



Cerritos College 2019-20 Tentative Budget

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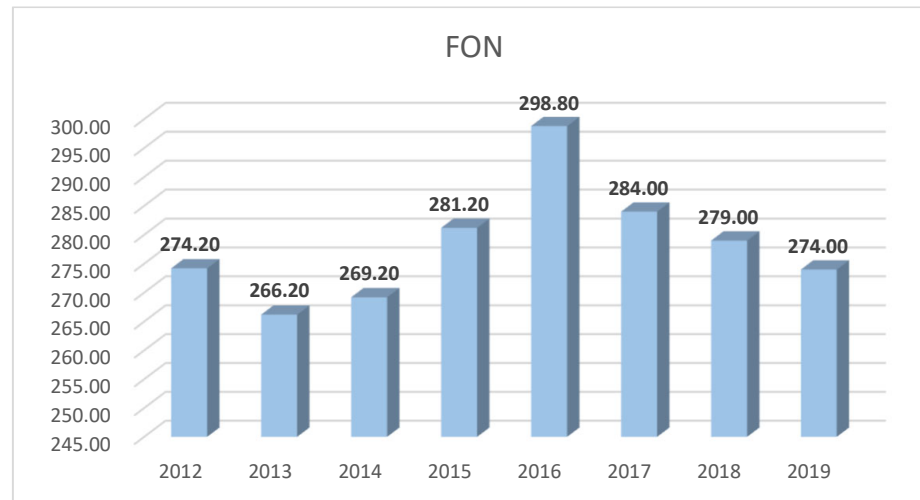
June 19, 2019

History of COLA

Year	Statutory COLA	California Community Colleges COLA
2009-10	4.25%	0.00%
2010-11	-0.39%	0.00%
2011-12	2.24%	0.00%
2012-13	3.24%	0.00%
2013-14	1.57%	1.57%
2014-15	0.85%	0.85%
2015-16	1.02%	1.02%
2016-17	0.00%	0.00%
2017-18	1.56%	1.56%
2018-19	2.71%	2.71%
2019-20	3.26%	3.26%

Full-Time Faculty Obligation Number (FON)

Year	FON	
2012	274.20	*
2013	266.20	*
2014	269.20	
2015	281.20	
2016	298.80	
2017	284.00	
2018	279.00	
2019	274.00	**



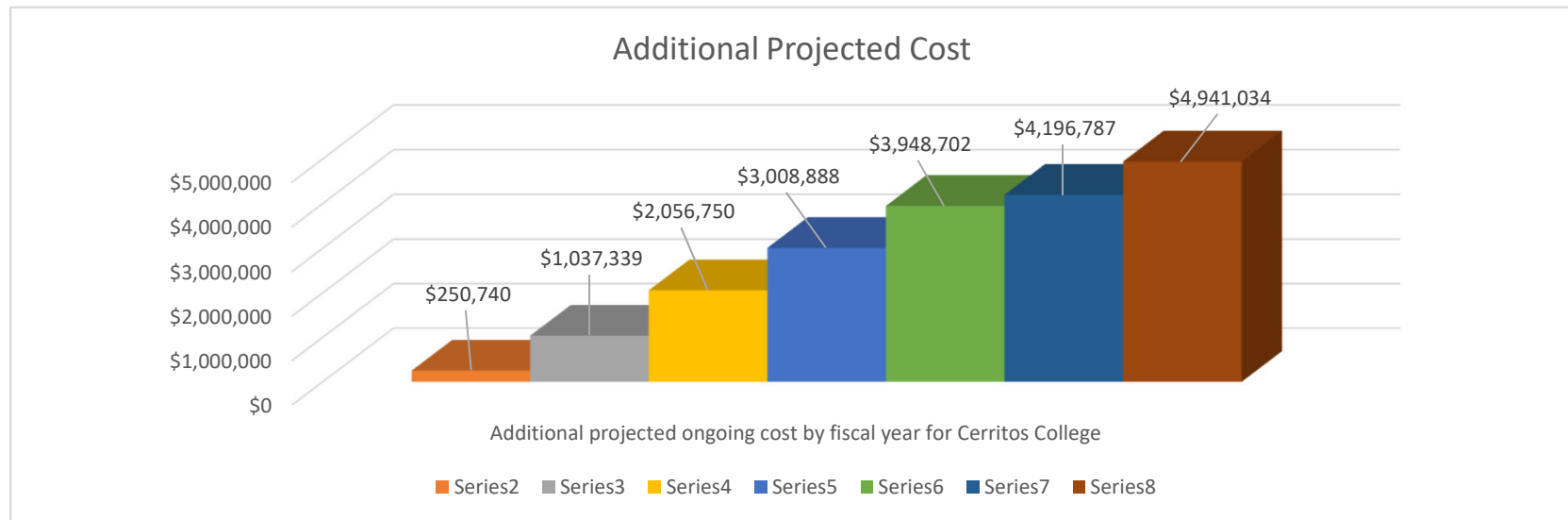
Note:

