Mendocino College

Board Study Session on Budget and Finances

January 28, 2021

Presented by Eileen Cichocki, Assistant Superintendent/Vice President, Administrative Services
Joe Atherton, Director of Fiscal Services

Today's Agenda

- Board Policies
- State and College budget processes
- Governor's Budget for 2021/22
- History of COLA
- COVID funding and expenditures
- General Fund Revenues and Expenditures
- Student Centered Funding Formula
- Importance of Reserves
- Other Funds of the college
- Deeper dive into financial reports to trustees
- Mulityear Projections
- Board Budget Parameters

Board Policies – Chapter 6

- 616 Commercial Advertising Facilities
- 6100 Delegation of Authority, Business and Fiscal Affairs
- 6150 Designation of Authorized Signatures
- 6200 Budget Preparation
- 6250 Budget Management
- 6300 Fiscal Management
- 6307 Debt Issuance and Management
- 6320 Investments
- 6330 Purchasing
- 6340 Bids and Contracts
- 6400 Financial Audits
- 6500 Property Management
- 6505 Sustainability
- 6520 Security for District Property
- 6540 Insurance
- 6550 Disposal of Property
- 6600 Capital Construction
- 6620 Naming and Dedication of College Facilities and Other Properties
- 6700 Parking
- 6800 Safety
- 6900 Bookstore

Budget

MENDOCINO COLLEGE

State Budget

Fiscal year runs
July 1 to June 30

2021/22 Timeline

- January 2021: Governor's Proposal Budget for July 1, 2021
- May 2021 : Governor's May Revise Budget
  - Any changes to 2020/21 and updated information on 2021/22
- June 2021 : State Enacted Budget

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College Budget

Fiscal year runs July 1 to June 30

2021/22 Timeline

- June 2021: Tentative Budget (Based on May Revise)
- September 2021: Adopted Budget (Based on State Enacted)
- April 2022: Revised Budget

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College Budget

Fiscal year runs July 1 to June 30

Process

- Planning and Budget Committee
- Program Review
  - Staffing, Technology, Facilities
- Assumptions
  - Revenue
  - Salary and Benefits (86%)
  - Supplies and Services

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2021/22 Governor's Budget

- Released January 8, 2021 for the fiscal year beginning July 1, 2021
- Good news: actual revenues are coming in better than estimated
- State budget proposals for all sectors are being shaped by the on-going pandemic and economic uncertainty, with main themes:
  - One-time allocations for COVID related needs
  - Paying down State debts and building reserves
  - Modest on-going allocations

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Proposals

One-time allocations to address student needs caused by the COVID pandemic

- Early Action Package (Spring)
  - Emergency financial assistance grants to students
  - Funding student retention and re-enrollment
- Funding to address housing and food insecurity

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Paying down debt

Proposals

- Reducing cash deferrals in 2021/22 by $1.1 billion
- Results in a remaining cash deferral of $327 million

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Proposals

Modest on-going investments

- 1.5% COLA on general apportionment
  - 0% COLA for 2020/21 (2.31% due)
  - K-12 is to receive true-up funding for 2020/21 COLA
- Addressing the Digital Divide
  - Devices for online learning
  - Online education infrastructure
- Funding for mental health services

Final State budget will be enacted in June 2021

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COLA on Apportionment

The college has received 18.09% less from the State than was due

Over this same period, employees have received 25.16% in raises, 9.66% more than the college received from the state

Fiscal Year	Statutory COLA due to college from State	Actual COLA funded to college from State
2007/08	4.53%	4.53%
2008/09	5.66%	0.00%
2009/10	5.02%	0.00%
2010/11	-0.38%	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%
2020/21	2.31%	0.00%
TOTAL	33.59%	15.50%
Difference:		-18.09%

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COVID Funding

Federal CARES Act (March 2020)

Direct Aid to Students $655,000

Institutional Support $655,000 + $85,000 (HSI) = $740,000

Expenditures

DIRECT AID

- Over 700 students received direct aid
- $44,000 balance

INSTITUTIONAL SUPPORT

- FT Faculty Stipends
- PT Faculty Stipends
- Professional Development (CANVAS, Zoom, etc.)
- Software for remote learning and working
- Chromebooks
- Laptops
- Wi-Fi hotspots/Webcams
- Lost revenue
- $124,000 balance

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COVID Funding

COVID Relief Funds (CRF)

Federal Block Grant
$135,000

State Block Grant
$166,000

Expenditures

- PT Faculty Stipends for converting courses to online and professional development
- Chromebooks
- NCLEX preparation for nursing students
- $166,000 balance

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COVID Funding

Federal –December 2020

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)

$3.4 million + more due to our HSI status

$655,000 must be direct aid to students

Expenditures

- Pending detailed allocations and expenditure guidelines
- Per Chancellor's Office: Similar to CARES funding, but more flexible. Can be used to defray the expenses associated with COVID-19, carryout authorized student support activities, and provide financial aid grants to students (including those exclusively enrolled online and without regard to students' immigration status)
- More equitable funding formula partially based on headcount

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- State and college budget processes
- Governor's Budget for 2021/22
- History of COLA
- COVID funding

Funds

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Fund Accounting

Governmental accounting

- **Discrete funds for specific purpose**
- **Each with its own revenue, expenditures, and fund balance**

Funds

- General Fund
  - Unrestricted Fund (Fund 11)
  - Restricted Fund (Fund 12)
- Debt Service Fund (Fund 29)
- Child Care Fund (Fund 33)
- Capital Projects Fund (Fund 41)
- Special Reserve Fund (Fund 61)
- Health Fund (Fund 62)
- Student Representation Fee Fund (Fund 72)
- Student Center Fund (Fund 73)
- Student Financial Aid

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General Fund
Main Operational Fund

- **Main revenue source:**
  General Apportionment (91%)
  - ❖ Property Tax from Lake and Mendocino Counties
  - ❖ Enrollment Fees ($46 per unit)
  - ❖ State Funds (balance)
- **Main expenditure:**
  Salary and benefits (85%)

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2020/21

	2019/20 REVISED BUDGET FUND 11		2019/20 UNAUDITED ACTUALS FUND 11		2020/21 ADOPTED BUDGET FUND 11	
BEGINNING FUND BALANCE	$ 6,754,373		$ 6,754,373		$ 6,465,652	
REVENUE:						
A. Federal	37,500		39,983		37,500	
B. State	13,125,945		13,063,799		13,219,020	
C. Local	12,582,404		13,262,557		12,126,431	
D. Transfer in from Restricted Fund	-		34,338		-	
TOTAL REVENUE	$ 25,745,849		$ 26,400,677		$ 25,382,951	
EXPENDITURES:						
A. Certificated Salaries and Wages	$ 10,490,635		$ 10,663,684		$ 10,380,519	
Classified Salaries and Wages	5,028,161		4,936,991		4,976,806	
Subtotal Salaries and Wages	15,518,796		15,600,675		15,357,325	
Fringe Benefits	6,719,430		7,399,725		6,486,011	
Total Personnel Costs	22,238,226		23,000,400		21,843,336	
B. Supplies	759,099		456,488		458,152	
C. Contractual Services	2,960,931		2,648,884		2,517,647	
D. Capital Outlay	82,098		68,060		20,154	
E. Transfers						
To Child Care Fund	220,572		108,190		141,595	
To Debt Service Fund	406,561		407,376		278,092	
To Capital Project Fund	-		-		125,000	
	627,133		515,566		544,687	
TOTAL EXPENDITURES AND TRANSFEF	$ 26,667,487		$ 26,689,398		$ 25,383,976	
FUND BALANCE:						
A. Designated (PERS/STRS)					467,000	1.85%
B. Undesignated	5,832,735		6,465,652		5,997,627	23.63%
TOTAL ENDING FUND BALANCE	5,832,735	21.87%	6,465,652	24.23%	6,464,627	25.47%
CHANGE IN RESERVES	$ (921,638)		$ (288,721)		$ (1,025)	

Student Centered Funding Formula (SCFF)

