



PLANNING & BUDGETING COMMITTEE

July 19, 2018

1:00 -2:30 P.M.

Library 202

Facilitator: Rory K. Natividad

Notes: Linda M. Olsen

STATEMENT OF PURPOSE

The Planning and Budgeting Committee serves as the consultation committee for campus-wide planning and budgeting. The PBC assures that planning and budgeting are integrated and evaluated while driven by the mission and strategic initiatives set forth in the Strategic Plan. The PBC makes recommendations to the President on all planning and budgeting issues and reports committee activities to campus constituencies.
10/5/17

Strategic Initiative – C – Collaboration

Advance an effective process of collaboration and collegial consultation conducted with integrity and respect to inform and strengthen decision-making.

Members

- | | |
|---|---|
| <input type="checkbox"/> Jose Anaya – Community Advancement | <input type="checkbox"/> Rory K. Natividad - Chair (non-voting) |
| <input type="checkbox"/> Amy Grant - Academic Affairs | <input type="checkbox"/> Alex Ostrega – ASO, Student Rep. |
| <input type="checkbox"/> Jeff Hinshaw - Administrative Services | <input type="checkbox"/> Gary Robertson – Campus Police |
| <input type="checkbox"/> Ken Key - ECCFT | <input type="checkbox"/> Jackie Sims - Management/Supervisors |
| <input type="checkbox"/> David Mussaw – ECCE | <input type="checkbox"/> Greg Toya – Student Services |
| | <input type="checkbox"/> Josh Troesh - Academic Senate |

Alternate Members / Support

- | | |
|--|--|
| <input type="checkbox"/> Babs Atane – Support | <input type="checkbox"/> Jane Miyashiro – Support |
| <input type="checkbox"/> Walter Cox - Alt., Ac. Affairs | <input type="checkbox"/> Ross Miyashiro – Support |
| <input type="checkbox"/> Kristie Daniel-DiGregorio – Support | <input type="checkbox"/> Sidney Porter – Alt. Ac. Senate |
| <input type="checkbox"/> Brian Fahnestock – Support | <input type="checkbox"/> Jean Shankweiler – Support |
| <input type="checkbox"/> Irene Graff – Support | <input type="checkbox"/> Luukia Smith – Alt. ECCE |
| <input type="checkbox"/> Vacant- Alt. ASO | <input type="checkbox"/> Michael Trevis – Alt. Adm. |
| <input type="checkbox"/> Kelsey Iino– Alt. Student Services | <input type="checkbox"/> Steve Waterhouse-Alt. Mgmt/Sup |
| <input type="checkbox"/> Art Leible – Support | <input type="checkbox"/> Carolee Jessop-Vakil – Alt. ECCFT |
| <input type="checkbox"/> Ruben Lopez – Alt. Police | <input type="checkbox"/> Van Buren, Star – Alt. Comm Adv. |

AGENDA

- | | | |
|--|--------------|-----------|
| 1. Approval Minutes – June, 2018 | R. Natividad | 1:00 P.M. |
| 2. ECC Bond Ratings Presentation | D. Maloney | 1:10 P.M. |
| 3. Fiscal Update | J. Hinshaw | 1:25 P.M. |
| 4. Strategies for Hold Harmless Period | J. Hinshaw | 1:40 P.M. |
| 5. PBC Informational items | R. Natividad | 2:00 P.M. |

Next meeting – August 2, 2018

Committee Funds and Financial Terms Glossary

General Unrestricted	Fund 11
General Restricted	Fund 12
Compton Center Related Activities	Fund 14
Special Programs Compton Center Partnership	Fund 15
STRS/PERS	Fund 16
Student Financial Aid	Fund 74
Workers Comp.	Fund 61
Capital Outlay Projects	Fund 41
General Obligation Bond	Fund 42
Property & Liability Self-Insurance	Fund 62
Dental Self-Insurance	Fund 63
Post-Employment Benefits Irrevocable Trust	Fund 69
Bookstore	Fund 51

WSCH =	Weekly Student Contact Hours
BOGFW =	Board of Governors Fee Waiver
FTES =	Full Time Equivalent Students
FTEF =	Full Time Equivalent Faculty
COLA =	Cost of Living Adjustment
OPEB =	Other Post-Employment Benefits
FON =	Faculty Obligation Number

* A complete list is available in the annual final budget book.

Planning and Budgeting Committee 2017-18 Goals

1. Develop an action plan utilizing the college wide evaluation of planning and budgeting process. The evaluation was conducted last year.
2. Chair to provide brief summary of PBC meeting via email to improve communication efforts.
3. Review and approve the Comprehensive Master Plan to ensure that they are:
 - a. Supportive of the Mission and Strategic Plan,
 - b. Integrated with other college planning and budgeting,
 - c. Implementable, and
 - d. Achievable.
4. Provide orientation and information to new members and alternates
5. Seek evidence of constituent group PBC communications in an effort to improve the understanding of committee efforts throughout the campus.

EL CAMINO COLLEGE
Planning & Budgeting Committee
Minutes
Date: June 21, 2018

MEMBERS PRESENT

- | | |
|--|---|
| <input checked="" type="checkbox"/> Amy Grant – Academic Affairs | <input type="checkbox"/> Jeff Hinshaw–Administrative Services |
| <input type="checkbox"/> Ken Key - ECCFT | <input type="checkbox"/> Jackie Sims -Management/Supervisors |
| <input checked="" type="checkbox"/> David Mussaw - ECCE | <input type="checkbox"/> Ruben Lopez – Campus Police |
| <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting) | <input checked="" type="checkbox"/> Greg Toya – Student Services |
| <input type="checkbox"/> Chinua Taylor-Pearce – ASO Student Rep. | <input checked="" type="checkbox"/> Josh Troesh – Academic Senate |
| <input checked="" type="checkbox"/> Jose Anaya – Community Advancement | |

Alternate Members: K. Iino, W. Cox

Support: B. Atane, B. Fahnestock, I. Graff, A. Leible, J. Miyashiro, J. Shankweiler

Other Attendees: A. O'Brien

The meeting was called to order at 1:04 p.m.

Approval of the June 7, 2018 Minutes

1. The minutes of June 7 were presented to the committee for approval.
2. The minutes were approved as presented and will be posted online.

The Funding Formula Update – B. Fahnestock

1. California lawmakers reached agreement on a performance-funding formula for the state's community colleges. The funding formula comes with not simulations and is not known how it will affect each individual school. This has completely changed the way we will be funded leading to uncertainty on how this will all play out. We will go from almost being 100% funded by attendance to being funded initially 70% by FTES and eventually going down to 60%.
2. Our base allocation is made up of three different components. We receive basic allocation for being a single college district. The colleges are divided up as small, medium and large with El Camino being a medium-sized college. This coupled with our FTES will make up 70% of our funding. Student need (PELL grants, loans, etc.) will help us receive 20% of our funding. The third component will be how successful students are when they come to our college which will result in 10% funding. Currently students are looked at as equal when they enroll in the college – we receive the same amount of funding for each student. In the future students will be worth more money or less depending if they have a grant or receive aid of some sort. The college will receive different points for different levels of success.
3. The state will hold us harmless for three years. Whatever we make in the current year (2017/18), we will receive for the next three years regardless how many points we earn. This is why it is being discussed that we should borrow as much FTES (summer) that we can for this year. It was noted if we did borrow some FTES, it could bring us up to a figure of 20,000 FTES which would take us up to where we could be considered a large college.
4. It was noted the percentages of 70%, 20% and 10% would eventually move to 60%, 20% and 20%. A point was made that El Camino is in a good position. A lot of colleges may do nothing in meeting their metrics and will leave some of their funding "on the table". If El Camino rises above the FTES Success in Equity, they will redistribute the money left from the districts who nothing. This encourages us to be more aggressive and less passive in our mindset for reaching our goals.

5. It was noted we will have the largest competition with on-line classes with the Chancellor's Office as they will be setting up their on-line college. This will begin somewhere by 2020-2022. The on-line college will be fully funded.
6. It was noted there was no mention of workload reduction in regards to the new funding formula. With the new funding formula structure, will workload reduction and the restoration period after still be used to determine our base allocation in times when our earned FTES exceed our funded FTES? It was stated they have not done any modeling for any kind of recession. We are trying to figure out some things based on what other schools have put together and to see how it would affect us.

