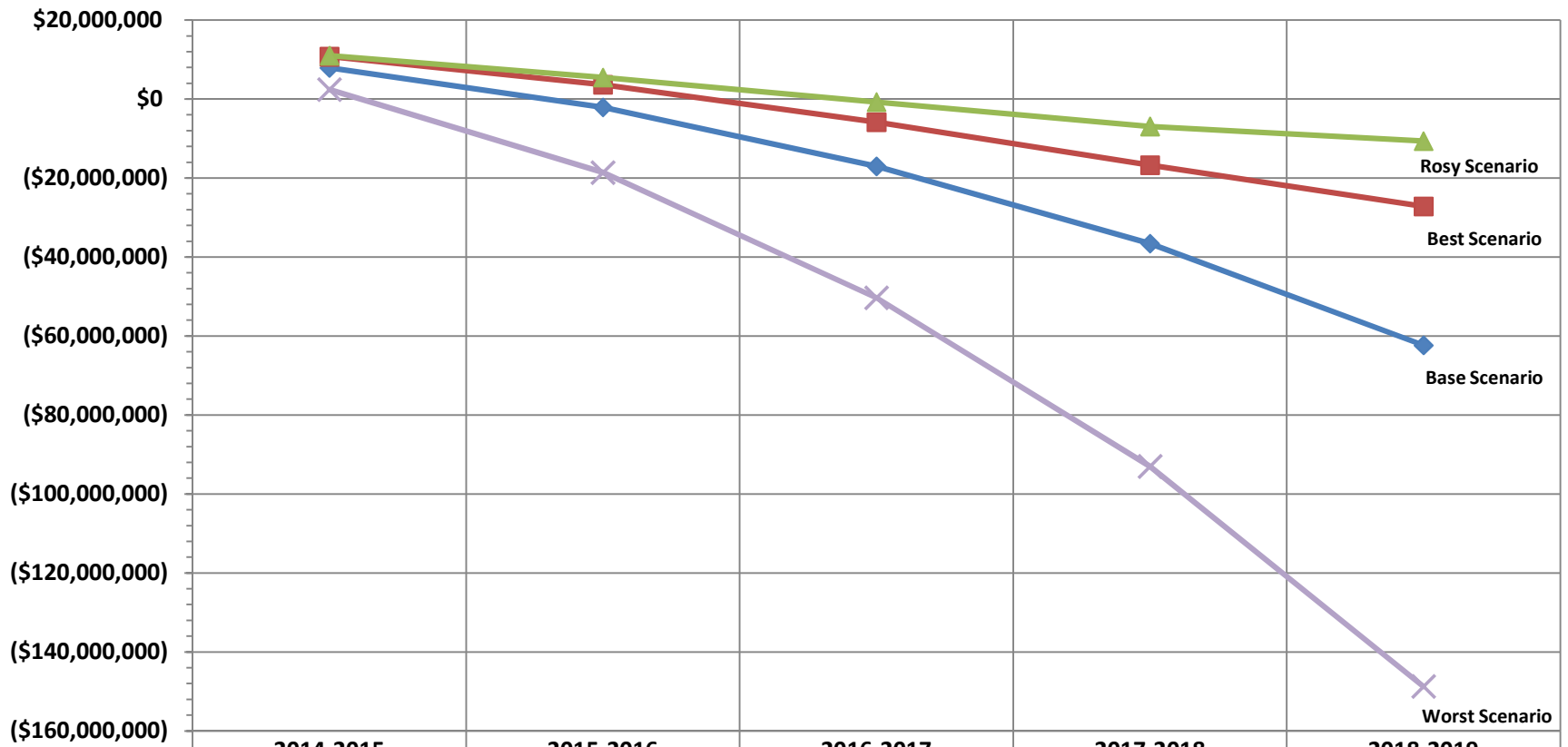
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
◆ Base Scenario	155,036,395	162,215,072	172,811,811	182,752,723	191,775,353
■ Best Scenario	153,526,234	162,069,545	172,379,211	182,110,959	190,875,459
▲ Rosy Scenario	153,249,406	160,836,511	169,719,764	178,346,904	185,526,472
✕ Worst Scenario	155,228,466	163,732,127	175,674,335	187,277,470	198,174,581

Unrestricted General Fund 5 Year Multi-Year Projection Surplus/(Deficit)