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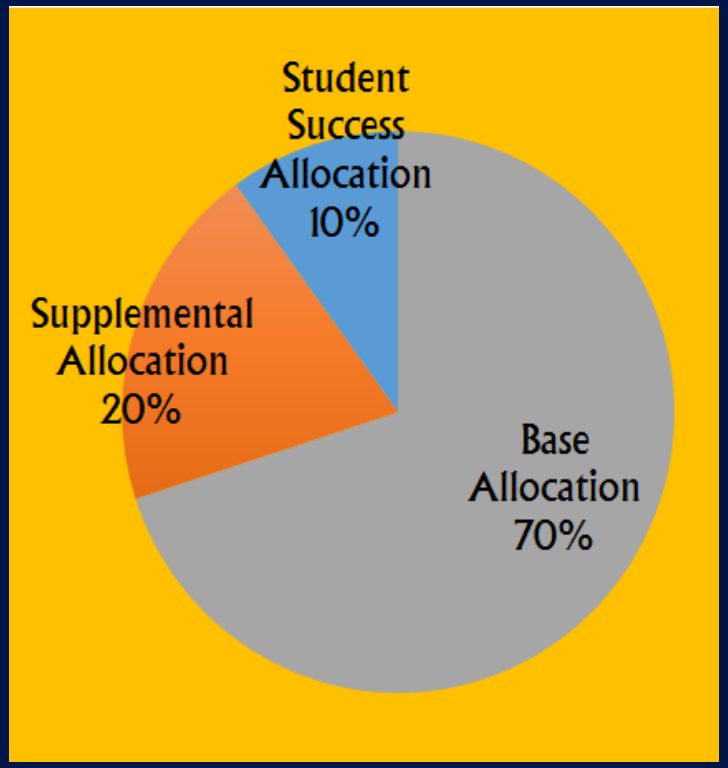
Student Centered Funding Formula



SCFF Metrics

- 70% Base
  - FTES
- 10% Student Success
  - ADTs
  - AA/AS
  - Certificates
  - Transfer level Math and English
  - Transfer
  - 9+ CTE units
  - Regional Living Wage
- 20% Supplemental
  - PELL
  - AB540
  - California Promise Grant

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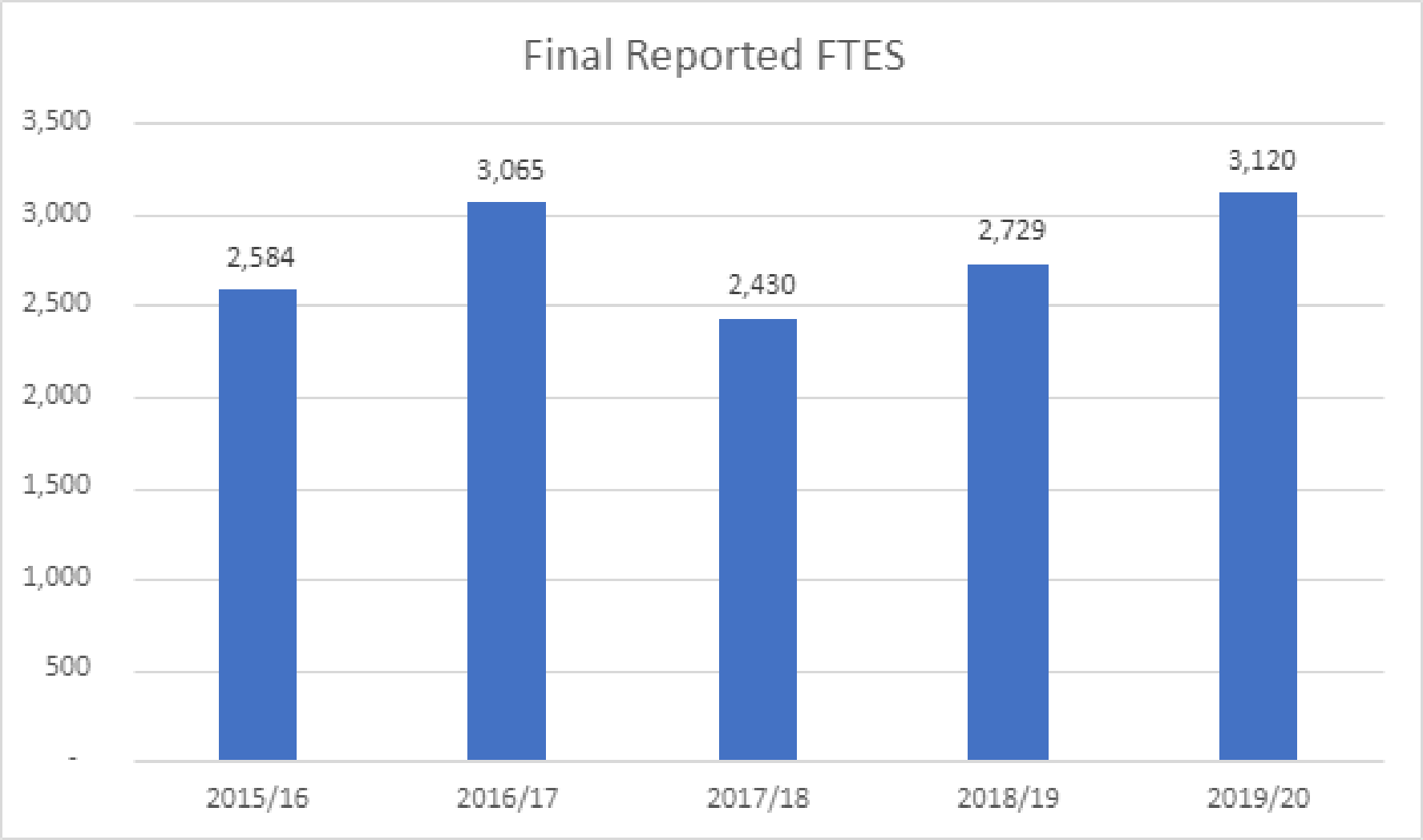
Annual FTES



FTES Type	Rate
Credit	$4,014
Incarcerated	$5,622
K12	$5,622
CDCP	$5,622
Non-credit	$3,381

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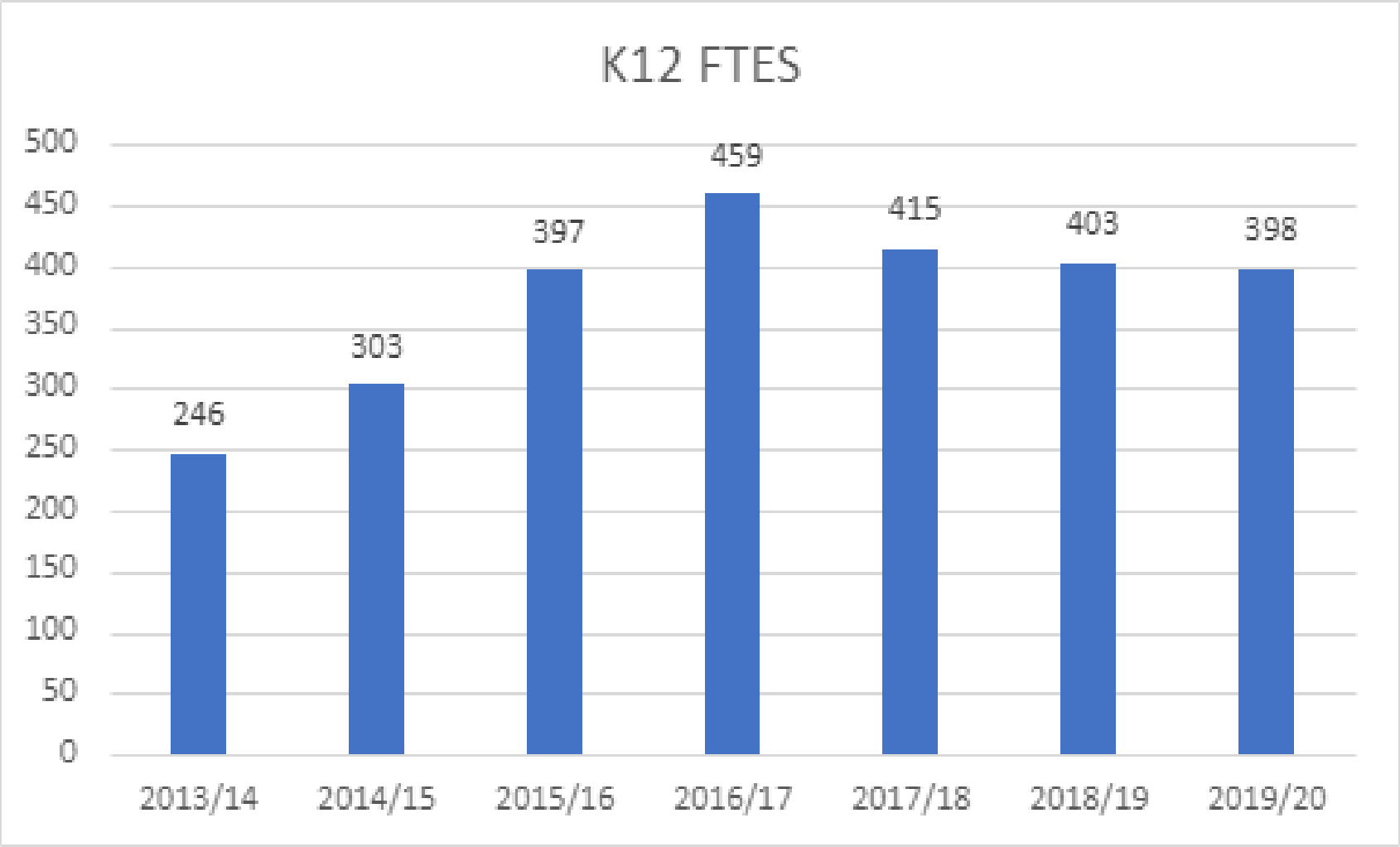
Annual FTES – K12



