

Board Budget
Workshop 2019-20
January 22, 2019

2019/20 State Budget

- Governor releases State Budget on January 10, 2019
- \$209.1 billion State Budget
- Provides \$246 million in new Prop 98 funding for community colleges
- Includes \$3 billion STRS payment to reduce unfunded liabilities for teachers pension

2019/20 Community College Budget

- \$248.3 million COLA (3.46%)
- \$26.0 million for growth (0.55%)
- \$40.0 million for College Promise Program
- \$13.5 million for certain categorical programs
- \$10.0 million for legal services for undocumented immigrants
- CalSTRS statutory employer contributions in 2019/20 and 2020/21 is reduced by 1%
- No one-time funding for deferred maintenance & instructional equipment
- Supports SCFF

Capital Outlay Program Funding

- Funds 15 continuing projects authorized in prior fiscal years
 - MC Technology Building included for construction
- Funds 12 new projects (BOG approved 39 projects)
 - WVC LRC not funded

Prioritized Capital Outlay Funding Categories

Category	Description	Allocation
A	Fire/Life Safety	50%
B	Increase Instructional Capacity	25%
C	Modernize Instructional Space	35%
D	Complete Campus Concept	10%
E	Increase Institutional Support Services Capacity	10%
F	Modernize Institutional Instructional Support Services Space	20%

Proposed Funding Categories

Category	Definition	Proposed Allocation
1	Increase instructional and institutional support spaces	35%
2	Modernize instructional and institutional support spaces	65%

Proposed Metrics for Growth Funding

Enrollment Growth	40
Existing Inventory	35
Vision for Success (CTE)	30
Vision for Success (Supplemental)	15
Vision for Success (Student Success)	15
Vision for Success (Regions of Low Performance)	15
Local Contribution	<u>50</u>
Total	200

Student Centered Funding Formula

- **Allocation** – Effective FY 2018-19, allocation is based on FTES (Base Allocation), Supplemental Grant, and Student Success.
- **Stability** –

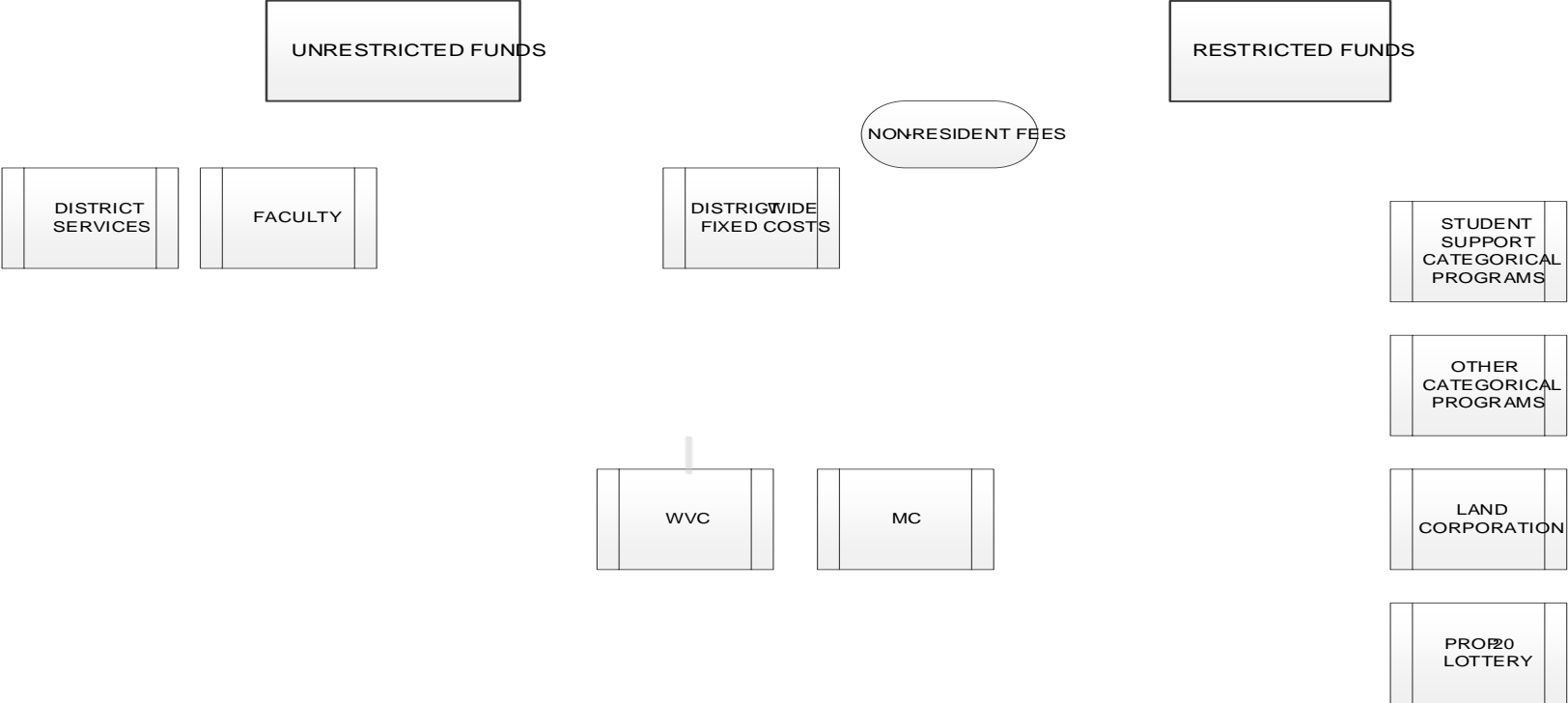
Student Centered Funding Formula for WVMCCCD FY 2018-19, **Base Allocation**