Student Success Scorecard – I. Graff (handouts)

1. Handouts were distributed showing the measures of our strategic plans which will change next time so they can incorporate the vision of the Chancellor's Office. Also distributed was information on the Student Success Scorecard for last year's and this year's report.
2. Some of the metrics in the scorecard break out our student body to show whether they are prepared or unprepared for college. It measures where they place in college transfer-level English or Math. The figures have not changed much and show 73% of our students are unprepared for college. These figures are based on a placement test. These figures will change next year with our multiple measures and our AB705 requirements.
3. This year the scorecard is now interactive. When the scorecard is sent out, you will get a dashboard screen with the navigation at the bottom allowing you to click through the information. Six years of trends were noted in the orientation presented to the committee.
4. The reason given for doing this is to create a dialogue. We are seeing where certain groups are not performing as well as they should. This will help us to see what we are or not doing to assist all our students in achieving higher levels.
5. The Chancellor's Office released his vision for success. This was different from the Student Success Scorecard. The Chancellor's Office is simplifying the metrics. We will now have 21 metrics to measure ourselves. They will now be zeroing in on the student journey – before arriving at the college through earning wages. There are seven themes associated with the student journey along with various metrics along with it.
6. It was noted statewide we are lower than average for college prepared students and above state average for unprepared students on persistence.

Adjournment

1. The meeting adjourned at 1:55 p.m. The next meeting is tentatively scheduled for **July 5, 2018** at 1:00 p.m. in Library 202.

RKN/lmo



El Camino College

Rating Presentation

July 10, 2018



Table of Contents

1. Introduction
2. District Overview
3. District Budget and Financials
4. Tax Base and Economic Indicators
5. Community Information
6. Plan of Finance
7. Financing Schedule



Section 1: Introduction



Introduction & Participants

El Camino Community College District

Dr. Dena Maloney
Superintendent/President

Brian Fahnestock
Vice President, Administrative Services

Issuer



KNN Public Finance

Blake Boehm
Director

Municipal Advisor



Stradling Yocca Carlson & Rauth

David Casnocha
Shareholder

Bond Counsel



Piper Jaffray

Trennis Wright
Senior Vice President

Senior Manager

Piper Jaffray®

Stifel

Robert Barna
Managing Director

Co-Manager

STIFEL



Section 2: District Overview

District Quick Facts

- Established in 1947.
- 2017-18 AV: \$104.65 billion.
- 126-acre campus in the South Bay area of Los Angeles County.
- The District serves the cities of El Segundo, Manhattan Beach, Hermosa Beach, Redondo Beach, Torrance, Lawndale, Hawthorne, Lennox and Inglewood.
- The District serves approximate resident population of 565,442.
- FY 2017-18 funded FTES: 19,642.
- The District currently operates El Camino College Fire Academy in Inglewood and a Business Education Center in Hawthorne, CA.
- The District is fully accredited by the Accrediting Commission for Community and Junior Colleges (ACCJC), Western Association of Schools and Colleges (WASC), with commendation.

El Camino Community College District





Governance

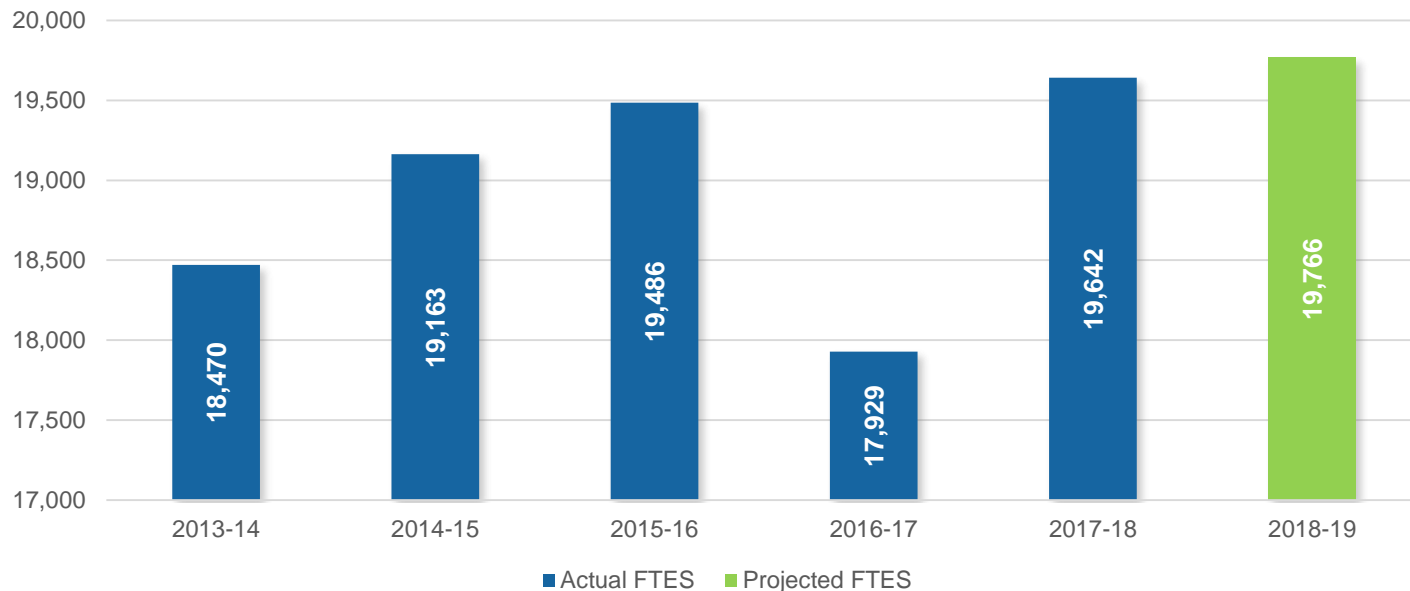
- The District is governed by a five-member Board, each member of which is elected by the voters within the five trustee areas making up the District.
- The trustees serve four-year terms, and are elected by voters within their respective trustee area.
- Elections for positions to the Board are held every two years alternating between two and three available positions.
- Dr. Dena Maloney, the Superintendent/President, is appointed by the El Camino Community College District Board of Trustees and is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators.

Member	Office	Term Ends	Area
John Vargas	President	November 2018	Area 2
Cliff Numark	Vice President	November 2018	Area 5
Mary E. Combs	Secretary	November 2020	Area 4
William Beverly	Trustee	November 2020	Area 3
Kenneth A. Brown	Trustee	November 2020	Area 1



District Funded FTES

- The District's funded FTES decreased in FY 2016-17 by 1,557. The decline in FTES for FY 2016-2017 was due to the College electing to not apply FTES earned in Summer 2017 to the prior academic year.
- The large amount of FTES earned in Summer 2016 and applied to the 2015-2016 year, along with the decision to not continue this practice in 2016-2017 resulted in an enrollment decline and the College entered stabilization in the 2016-2017 academic year.
- In accordance with the Governor's proposed new funding formula, FTES would be only one of several funding factors and the formula is designed to reward colleges for improving student success in obtaining degrees and certificates, which should benefit the District with additional revenues.





Enrollment and Degree Programs

Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Annual Unduplicated Headcount	39,378	41,700	38,920	35,418	32,910	31,713	32,200	32,669	32,072	33,226	34,398

Degree Programs as of July 2018	
Total Programs	218
Associate of Arts	40
Associate of Science	41
Transfer Degrees	32
Certificate of Accomplishment	37
Certificate of Achievement	68

Academic & Support Programs

- Dual Enrollment Program.
- Health Science Programs in Nursing, Radiologic Technology and Respiratory Care.
- Public Safety Program in Fire, Administration of Justice, Emergency Medical Technician and Paramedic training.
- Career Technical Education Programs in in-demand occupations such as Automotive Technology, Welding, HVAC, Paralegal.
- Fine and Performing Arts programs.
- Cutting Edge Programs in Math, Science, Engineering & Technology that prepare students for transfer to top institutions.



Innovative Student Support Programs

- South Bay Promise
- ECC Connect Early Alert
- Outreach and School Relations for college readiness and early commitment to college programs with local high schools
- Honors Transfer Program
- First Year Experience Program
- Athletics and Scholar – Ballers
- Warrior Pantry



El Camino College Foundation

- The El Camino College Foundation was established in 1983 to support higher education, arts and athletics but the focus of the foundation shifted to support student scholarships, academic programs and STEM as student demographics changed and state funding decreased.