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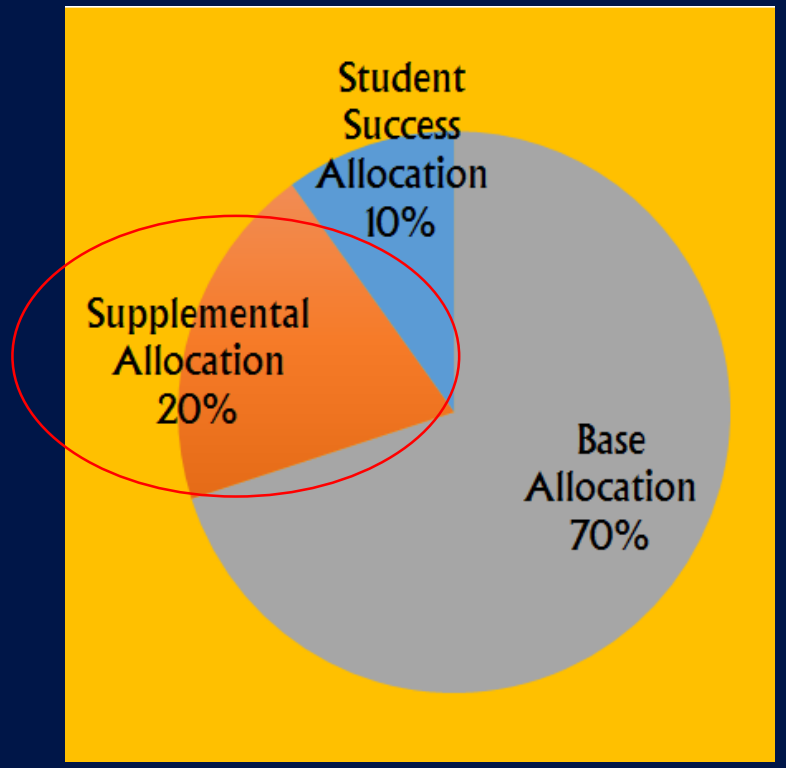
Student Centered Funding Formula



Supplemental – 20%

SUPPLEMENTAL	2017/18	2018/19	2019/20
PELL	1,376	1,294	1,434
PROMISE	2,889	2,803	2,731
AB540	102	109	134
Total Supplemental	4,367	4,206	4,299

Rate: $948

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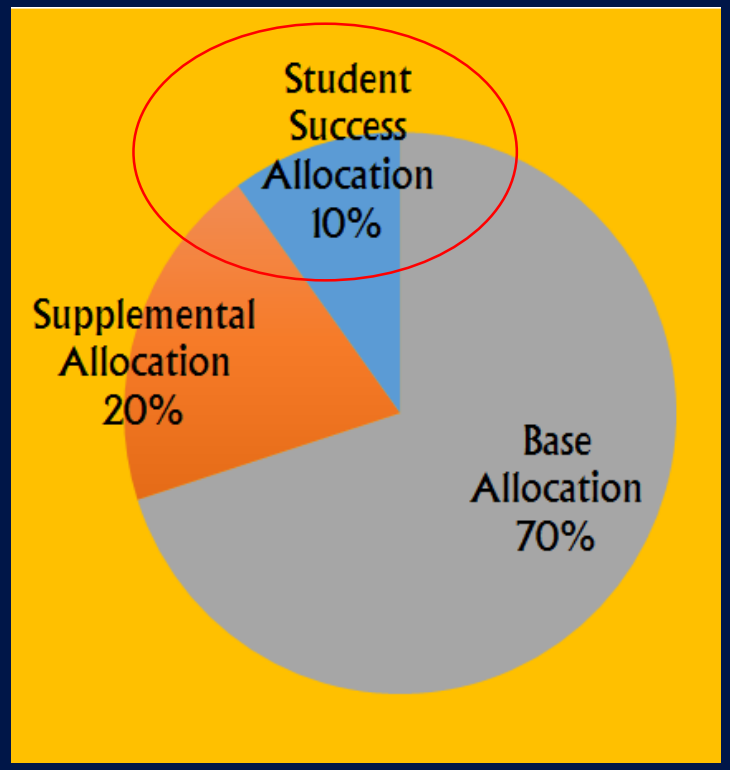
Student Centered Funding Formula



Success – 10%

SUCCESS	2017/18	2018/19	2019/20	Rate
Associate Degrees for Transfer	96	85	95	$2,236
Associate Degrees	196	178	202	$1,677
Credit Certificates	46	34	52	$1,118
Transfer Level Math and English	57	68	118	$1,118
Nine or More CTE Units	517	510	520	$559
Transfer to a Four-Year University	112	114	88	$839
Regional Living Wage	708	762	853	$559
Subtotal All	1,732	1,751	1,928	

MENDOCINO COLLEGE

California Community Colleges
2019-20 First Principal Apportionment
Mendocino-Lake CCD
Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)

I. Base Allocation (FTES + Basic Allocation)			$ 17,213,146
II. Supplemental Allocation			3,992,751
III. Student Success Allocation			1,907,776
		Student Centered Funding Formula (SCFF) Calculated Revenue	$ 23,113,673
		2019-20 Hold Harmless Protection Adjustment	679,631
		2019-20 TCR	**$ 23,793,304**

Revenue Sources

Property Tax				$ 9,718,294
Less Property Tax Excess				-
Student Enrollment Fees				758,322
Education Protection Account (EPA)				2,682,349
State General Fund Apportionment				9,756,427
Main General Fund Apportionment	$ 9,597,019			
Full-Time Faculty Hiring (FTFH) Apportionment (2015-16 Funds Only)	159,408			
Adjustment	-	Revenue Adjustment		-
Subtotal	$ 9,756,427			
		Available Revenue		**$ 22,915,392**
		2019-20 TCR		**23,793,304**
Revenue Deficit Percentage	3.6897%	Revenue Deficit		$ (877,912)

Supporting Sections

Section Ia: FTES Data and Calculations

	2017-18	2018-19	2018-19 Paid	Restoration	Decline	Adjustment	2019-20 Applied #1	Credit 3 Year Average
Credit	2,164.17	2,371.32	2,371.32	-	62.22	-	2,433.54	2,323.01
Incarcerated Credit	-	-	-	-	1.07	-	1.07	
Special Admit Credit	205.79	289.66	289.66	-	(101.99)	-	187.67	
CDCP	49.79	57.45	57.45	-	(20.88)	-	36.57	
Noncredit	36.40	41.65	41.65	-	40.94	-	82.59	
Total	2,456.15	2,760.08	2,760.08	-	(18.64)	-	2,741.44	2,323.01

	2019-20 Applied #2	Growth	2019-20 Paid	Rate $	Revenue $	2019-20 FTES Reported	2019-20 FTES Unapplied
Credit	2,323.01	-	2,323.01	$ 4,013.61	$ 9,323,662	2,433.54	-
Incarcerated Credit	1.07	-	1.07	5,621.94	6,015	1.07	-
Special Admit Credit	187.67	-	187.67	5,621.94	1,055,070	187.67	-
CDCP	36.57	-	36.57	5,621.94	205,594	36.57	-
Noncredit	82.59	-	82.59	3,380.63	279,206	82.59	-
Total	2,630.91	-	2,630.91		$ 10,869,547	2,741.44	-

Section Ib: FTES Restoration Authority

	2016-17	2017-18	2018-19	Total Target $
Credit	-	474.82	-	$ 1,905,743
Incarcerated Credit	-	-	-	-
Special Admit Credit	-	(2.47)	-	(13,865)
CDCP	-	(10.19)	-	(57,288)
Noncredit	-	5.72	-	19,337
Total	-	467.88	-	$ 1,853,927

Section Ic: FTES Growth Allocation

	FTES	0.19% 2019-20 Growth FTES
Credit	2,371.32	4.40
Incarcerated Credit	-	-
Special Admit Credit	289.66	0.54
CDCP	57.45	0.11
Noncredit	41.65	0.08
Total	2,760.08	5.12
Total $ Equivalent		$ 21,553

California Community Colleges
2019-20 First Principal Apportionment
Mendocino-Lake CCD
Exhibit C - Page 2

