

# BUDGET COMMITTEE

## MEETING AGENDA

March 21, 2018

3:00 p.m.



**Location: Building 4, Conference Room #2460**

**Time: 3:00 p.m. – 4:30 p.m.**

### **Committee Members:**

Mike Gregoryk, Chair	Rosa Royce	Peter Gonzales	
Joan Sholars, Co-Chair	Gary Nellesen	Mark Fernandez	
Irene Malmgren	Vicki Greco	Lisa Romo	
Audrey Yamagata-Noji	Lance Heard	Ruben Gujjarro (Student)	Kerry Martinez (Notes)
Steve Garcia	Bobby Bates	Matthew McBride (Student)	Yadira Santiago (Notes)

### **AGENDA ITEMS:**

- 1. Agenda Check**
- 2. Review the Budget Committee Meeting Summary of March 7, 2018.**
- 3. Quarterly Financial Status Report as of December 31, 2017.**
- 4. Status of Proposed Integrated Plan and Budgeting Process Calendar.**
- 5. Accrediting Commission for Community Colleges – Annual Fiscal Report.**

### **FUTURE BUDGET COMMITTEE MEETINGS (3:00 p.m. – 4:30 p.m.):**

**April 4, 2018**

**April 18, 2018**

**May 2, 2018**

**May 16, 2018**

**Mt. San Antonio College  
Budget Committee Summary of  
March 21, 2018**

**Committee Members:**

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> Mike Gregoryk, Chair                      | <input checked="" type="checkbox"/> Rosa Royce  | <input type="checkbox"/> Peter Gonzales                      | <input checked="" type="checkbox"/> Kristina Allende (Guest) |
| <input checked="" type="checkbox"/> Joan Sholars, Co-Chair         | <input type="checkbox"/> Gary Nellesen          | <input type="checkbox"/> Mark Fernandez                      |  |
| <input checked="" type="checkbox"/> Meghan Chen for Irene Malmgren | <input checked="" type="checkbox"/> Vicki Greco | <input checked="" type="checkbox"/> Lisa Romo                |  |
| <input checked="" type="checkbox"/> Audrey Yamagata-Noji           | <input checked="" type="checkbox"/> Lance Heard | <input checked="" type="checkbox"/> Ruben Guijarro (Student) | <input type="checkbox"/> Kerry Martinez (Notes)              |
| <input type="checkbox"/> Steve Garcia                              | <input type="checkbox"/> Bobby Bates            | <input type="checkbox"/> Matthew McBride (Student)           | <input checked="" type="checkbox"/> Yadira Santiago (Notes)  |

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
<b>1. Agenda check</b>	Agenda checked.	<b>Agenda approved.</b>
<b>2. Review the Budget Committee Meeting Summary of March 7, 2018</b>	The Budget Committee Meeting Summary of March 7, 2018, was reviewed and approved.  Please contact Kerry/Yadira for any changes/corrections, to the meeting summary.	<b>Meeting Summary approved.</b>
<b>3. Quarterly Financial Status Report as of December 31, 2017 (CCFS-311Q)</b>	Joan asked for this item to be on the Agenda.  Rosa reviewed the report in detail. All community colleges are mandated to submit quarterly financial reports, certified, once completed it is given to the Board for review.  This 311Q report includes a projected/revised budget as of December 31, 2017. Joan had a question regarding the Unrestricted General Fund Revenue, Expenditure, and Fund Balance, -\$22,797,404, shown in Section I, row C. Rosa explained that the difference is due to the immediate needs/transfers that have been approved recently. The fund balance from the previous fiscal year is being used to cover one-time expenses in the current year, this is why it looks negative.  Other information on the report includes: Section II where the FTEs are reported. This is the most current information as of January 2018, signed and certified by the President. Section III you see the General	<b>Any questions please feel free to contact Joan, Mike, or Rosa in regards to any Budget report questions.</b>  <b>Joan's goal is to have these reports provided regularly to the Budget Committee for review.</b>

