Adopted Budget
FY2015/2016
September 8, 2015

D. Smith
How we finished FY 2014/15

Beginning Fund Balance $13.4M 16.1%

Total Revenues $92.0M

Total Expenditures $92.8M

Fund Balance Draw ($.8M)

Ending Fund Balance $12.6M 13.6%
### Planning for FY 2015/16

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$12.6M</td>
<td>13.6%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$101.0M</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$99.6M</td>
<td></td>
</tr>
<tr>
<td>Projected Increase</td>
<td>$1.4M</td>
<td></td>
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<tr>
<td>Ending Fund Balance</td>
<td>$14.0M</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

(Note: Average EFB FY 13/14: Statewide = 17.5%, Basic Aid = 21.0%, Bay 10 = 19.7%)
Major Data Points – FY 2015/16

- Property taxes 3.67% increase
- Significant **categorical** dollars
- Significant “one-time” money
- 82.7% Effort for personnel
- Step and column factored, H&W, STRS, PERS: >3% “cost”
- $3.0M Board Initiatives: Primarily Redesign and Student Success staffing
Allocations to FY 2015/16

- $1.2M to Colleges and WFI one-time
- **Carryover** allocations
- Interpreter costs redirected $486K
- Curriculum Innovations: International, STEM $113K
- $1.6M Medical Premiums
  - STRS, PERS Premium Increases
- **Redirect utility rebates** directly to colleges
## Increased Categorical Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 2013/14</th>
<th>FY 2014/15</th>
<th>Estimated FY 2015/16</th>
<th>Estimated 2-Year Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOPS</td>
<td>$1.4M</td>
<td>$1.4M</td>
<td>$1.7M</td>
<td>$300K</td>
</tr>
<tr>
<td>SSSP</td>
<td>$1.1M</td>
<td>$1.6M</td>
<td>$2.9M</td>
<td>$1.8M</td>
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<tr>
<td>Student Equity</td>
<td>$---</td>
<td>$1.0M</td>
<td>$2.0M</td>
<td>$2.0M</td>
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<tr>
<td>Physical Plant &amp; Instructional Support</td>
<td>$300K</td>
<td>$1.7M</td>
<td>$1.6M</td>
<td>$1.3M</td>
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</tbody>
</table>
Things to Consider

- Would like to allocate more one-time and ongoing Student Success enhancement dollars.
- Caution is in order – 3.67% Property Tax.
- Annual increase from beginning to end:
  - About 3% Property Tax – 5 data points
  - Caution: ONLY 3 years of history
- Review Faculty allocation for more full-time opportunities, evaluate best use of resources, properly fund Adjunct.
Things to Consider

- **Stabilization** funding.

- **Collective bargaining** resources.

- As an organization, develop budget allocation **formula, codify current practice**.

- **Up the road concerns:**
  - **ACA Cadillac Tax:** January, 2018
  - Annualizing at **$1.8M**
  - **Proposition 30 sunsets** on 12/31/17, **$1.2M**
    - loss, annualized
Things to Consider

Watch for 50% law:

- 51.13% FY 2013/14
- 51.9% FY 2014/15

Statewide average 51.4%

“There shall be expended each fiscal year for payment of salaries of classroom instruction 50% of the District’s current expense of education.”
## Overview

### Adopted Budget

<table>
<thead>
<tr>
<th></th>
<th>FY 2015/16 Adopted Budget</th>
<th>FY 2016/17 Estimated Budget</th>
<th>FY 2017/18 Estimated Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$12.6M</td>
<td>$14.0M</td>
<td>$10.2M</td>
</tr>
<tr>
<td>Revenues</td>
<td>$101.0M</td>
<td>$96.6M</td>
<td>$98.9M</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$99.6M</td>
<td>$100.4M</td>
<td>$103.1M</td>
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<tr>
<td>Net Change</td>
<td>$1.4M</td>
<td>($3.8M)</td>
<td>($4.2M)</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$14.0M</td>
<td>$10.2M</td>
<td>$6.0M</td>
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<tr>
<td>Percentage</td>
<td>14.1%</td>
<td>10.2%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>
Ending Fund Balance (General Fund 10)

Year | Actual | Projected
--- | --- | ---
01/02 | 9.10% | 6.22%
02/03 | 11.80% | 10.99%
03/04 | 9.70% | 10.50%
04/05 | 14.65% | 14.39%
05/06 | 14.80% | 11.59%
06/07 | 10.50% | 11.59%
07/08 | 8.39% | 6.22%
08/09 | 7.81% | 6.22%
09/10 | 6.22% | 11.59%
10/11 | 10.99% | 11.59%
11/12 | 14.39% | 13.62%
12/13 | 11.59% | 13.62%
13/14 | 16.14% | 13.62%
14/15 | 14.08% | 14.08%
15/16 | 10.22% | 10.22%
16/17 | 5.79% | 5.79%
17/18 | 5.79% | 5.79%

General Fund
What’s going on in the Out-Years

- No “one-time” money planned
- Uses 3.5% property tax figure
- Milpitas comes on-line in FY 2016/17
- ACA Cadillac Tax
- Loss of Proposition 30 Revenue
Property Tax Analysis: Data Points
2012 – 2016
Analysis of Relationship Between Assessed Valuation and District Property Taxes

- Santa Clara County Assessed Valuation
- District Property Taxes
- SJECCD Assessed Valuation
Next Steps

- Board Ends Policy Initiatives.
- Allocate new resources when funding is certain.
- One-time, on-going, Rainy-Day Fund.
- Make the greatest impact on students and classroom programs.
- Make each funding decision in the context of the whole.
Final Thoughts

- A good year, look for improvements.
- **Property taxes** are the driver.
- Various *allocations will strengthen* the Colleges.
- **Watch** property taxes, Cadillac Tax, Proposition 30 changes.
- Remain **student-centered** and focused.
- Value our **relationships**.
- Get **resources to the colleges** to maximize student access and success.