Total Net Assets (as of May 31, 2018)	\$13,670,000
2017-2018 Operating Budget:	\$500,000
Total Annual Scholarship Accounts	103
Endowed Scholarship Accounts	52
Scholarship Awards (2018)	550 Scholarship totaling \$600,000



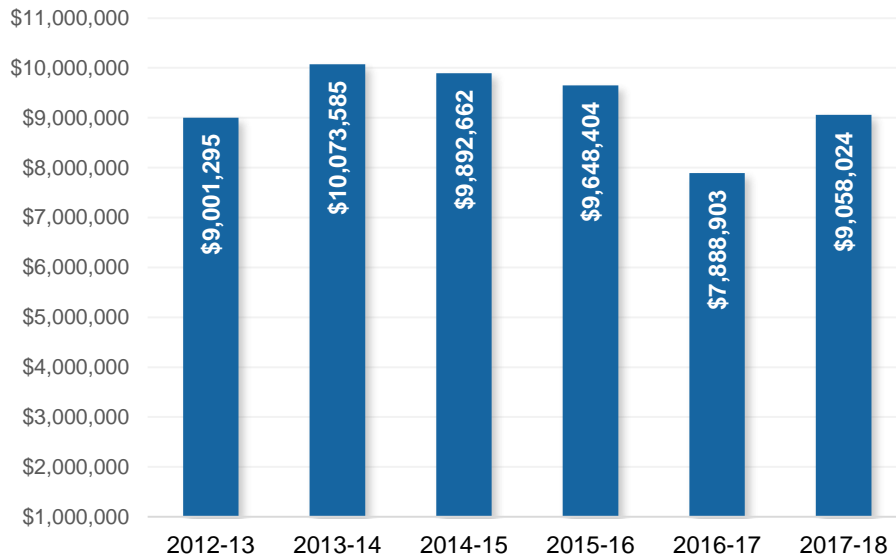
Major Focus of Support:

- South Bay Promise
- Annual Scholarship Program
- Athletics
- Fine Arts
- Nursing
- Industry and Technology
- Student Support Program

Grants

- Grants play a vital role at El Camino College in providing funding for new initiatives that serve both students and the ECC community.
- Average grant revenue of 9.3 million each year.

Grant Revenue



Regional Economic Growth through Partnerships

- Small Business Development Center generating 83 business start-ups, training 1800 entrepreneurs.
- Business Training Center serving over 1000 business annually.
- Apprenticeship Program and other partnership with top aerospace employee such as Northrop Grumman, Boeing and Space X.



TRI-STAR
ELECTRONICS INTERNATIONAL, INC.



SPACE X

**NORTHROP
GRUMMAN**



El Camino CCD Partnership with Compton CCD

- As of August 21, 2006, the District assumed operational control of Compton Community College District (“Compton College”), located in Compton, California due to loss of its ACCJC accreditation.
- A partnership agreement between the El Camino CCD and Compton CCD authorized the District to assume administrative control and ongoing financial role in the financial and management of Compton College. Compton College became an education center of the District known as the “El Camino Community College District Compton Community Education Center”.
- On June 7, 2017, the El Camino College District Compton Community Educational Center was granted initial 7-year accreditation by the Accreditation Commission of Community and Junior Colleges (ACCJC).
- The Compton Community Educational Center name changed to Compton College, and it remains under the control of the El Camino Community College District.
- In June 2018, a Substantive Change Proposal was submitted to the ACCJC requesting a change of control of Compton College from the El Camino Community College District to the Compton Community College District. Approval of this request is expected later this year.
- The District and Compton CCD have initiated the process of returning control of Compton College to the Compton Community College District. A transition schedule has been established which calls for a conclusion of the partnership between the District and Compton CCD on or about June 7, 2019.
- The District received \$4.8 million annually for its partnership with Compton, which is expected to end at the conclusion of the partnership.



Section 3: District Budget & Financials



Financial Management Assessment

Item	Comments
Conservative revenue and expenditure assumptions	<ul style="list-style-type: none">▪ General fund projections outlined in adopted budget▪ Assumptions developed using third-party advisors – Community College League of California, School Services of California, California Community College Chancellors Office▪ Preliminary budget framework – early Spring; tentative budget – June; finalize budget – September.
Budget updates multiple times during fiscal year – Quarterly reports to the Board of Trustees	<ul style="list-style-type: none">▪ Form CCFS 311Q - Reflects status of operating budget and Budget-to-Actual Performance▪ Status of GO bond program (two measures)▪ Quarterly budget updates provided to the Board of Trustees▪ District prepares 5-year multi-year projections
Periodic Reports	<ul style="list-style-type: none">▪ Actuarial Study reflecting OPEB obligations and assets every two years
Debt Issuance and Management Policy	<ul style="list-style-type: none">▪ Scheduled for adoption on July 16, 2018 (AP 6307)
Reserves	<ul style="list-style-type: none">▪ Minimum 6% Unrestricted General Reserve▪ Investments with County Treasurer per Treasurer’s investment management policy



District General Fund Budgeting – Combined

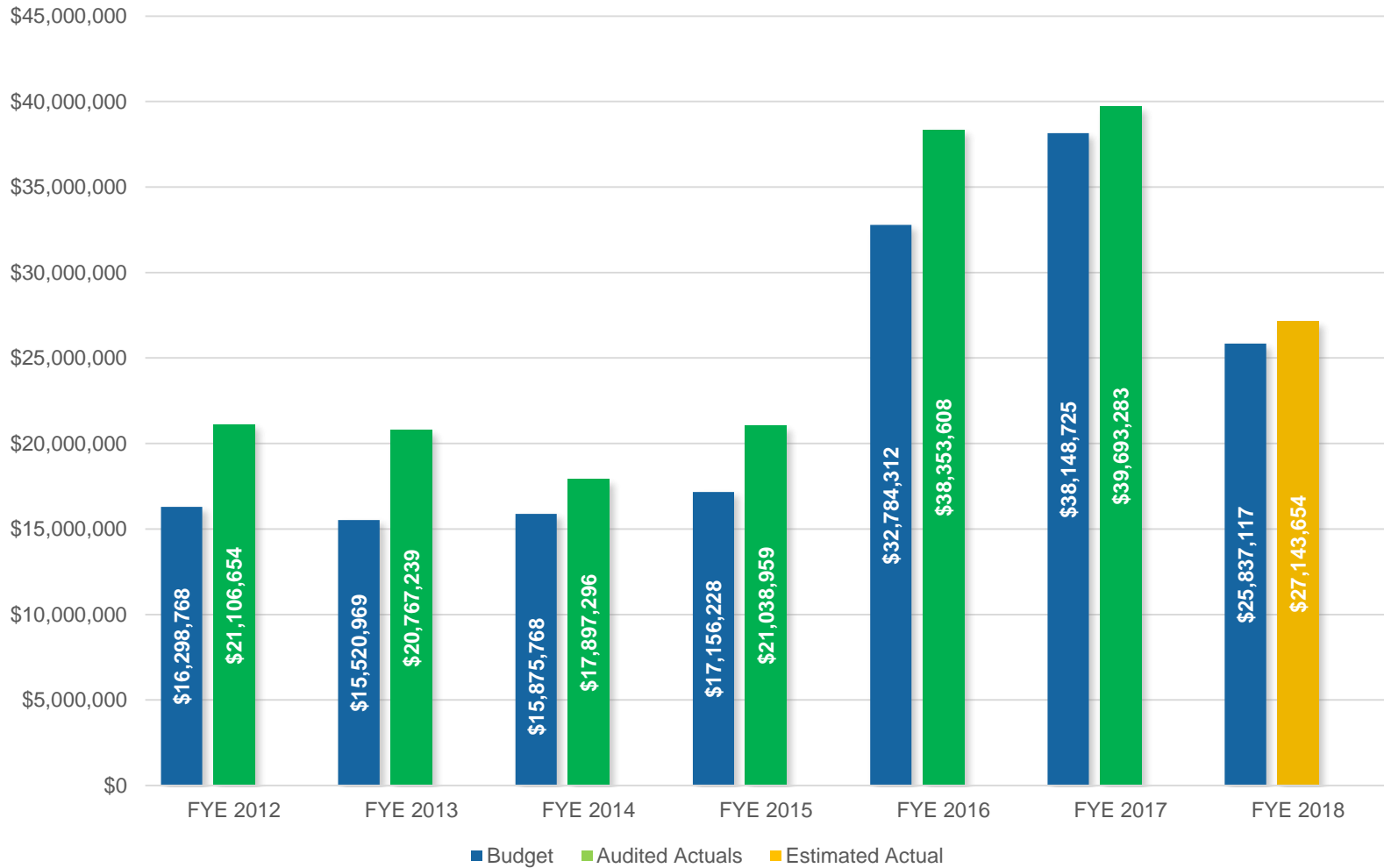
	2014-15		2015-16		2016-17		2017-18		2018-19
	Budget	Audited Actuals	Budget	Audited Actuals	Budget	Audited Actuals	Budget	Estimated Actuals	Tentative Budget
Revenues									
Federal	\$5,188,556	\$5,658,104	\$5,685,038	\$4,554,290	\$3,656,791	\$2,955,463	\$3,202,216	\$2,785,906	\$3,016,545
State	79,316,578	80,621,255	98,724,369	99,704,227	95,287,339	98,067,292	102,257,910	101,949,476	109,494,734
Local	46,110,177	46,630,220	50,887,940	49,611,413	52,958,537	50,280,210	51,271,007	50,076,998	50,539,132
Total Revenues	\$130,615,311	\$132,909,579	\$155,297,347	\$153,869,930	\$151,902,667	\$151,302,965	\$156,731,133	\$154,812,380	\$163,050,411
Expenditures									
Academic Salaries	\$51,108,963	\$51,945,831	\$54,919,026	\$53,033,725	\$56,088,694	\$57,003,683	\$58,427,610	\$56,187,215	\$57,942,700
Classified Salaries	36,211,865	35,010,639	36,389,105	36,239,392	37,183,755	37,553,651	39,164,230	35,689,230	36,717,644
Employee Benefits	21,418,074	21,552,214	23,708,376	22,736,807	25,143,512	29,739,292	25,166,293	34,621,474	37,123,344
Supplies and Materials	3,278,408	2,588,197	4,004,565	3,028,670	4,271,504	2,764,749	3,825,294	3,384,140	4,036,258
Other Operating Ex. and Services	16,399,060	14,383,344	18,322,172	13,716,825	22,598,685	15,065,531	21,418,184	15,676,884	18,828,583
Capital Outlay	3,854,210	1,935,414	2,644,992	1,734,130	3,422,188	1,385,804	3,843,924	2,015,487	4,900,328
Total Expenditures	\$132,270,580	\$127,415,639	\$139,988,236	\$130,489,549	\$148,708,338	\$143,512,710	\$151,845,535	\$147,574,430	\$159,548,857
Excess/(Deficiency)	(1,655,269)	5,493,940	15,309,111	23,380,381	3,194,329	7,790,255	4,885,598	7,237,950	3,501,554
Other Financing Sources	655,000	1,855,926	330,000	888,126	825,000	857,981	850,000	1,050,000	2,550,000
Other Outgo	2,610,876	7,078,278	3,893,758	6,954,464	4,224,212	7,244,669	19,841,764	22,678,764	8,623,415
Net Change in Fund Balance	(\$3,611,145)	\$271,588	\$ 11,745,353	\$17,314,043	(\$204,883)	\$1,403,567	(\$13,856,166)	(\$14,390,814)	(\$2,571,861)
Beginning General Fund	20,767,373	20,767,371	21,038,959	21,038,959	38,353,608	38,353,608	39,693,283	39,693,283	27,550,244
Prior Years Adjustments	-	-	-	-	-	(63,892)	-	1,841,185	-
Adjusted Beginning Balance	20,767,373	20,767,371	21,038,959	21,038,959	38,353,608	38,289,716	39,693,283	41,534,468	27,550,244
Ending General Fund	\$ 17,156,228	\$ 21,038,959	\$ 32,784,312	\$ 38,353,608	\$ 38,148,725	\$ 39,693,283	\$ 25,837,117	\$ 27,143,654	\$ 24,978,383
Ending General Fund as Percent of Total Exp.	12.97%	16.51%	23.42%	29.39%	25.65%	27.66%	17.02%	18.39%	15.66%