	<p>Fund Cash Balance. This balance includes the General Unrestricted Fund as well as the Restricted Fund.</p>	
<p><b>4. Status of Proposed Integrated Plan and Budgeting Process Calendar.</b></p>	<p>Meghan Chen and Kristina Allende thoroughly reviewed the calendar changes suggested from the Budget and IEC committees.</p> <p>The goal of the calendar is to reflect the actual process. Rosa will take all new suggestions made at this meeting and update the calendar. Joan will present the new calendar at PAC.</p> <p>Instructional Unit – Submits to a Division office.          Administrative Unit – Submits to a Vice President.</p>	<p><b>Rosa will make the updates to the new calendar and will send to IEC and Joan.</b></p> <p><b>Once approved, Joan will present at PAC.</b></p>
<p><b>5. Accrediting Commission for Community Colleges – Annual Fiscal Report.</b></p>	<p>Joan asked for this item to be on the Agenda.</p> <p>Rosa reviewed the report for the 2016-2017 fiscal year. The other years shown in the report are there for comparison. Some of the information in this report comes from the 311 annual report.</p> <p>Question 11 – Other Post Employment: GASB regulations changed. The College no longer reports under GASB No. 45. The College reports under the new GASB No. 74. The College consulted with the ACCJC and was advised to report as N/A (non-applicable) - items e. and f. , and as a result it displays as \$-1. Mt. SAC is the first college to notice this new change on the report. The ACCJC will evaluate and make changes to the report.</p> <p>Item #23 – information needs to be provided when there is change in Senior Administrative Leadership (Board members, President, Vice President). There were no changes during the year 2016-17.</p>	

## **FUTURE AGENDA ITEMS**

## **FUTURE MEETING DATES**

- **April 4, 2018**
- **April 18, 2018**
- **May 2, 2018**
- **May 16, 2018**
- **June 6, 2018**
- **June 20, 2018**

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q**

**VIEW QUARTERLY DATA**

**CHANGE THE PERIOD** ▾

**Fiscal Year: 2017-2018**

**District: (850) MT. SAN ANTONIO**

**Quarter Ended: (Q2) Dec 31, 2017**

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2014-15	Actual 2015-16	Actual 2016-17	Projected 2017-2018
<b>I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:</b>					
<b>A. Revenues:</b>					
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	156,676,952	196,841,282	190,532,527	184,917,314
A.2	Other Financing Sources (Object 8900)	1,182,661	1,641,456	2,863,171	1,746,807
A.3	<b>Total Unrestricted Revenue (A.1 + A.2)</b>	<b>157,859,613</b>	<b>198,482,738</b>	<b>193,395,698</b>	<b>186,664,121</b>
<b>B. Expenditures:</b>					
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	152,168,354	177,078,966	188,056,312	206,342,624
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,420,594	14,973,751	2,418,946	3,118,901
B.3	<b>Total Unrestricted Expenditures (B.1 + B.2)</b>	<b>153,588,948</b>	<b>192,052,717</b>	<b>190,475,258</b>	<b>209,461,525</b>
C.	<b>Revenues Over(Under) Expenditures (A.3 - B.3)</b>	<b>4,270,665</b>	<b>6,430,021</b>	<b>2,920,440</b>	<b>-22,797,404</b>
<b>D. Fund Balance, Beginning</b>					
D.1	Prior Year Adjustments + (-)	0	0	0	0
D.2	<b>Adjusted Fund Balance, Beginning (D + D.1)</b>	<b>30,236,185</b>	<b>34,506,850</b>	<b>40,936,871</b>	<b>43,857,311</b>
E.	<b>Fund Balance, Ending (C. + D.2)</b>	<b>34,506,850</b>	<b>40,936,871</b>	<b>43,857,311</b>	<b>21,059,907</b>
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	22.5%	21.3%	23%	10.1%

**II. Annualized Attendance FTES:**

G.1	Annualized FTES (excluding apprentice and non-resident)	30,654	31,467	31,011	33,259
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**III. Total General Fund Cash Balance (Unrestricted and Restricted)**

	Description	As of the specified quarter ended for each fiscal year			
		2014-15	2015-16	2016-17	2017-2018
H.1	Cash, excluding borrowed funds		69,303,817	74,428,189	73,438,428
H.2	Cash, borrowed funds only		0	0	0
H.3	<b>Total Cash (H.1+ H.2)</b>	<b>48,219,136</b>	<b>69,303,817</b>	<b>74,428,189</b>	<b>73,438,428</b>

**IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
<b>I. Revenues:</b>					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	182,999,742	184,917,314	96,338,452	52.1%
I.2	Other Financing Sources (Object 8900)	1,744,807	1,746,807	1,830,788	104.8%
I.3	<b>Total Unrestricted Revenue (I.1 + I.2)</b>	<b>184,744,549</b>	<b>186,664,121</b>	<b>98,169,240</b>	<b>52.6%</b>
<b>J. Expenditures:</b>					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	204,872,498	206,342,624	85,632,532	41.5%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	2,088,901	3,118,901	2,736,807	87.7%
J.3	<b>Total Unrestricted Expenditures (J.1 + J.2)</b>	<b>206,961,399</b>	<b>209,461,525</b>	<b>88,369,339</b>	<b>42.2%</b>
K.	<b>Revenues Over(Under) Expenditures (I.3 - J.3)</b>	<b>-22,216,850</b>	<b>-22,797,404</b>	<b>9,799,901</b>	
L	Adjusted Fund Balance, Beginning	43,857,311	43,857,311	43,857,311	
L.1	<b>Fund Balance, Ending (C. + L.2)</b>	<b>21,640,461</b>	<b>21,059,907</b>	<b>53,657,212</b>	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	10.5%	10.1%		

**V. Has the district settled any employee contracts during this quarter? YES**

**If yes, complete the following: (If multi-year settlement, provide information for all years covered.)**

Contract Period Settled (Specify)	Management	Academic	Classified
	Permanent	Temporary	

YYYY-YY	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
<b>a. SALARIES:</b>								
Year 1: 2017-18							1,047,491	2%
Year 2:								
Year 3:								
<b>b. BENEFITS:</b>								
Year 1:								
Year 2:								
Year 3:								

\* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

The Board of Trustees approved a 2.22% ongoing salary increase for Classified employees CSEA, Chapter 262 and a 2.32% ongoing salary Increase for Classified employees CSEA, Chapter 651. These increases are effective July 1, 2017 and have been funded from 2017-18 ongoing apportionment revenues.

**VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)?** **NO**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

**VII. Does the district have significant fiscal problems that must be addressed?** **This year? YES**  
**Next year? YES**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

Estimated one-time expenditures are over estimated one-time revenues. The College has made the decision to fund one-time expenditures with the prior year reserves that are a result of positive variances. In making that decision, the College achieved the mandated 10% Board policy reserves.

The economic position of the College is closely tied to the State of California. The significant increases in STRS and PERS employer contributions will affect the College in future years. The STRS employer rate will increase from 14.43% in 2017-18 to 19.1% in 2020-21, and the PERS employer rate will increase from 15.531% in 2017-18 to 25.10% in 2024-25.

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CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q

CERTIFY QUARTERLY DATA

CHANGE THE PERIOD ▾

Fiscal Year: 2017-2018

District: (850) MT. SAN ANTONIO

Quarter Ended: (Q2) Dec 31, 2017

Your Quarterly Data is Certified for this quarter.

**Chief Business Officer**

**CBO Name:** Michael D. Gregoryk

**CBO Phone:** 909-594-5611

**CBO Signature:**

**Date Signed:**

**Chief Executive Officer Name:** William Scroggins

**CEO Signature:**

**Date Signed:**

**Electronic Cert Date:** 02/14/2018

**District Contact Person**

**Name:** Rosa M. Royce

**Title:** Chief Compliance/Budget Officer

**Telephone:** 909-274-5530

**Fax:** 909-274-2016

**E-Mail:** rroyce@mtsac.edu

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California Community Colleges, Chancellor's Office  
Fiscal Services Unit  
1102 Q Street, Suite 4550  
Sacramento, California 95811

Send questions to:  
Christine Atalig (916)327-5772 [atalig@cccco.edu](mailto:atalig@cccco.edu) or Tracy Britten (916)324-9794 [trbritten@cccco.edu](mailto:trbritten@cccco.edu)

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ACCREDITING COMMISSION FOR  
COMMUNITY AND JUNIOR COLLEGES  
WESTERN ASSOCIATION OF SCHOOLS AND COLLEGES