Section Id: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation
Single College Districts			
≥ 20,000	$ 6,742,506.62	-	$ -
≥ 10,000 & < 20,000	5,394,005.51	-	-
< 10,000	4,045,502.28	1	4,045,502
Multi-College Districts			
≥ 20,000	5,394,005.51	-	-
≥ 10,000 & < 20,000	4,719,754.42	-	-
< 10,000	4,045,502.28	-	-
Additional Rural $	1,286,718.94	1	1,286,719
		Subtotal	$ 5,332,221

FTES	Funding Rate	Number of Centers	Basic Allocation
State Approved Centers			
≥ 1,000	$ 1,348,501.11	-	$ -
Grandparented Centers			
≥ 1,000	1,348,501.11	-	-
≥ 750 & < 1,000	1,011,375.57	-	-
≥ 500 & < 750	674,250.03	-	-
≥ 250 & < 500	337,125.54	3	1,011,378
≥ 100 & < 250	168,563.83	-	-
		Subtotal	$ 1,011,378
		Total Basic Allocation	$ 6,343,599
		Total FTES Allocation	10,869,547
		Total Base Allocation	**$ 17,213,146**

Section II: Supplemental Allocation

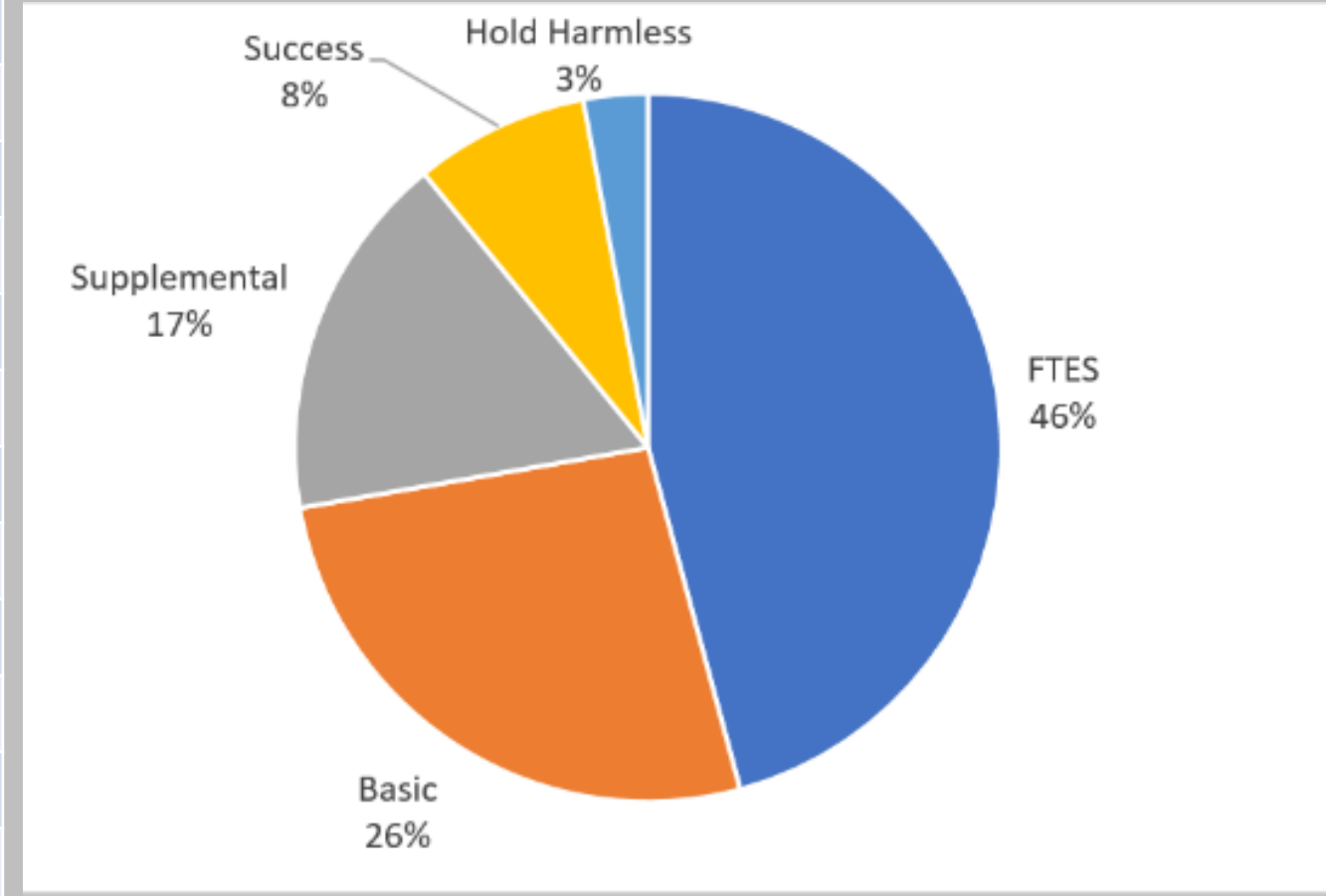
	2018-19 Headcount	Points	Rate	Revenue
AB540 Students	109	1	$949.07	$ 103,449
Pell Grant Recipients	1,294	1	949.07	1,228,101
Promise Grant Recipients	2,804	1	949.07	2,661,201
Total	4,207		Total Supplemental Allocation	$ 3,992,751

Section III: Student Success Allocation

	2016-17 Headcount	2017-18 Headcount	2018-19 Headcount	Three Year Average	Points	Rate	Revenue
All Students							
Associate Degrees for Transfer	86.00	96.00	85.00	89.00	4	$2,236.36	$ 199,036
Associate Degrees	182.00	196.00	178.00	185.33	3	1,677.27	310,854
Baccalaureate Degrees	-	-	-	-	3	1,677.27	-
Credit Certificates	38.00	46.00	34.00	39.33	2	1,118.18	43,982
Transfer Level Math and English	51.00	57.00	68.00	58.67	2	1,118.18	65,600
Transfer to a Four Year University	121.00	112.00	114.00	115.67	1.5	838.63	97,002
Nine or More CTE Units	501.00	517.00	510.00	509.33	1	559.09	284,763
Regional Living Wage	616.00	629.00	684.00	643.00	1	559.09	359,495
All Students Subtotal	1,595.00	1,653.00	1,673.00	1,640.33			$ 1,360,732
Pell Grant Recipients							
Associate Degrees for Transfer	61.00	65.00	56.00	60.67	6	$845.55	$ 51,296
Associate Degrees	132.00	124.00	126.00	127.33	4.5	634.16	80,750
Baccalaureate Degrees	-	-	-	-	4.5	634.16	-
Credit Certificates	26.00	29.00	23.00	26.00	3	422.77	10,992
Transfer Level Math and English	21.00	27.00	29.00	25.67	3	422.77	10,851
Transfer	70.00	63.00	63.00	65.33	2.25	317.08	20,716
Nine or More CTE Units	338.00	295.00	313.00	315.33	1.5	211.39	66,657
Regional Living Wage	196.00	219.00	234.00	216.33	1.5	211.39	45,730
Pell Grant Recipients Subtotal	844.00	822.00	844.00	836.67			$ 286,992
Promise Grant Recipients							
Associate Degrees for Transfer	76.00	77.00	72.00	75.00	4	$563.70	$ 42,277
Associate Degrees	164.00	163.00	158.00	161.67	3	422.77	68,348
Baccalaureate Degrees	-	-	-	-	3	422.77	-
Credit Certificates	34.00	37.00	32.00	34.33	2	281.85	9,677
Transfer Level Math and English	36.00	37.00	51.00	41.33	2	281.85	11,650
Transfer	86.00	80.00	74.00	80.00	1.5	211.39	16,911
Nine or More CTE Units	411.00	397.00	422.00	410.00	1	140.92	57,779
Regional Living Wage	357.00	369.00	411.00	379.00	1	140.92	53,410
Promise Grant Recipients Subtotal	1,164.00	1,160.00	1,220.00	1,181.33			$ 260,052
						Total Student Success Allocation	$ 1,907,776

SCFF for Mendocino College

FTES	$10,900,000
Single College less than 10,000 FTES	4,000,000
Rural College	1,300,000
Lake Center	337,000
North County Center	337,000
Coast Center	337,000
Basic	**$6,311,000**
Supplemental	**$4,000,000**
Success	**$1,900,000**
Hold Harmless	**$700,000**
Total General Apportionment	**$23,811,000**



SCFF Hold Harmless ends 2023/24

In 2024/25, colleges are only guaranteed funding at the 2017/18 level.