District General Fund Budgeting – Unrestricted

	2014-15		2015-16		2016-17		2017-18		2018-19
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Estimated Actuals	Tentative Budget
Revenues									
Federal	\$145,000	\$162,746	\$150,000	\$116,336	\$115,000	\$108,358	\$105,000	\$105,000	\$105,000
State	67,915,429	68,551,538	82,191,467	84,697,141	71,842,373	80,397,290	76,927,578	83,078,340	85,946,980
Local	41,688,878	42,451,358	46,576,434	45,248,391	48,164,704	46,437,524	47,376,894	45,548,265	45,548,265
Total Revenues	\$109,749,307	\$111,165,642	\$128,917,901	\$130,061,868	\$120,122,077	\$126,943,172	\$124,409,472	\$128,731,605	\$131,600,245
Expenditures									
Academic Salaries	\$48,843,963	49,688,683	51,566,705	49,892,130	52,097,817	53,142,226	54,503,914	52,263,519	53,886,301
Classified Salaries	28,047,438	25,675,720	26,611,429	26,351,979	26,910,287	27,443,980	28,737,471	25,262,471	25,938,242
Employee Benefits	18,554,940	18,815,308	20,405,447	19,759,127	21,563,430	26,143,304	25,166,293	30,652,810	32,772,501
Supplies and Materials	1,863,408	1,147,674	2,383,419	983,590	2,036,139	1,052,196	1,946,550	1,505,396	2,157,514
Other Operating Ex. and Services	11,934,117	9,618,983	12,228,757	9,479,996	13,482,362	10,040,420	12,076,956	10,402,005	12,307,744
Capital Outlay	1,855,710	384,174	473,730	340,426	485,200	204,276	485,200	623,972	623,972
Total Expenditures	\$111,099,576	\$105,330,542	\$113,669,487	\$106,807,248	\$116,575,235	\$118,026,402	\$122,916,384	\$120,710,173	\$127,686,273
Excess/(Deficiency)	(1,350,269)	5,835,100	15,248,414	23,254,620	3,546,842	8,916,770	1,493,088	8,021,432	3,913,972
Other Financing Sources	-	696,000	-	-	-	-	-	200,000	1,853,393
Other Outgo	6,260,876	6,717,743	3,503,061	6,486,187	3,751,725	6,809,706	19,118,657	22,205,657	8,110,415
Net Change in Fund Balance	(\$3,611,145)	(\$186,643)	\$11,745,353	\$16,768,433	(\$204,883)	\$2,107,064	(\$17,625,569)	(\$13,984,225)	(\$2,343,050)
Beginning General Fund	17,897,296	17,897,294	17,710,651	17,710,651	34,479,690	34,479,690	36,522,862	36,522,862	24,379,823
Prior Years Adjustments				606		(63,892)		1,841,185	
Adjusted Beginning Balance	17,897,296	17,897,294	17,710,651	17,711,257	34,479,690	34,415,798	36,522,862	38,364,047	24,379,823
Ending General Fund	\$14,286,151	\$17,710,651	\$29,456,004	\$34,479,690	\$34,274,807	\$36,522,862	\$18,897,293	\$24,379,822	\$22,036,773
Ending General Fund as Percent of Total Exp.	10.80%	16.80%	25.91%	32.28%	29.40%	30.94%	15.37%	20.20%	17.26%

Ending Balance Comparison – Adopted Budget vs. Actual



Source: The District



Sources of Liquidity

Reserves by Fund Type	Fund Balance As of 6/30/2017	Projected Fund Balance As of 6/30/2018
General Fund Unrestricted (Fund 11)	\$36,522,862	\$24,379,822
Bookstore Fund (Fund 51)	\$610,212	\$570,212
Capital Projects Outlay Fund (Fund 41) - Unrestricted	\$9,906,597	\$9,988,378
Property & Liability Self-Insurance (Fund 62)	\$169,595	\$70,783
STRS/PERS Future Liability Fund (Fund 16)	-	\$15,130,242
Totals:	\$47,209,266	\$50,139,437



CalSTRS & CalPERS Contributions

- The District contributes 100% of required employer contribution to both CalSTRS and CalPERS.
- Pursuant to A.B.1469 and the 2016 CalPERS downwards adjustment of its discount rate, the K-14 district contribution rates will increase in accordance with the following schedule:

STRS Contribution		
Effective Date (July 1)	Contribution Rate	Dollar Contribution
2015	8.88%	\$3,681,561
2016	10.73%	\$4,688,258
2017	14.43%	\$5,922,537
2018	16.28%	\$7,371,624
2019	18.13%	\$8,149,307

PERS Contribution		
Effective Date (July 1)	Contribution Rate	Dollar Contribution
2015	11.77%	\$3,734,856
2016	11.85%	\$3,726,406
2017	15.53%	\$3,868,784
2018	18.10%	\$5,361,971
2019	20.80%	\$6,312,730

Source: The District



Labor Relations

- For FY 2017-18, the District employed 349 full-time faculty and 665 part-time faculty. The District also employed 378 full-time classified employees and 87 managerial employees.
- These District employees, except management, confidential employees and some part-time employees, are represented by three bargaining units

Collective Bargaining Unit Summary

Labor Organization	FTEs	Contract End Date
El Camino College Federation of Teachers	1,014	December 31, 2019
El Camino Classified Employees (ECCE)	378	December 31, 2019
El Camino College Police Officers Association ⁽¹⁾	15	December 31, 2017

⁽¹⁾ The El Camino College Police Officers Association is working under the terms of its expired bargaining agreements.