* The Board of Governors (BOG) determined there were inadequate funds to implement an increase in the fall 2011 FON. As provided in the regulation, in such years the district base full-time faculty obligation shall be unchanged.

**Projected FON at P-1

**2014-15 State Budget Approved by Legislature
State Teachers Retirement System (STRS) Contribution Rates**

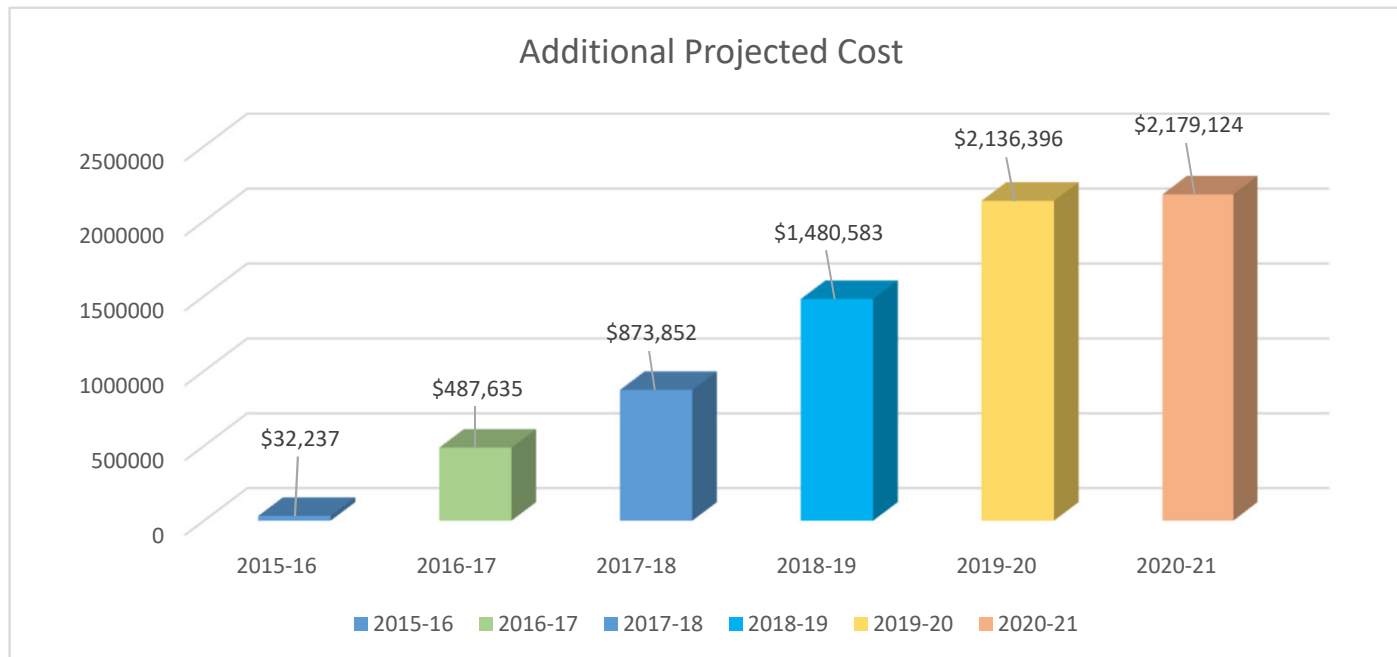
Fiscal Year	Additional projected ongoing cost by fiscal year for Cerritos College	Employer	Employee (Pre-2013 hire date)	Employee (Post-2013 hire date)	State
2014-15	\$ 250,740	8.88%	8.15%	8.15%	3.45%
2015-16	\$ 1,037,339	10.73%	9.20%	8.56%	3.89%
2016-17	\$ 2,056,750	12.58%	10.25%	9.21%	6.33%
2017-18	\$ 3,008,888	14.43%	10.25%	9.21%	6.33%
2018-19	\$ 3,948,702	16.28%	10.25%	9.21%	6.33%
2019-20	\$ 4,196,787	16.70%	10.25%	9.21%	6.33%
2020-21	\$ 4,941,034	18.10%	10.25%	9.21%	6.33%