"Fiscal Cliff"

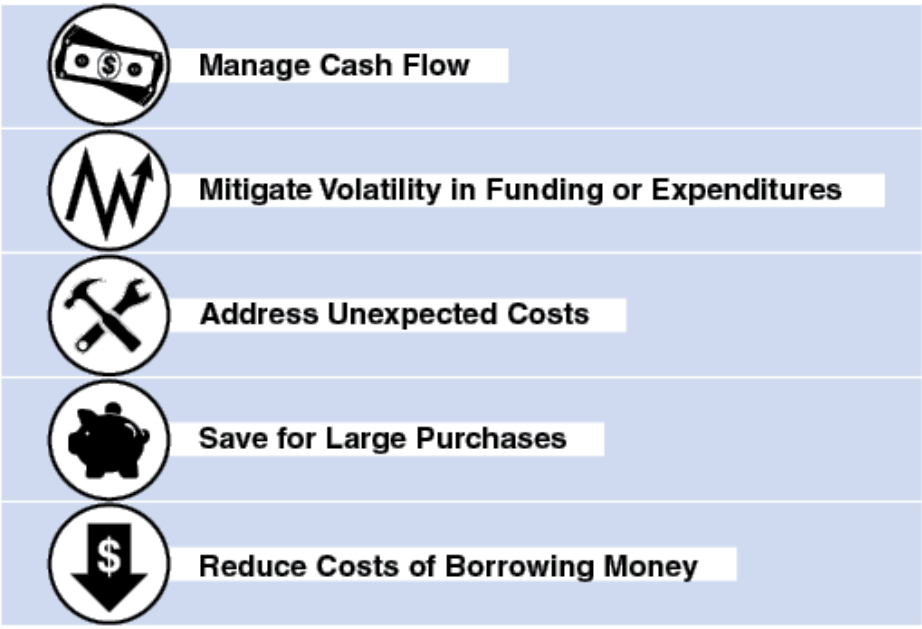
MENDOCINO COLLEGE

Reserves

- 2019/20 Ending Fund Balance $6.5 million
  - 24.23% of expenditures
  - Board budget parameter at least 15%
  - Chancellor's Office minimum is 5%
  - At 3% the Fiscal Crisis & Management Assistance Team (FCMAT) comes in to intervene
  - 2018/19 Statewide average: 21.8%
    - High: 51.7%, Low: 5.5%
  - 3 months of payroll: $5.5 million
  - Manage Cash Flows:
    - 20/21 Deferrals of $5.2 million

Figure 3

Districts Keep Reserves For Five Main Reasons



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- General Fund
- SCFF
- Reserves

Other "Small" Funds

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Restricted General Fund Grants

- 60+ different funding sources, each with a unique set of restrictions
- State
- Federal
- Local
- Not Student Financial Aid

- Synonymous: categorical programs, grants, restricted programs

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
RESTRICTED GENERAL FUND
2020/21

	2019/20 REVISED BUDGET FUND 12	2019/20 UNAUDITED ACTUALS FUND 12	2020/21 ADOPTED BUDGET FUND 12
BEGINNING FUND BALANCE	$ 245,888	$ 245,888	$ 276,603
REVENUE:			
A. Federal	1,654,487	1,658,515	2,321,628
B. State	10,671,010	6,352,387	11,235,767
C. Local	118,000	399,872	130,229
TOTAL REVENUE	$ 12,443,497	$ 8,410,774	$ 13,687,624
EXPENDITURES:			
A. Certificated Salaries and Wages	$ 1,986,876	$ 1,710,579	$ 2,360,754
Classified Salaries and Wages	1,764,858	1,654,416	1,812,083
Subtotal Salaries and Wages	3,751,734	3,364,995	4,172,837
Fringe Benefits	1,464,298	1,477,967	1,697,921
Total Personnel Costs	5,216,032	4,842,962	5,870,758
B. Supplies	716,125	404,543	1,332,789
C. Contractual Services	4,118,593	930,391	3,488,350
D. Capital Outlay	802,308	488,124	1,343,708
E. Transfers to Student Financial Aid Fund and to Other Funds and Other Payments To/For Students and Payments Directly to ML ACE Consortium Members	1,581,696	1,714,039	1,663,160
TOTAL EXPENDITURES AND TRANSFERS	$ 12,434,754	$ 8,380,059	$ 13,698,765
ENDING FUND BALANCE	254,631	276,603	265,462
CHANGE IN RESERVES	$ 8,743	$ 30,715	$ (11,141)

Debt Service Fund

- Long term debt payments
- 2009 loan to install the solar field on the Ukiah Campus
- Final payment in March 2021
- Amount will be transferred to the Capital Projects Fund to pay for technology and facility projects

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
DEBT SERVICE FUND
2020/21

	2019/20 REVISED BUDGET FUND 29	2019/20 UNAUDITED ACTUALS FUND 29	2020/21 ADOPTED BUDGET FUND 29
BEGINNING FUND BALANCE	$ -	$ -	$ -
REVENUE:			
A. Interest	(3,000)	(3,815)	(2,000)
B. Transfer from General Fund - Solar	406,561	407,376	278,092
TOTAL FUNDS AVAILABLE	$ 403,561	$ 403,561	$ 276,092
EXPENDITURES:			
A. Solar debt service payments	$ 403,561	$ 403,561	$ 276,092
RESERVES	-	-	-
TOTAL EXPENDITURES AND RESERVES	$ 403,561	$ 403,561	$ 276,092

Child Care Fund

- To account for the revenue and expenses related to operating the Child Development Center
- Funded by state grants, parent fees, and the general fund
- General fund subsidy varies from year to year

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
CHILD CARE FUND
2020/21

	2019/20 REVISED BUDGET FUND 33	2019/20 UNAUDITED ACTUALS FUND 33	2020/21 ADOPTED BUDGET FUND 33
REVENUE:			
Federal			
A. Food Program	$ 20,000	$ 24,017	$ 24,000
State			
B. CA State Preschool Program	197,593	249,209	249,209
C. Food Program	1,000	1,281	1,300
D. General Contract	203,099	223,907	223,908
Local			
E. Parent Fees - Certified/Subsidized	-	17,824	-
F. Parent Fees - Non-Certified/Full Fee	78,000	67,455	52,000
G. Other Local Income	-	(1,325)	-
Transfers			
H. General Fund Subsidy	207,024	94,642	121,595
I. Employee Child Care Benefit	13,548	13,548	20,000
J. Other Transfers In (COVID-19)		40,180	25,000
TOTAL REVENUE	$ 720,264	$ 730,738	$ 717,012
EXPENDITURES:			
A. Personnel Costs			
1. Salary and Wages			
Classified Regular	$ 249,443	$ 249,438	$ 259,895
Classified Hourly	214,985	230,681	200,698
	464,428	480,119	460,593
2. Benefits	190,508	194,315	197,595
Total Personnel Costs	654,936	674,434	658,188
B. Supplies	42,942	35,270	39,450
C. Contractual Services	22,386	21,034	19,374
TOTAL EXPENDITURES	$ 720,264	$ 730,738	$ 717,012

Capital Projects Fund

- To account for the accumulation and expenditure of funds for the acquisition or construction of significant capital outlay items and scheduled maintenance.
- Recent projects: traffic signal, chillers, boilers, ADA improvements

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
CAPITAL PROJECTS FUND
2020/21

	2019/20 REVISED BUDGET FUND 41	2019/20 UNAUDITED ACTUALS FUND 41	2020/21 ADOPTED BUDGET FUND 41
BEGINNING FUND BALANCE			
Unrestricted	$ 889,305	$ 889,305	$ 562,163
TOTAL BEGINNING FUND BALANCE	889,305	889,305	562,163
REVENUE:			
A. Interest	15,000	14,217	10,000
B. Physical Plant Block Grant	20,741	16,290	4,451
C. Redevelopment Agency On-going	150,000	156,525	150,000
D. NCCCSIA Return of Equity	30,000	-	-
E. NCCCSIA Safety Credit	17,000	10,634	17,000
F. Other Local Grants	17,500	-	17,500
G. Transfer From General Fund			125,000
TOTAL REVENUES	250,241	197,666	323,951
TOTAL FUNDS AVAILABLE	$ 1,139,546	$ 1,086,971	$ 886,114
EXPENDITURES AND TRANSFERS:			
A. MacMillan Chiller	$ 140,000	$ 10,675	$ 160,000
B. HVAC Upgrades	-	-	20,000
C. Fire Alarm Battery Backup	-	-	20,000
D. Resiliency Planning Grant	-	-	17,500
E. Campus Signs	41,287	33,735	7,500
F. Disabled Access Improvements	50,000	43,792	50,000
G. Technology Master Planning	50,000	10,894	2,500
H. Network Upgrade	-	-	62,500
I. Traffic Light	270,000	263,080	-
J. Safety Improvements	40,000	37,928	40,000
K. Facilities Master Planning	17,395	17,395	-
L. Other Capital Projects	127,500	107,309	80,000
TOTAL EXPENDITURES	736,182	524,808	460,000
RESERVES	403,364	562,163	426,114
TOTAL EXPENDITURES AND RESERVES	$ 1,139,546	$ 1,086,971	$ 886,114