Student Centered Funding Formula for WVMCCD FY 2018/19, **Hold Harmless**

Student Centered Funding Formula for WVMCCCD FY 2018-19, **Summary of Allocation**

Multi-Year Student Centered Funding Formula By Component

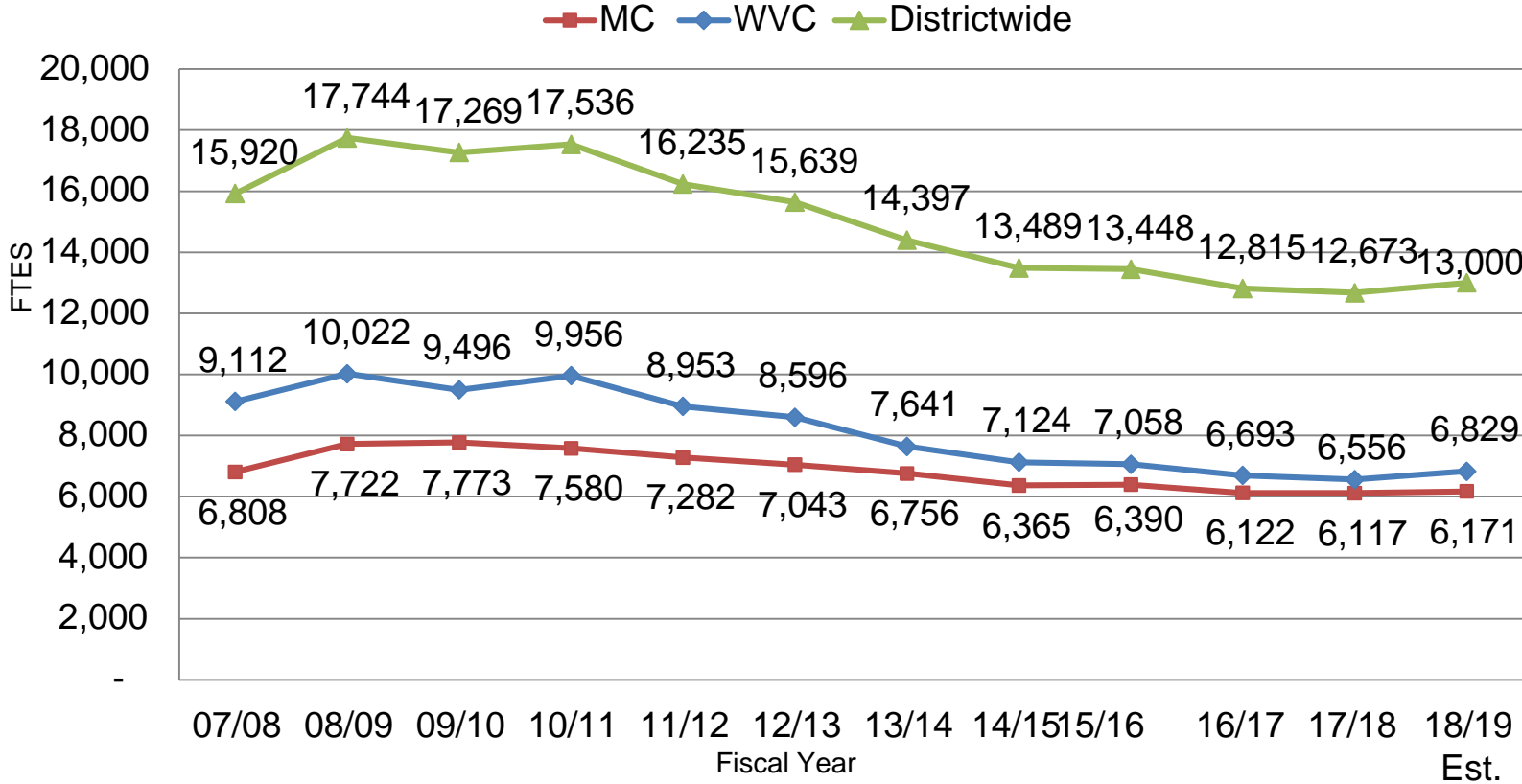
Revised Resource Allocation Model



Budget Development Approach

- Maintain Community Support Status
- Implement Revised Resource Allocation Model
- Utilize SEAP (Student Equity and Achievement Program) allocation to distribute funding to college.
- Balance Budget with Community Support Funds