	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
◆ Base Scenario	(8,602,121)	(9,999,152)	(14,918,136)	(19,565,072)	(25,765,556)
■ Best Scenario	(5,766,538)	(7,082,700)	(9,496,981)	(10,906,996)	(10,413,103)
▲ Rosy Scenario	(5,489,710)	(5,549,974)	(6,213,728)	(6,168,602)	(3,710,678)
× Worst Scenario	(14,095,875)	(21,011,258)	(31,711,839)	(42,689,563)	(55,713,072)

Unrestricted General Fund 5 Year Multi-Year Projection Ending Budget Stabilization Balance



	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
◆ Base Scenario	\$7,907,292	(\$2,091,861)	(\$17,009,997)	(\$36,575,069)	(\$62,340,625)
■ Best Scenario	\$10,742,874	\$3,660,174	(\$5,836,807)	(\$16,743,803)	(\$27,156,906)
▲ Rosy Scenario	\$11,019,702	\$5,469,728	(\$744,000)	(\$6,912,602)	(\$10,623,280)
× Worst Scenario	\$2,413,537	(\$18,597,721)	(\$50,309,560)	(\$92,999,123)	(\$148,712,195)

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE E

Projects Cost Summary
4/01/14

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2013-2014		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3001	Renovation of Buildings / Building "G" Renovation	9,821,991	8,805,445	451,739	517,316	9,774,500	47,491	100%
3003	Renovate Campus Infrastructure Design/Construct Maintenance/Operations Design/Construct Classroom Building	25,107,448	24,814,523	109,397	182,062	25,105,982	1,466.00	100%
3008	Renovate & Expand Athletic Fields	10,087,487	9,724,371	346,004	12,770	10,083,145	4,342.00	100%
3029	Parking Lot #11 Expansion and Improvements	11,668,829	1,512,846	144,067	9,363,872	11,020,785	648,044	94%
3030	Perimeter Site Improvements	7,021,303	2,250,658	3,318,473	1,056,716	6,625,847	395,456	94%
3031	Tessman Planetarium Upgrade and Restroom Addition	3,087,699	22,367	28,114	2,895,152	2,945,633	142,066	95%
3032	Dunlap Hall Renovation	1,566,050	676,197	1,072	888,781	1,566,050	-	100%
3035	Johnson Center Renovation	51,800	22,801	26,499	2,500	51,800	-	100%
3036	Temporary Village	4,321,245	52,487	1,903,412	2,102,297	4,058,196	263,049	94%
3042	Central Plant (Design)	3,394,992	-	335,472	3,059,520	3,394,992	-	100%
3043	Property Acquisition 17th/Bristol	5,062,998	-	190,554	4,852,710	5,043,264	19,734	100%
3045	Chavez Hall Renovation	906,492	-	5,000	80,200	85,200	821,292	9%
TOTAL SANTA ANA COLLEGE		82,098,334	47,881,695	6,859,803	25,013,896	79,755,394	2,342,940	97%
SANTIAGO CANYON COLLEGE								
3004	SCC Infrastructure	37,927,873	37,044,235	137,368	411,492	37,593,095	334,778	99%
3022	Humanities Building	32,731,753	28,088,199	2,953,164	836,897	31,878,260	853,493	97%
3025	Athletics and Aquatics Center: Netting and Sound System	20,454,610	19,422,287	245,273	304,762	19,972,322	482,288	98%
3026	Science and Math Building	26,450,914	26,415,954	10	34,950	26,450,914	-	100%
3046	Orange Education Center Building Certification	3,824,922	-	1,249	2,444,730	2,445,979	1,378,943	64%
TOTAL SANTIAGO CANYON COLLEGE		121,390,072	110,970,675	3,337,064	4,032,831	118,340,570	3,049,502	97%
DISTRICT/ DISTRICTWIDE OPERATIONS								
3044	Project Closeout/Certification	1,046,825	-	76,757	76,367	153,124	893,701	15%
TOTAL DISTRICT/DISTRICTWIDE		1,046,825	-	76,757	76,367	153,124	893,701	15%
ACTIVE PROJECTS - ALL SITES		204,535,231	158,852,370	10,273,624	29,123,094	198,249,088	6,286,143	97%