Note: Plan also allows CalSTRS to annually adjust the employer and state rates beginning July 1, 2021, and caps any such annual increase at 1% for employers and 0.5% for the state

CALPERS Board of Administration
California Public Employees' Retirement System (CalPERS) Contribution Rates

Fiscal Year	Additional projected ongoing cost by fiscal year for Cerritos College	Employer
2013-14		11.70%
2014-15	\$ -	11.70%
2015-16	\$ 32,237	11.85%
2016-17	\$ 487,635	13.88%
2017-18	\$ 873,852	15.53%
2018-19	\$ 1,480,583	18.06%
2019-20	\$ 2,136,396	20.70%
2020-21	\$ 2,179,124	20.70%



2019-20 Tentative Budget Statutory Benefits

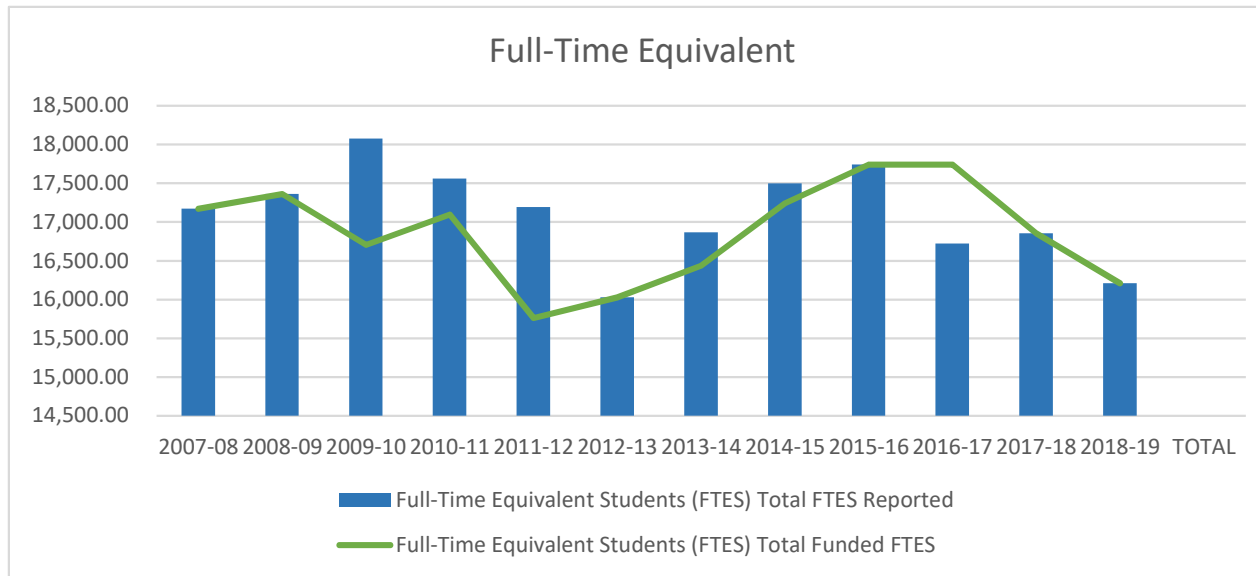
Bargaining Units	Academic Adjunct	Academic, Educational Administrators	Classified
State Teachers Retirement System (STRS)		16.70%	
Public Employee Retirement System (PERS)			20.70%
Social Security (OASDHI)			6.20%
Medicare		1.45%	1.45%
State Unemployment Insurance (SUI)		0.05%	0.05%
Worker's Compensation		1.40%	1.40%
Alternative Retirement Plan (ARP) Academic Adjunct	3.75%		
TOTAL		19.60%	29.80%

Full-Time Equivalent Students (FTES)