Special Reserve Fund

- To account for the accumulation funds to hold in reserves to recognize future potential liabilities.
- Funds have accumulated over the years from interest and transfers from the health fund during good years

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
SPECIAL RESERVE FUND
2020/21

	2019/20 REVISED BUDGET FUND 61	2019/20 UNAUDITED ACTUALS FUND 61	2020/21 ADOPTED BUDGET FUND 61
BEGINNING FUND BALANCE	$ 2,297,748	$ 2,297,748	$ 2,306,316
REVENUE:			
A. Interest	45,000	41,901	40,000
B. Transfer from Health Fund	-	-	-
TOTAL FUNDS AVAILABLE	$ 2,342,748	$ 2,339,649	$ 2,346,316
EXPENDITURES AND TRANSFERS:			
A. Self Insurance Claims	$ 33,333	$ 33,333	$ -
RESERVES:			
A. Accrued Vacation Reserve	169,531	185,010	185,010
B. Load Banking Reserve	111,025	100,896	100,896
C. Health Fund Reserve	275,000	275,000	275,000
D. Incurred But Not Recorded (IBNR) Health Benefits	180,000	180,000	180,000
E. GASB 75 Reserve	1,500,218 *	1,500,218 *	1,500,218 *
F. Self Insurance Reserve	73,641	65,192	105,192
TOTAL RESERVES	2,309,415	2,306,316	2,346,316
TOTAL EXPENDITURES AND RESERVES	$ 2,342,748	$ 2,339,649	$ 2,346,316

*Total GASB 75 liability per actuarial study dated August 24, 2020 is $5,570,101.

Health Benefits Fund

- Established to pay health claims while the college was self-insured for health benefits
- Moved to purchasing health insurance on July 1, 2020
- Claims are tapering off
- Any balance will be moved to the Special Reserve Fund at the end of this fiscal year

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
HEALTH FUND
2020/21

	2019/20 REVISED BUDGET FUND 62	2019/20 UNAUDITED ACTUALS FUND 62	2020/21 ADOPTED BUDGET FUND 62
BEGINNING FUND BALANCE	$ 810,497	$ 810,497	$ 491,221
REVENUE:			
A. Contribution from Other Funds	4,251,770	4,028,163	-
B. Employee Contributions	40,000	46,056	-
C. Interest	1,500	(731)	-
TOTAL REVENUE	4,293,270	4,073,488	-
TOTAL FUNDS AVAILABLE	$ 5,103,767	$ 4,883,985	$ 491,221
EXPENDITURES:			
A. Health Care Services	$ 4,293,270	$ 4,392,764	$ 491,221
B. Transfer to Special Reserve Fund	-	-	-
TOTAL EXPENDITURES	4,293,270	4,392,764	491,221
RESERVES	810,497	491,221	-
TOTAL EXPENDITURES AND RESERVES	$ 5,103,767	$ 4,883,985	$ 491,221

Student Representation Fee Fund

- Student fee to be used by student government to participate in higher education policy and advocacy activities
- Travel to Sacramento and/or Washington DC
- $2 per student per semester
- $1 is kept locally
- $1 goes to state

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
STUDENT REPRESENTATION FEE FUND
2020/21

	2019/20 REVISED BUDGET FUND 72	2019/20 UNAUDITED ACTUALS FUND 72	2020/21 ADOPTED BUDGET FUND 72
BEGINNING FUND BALANCE	$ 39,088	$ 39,088	$ 51,230
REVENUE:			
A. Student Representation Fees	16,000	11,256	11,000
B. State Portion of Representation Fees	-	8,041	11,000
C. Interest	600	886	650
TOTAL REVENUE	16,600	20,183	22,650
TOTAL FUNDS AVAILABLE	$ 55,688	$ 59,271	$ 73,880
EXPENDITURES:			
A. Services (Travel)	$ 14,000	$ -	$ 11,650
B. Other Outgo (State Portion of Rep Fee)	-	8,041	11,000
TOTAL EXPENDITURES	14,000	8,041	22,650
RESERVES	41,688	51,230	51,230
TOTAL EXPENDITURES AND RESERVES	$ 55,688	$ 59,271	$ 73,880

Student Center Fee Fund

- Student fee to be used by ASMC to improve, maintain, and operate student centers
- ASMC recent uses:
  - Renovation of common area at the Coast Center
  - Purchase recycle/compost bins
  - Install hydration stations
  - Employ students to work at the Student Center
  - Purchase a pool table and ping pong table
  - Purchase items for WOW week
  - Car charging stations
- $1 per unit, up to $5 per semester

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
STUDENT CENTER FUND
2020/21

	2019/20 REVISED BUDGET FUND 73	2019/20 UNAUDITED ACTUALS FUND 73	2020/21 ADOPTED BUDGET FUND 73
BEGINNING FUND BALANCE	$ 326,684	$ 326,684	$ 328,495
REVENUE:			
A. Student Center Fees	32,000	34,116	34,000
B. Charging Station Revenue	-	-	25,000
C. Interest	5,000	5,253	4,500
TOTAL REVENUE	37,000	39,369	63,500
TOTAL FUNDS AVAILABLE	$ 363,684	$ 366,053	$ 391,995
EXPENDITURES:			
A. Student Salary & Benefits	$ 10,250	$ 7,810	$ 19,500
B. Supplies	4,500	2,892	6,000
C. Services	3,000	1,255	4,500
D. Equipment	-	25,601	25,000
TOTAL EXPENDITURES	17,750	37,558	55,000
RESERVES	345,934	328,495	336,995
TOTAL EXPENDITURES AND RESERVES	$ 363,684	$ 366,053	$ 391,995

Student Financial Aid

- This fund accounts for the receipt and disbursement of direct financial aid to students

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT
STUDENT FINANCIAL AID AWARD PROJECTIONS
2020/21

	2019/20 ESTIMATED AWARDS	2020/21 ESTIMATED AWARDS
SOURCE OF FUNDS:		
FEDERAL SOURCES		
A. PELL GRANT	$ 4,900,000	$ 5,000,000
B. FSEOG	105,000	189,400
C. BUREAU OF INDIAN AFFAIRS	4,500	4,500
D. DIRECT LOANS	640,355	800,000
E. AMERICORPS	15,000	30,000
F. FEDERAL WORK STUDY	97,910	61,000
TOTAL FEDERAL SOURCES	5,762,765	6,084,900
STATE SOURCES		
A. CAL GRANT	590,000	750,000
B. EOPS GRANT	148,000	160,000
C. CHAFEE GRANT	40,000	45,000
D. STUDENT SUCCESS COMPLETION	341,124	500,000
TOTAL STATE SOURCES	1,119,124	1,455,000
LOCAL SOURCES		
A. SCHOLARSHIPS	250,000	250,000
TOTAL	$ 7,131,889	$ 7,789,900
DISBURSEMENTS:		
A. STUDENT FINANCIAL AID	$ 7,131,889	$ 7,789,900

- Small Funds

Fiscal Reports to the Board

MENDOCINO COLLEGE

Fiscal Reports to the Board

Timeline

- Monthly Fiscal Report (Every Month)
- 311 Quarterly Report (Nov/Feb/May)
- Audit Report (December)
- Multi-Year Projection (as needed)
- Board Parameters (January)

MENDOCINO COLLEGE

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Revenue
    - Federal
    - State
    - Local
  - Expenditures
    - Personnel Costs
    - Supplies
    - Services
    - Capital outlay
    - Transfers

Mendocino-Lake Community College District
General Fund
2020/21 Fiscal Report as of November 30, 2020