Source: The District



Other Post-Employment Benefits

- The District’s postemployment healthcare plan is a single-employer defined benefit healthcare plan for the following employees.

	Certificated	Classified	Management	Police
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of benefits*	To age 65	To age 65	To age 65	To age 65
Required Service	10 years	10 years	10 years	10 years
Minimum age	55	55	55	55
Dependent coverage	No	No	No	No
District contribution %	100%	100%	100%	100%

*Beyond age 65 (as well as for retirees not qualifying for fully paid coverage), the District pays statutory minimum CalPERS contributions.

- For the fiscal year ended June 30, 2017, the District’s Annual Required Contribution (ARC) was \$929,960. The District contributed \$763,687 to the plan for FY 2017-18.
- The District finances its OPEB obligation on a pay-as-you-go basis.
- As of July 1, 2018, the District has approximately \$23.50 million set aside in the Post-Employment Benefits Irrevocable Trust. The District will be contributing \$1.10 million into the OPEB Irrevocable Trust Fund in FY 2018-19.



District Multi-Year Projections

	Current Projection of Actuals 2017-18	variance	Tentative Budget 2018-19	variance	Preliminary Projection 2019-20	variance	Preliminary Projection 2020-21
Beginning Fund Balance	\$38,364,047	(13,984,225)	\$24,379,822	(2,343,049)	\$22,036,773	(3,460,678)	\$18,576,094
Revenues	Projected Totals		Preliminary Budget		Preliminary Budget		Preliminary Budget
Federal Sources	\$105,000	-	\$105,000	-	\$105,000	-	\$105,000
State Sources	\$83,078,340	\$2,868,640	\$85,946,980	1,226,114	\$87,173,094	3,696,339	\$90,869,433
Local Sources	\$45,548,265	-	\$45,548,265	-	\$45,548,265	-	\$45,548,265
Contributions	\$200,000	1,653,393	\$1,853,393	(1,653,393)	\$200,000	-	\$200,000
Total Revenue	\$128,931,605	4,522,033	\$133,453,638	(427,279)	\$133,026,359	3,696,339	\$136,722,698
Expenditures							
Certificated Salaries	\$52,263,519		\$53,886,301		\$55,537,482		\$56,509,388
Step & Column Adjustment (1.75%)		914,612		943,010		971,906	
2.71% COLA effective 1/1/2019		708,171		708,171		-	
Classified Salaries	\$25,262,471		\$25,938,242		\$26,622,933		\$26,974,356
Step & Column Adjustment (1.32%)		333,465		342,385		351,423	
2.71% COLA effective 1/1/2019		342,306		342,306		-	
Employee Benefits	\$30,652,810		\$32,772,499		\$34,789,612		\$36,331,769
CalSTRS rate Change		996,897		1,027,443		548,141	
CalPERS Rate Change		656,497		515,952		728,308	
Increase to Stat ded's from Step & Col. / New positions		466,296		473,717		265,709	
Books and Supplies	\$1,505,396		\$2,157,514		\$2,157,514		\$2,157,514
Expected adj for 2017-18 actuals (added back in out-years) (Supplies)		652,118		-		-	
Operating Costs	\$10,402,005		\$12,307,744		\$12,391,644		\$12,475,544
Add back 2017-18 proj. savings for select dept Op Costs Budgets		1,821,839		-		-	
Utilities: Increase to Electricity (3%)		60,000		60,000		60,000	
Utilities: Increase to Water (3%)		6,000		6,000		6,000	
Utilities: Increase to Waste Disposal (3%)		3,500		3,500		3,500	
Utilities: Increase to Gas (3%)		7,000		7,000		7,000	
Utilities: Increase to Telephone (3%)		7,400		7,400		7,400	
Capital Purchases	\$623,972	-	\$623,972	-	\$623,972	-	\$623,972
Other Outgo / Interfund Transfers	\$22,205,657		\$8,110,415		\$4,363,880		\$4,545,144
to fd 16 (PERS & STRS Liability)		(14,955,242)		-		-	
to fund 61 (Workers Comp)		-		950,000		38,000	
to fd 62 (Prop & Liab Ins)		820,000		75,280		100,000	
to fd 63 (Dental Self-Ins)		40,000		41,600		43,264	
Total Expenditures	\$142,915,830	(7,119,143)	\$135,796,687	690,350	\$136,487,037	3,130,651	\$139,617,688
Net Increase / (decrease) to Fund Balance	(\$13,984,225)		(\$2,343,049)		(\$3,460,678)		(\$2,894,990)
Ending Fund Balance	\$24,379,822	(2,343,049)	\$22,036,773	(3,460,678)	\$18,576,094	(2,894,990)	\$15,681,105

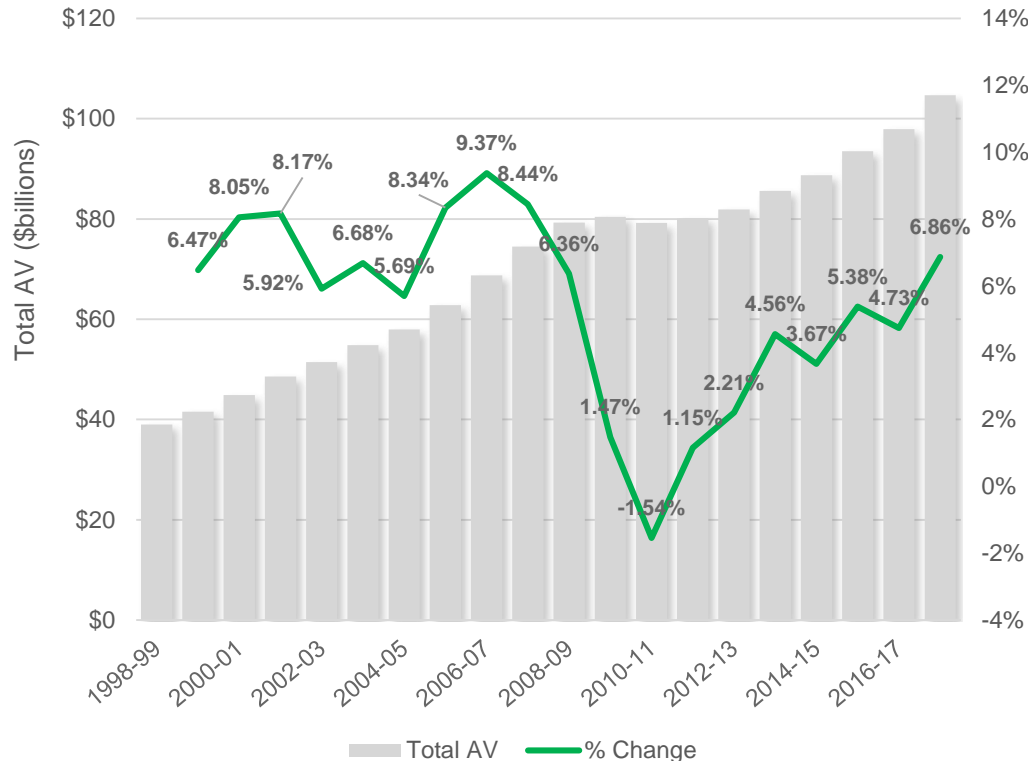


Section 4: Tax Base and Economic Indicators



History of Assessed Values

- The District's assessed value grew to \$104,654,417,113 in FY 2017-18, which is an increase of approximately 6.86% compared with the prior year (\$97.9 billion).
- Over the last 15 years, the District has a compound annual growth rate of 4.85%.