Fiscal Year	Credit	Noncredit	CDCP	Total FTES Reported	Unfunded	Total Funded FTES
2007-08	16,643.99	528.78		17,172.77		17,172.77
2008-09	16,872.47	486.76		17,359.23		17,359.23
2009-10	17,683.06	282.08	111.35	18,076.49	(1,373.82)	16,702.67
2010-11	17,220.93	199.82	137.73	17,558.48	(461.69)	17,096.79
2011-12	16,954.65	75.18	162.16	17,191.99	(1,432.19)	15,759.80
2012-13	15,680.70	137.18	209.59	16,027.47		16,027.47
2013-14	16,446.13	219.30	198.10	16,863.53	(429.04)	16,434.49
2014-15	17,025.69	346.23	125.51	17,497.43	(256.55)	17,240.89
2015-16	17,324.97	298.48	117.31	17,740.76		17,740.76
2016-17	16,303.43	279.76	138.50	16,721.69		17,740.76 *
2017-18	16,434.30	138.50	279.76	16,852.56		16,852.56 **
2018-19	15,753.00	284.76	171.63	16,209.39		16,209.39

TOTAL

(3,953.29)



* - District entered into stability funding, funded at 2015-16 level

** - Projected FTES which includes borrowing 205 FTES from 2018 Summer

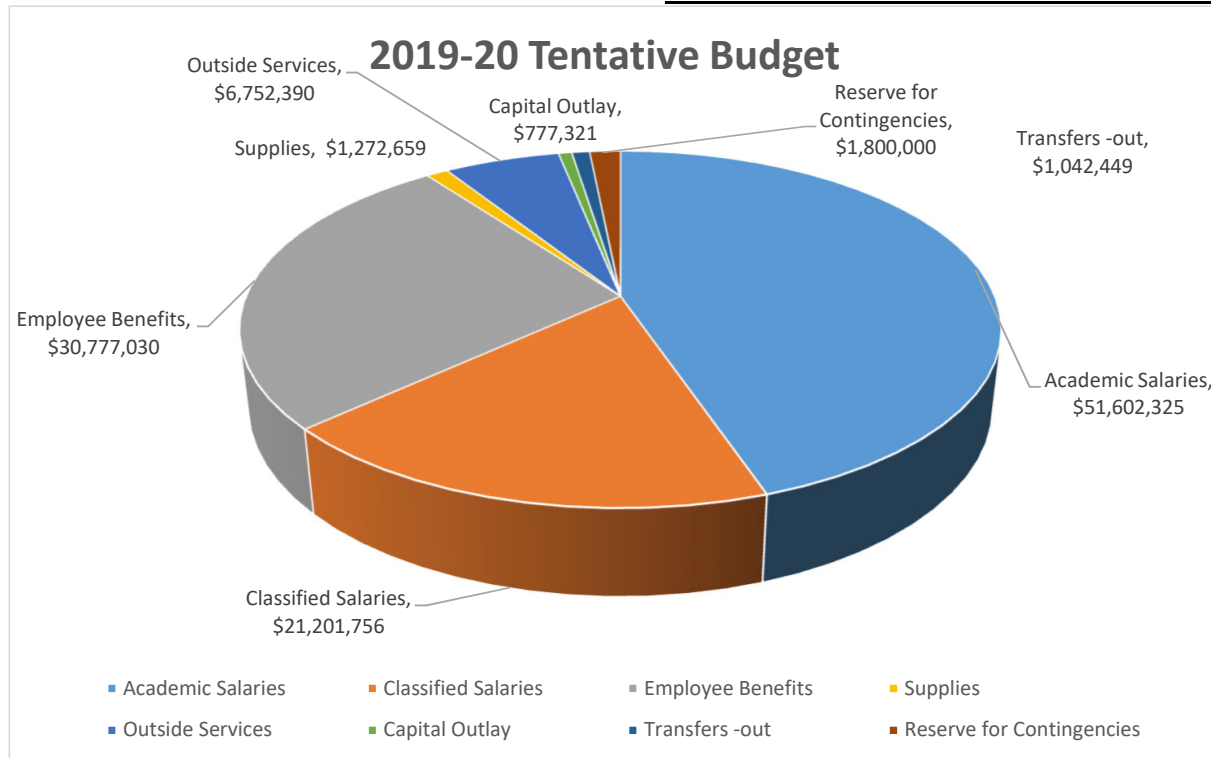
2019-20 Tentative Budget Full-time Equivalent (FTE)

Employee Group	2018-19 Tentative Budgeted	2019-20 Tentative Budgeted
Full Time Faculty (CCFF)	287	276 *
Classified (CSEA)	302	302
Management	48	51
Confidential	11	11
Child Development Center	12	12
Executive Committee (President/VPs)	5	5
Board of Trustees	8	8
TOTAL	673	665

* - Includes 13 vacant full-time faculty positions that will be required to hire for the Full-Time Faculty Obligation (FON) of 274.