		2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
REVENUE					
	Beginning Fund Balance	$8,742,255			
FEDERAL	Federal Forest Reserve	$30,000	$0	$30,000	0%
	Federal Work Study	120,000	7,158	112,842	0%
	CAMP	547,391	150,759	396,632	28%
	PELL Grant Administration	7,500	675	6,825	9%
	HEP	398,348	65,681	332,667	16%
	HSI	541,215	103,101	438,114	19%
	CTEA	150,264	0	150,264	0%
	Other Federal Revenue	614,951	263,976	350,975	43%
	TOTAL FEDERAL SOURCES	$2,409,669	$591,350	$1,818,319	25%
STATE	State General Apportionment	$9,194,733	$4,079,119	$5,115,614	44%
	Education Protection Account	3,012,483	751,641	2,260,842	25%
	Board of Governors Grant	37,352	26,012	11,340	70%
	Student Equity and Achievement	1,964,366	688,095	1,276,271	35%
	Part-time Faculty Office Hours	9,000	0	9,000	0%
	FT Faculty Hiring	109,098	75,976	33,122	70%
	Part-time Faculty Compensation	109,002	75,908	33,094	70%
	AEBG Adult Education Block Grant	2,060,787	1,144,867	915,920	56%
	CTE Strong Workforce Program	3,136,318	2,298,987	837,331	73%
	Other Categorical Apportionments	1,418,448	1,403,055	15,393	99%
	TANF	45,040	0	45,040	0%
	DSPS	421,734	278,156	143,578	66%
	CALWORKS	244,259	160,165	84,094	66%
	BFAP	166,279	115,798	50,481	70%
	EOPS	671,662	465,782	205,880	69%
	EOPS CARE	78,560	54,475	24,085	69%
	MESA	33,237	0	33,237	0%
	Other Categorical Program Allowances	342,702	377,523	-34,821	110%
	State Subventions	211,829	0	211,829	0%
	Lottery	606,253	-18,542	624,795	-3%
	Mandated Cost Reimbursements	73,473	79,250	-5,777	108%
	Other State Revenue	292,052	264,079	27,973	90%
	TOTAL STATE SOURCES	$24,238,667	$12,320,346	$11,918,321	51%
LOCAL	Property Taxes	$10,386,326	$29,186	$10,357,140	0%
	Local Contributions/Grants/Donations	224,939	9,229	215,710	4%
	Contract Instructional Services	26,069	0	26,069	0%
	Rents/Leases (Facilities Use)	54,000	22,186	31,814	41%
	Interest	79,000	14,669	64,331	19%
	Community Extension	6,000	0	6,000	0%
	Student Fees	1,163,000	958,705	204,295	82%
	Other Local Revenue	328,095	273,651	54,444	83%
	TOTAL LOCAL SOURCES	$12,267,429	$1,307,626	$10,959,803	11%
TOTAL REVENUES		$38,915,765	$14,219,322	$24,696,443	37%
TOTAL RESOURCES AVAILABLE		$45,658,020			
EXPENDITURES					
	Certificated Salaries	$12,607,532	$4,452,468	$8,155,064	35%
	Classified Salaries	6,787,216	2,546,190	4,241,026	38%
	Benefits	8,117,761	3,043,795	5,073,966	37%
	Subtotal Personnel Costs	$27,512,509	$10,042,453	$17,470,056	37%
	Supplies	$1,882,142	$304,066	$1,578,076	16%
	Services	6,241,600	1,416,721	4,824,879	23%
	Capital Outlay	956,128	43,545	912,583	5%
	Transfers/Other Outgo	2,211,847	444,058	1,767,789	20%
TOTAL EXPENDITURES		$38,804,226	$12,250,843	$26,553,383	32%
	Ending Fund Balance	$6,853,794			

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Revenue
    - Federal
      - Other Revenue (Primarily CARES Act)

		2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
REVENUE					
	Beginning Fund Balance	$6,742,255			
FEDERAL	Federal Forest Reserve	$30,000	$0	$30,000	0%
	Federal Work Study	120,000	7,158	112,842	0%
	CAMP	547,391	150,759	396,632	28%
	PELL Grant Administration	7,500	675	6,825	9%
	HEP	398,348	65,681	332,667	16%
	HSI	541,215	103,101	438,114	19%
	CTEA	150,264	0	150,264	0%
	Other Federal Revenue	614,951	263,976	350,975	43%
	TOTAL FEDERAL SOURCES	$2,409,669	$591,350	$1,818,319	25%

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Revenue
    - State

STATE		2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
	State General Apportionment	$9,194,733	$4,079,119	$5,115,614	44%
	Education Protection Account	3,012,483	751,641	2,260,842	25%
	Board of Governors Grant	37,352	26,012	11,340	70%
	Student Equity and Achievement	1,964,366	688,095	1,276,271	35%
	Part-time Faculty Office Hours	9,000	0	9,000	0%
	FT Faculty Hiring	109,098	75,976	33,122	70%
	Part-time Faculty Compensation	109,002	75,908	33,094	70%
	AEBG Adult Education Block Grant	2,060,787	1,144,867	915,920	56%
	CTE Strong Workforce Program	3,136,318	2,298,987	837,331	73%
	Other Categorical Apportionments	1,418,448	1,403,055	15,393	99%
	TANF	45,040	0	45,040	0%
	DSPS	421,734	278,156	143,578	66%
	CALWORKS	244,259	160,165	84,094	66%
	BFAP	166,279	115,798	50,481	70%
	EOPS	671,662	465,782	205,880	69%
	EOPS CARE	78,560	54,475	24,085	69%
	MESA	33,237	0	33,237	0%
	Other Categorical Program Allowances	342,702	377,523	-34,821	110%
	State Subventions	211,829	0	211,829	0%
	Lottery	606,253	-18,542	624,795	-3%
	Mandated Cost Reimbursements	73,473	79,250	-5,777	108%
	Other State Revenue	292,052	264,079	27,973	90%
	TOTAL STATE SOURCES	$24,238,667	$12,320,346	$11,918,321	51%

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Revenue
    - Local
      - Other Rev (Primarily Trust)
  - Expenditures
    - Personnel Costs
    - Supplies
    - Services
    - Capital outlay
    - Transfers

		2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
LOCAL	Property Taxes	$10,386,326	$29,186	$10,357,140	0%
	Local Contributions/Grants/Donations	224,939	9,229	215,710	4%
	Contract Instructional Services	26,069	0	26,069	0%
	Rents/Leases (Facilities Use)	54,000	22,186	31,814	41%
	Interest	79,000	14,669	64,331	19%
	Community Extension	6,000	0	6,000	0%
	Student Fees	1,163,000	958,705	204,295	82%
	Other Local Revenue	328,095	273,651	54,444	83%
	TOTAL LOCAL SOURCES	$12,267,429	$1,307,626	$10,959,803	11%

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Expenditures
    - Personnel Costs
      - Salaries
      - Benefits
        - Unemployment
        - Workers Comp
        - STRS/PERS
        - Social Security
        - Healthcare

EXPENDITURES

	2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
Certificated Salaries	$12,607,532	$4,452,468	$8,155,064	35%
Classified Salaries	6,787,216	2,546,190	4,241,026	38%
Benefits	8,117,761	3,043,795	5,073,966	37%
Subtotal Personnel Costs	$27,512,509	$10,042,453	$17,470,056	37%

Monthly Fiscal Reports

Board Report – January 2021

- General Fund (Restricted/Unrestricted)
  - Expenditures
    - Supplies
    - Services
    - Capital outlay
    - Transfers

	2020/21 Working Budget	Year-to-date Actuals	Balance	% Rec/Exp
Supplies	$1,882,142	$304,066	$1,578,076	16%
Services	6,241,600	1,416,721	4,824,879	23%
Capital Outlay	956,128	43,545	912,583	5%
Transfers/Other Outgo	2,211,847	444,058	1,767,789	20%

Quarterly Fiscal Report (311Q)

MENDOCINO COLLEGE

311 Quarterly Report

March 2021 Board Item

Quarter 2 (Period 10/1/20-12/31/20)

I. - Unrestricted General Fund Revenue, Expenditures and Fund Balance:

- ❖Fund 11 Only (Unrestricted Fund)
- ❖Historical Actuals
- ❖Projected Budget of Current FY

Example: Prior Year

CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q

VIEW QUARTERLY DATA

CHANGE THE PERIOD

Fiscal Year: 2019-2020

District: (140) MENDOCINO-LAKE

Quarter Ended: (Q2) Dec 31, 2019

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2016-17	Actual 2017-18	Actual 2018-19	Projected 2019-2020
I.	Unrestricted General Fund Revenue, Expenditure and Fund Balance:				
A.	Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	23,305,497	24,632,885	26,128,614	25,771,167
A.2	Other Financing Sources (Object 8900)	0	0	0	0
A.3	**Total Unrestricted Revenue (A.1 + A.2)**	23,305,497	24,632,885	26,128,614	25,771,167
B.	Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	21,964,771	23,322,260	25,431,473	25,704,275
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	561,969	500,793	502,361	570,972
B.3	**Total Unrestricted Expenditures (B.1 + B.2)**	22,526,740	23,823,053	25,933,834	26,275,247
C.	**Revenues Over(Under) Expenditures (A.3 - B.3)**	778,757	809,832	194,780	-504,080
D.	**Fund Balance, Beginning**	4,971,004	5,749,761	6,559,593	6,755,399
D.1	Prior Year Adjustments + (-)	0	0	0	0
D.2	**Adjusted Fund Balance, Beginning (D + D.1)**	4,971,004	5,749,761	6,559,593	6,755,399
E.	**Fund Balance, Ending (C. + D.2)**	5,749,761	6,559,593	6,754,373	6,251,319
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	25.5%	27.5%	26%	23.8%

311 Quarterly Report

March 2021 Board Item

Quarter 2 (Period 10/1/20-12/31/20)

II. - Annualized Attendance

- ❖This section is no longer required on this form because it is captured on the Attentance Report (CCFS 320)

III. - Total General Fund Cash Balance

- ❖Fund 11 and Fund 12 cash at the end of the quarter.