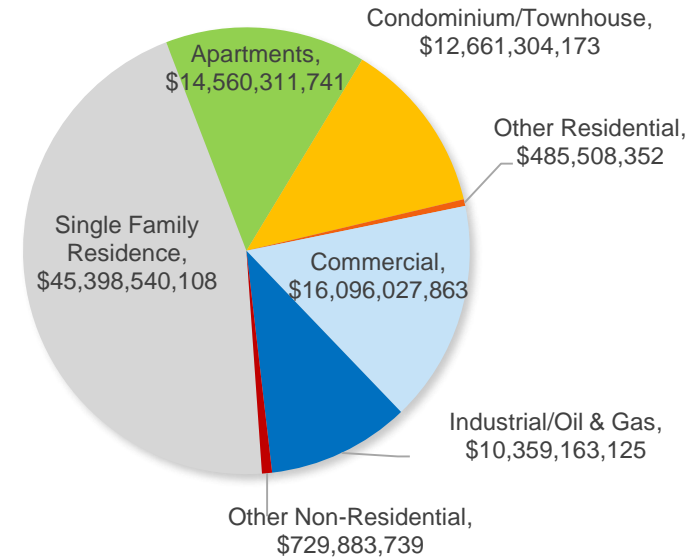
Fiscal Year	Total Assessed Value	% Change
1998-99	\$39,022,162,686	~
1999-00	\$41,547,560,653	6.47%
2000-01	\$44,892,358,442	8.05%
2001-02	\$48,558,518,972	8.17%
2002-03	\$51,431,383,993	5.92%
2003-04	\$54,864,557,447	6.68%
2004-05	\$57,987,138,898	5.69%
2005-06	\$62,822,778,719	8.34%
2006-07	\$68,711,069,752	9.37%
2007-08	\$74,508,417,009	8.44%
2008-09	\$79,247,527,234	6.36%
2009-10	\$80,414,906,568	1.47%
2010-11	\$79,175,513,906	-1.54%
2011-12	\$80,089,100,286	1.15%
2012-13	\$81,859,670,577	2.21%
2013-14	\$85,591,545,610	4.56%
2014-15	\$88,730,638,166	3.67%
2015-16	\$93,505,304,298	5.38%
2016-17	\$97,932,349,284	4.73%
2017-18	\$104,654,417,113	6.86%

Compound Annual Growth Rate	
5 – Year	5.04%
10 – Year	3.46%
15 – Year	4.85%



Assessed Valuation by Land Use

Category	Assessed Valuation	% of Total AV	Parcels	% of Total AV
Single Family Residence	\$45,398,540,108	45.27%	82,979	58.24%
Apartments	\$14,560,311,741	14.52%	22,224	15.60%
Condominium/Townhouse	\$12,661,304,173	12.62%	23,933	16.80%
Other Residential	\$485,508,352	0.48%	1,683	1.18%
Commercial	\$16,096,027,863	16.05%	7,361	5.17%
Industrial	\$10,359,163,125	10.33%	2,467	1.73%
Other Non-Residential	\$729,883,739	0.73%	1,819	1.28%
Total	\$100,290,739,101	100.00%	142,466	100.00%



Source: California Municipal Statistics, Inc.



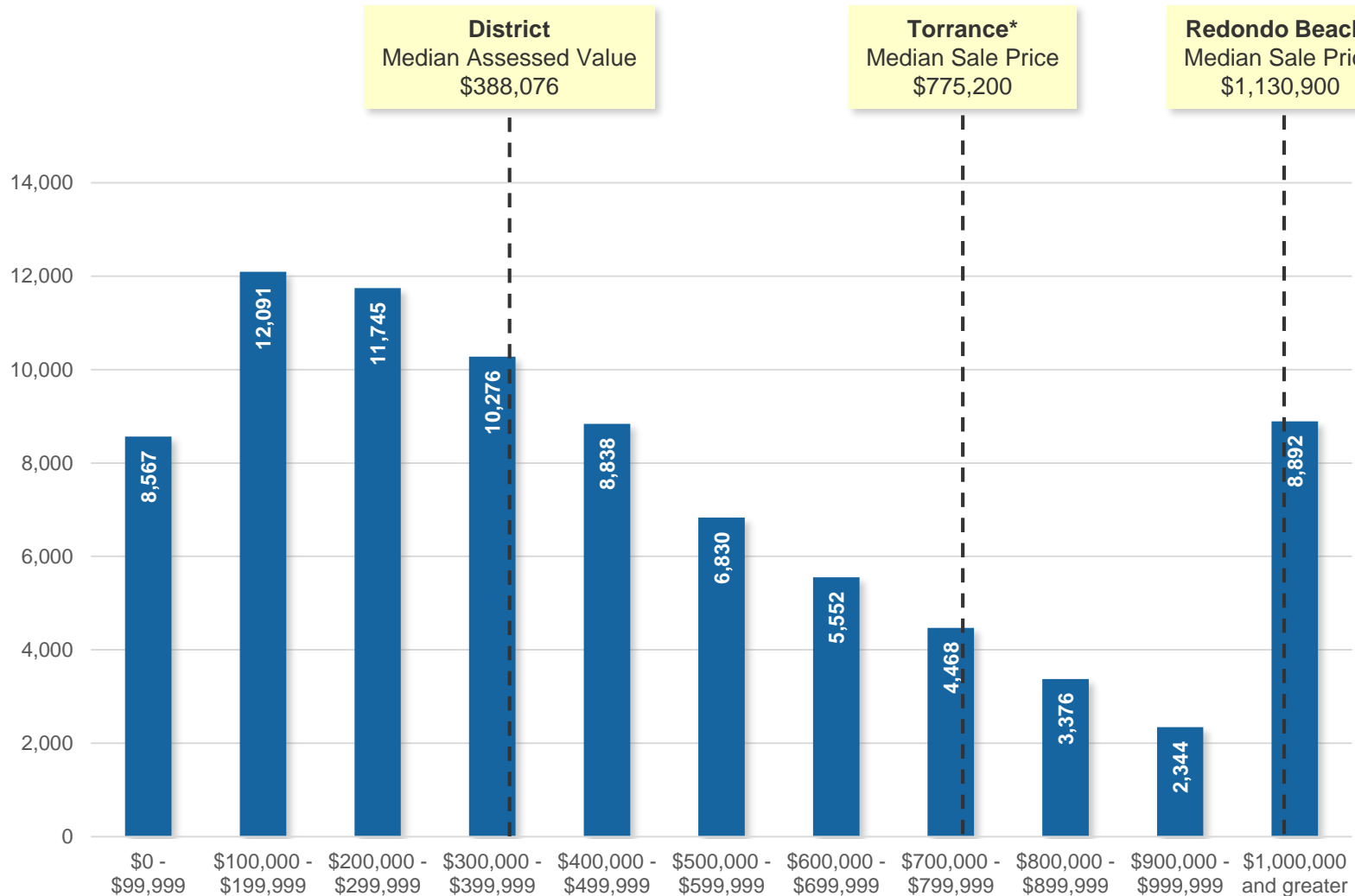
Assessed Valuation by Jurisdiction

Jurisdiction	Assessed Valuation in District	% of School District	Assessed Valuation of District	% of Jurisdiction in District
City of Culver City	\$4,526,109	-	\$10,329,711,352	0.04%
City of El Segundo	12,241,993,526	11.70%	12,241,993,526	100.00
City of Hawthorne	7,017,544,483	6.71	7,726,172,392	90.83
City of Hermosa Beach	7,082,716,558	6.77	7,082,716,558	100.00
City of Inglewood	8,521,301,234	8.14	8,557,056,828	99.58
City of Lawndale	2,255,583,367	2.16	2,255,583,367	100.00
City of Los Angeles	105,532,667	0.10	567,920,922,344	0.02
City of Manhattan Beach	17,591,875,267	16.81	17,591,875,267	100.00
City of Redondo Beach	15,918,316,809	15.21	15,918,316,809	100.00
City of Torrance	29,381,409,869	28.07	29,406,296,032	99.92
Unincorporated Los Angeles County	4,533,617,224	4.33	101,883,899,033	4.45
Total District	\$104,654,417,113	100.00%		
Los Angeles County	\$104,654,417,113	100.00%	\$1,424,902,177,619	7.34%

Source: California Municipal Statistics, Inc.



Assessed Valuation – Single Family Homes



Source: California Municipal Statistics, Inc.
*Zillow – April 30, 2018

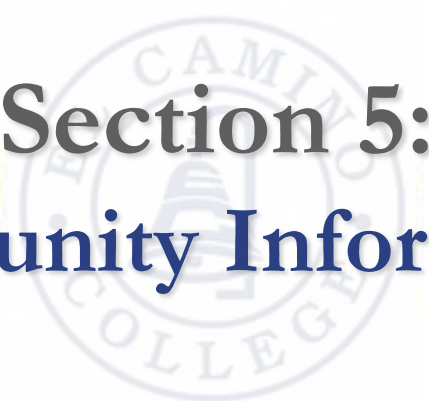


District Top Secured Taxpayers

- The District's top 20 secured taxpayers account for 8.48% of the total assessed value in the District.