Unrestricted General Fund Expenditures

Description	2019-20 Tentative Budget	Percent
Academic Salaries	\$ 51,602,325	44.78%
Classified Salaries	\$ 21,201,756	18.40%
Employee Benefits	\$ 30,777,030	26.71%
Supplies	\$ 1,272,659	1.10%
Outside Services	\$ 6,752,390	5.86%
Capital Outlay	\$ 777,321	0.67%
Transfers -out	\$ 1,042,449	0.90%
Reserve for Contingencies	\$ 1,800,000	1.56%
	\$ 115,225,930	100.00%



Unrestricted General Fund Revenue/Expenditures

Description	2019-20 Tentative Budget	Percent
Revenue	\$ 115,941,487	100.00%
Academic Salaries	\$ 51,602,325	44.51%
Classified Salaries	\$ 21,201,756	18.29%
Employee Benefits	\$ 30,777,030	26.55%
Supplies	\$ 1,272,659	1.10%
Outside Services	\$ 6,752,390	5.82%
Capital Outlay	\$ 777,321	0.67%
Interfund Transfers Out	\$ 1,042,449	0.90%
Reserve for Contingencies	\$ 1,800,000	1.55%
Surplus/(Deficit) Spending	<u>\$ 715,557</u>	<u>0.62%</u>

OTHER POST EMPLOYMENT BENEFITS (OPEB) - HEALTHCARE

Description		
Estimated Fund Balance as of June 30, 2019		\$ 13,615,595
Actuarial Study as of June 30, 2017 - Net OPEB Liability (NOL)	\$ 21,233,167	
Actuarial Study as of May 4, 2019 - Net OPEB Liability (NOL)	\$ 22,007,662	
Funds needed to fully fund OPEB liability		\$ 8,392,067
TOTAL		<u>\$ 22,007,662</u>

2019-20 and Beyond Issues for Consideration

Revenues

Education Protection Act (Prop 30/Prop 55):

- a) Sales Tax Sunset (25%)

Apportionment:

- a) 2019-20 Tentative Budget based on a 3-year average of 16,209 FTES
- b) Projected Budget for 2020-21 based on 16,209 FTES
- c) Projected Budget for 2021-22 based on 16,209 FTES

Student Centered Funding Formula:

- a) Capping year to year growth in a district's student success allocation to 10% beginning in 2019-20
- b) Redefining the definition of a transfer outcome for the student success allocation. Effective for 2018-19, Student's successful transfer would be attributed to the student's district of residence.
- c) Continue modification of SCFF formula.

Expenses

State Teachers Retirement System (STRS):

- a) Employer contribution increased by 0.42% to 16.70% 7/1/2019

California Public Employees' Retirement System (CalPERS):

- a) Employer contribution increased by 2.64% to 20.70% 7/1/2019

State Minimum Wage Increase:

- a) Increase from \$10/hr. to \$10.50/hr. 1/1/2017
- b) Increase from \$10.50/hr. to \$11.00/hr. 1/1/2018
- c) Increase from \$11.00/hr. to \$12.00/hr. 1/1/2019
- d) Increase from \$12.00/hr. to \$13.00/hr. 1/1/2020
- e) Increase from \$13.00/hr. to \$14.00/hr. 1/1/2021
- f) Increase from \$14.00/hr. to \$15.00/hr. 1/1/2022

Health Benefits:

CalPERS health insurance preliminary rate increase estimate for January '2020 will cost the district approximately \$1.6 million annually.

Next Steps

Governor signs Enacted Budget	June 30, 2019
Incorporate Governor's 2019-20 Enacted Budget into the Tentative Budget	July - August 2019
FON is updated based on Annual data	July 15, 2019
Finalize College Annual Plan and Resource Allocation	July 24, 2019
Finalize Adopted Budget	August 14, 2019
Campus Budget Forum	August 27, 2019
Planning and Budget	August 29, 2019
Adopted Budget	September 4, 2019