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE E

Projects Cost Summary
4/01/14

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2013-2014		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
COMPLETED PROJECTS								
SANTA ANA COLLEGE								
3002	SAC Library Renovation	339,623	339,623	-	-	339,623	-	100%
3007	Child Care/Classroom-Centennial Renovate and Improve Centennial Ed Center	1,662,032	1,662,032	-	-	1,662,032	-	100%
3013	Acquisition of Land Adjacent to SAC	15,962,453	15,962,453	-	-	15,962,453	-	100%
3016	Design New Child Development Center Construct New Child Development Center	10,362,051	10,362,051	-	-	10,362,051	-	100%
3017	Design Women's Locker Room Construct Women's Locker Room Augment State-Funded PE Seismic Project	14,455,332	14,455,332	-	-	14,455,332	-	100%
3019	Design Sheriff Training Facility Construct Sheriff Training Facility Fire Science Program (Net 6 Facility) Fire Science Prog. @ MCAS, Inc. 2	29,121,885	29,121,885	-	-	29,121,885	-	100%
3020	Design/Construct Digital Media Center	14,000,656	14,000,656	-	-	14,000,656	-	100%
3028	Design & Construct Parking Structure	2,046,955	2,046,955	-	-	2,046,955	-	100%
3034	SAC Sheriff Training Academy Road	56,239	56,239	-	-	56,239	-	100%
3038	Campus Lighting Upgrade	6,825	3,412	3,413	-	6,825	-	100%
TOTAL SANTA ANA COLLEGE		88,014,051	88,010,638	3,413	-	88,014,051	-	100%
SANTIAGO CANYON COLLEGE								
3011	Land Acquisition	24,791,777	24,791,777	-	-	24,791,777	-	100%
3012	Acquire Prop & Construct Cont Ed	27,554,640	27,554,640	-	-	27,554,640	-	100%
3014	Construct New Library & Resource Center	4,375,350	4,375,350	-	-	4,375,350	-	100%
3021	Construct Student Services & Classroom Bldg	8,073,049	8,073,049	-	-	8,073,049	-	100%
3027	Construct Additional Parking Facilities	1,047,212	1,047,212	-	-	1,047,212	-	100%
TOTAL SANTIAGO CANYON COLLEGE		65,842,028	65,842,028	-	-	65,842,028	-	100%
DISTRICT/ DISTRICTWIDE OPERATIONS								
3009	Replace Aging Telephone & Computer Network	14,056,433	14,056,433	-	-	14,056,433	-	100%
3039	LED Lighting Upgrade	157,200	-	157,200	-	157,200	-	100%
TOTAL DISTRICT/DISTRICTWIDE		14,213,633	14,056,433	157,200	-	14,213,633	-	100%
COMPLETED PROJECTS - ALL SITES		168,069,712	167,909,099	160,613	-	168,069,712	-	100%
RECAP:								
Santa Ana College		170,112,385	135,892,333	6,863,216	25,013,896	167,769,445	2,342,940	99%
Santiago Canyon College		187,232,100	176,812,703	3,337,064	4,032,831	184,182,598	3,049,502	98%
District/Districtwide Operations		15,260,458	14,056,433	233,957	76,367	14,366,757	893,701	94%
GRAND TOTAL - ALL SITES		372,604,943	326,761,469	10,434,237	29,123,094	366,318,800	6,286,143	98%

Rancho Santiago Community College
Unrestricted General Fund Cash Flow Summary
FY 2013-14, 2012-2013, 2011-2012 YTD-March 31, 2014