No.	Property Owner	Primary Land Use	2017-18 AV	% of Total
1	Chevron USA Inc.	Oil Refinery	\$2,305,077,646	2.30%
2	PBF Energy	Oil Refinery	1,184,494,183	1.18
3	Del Amo Fashion Center Operating	Shopping Center	828,833,271	0.83
4	Toyota Motor Sales USA Inc.	Office Building	531,730,831	0.53
5	Continental Corp.	Office Building	465,147,635	0.46
6	Northrop Grumman Systems Corp.	Industrial	336,650,630	0.34
7	Hughes Aircraft Co.	Industrial	332,993,451	0.33
8	American Honda Motor Co. Inc.	Office Building	307,416,057	0.31
9	Aerospace Corporation	Office Building	297,808,762	0.3
10	South Bay Center SPE LLC	Shopping Center	214,814,615	0.21
11	2020-2021 Park Place Fee Owner CA LLC	Office Building	208,957,200	0.21
12	Boeing Co.	Industrial	207,179,198	0.21
13	Pacific Corporate Towers LLC	Office Building	178,853,748	0.18
14	Kilroy Realty Finance Partnership	Office Building	175,570,228	0.18
15	Rreef America REIT II Corp. BBB	Shopping Center	174,032,768	0.17
16	PES Partners LLC	Shopping Center	163,985,524	0.16
17	CRP MB Studios LLC	Industrial	159,308,619	0.16
18	EQR Pacific Place LP	Apartments	151,007,410	0.15
19	Pincay RE LLC	Mixed Use	144,291,854	0.14
20	Hollywood Park Card Club	Casino/Card Club	141,017,961	0.14
Total			\$8,509,171,591	8.48%

Source: California Municipal Statistics, Inc.

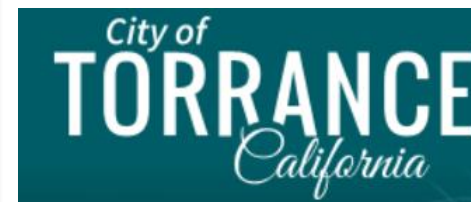


Section 5: Community Information

Development Activity

Del Amo Senior Village Project –

The project, set to rise across the street from the Del Amo Fashion Center, will consist of a four-story building featuring 185 studio, one- and two-bedroom apartments, in addition to amenities such as a fitness center, a yoga studio, a full-service salon and spa and a saltwater pool. Scheduled to open in 2019.



Butcher-Solana Residential Project –

The project encompasses a nearly 25-acre site at the northern foot of the Palos Verdes Hills. The project consists of development of 248 apartment units in three 5-story buildings. Construction of the Butcher-Solana development is expected to occur in a single phase, starting in January 2019 and finishing in June 2021.

LA BioMed's Research Building at Harbor-UCLA Medical Center –

The \$63-million facility - scheduled for completion in December of 2018 - consists of a four-story building with 78,000 square feet of floor area. Of that space, approximately 18,000 square feet will be set aside for a bioscience incubator housing startup companies.



Development Activity - *Continued*

R&D Complex – A series of mid-century industrial buildings in El Segundo are proposed to be redeveloped into a new research and development facility. The project could add up to 200,000 square feet of rentable space to the property.



AC Hotel Underway in El Segundo – The project, located at the southwest corner of Maple Avenue and Campus Square West, will consist of a building featuring 180 guest rooms and amenities. The approximately \$25-million development commenced construction early 2018.

Manhattan Village Shopping Center Enhancement Project – The mall is currently in the midst of a \$180 million redevelopment project slated for completion by 2020. First approved in 2014, construction did not begin until January 2017. At the heart of the Manhattan Village redevelopment is a 53,300-square-foot expansion called the Village Shops. The Village Shops will consist of curated open-air dining and retail space with a modern luxury feel.



MANHATTAN
VILLAGE

Development Activity - *Continued*



Crenshaw Boulevard Apartments

The project will feature 230 rental units and retail space. The 2.53-acre property, located on Crenshaw Boulevard between Jack Northrop Avenue and El Segundo Boulevard, the project will consist of interconnected six-story buildings featuring 230 studio, one-, two-, and three-bedroom apartments atop 3,100 square feet of ground-floor retail space and a parking garage.



Los Angeles Rams Stadium – The

3,000 residential units, 620,000 square foot \$2.66-billion project, located at the former Hollywood Park racetrack, will seat over 70,000 spectators for NFL games starting in 2019. At completion, the 298-acre site which encompasses the stadium will also feature approximately 1 million square feet of shops and restaurants, a 300-key hotel and 25 acres of public parks. In addition, the NFL intends to develop an approximately 200,000-square-foot facility to house employees.

Development Activity - *Continued*



South Bay Galleria Improvement Project – The 29.85 acre project site currently contains 971,000 sf of building floor area. The improvement project would add 330,000 sf of new indoor uses, including retail space, an open air dining area with parkland, a 300-unit apartment building, a 150-room hotel and 50,000 sf of office space, and may also include up to 175,000 sf of office space so that if the developer chooses to include more in lieu of retail, they would not need to seek additional approval. The project also includes a 37-MW solar photovoltaic array on rooftops. The Planning Commission approved the project in April 2018 and it will next be considered by the City Council. Construction is expected to commence in 2020 with completion scheduled for 2023.

Waterfront Development Project – The proposed \$300-million development from real estate firm CenterCal Properties reimagines approximately 36 acres of land surrounding the Redondo Beach Pier as a waterfront harbor village, featuring 400,000 to 500,000 square feet of recreational and commercial facilities. The new development would replace older structures with retail and restaurants, a public market, boutique hotel, creative office space, and a "specialty cinema". The project has been opposed by Building a Better Redondo, a citizen's group, and the EIR has been challenged, with a ruling in May 2018 that directed the City to set aside its EIR certification and entitlements for the waterfront project. CenterCal has subsequently released a revised version of the project to the public, however no official amendment to the plan has been submitted to the City.





Population Comparison

Population

Year (As of January)	City of Torrance	City of Manhattan Beach	County of Redondo Beach	County of Los Angeles	State of California
2009	144,702	35,147	66,162	9,801,096	36,966,713
2010	145,438	35,135	66,748	9,818,605	37,253,956
2011	146,252	35,202	67,238	9,871,802	37,529,913
2012	147,215	35,412	67,631	9,949,794	37,874,977
2013	147,952	35,543	68,058	10,020,599	38,234,391
2014	148,604	35,597	68,321	10,088,458	38,568,628
2015	148,986	35,718	68,548	10,149,661	38,912,464
2016	149,120	35,671	68,514	10,180,169	39,179,627
2017	149,157	35,961	68,602	10,231,271	39,500,973
2018	149,245	35,991	68,677	10,283,729	39,809,693

Source: 2010: U.S. Department of Commerce, Bureau of the Census, for April 1. 2008-09, 2011-18 (2000 and 2010 Demographic Research Unit Benchmark): California Department of Finance for January 1.

Median Household Income

Year	2012	2013	2014	2015	2016
United States	\$53,046	\$53,046	\$ 53,482	\$53,889	\$55,322
California	\$61,400	\$61,094	\$61,489	\$61,818	\$63,783
Los Angeles County	\$56,241	\$55,909	\$55,870	\$56,196	\$57,952
City of Torrance	\$76,082	\$77,061	\$78,286	\$79,549	\$80,862
City of Manhattan Beach	\$134,445	\$139,259	\$142,071	\$143,527	\$144,868
City of Redondo Beach	\$98,816	\$99,496	\$103,064	\$105,145	\$103,782

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates



Principal Employers

Employer	Industry	Number of Employees
City of Torrance [1]		
Torrance Memorial Health System	Health Care	3,663
Toyota Motor Sales USA Inc.	Transportation Services	2,924
Torrance Unified School District	Education	2,523
American Honda Motor Company	Transportation Services	1,819
City of Torrance	Municipal Government	1,685
Providence Little Co of Mary Medical Center	Hospital	1,585
Robinson Helicopter Co.	Transportation by Air	1,132
Honeywell Aerospace/Equipment System	Manufacturing	1,072
Hi Shear Corporation	Transportation by Air	1,002
Alcoa Fastening Systems	Transportation by Air	745
City of Manhattan Beach [2]		
Northrop Grumman Corporation	Systems/products – aerospace, electronics, information systems	2,043
Kinecta Federal Credit Union	Banking and financial services	550
Target Stores T199 Target Corp.	Retail	405
Skechers USA Inc.	Retail	379
City of Manhattan Beach	Municipal Government	289
Fry's Electronics Inc.	Retail	264
Manhattan Beach Marriott	Hotel	233
Skechers U.S.A., Inc.	Retail	198
Ralph's Grocery Company #166	Retail - Grocer	167
Skechers USA, Inc.	Retail	148
City of Redondo Beach [3]		
Northrop Grumman Corporation (TRW)	Systems/products – aerospace, electronics, information systems	4,591
Redondo Beach Unified School District	Education	764
City of Redondo Beach	Municipal Government	439
Crowne Plaza Redondo Beach	Hotel	339
Cheesecake Factory	Restaurant	261
Portofino Inn	Hotel	244
Homewood Suites	Hotel	239
DHL Global Forwarding	Coordination and movement of freight worldwide	227
Residence Inn Redondo Beach	Hotel	222
Target Store	Retail	217

[1] City of Torrance Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017.