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**Annual Fiscal Report**  
Reporting Year: 2016-2017  
**REVIEW**

Mt. San Antonio College  
1100 North Grand Avenue  
Walnut, CA 91789

**General Information**

2.	Confirm or enter the name of the District/System or Corporate/Parent Organization:	<b>Mt. San Antonio College</b>
3.	a. Name of College Chief Business Officer (CBO)	<b>Michael D. Gregoryk</b>
	b. Title of College CBO	<b>Vice President, Administrative Services</b>
	c. Phone number of College CBO	<b>909-274-4230</b>
	d. E-mail of College CBO	<b>mgregoryk@mtsac.edu</b>
	e. Name of District/System/Parent Company CBO	<b>Michael D. Gregoryk</b>
	f. Title of District/System/Parent Company CBO	<b>Vice President, Administrative Services</b>
	g. Phone Number of District/System/Parent Company CBO	<b>909-274-4230</b>
	h. E-mail of District/System/Parent Company CBO	<b>mgregoryk@mtsac.edu</b>

**DISTRICT/SYSTEM DATA (including single college organizations)**

**Stability of Revenue**

		FY 16/17	FY 15/16	FY 14/15
4.	a. Annual General Fund revenues from all sources (Operating Revenues, CCC Fund 10)	<b>\$ 226,351,852</b>	<b>\$ 226,479,256</b>	<b>\$ 178,930,756</b>
	b. Revenue from other sources (non-general fund)	<b>\$ 75,441,105</b>	<b>\$ 76,793,467</b>	<b>\$ 73,253,557</b>
5.	Net Beginning Balance (Using same fund as included in question 4)	<b>\$ 43,225,913</b>	<b>\$ 36,170,414</b>	<b>\$ 31,744,630</b>

**Expenditures/Transfer**

		FY 16/17	FY 15/16	FY 14/15
6.	Total annual general fund expenditures (Operating expenditures matching the same fund as included in question 4)	<b>\$ 220,984,699</b>	<b>\$ 204,475,634</b>	<b>\$ 173,866,157</b>
	b. Salaries and benefits (General Fund)	<b>\$ 191,551,044</b>	<b>\$ 176,159,617</b>	<b>\$ 149,715,998</b>
	c. Other expenditures/outgo (difference between 6a and 6b)	<b>\$ 6,728,716</b>	<b>\$ 16,589,579</b>	<b>\$ 1,821,476</b>

**Liabilities**

7.	Did the institution borrow funds for cash flow purposes?	<b>No</b>	<b>No</b>	<b>No</b>
8.	Total Local Borrowing	FY 16/17	FY 15/16	FY 14/15
	a. Short Term Borrowing (TRANS, etc)	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
	b. Long Term Borrowing (COPs, Capital Leases, other long term borrowing):	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
9.	a.	FY 16/17	FY 15/16	FY 14/15



	Did the institution issue long-term debt instruments during the fiscal year noted?	<b>Yes</b>	<b>Yes</b>	<b>No</b>
	b. What type(s)	<b>General Obligation Bond Anticipation Notes</b>	<b>General Obligation Bonds and General Obligation Refunding Bonds</b>	
	c. Total amount	<b>\$ 89,996,003</b>	<b>\$ 39,440,000</b>	<b>\$ 0</b>
10.	Debt Service Payments (General Fund/Operations)	FY 16/17 <b>\$ 19,727,208</b>	FY 15/16 <b>\$ 18,384,899</b>	FY 14/15 <b>\$ 16,776,500</b>