Resident Credit and Non-Credit FTES (including non-resident, non-credit) Summary



District Liabilities

- Banked/CS1 -Liabilities

Banked Leave and Vacation/Comp Time Liability

- **Banked Leave – \$12,545,940**
 - xShort-term \$343,242
 - xLong-term \$12,202,698
- **Vacation and Comp Time - \$3,874,203**
 - xShort-term \$126,650
 - xLong-term \$3,747,553

CalPERS Summary of Employer Contribution Rate

	2018-2019	2019-2020	2020-2021	2021-2022
2014-15 @ 11.77% (Incr. 0.33	44,693	44,693	44,693	44,693
2015-16 @ 11.85% (Incr. 0.08	13,149	13,149	13,149	13,149
2016-17 @ 13.89% (Incr. 2.04	371,598	371,598	371,598	371,598
2017-18 @ 15.53% (Incr. 1.64	335,595	335,595	335,595	335,595
2018-19 @ 18.06% (Incr. 2.53	570,573	570,573	570,573	570,573
2019-20 @ 20.70% (Incr. 2.64		653,146	653,146	653,146
2020-21 @ 23.40% (Incr. 2.70			694,710	694,710
2021-22 @ 24.50% (Incr. 1.10				292,710
2022-23 @ 25.00% (Incr. 0.50				
2023-24 @ 25.50% (Incr. 0.50				
2024-25 @ 25.70% (Incr. 0.20				
2025-26 @ 25.50% (Decr. 0.20				
Total Cos	1,335,608	1,988,754	2,683,464	2,976,174

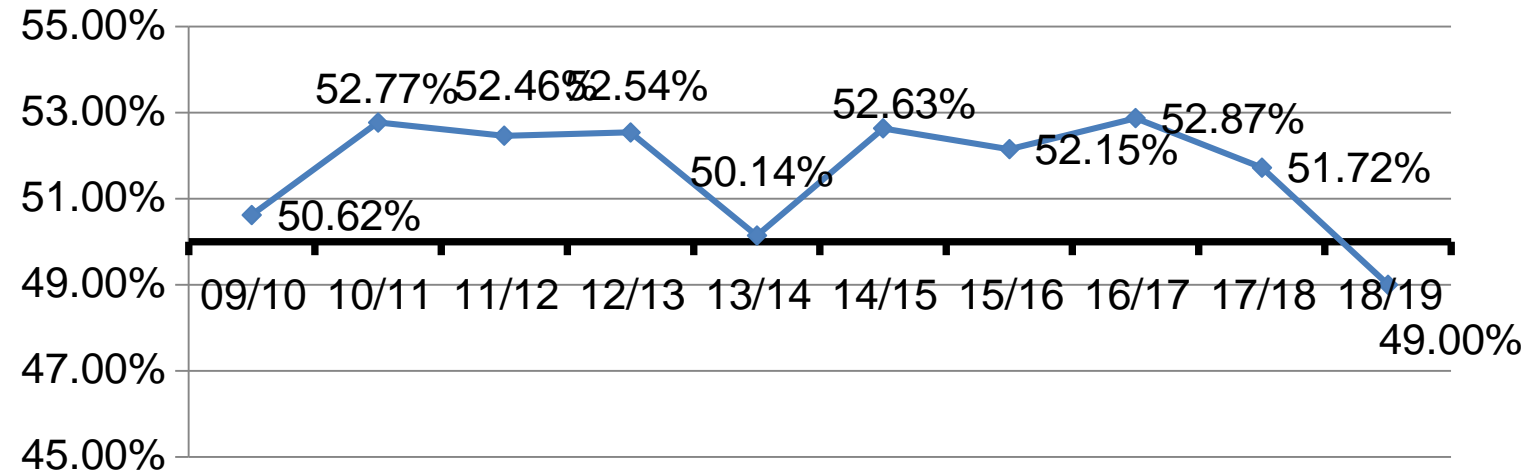
District Outstanding Debt

- Lease Revenue Refunding Bonds, Series 2016C
(Refunding LRB, Series 2009A-1) - \$62,905,988
(Partially defease in FY 19/20)
- Lease Revenue Bonds, Series 2009A - \$1,107,000
(Final payment on 8/1/2019) Lease Revenue Bonds, Series 2009A

Statutory Requirements

- 50% Law
- Full-Time Faculty Obligation

50% Law



Ed Code 84362 states that District's expenditures for salaries of classroom instructors must be equal to or greater than 50 percent of the District's current expense of education.

Updated:1/15/19

Faculty Obligation Number

	Fall 2016	Fall 2017	Fall 2018
FON Obligation	270.10	262.10	246.10
FTEF Reported	300.00	303.00	302.00
Mission			

Challenges

- Possible recession
- Implementing Community College Initiatives
- Restructuring Resource Allocation Model
- 50% Law
- Increased CalPERS/CalSTRS Employer Contribution Rates