IV. - Unrestricted General Fund Revenue, Expenditures and Fund Balance:

- ❖Information pulled from college accounting system (ESCAPE)

Example: Prior Year

II. Annualized Attendance FTES: This data is being captured in CCFS-320 and is no longer required here.

G.1	**Annualized FTES (excluding apprentice and non-resident)**				

III. Total General Fund Cash Balance (Unrestricted and Restricted)

		As of the specified quarter ended for each fiscal year			
		2016-17	2017-18	2018-19	2019-2020
H.1	Cash, excluding borrowed funds		3,434,020	8,472,465	8,688,629
H.2	Cash, borrowed funds only		0	0	0
H.3	Total Cash (H.1+ H.2)	4,751,604	3,434,020	8,472,465	8,688,629

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)
I.	**Revenues:**				
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	25,616,484	25,683,667	11,782,474	45.9%
I.2	Other Financing Sources (Object 8900)	0	0	0	
I.3	**Total Unrestricted Revenue (I.1 + I.2)**	25,616,484	25,683,667	11,782,474	45.9%
J.	**Expenditures:**				
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	25,005,930	25,616,775	12,365,926	48.3%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	570,972	570,972	0	
J.3	**Total Unrestricted Expenditures (J.1 + J.2)**	25,576,902	26,187,747	12,365,926	47.2%
K.	**Revenues Over(Under) Expenditures (I.3 - J.3)**	39,582	-504,080	-583,452	
L	Adjusted Fund Balance, Beginning	6,755,399	6,755,399	6,755,399	
L.1	**Fund Balance, Ending (C. + L.2)**	6,794,981	6,251,319	6,171,947	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	26.6%	23.9%		

311 Quarterly Report

March 2021 Board Item

Quarter 2 (Period 10/1/20-12/31/20)

V. - Settled employee contracts during the Quarter

- ❖Information the Chancellor's Office wants
  - ❖ Any Bargaining Agreement Settled during the Quarter

VI. – Significant Events

- ❖Last significant event was the bond re-finance in FY 2015/16

VII. – Significant Fiscal Problems

- ❖No significant issues since the great recession

Example: Prior Year

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) YYYY-YY	Management		Academic				Classified	
			Permanent		Temporary			
	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
a. SALARIES:								
Year 1: 2019-20	125,000	4.5%						
Year 2:								
Year 3:								
b. BENEFITS:								
Year 1: 2019-20	36,500	4.5%						
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.
This salary increase is funded with a combination of general funds, unrestricted funds, and other sources, (i.e. categorical programs). This salary increase is effective as of 7/1/19.

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? **NO** Next year? **NO**

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

Audit Report

MENDOCINO COLLEGE

Audit Reports

Independent Audits Required By:

- State of California
- Federal Government
- California Community College Chancellor's Office (CCCCO)

Audit Standards To Be Followed:

- Generally Accepted Auditing Standards (GAAP)
- Governmental Auditing Standards (GAS)
- Provisions of Office of Management and Budget Circular A-133 (OMB A-133)
- Governmental Accounting Standards Board (GASB)
- Contracted District Audit Manual (CDAM)
- Issued by the CCCCO
- California Community Colleges Budget and Accounting Manual (BAM)

Audit Reports

Opinions of Audit Reports

- Financial Statement
  - Opinions:
    - Business-type activities
    - Discretely presented component unit (Foundation)
    - Notes to the financial statements
- Internal Control over financial reporting
  - Opinion on Internal Control
- Federal Awards
  - Opinion on Compliance and Internal Controls
  - Major Federal Program ($750,000+)
    - Student Financial Aid Cluster
- State Awards
  - Opinion on Compliance
    - 50% Law, ISA, General Apportionment, Residency, Student Activity Enrolled, Dual Enrollment, SEA, Scheduled Maintenance, Gann Limit, Open Enrollment, Prop 39 Clean Energy, DSPS, EPA

Three Types of Opinions

- Unmodified
  - Best
    - Mendocino College received this opinion 2019/20 Fiscal Year and most years
- Modified
  - Second Best
    - Mendocino College has rarely received this opinion.
- Adverse
  - Worst
    - Mendocino College has never received this opinion.

NOTE: Last two Fiscal Years all reports have been Unmodified

Audit Reports

Financial Statements

Combined Financial Statements (All Funds)

- Modified Accrual basis of accounting
- Day to Day Operations
- Accounting Reflects Accounting System (ESCAPE)

Conversion Journal Entries

- Converts the Combined Financial Statements to Full Accrual basis of accounting

Basic Financial Statements

- Full Accrual basis of accounting
- GASB 34/35 compliance requirements
- Auditor Opinions are Based on Basic Financial Statements

Multiyear Projections

MENDOCINO COLLEGE

Multiyear Projections

Discussed at the November 18, 2020 Board Meeting

		A		1		2		3		4
		2020/21		2021/22		2022/23		2023/24		2024/25
		ADOPTED		PROJECTION		PROJECTION		PROJECTION		PROJECTION
BEGINNING FUND BALANCE		$6,465,652		$6,464,627		$6,098,722		$5,089,993		$3,814,049
REVENUE:										
A.	Federal Sources	$37,500		$37,500		$37,500		$37,500		$37,500
B.	State Sources	$13,219,020		$13,219,020		$13,219,020		$13,219,020	($1,121,206)	$12,097,814
C.	Local Sources	$12,126,431		$12,126,431		$12,126,431		$12,126,431		$12,126,431
	TOTAL REVENUE	$25,382,951		$25,382,951		$25,382,951		$25,382,951		$24,261,745
EXPENDITURES:										
A.	Personnel Costs									
	Instructional Salary	$10,380,519	$105,000	$10,485,519	$105,000	$10,590,519	$105,000	$10,695,519	$105,000	$10,800,519
	Classified Salary	$4,976,806	$105,000	$5,081,806	$105,000	$5,186,806	$105,000	$5,291,806	$105,000	$5,396,806
	Subtotal Salary	$15,357,325		$15,567,325		$15,777,325		$15,987,325		$16,197,325
	Benefits	$6,486,011	$159,880	$6,645,891	$302,824	$7,038,715	$97,215	$7,135,930	$68,608	$7,204,538
	Total Salary and Benefits	$21,843,336		$22,213,216		$22,816,040		$23,123,255		$23,401,863
	% of total expenditures:	86%		86%		86%		87%		87%
B.	Supplies	$458,152		$458,152		$458,152		$458,152		$458,152
C.	Contractual Services	$2,517,647	($5,000)	$2,512,647	$40,000	$2,552,647	($40,000)	$2,512,647	$40,000	$2,552,647
D.	Capital Outlay	$20,154		$20,154		$20,154		$20,154		$20,154
E.	Transfers									
	To Child Care Fund	$141,595		$141,595		$141,595		$141,595		$141,595
	To Debt Service Fund	$278,092	($278,092)	$0		$0		$0		$0
	To Capital Projects Fund	$125,000	$278,092	$403,092		$403,092		$403,092		$403,092
		$544,687		$544,687		$544,687		$544,687		$544,687
	TOTAL EXPENDITURES	$25,383,976	$364,880	$25,748,856	$642,824	$26,391,680	$267,215	$26,658,895	$318,608	$26,977,503
ENDING FUND BALANCE		$6,464,627		$6,098,722		$5,089,993		$3,814,049		$1,098,291
CHANGE IN RESERVES		($1,025)		($365,905)		($1,008,729)		($1,275,944)		($2,715,758)
RESERVE AS A % OF EXP		25.5%		23.7%		19.3%		14.3%		4.1%

Multiyear Projections

- Created after the Adopted and Revised budgets
- Projections based on a set of assumptions, not budgets
- Assumptions must be reasonable and measureable

Assumptions that are included:

- Revenue
  - COLA
  - Deficit factor
- Expenditures
  - Step and Longevity increases, July 1
  - STRS/PERS contribution rate increases

What is not included:

- Future collective bargaining settlements
- State budget cuts
- Staffing decisions
- Return to campus costs

- Monthly Fiscal Report
- 311 Q
- Audit Report
- Multiyear Budget Projections

Board Budget Parameters

MENDOCINO COLLEGE

Board Budget Parameters

Reserves

- Targeted ending fund balance in the General Fund shall be 15% of total unrestricted expenditures. At no time shall the ending balance go below a minimum of 5%.

Balanced Budget

- The General Fund shall have a balanced budget with total ongoing expenditures and transfers not exceeding total ongoing revenues.
- One Time revenues and reserves shall not be used to fund ongoing expenditures but may be considered for current year expenditures that do not create obligations in future years.

Questions?

MENDOCINO COLLEGE