**Other Post Employment**

		FY 16/17	FY 15/16	FY 14/15
11.	a. Actuarial Accrued Liability (AAL) for OPEB:	<b>\$ 105,366,963</b>	<b>\$ 105,366,963</b>	<b>\$ 107,412,110</b>
	b. Unfunded Actuarial Accrued Liability (UAAL) for OPEB:	<b>\$ 33,302,657</b>	<b>\$ 40,474,159</b>	<b>\$ 35,282,145</b>
	c. Funded Ratio (Actuarial Value of plan Assets/AAL)	<b>68 %</b>	<b>62 %</b>	<b>67 %</b>
	d. UAAL as Percentage of Covered Payroll	<b>35 %</b>	<b>46 %</b>	<b>45 %</b>
	e. Annual Required Contribution (ARC)	<b>\$ -1</b>	<b>\$ 6,541,113</b>	<b>\$ 6,903,119</b>
	f. Amount of annual contribution to ARC	<b>\$ -1</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>
12.	Date of most recent OPEB Actuarial Report (mm/dd/yyyy):	<b>06/30/2017</b>		
13.	a. Has an irrevocable trust been established for OPEB liabilities? <b>Yes</b>			
	b. Deposit into Irrevocable OPEB Reserve/Trust	FY 16/17 <b>\$ 2,500,000</b>	FY 15/16 <b>\$ 2,500,000</b>	FY 14/15 <b>\$ 2,500,000</b>
	c. Deposit into non-irrevocable Reserve specifically for OPEB	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Cash Position**

14.	Cash Balance (Unencumbered cash): Unrestricted General Fund	FY 16/17 <b>\$ 83,825,411</b>	FY 15/16 <b>\$ 73,996,060</b>	FY 14/15 <b>\$ 49,313,704</b>
15.	Does the institution prepare cash flow projections during the year?	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>

**Annual Audit Information**

16.	Date annual audit report for fiscal year was electronically submitted to accjc.org, along with the institution's response to any audit exceptions:	FY 16/17 <b>12/06/17</b>	FY 15/16 <b>12/12/16</b>	FY 14/15 <b>12/03/15</b>
	<b>NOTE:</b> As a general rule, institutions will submit their audited financial statements to ACCJC <b>no later than six months</b> following the close of the fiscal year. A multi-college district may submit a single district audit report on behalf of all colleges in the district.			
17.	Summarize Material Weaknesses and Significant Deficiencies from annual audit report (enter n/a if not applicable):			
	FY 16/17	<b>None</b>		
	FY 15/16	<b>None</b>		
	FY 14/15	<b>None</b>		

**Other Information**

18.	a.	FY 16/17	FY 15/16	FY 14/15

	Budgeted Full Time Equivalent Students (FTES) (Annual Target):	<b>32,096</b>	<b>30,466</b>	<b>29,003</b>
	b. Actual Full Time Equivalent Students (FTES):	<b>31,018</b>	<b>31,385</b>	<b>30,654</b>
	c. Funded FTES:	<b>31,018</b>	<b>31,385</b>	<b>30,269</b>
19.	Report the % of total tuition/fees received from federal financial aid programs (Title IV, HEA), if applicable:	FY 16/17 <b>0 %</b>	FY 15/16 <b>0 %</b>	FY 14/15 <b>0 %</b>
20.	a. During the reporting period, did the institution settle any contracts with employee bargaining units? b. Did any negotiations remain open? c. Describe significant fiscal impacts:	<b>Yes</b> <b>No</b>	<p><b>The Board of Trustees approved a 1% ongoing salary increase and an ongoing \$100 annual health and welfare increase for Faculty, CSEA 262, Management, CSEA 651, and Confidential employees, effective July 1, 2016. These increases were funded from 2016-17 ongoing apportionment revenues. The fiscal impact was \$1,817,537 for the General Fund.</b></p>	
21.	a. College Data: Federal Financial Aid programs in which the College participates (check all that apply): b. Changes in Federal Financial Aid Program Participation: Programs that have been DELETED: Programs that have been ADDED:	<b>Pell</b> <b>FSEOG</b> <b>FWS</b> <b>DIRECT</b>	<p><b>Perkins Loan Program</b></p>	
22.	College Data: USDE official cohort Student Loan Default Rate (FSLD) (3 year rate)	Cohort Year 14/15 <b>10 %</b>	Cohort Year 13/14 <b>10 %</b>	Cohort Year 12/13 <b>12 %</b>
23.	College Data: Were there any executive or senior administration leadership changes at the institution during the fiscal year? Please describe the leadership change(s)	<b>No</b>		

Go To Question #:

The Annual Fiscal Report must be certified as complete and accurate by the CEO (Dr. William Scroggins). Once you have answered all the questions, you may send an e-mail notification to the CEO that the report is ready for certification.

Only the CEO may submit the final Annual Fiscal Report.