	FY 2013/2014											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$38,041,016.13	\$41,887,699.97	\$38,273,514.95	\$38,688,688.15	\$23,991,289.19	\$19,495,673.39	\$34,226,442.98	\$34,753,317.06	\$30,610,080.16	\$24,688,940.56	\$24,688,940.56	\$24,688,940.56
Total Revenues	10,633,556.66	7,512,478.15	11,348,517.88	6,107,262.90	9,095,910.84	27,141,703.57	11,706,459.73	8,127,997.25	6,265,170.50			
Total Expenditures	6,786,872.82	11,126,663.17	10,933,344.68	20,804,661.86	13,591,526.64	12,410,933.98	11,179,585.65	12,271,234.15	12,186,310.10			
Change in Fund Balance	3,846,683.84	(3,614,185.02)	415,173.20	(14,697,398.96)	(4,495,615.80)	14,730,769.59	526,874.08	(4,143,236.90)	(5,921,139.60)	0.00	0.00	0.00
Ending Fund Balance	\$41,887,699.97	\$38,273,514.95	\$38,688,688.15	\$23,991,289.19	\$19,495,673.39	\$34,226,442.98	\$34,753,317.06	\$30,610,080.16	\$24,688,940.56	\$24,688,940.56	\$24,688,940.56	\$24,688,940.56
	FY 2012/2013 ¹											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$43,867,759.21	\$45,064,223.43	\$42,680,768.77	\$34,999,185.38	\$25,592,219.28	\$26,110,634.15	\$42,703,804.07	\$37,375,292.75	\$26,174,139.21	\$15,079,007.51	\$18,190,051.48	\$9,508,085.73
Total Revenues	7,646,065.57	7,562,696.70	4,970,261.79	3,013,770.15	12,977,976.06	27,750,969.09	5,258,057.77	552,507.40	2,725,857.51	15,455,742.61	3,116,098.07	46,170,759.38
Total Expenditures	6,449,601.35	9,946,151.36	12,651,845.18	12,420,736.25	12,459,561.19	11,157,799.17	10,586,569.09	11,753,660.94	13,820,989.21	12,344,698.64	11,798,063.82	17,637,828.98
Change in Fund Balance	1,196,464.22	(2,383,454.66)	(7,681,583.39)	(9,406,966.10)	518,414.87	16,593,169.92	(5,328,511.32)	(11,201,153.54)	(11,095,131.70)	3,111,043.97	(8,681,965.75)	28,532,930.40
Ending Fund Balance	\$45,064,223.43	\$42,680,768.77	\$34,999,185.38	\$25,592,219.28	\$26,110,634.15	\$42,703,804.07	\$37,375,292.75	\$26,174,139.21	\$15,079,007.51	\$18,190,051.48	\$9,508,085.73	\$38,041,016.13
	FY 2011/2012											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$46,510,630.23	\$46,100,826.17	\$44,124,830.03	\$44,521,078.46	\$47,005,503.25	\$45,897,273.99	\$57,702,830.45	\$54,053,391.07	\$44,204,790.42	\$29,513,946.47	\$35,191,700.97	\$25,844,675.99
Total Revenues	6,825,093.09	8,604,770.47	11,773,097.35	14,009,712.72	10,510,149.91	22,550,256.32	6,595,149.87	4,032,853.71	(3,658,900.14)	17,357,273.48	2,534,531.41	34,372,932.97
Total Expenditures	7,234,897.15	10,580,766.61	11,376,848.92	11,525,287.93	11,618,379.17	10,744,699.86	10,244,589.25	13,881,454.36	11,031,943.81	11,679,518.98	11,881,556.39	16,349,849.75
Change in Fund Balance	(409,804.06)	(1,975,996.14)	396,248.43	2,484,424.79	(1,108,229.26)	11,805,556.46	(3,649,439.38)	(9,848,600.65)	(14,690,843.95)	5,677,754.50	(9,347,024.98)	18,023,083.22
Ending Fund Balance	\$46,100,826.17	\$44,124,830.03	\$44,521,078.46	\$47,005,503.25	\$45,897,273.99	\$57,702,830.45	\$54,053,391.07	\$44,204,790.42	\$29,513,946.47	\$35,191,700.97	\$25,844,675.99	\$43,867,759.21

Notes:

¹ Beginning in FY 2012-13, Unrestricted General Funds were divided between two subfunds: Unrestricted Ongoing General Fund (11) and Unrestricted One-Time Funds (13)

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

2323 N. Broadway, Santa Ana, California 92706

Office: (714) 480-7321

Website: <http://rscgd.edu/Departments/Business-Operations/Pages/Fiscal-Resources-Committee.aspx>

Fiscal Resources Committee Special Meeting

Executive Conference Room – District Office

1:30 p.m. – 3:00 p.m.

Meeting Minutes for March 19, 2014

FRC Members Present: Michael Collins, Jeff McMillan, Steve Kawa, Michael DeCarbo, Raul Gonzalez del Rio, Peter Hardash, Adam O'Connor and Diane Hill

Guests/Alternates Present: Jim Kennedy, Richard Kudlik and Jose Vargas

The meeting was called to order by Mr. Hardash at 1:35 p.m.

1. Welcome

Mr. Hardash welcomed the committee.

2. State/District Budget Update – Hardash

- Nothing new to report on statewide budget.
- STRS is a big issue statewide, it is broke and underfunded, information to be shared as received.
- Budget Assumption recommendation went to the Chancellor, it was discussed in Chancellor's Cabinet in conjunction with the planning process; the item will be referred to the next District Council meeting on April 21st. Mr. Didion stated that there is no reporting relation between FRC and POE, the reporting is through District Council, based on the model, Cabinet concurred. The Tentative Budget foundation is being built with information known, essentially a rollover budget. Roll-up costs will be included when known and will include the PERS rate increase, confirmed full-time obligation is SCC two replacements plus one new and the remaining hires at SAC. At this point, no date identified for Board approval of the assumptions.
- There is a gap between planning and budgeting that needs to be identified when trying to determine to what committee some documents go to, prioritization and how communication happens between the committees. This process should be established at POE.

3. Tracking all Intersession Expenses – DeCarbo

- Fiscal is working on the distribution to the colleges and is almost final. The Chancellor talked to both college presidents regarding transfer funds to the colleges for the intersession. The actual cost of the intersession will be distributed. Original intention was an advance, now a reimbursement from the budget stabilization fund, approximately \$900,000 between the colleges.
- As for COLA, distribution to salary/benefits accounts needs to happen, however, a little over \$1million more than what was received was negotiated for COLA so everyone needs to absorb this cost. This will cause a \$1 million shortfall ongoing and decrease the stabilization fund by another \$1 million. We are deficit spending this year in the \$8-9 million range, structural deficit appears to be \$4-5 million and next year, with COLA, increases, benefits, step/column movement, etc., another \$7 million+ projected. By the following year the District will be out of stabilization funds. We are not out of the woods, once the stabilization fund is completely depleted, severe cuts will need to be made.

4. Budget Allocation Model (BAM) Review

- Mr. O'Connor led discussion on the Budget Allocation Model as required on a yearly basis. Discussion ensued, it was determined that a subcommittee would work on the FON and 50% law items as well as clarifying language on several items discussed. Volunteers for the committee are: Mike Collins, Steve Kawa, Jose Vargas, Jim Kennedy, Adam O'Connor and Richard Kudlik.
- Develop a plan, as we grow, that we reconstitute the balance between the colleges to help with the 50% law.
- Conversation regarding growth needs to happen at POE.
- How do the college presidents convey their willingness to grow? Where does the information go to first? FRC? POE? Chancellor's Cabinet?
- BAM refers to the District Enrollment Management Committee, per discussion, what is the committee's purpose and role? The committee meets, but not regularly, they review FTES charts, decide do we make targets? Will we not make targets? This process is not considered planning. The purpose of the committee needs to be redefined including where the reporting happens.
- Clarification on vacant position budgets.
- Long term plans: update language for planning process.
- Effectiveness of the services provided by the DO services. FRC sent this item to POE, however, POE is referring it to District Council.
- The BAM will come back for further discussion at the next meeting.

5. Multi-Year Projection Budget Based on Recommended Assumptions

- Unrestricted General Fund Three Year Multi-Year Projections was distributed and reviewed. Fiscal will prepare a five year plan which includes best case, mid and worst case scenarios.

6. Informational Handouts

- The following documents were distributed as information
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of March 11, 2014
 - Measure "E" Project Cost Summary as of March 3, 2014
 - Monthly Cash Flow Statement as of February 28, 2014

7. Approval of FRC Minutes – February 26, 2014 and March 12, 2014 FRC Minutes

The Minutes from the February 26, 2014 and March 12, 2014 Fiscal Resources Committee meetings were distributed and discussed, edits were identified. A motion was made by Mr. McMillan, seconded by Mr. DeCarbo and approved unanimously.

8. Other

The TAG committee sent a recommendation to District Council asking for one-time money, using stabilization funds to fund a desk-top replacement plan as follows: 2013/14 - \$1,122,400 needed from stabilization fund. 2014/15 - \$897,920 split 80% stabilization fund, 20% cost centers. 2015/16 - \$673,440 at 60%/40% split; 2016/17 \$448,960 at 40%/60% split; 2017/18 \$224,480 at 20%/80% and 2018/19 100% to cost centers. This year, \$200,000 was identified by IT to not be used by the end of the fiscal year, these funds will be split between the campuses for equipment replacement. Concern was expressed that the stabilization fund may not be able to fund this request 2-3 years from now. Some one-time Prop 98 funds will be received by the District over the next few years and are an option for consideration. This item will be moved to the next agenda for further discussion.

Adjournment

Mr. Hardash adjourned the meeting at 3:10 p.m.

Meeting Schedule – Next Meeting:

Next regular meeting: Wednesday, April 23, 2014 – 1:30 p.m. – Executive Conference Room, DO