[2] City of Redondo Beach, Comprehensive Annual Financial Report, Year Ended June 30, 2017.

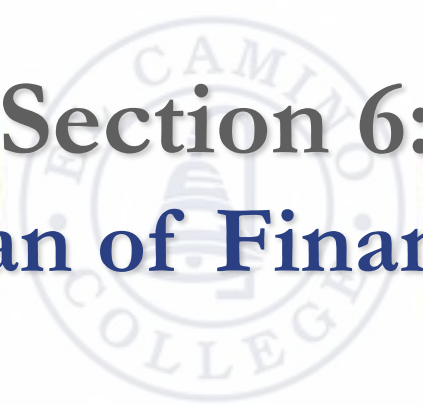
[3] City of Redondo Beach, Comprehensive Annual Financial Report, Year Ended June 30, 2017.



Comparison – Unemployment Rates

Year and Area	Labor Force	Employment	Unemployment	Unemployment Rate (%)
2014				
City of Torrance	76,600	72,200	4,400	5.8%
City of Manhattan Beach	18,700	18,100	600	3.4%
City of Redondo Beach	39,800	37,800	2,000	5.1%
Los Angeles County	5,004,100	4,591,100	413,000	8.3%
California	18,758,400	17,351,300	1,407,100	7.5%
United States	155,922,000	146,305,000	9,617,000	6.2%
2015				
City of Torrance	76,900	73,400	3,600	4.6%
City of Manhattan Beach	18,900	18,400	500	2.7%
City of Redondo Beach	40,000	38,400	1,600	4.1%
Los Angeles County	5,002,300	4,671,100	331,200	6.6%
California	18,896,500	17,724,800	1,171,700	6.2%
United States	157,130,000	148,834,000	8,296,000	5.3%
2016				
City of Torrance	78,000	75,100	2,800	3.6%
City of Manhattan Beach	19,200	18,800	400	2.1%
City of Redondo Beach	40,600	39,300	1,300	3.2%
Los Angeles County	5,054,900	4,789,500	265,400	5.3%
California	19,093,700	18,048,800	1,044,800	5.5%
United States	159,187,000	151,436,000	7,751,000	4.9%
2017				
City of Torrance	76,100	73,600	2,500	3.3%
City of Manhattan Beach	18,100	17,700	500	2.6%
City of Redondo Beach	39,300	38,100	1,200	3.0%
Los Angeles County	5,123,900	4,883,600	240,300	4.7%
California	19,312,000	18,393,100	918,900	4.8%
United States	160,320,000	153,337,000	6,982,000	4.4%

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2017 Benchmark



Section 6: Plan of Finance

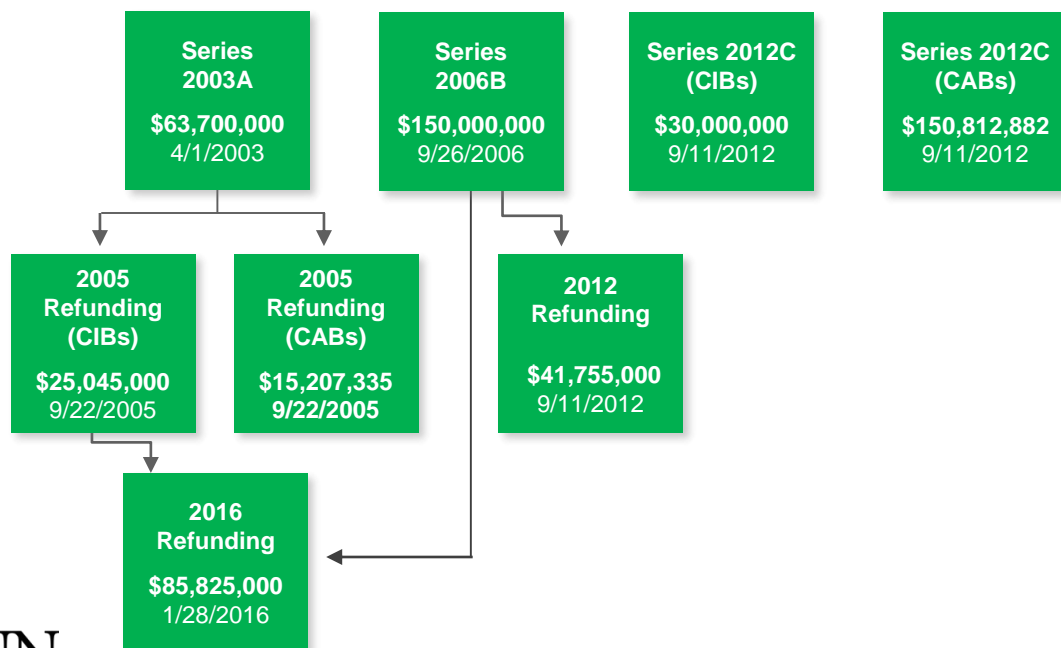


GO Bonds: Outstanding Debt Summary

Bond Measures

Date	Measure	Authorization Amount	Remaining Authorization	% Approval	Maximum Tax Rate (per \$100k of assessed value)
November 2002	Measure E	\$394,516,464	\$0	61.60%	\$18.89
November 2012	Measure E	\$350,000,000	\$250,000,000	68.30%	\$23.73 (Election of 2012) \$24.00 (max. combined tax rate)
Total		\$744,516,464	\$250,000,000		

Measure E (2002)



Measure E (2012)





GO Bonds: Outstanding Debt Summary (Cont'd)

Measure	Series	Dated Date	Original Par Amount Issued	Maturity Date	Amount Outstanding	Call Date / Refunded
Election of 2002	Series 2003A	4/1/2003	\$63,700,000	8/1/2027	-	Adv. Refunded in 2005
	Series 2006B	9/26/2006	\$150,000,000	8/1/2031	-	Refunded in 2012 & 2016
	Series 2012C (CIBs)	9/11/2012	\$30,000,000	8/1/2037	\$30,000,000	8/1/2022
	Series 2012C (CABs)	9/11/2012	\$150,812,882	8/1/2038	\$149,006,523	Non-Callable
Total Outstanding					\$179,006,523	
Election of 2012	Series 2016A	1/28/2016	\$100,000,000	8/1/2045	\$95,500,000	8/1/2026
Total Outstanding					\$95,500,000	
Refunding Bonds	2005 Refunding (CIBs)	9/22/2005	\$25,045,000	8/1/2022	-	Refunded in 2016
	2005 Refunding (CABs)	9/22/2005	\$15,207,335	8/1/2015	-	Non-Callable
	2012 Refunding	9/11/2012	\$41,755,000	8/1/2023	\$36,320,000	8/1/2022
	2016 Refunding	1/28/2016	\$85,825,000	8/1/2031	\$75,585,000	8/1/2026
Total Refundings Outstanding					\$111,905,000.00	
TOTAL GO BONDS OUTSTANDING					\$386,411,522.75	

Election of 2002 Overview

- The District voters approved Measure E authorizing \$394,516,464 on November 5, 2002.
- The estimated maximum tax rate for the bond is \$18.89 per \$100,000 assessed value.
- Three series of "new money" bonds were issued in 2003, 2006 and 2012.
- Below are several of the capital improvement projects funded by the 2002 authorization.



Athletic Education and Fitness Complex / Murdock Stadium



Math Business Allied Health ("MBA") Building



Center for Applied Technology ("CAT")



Humanities Mall

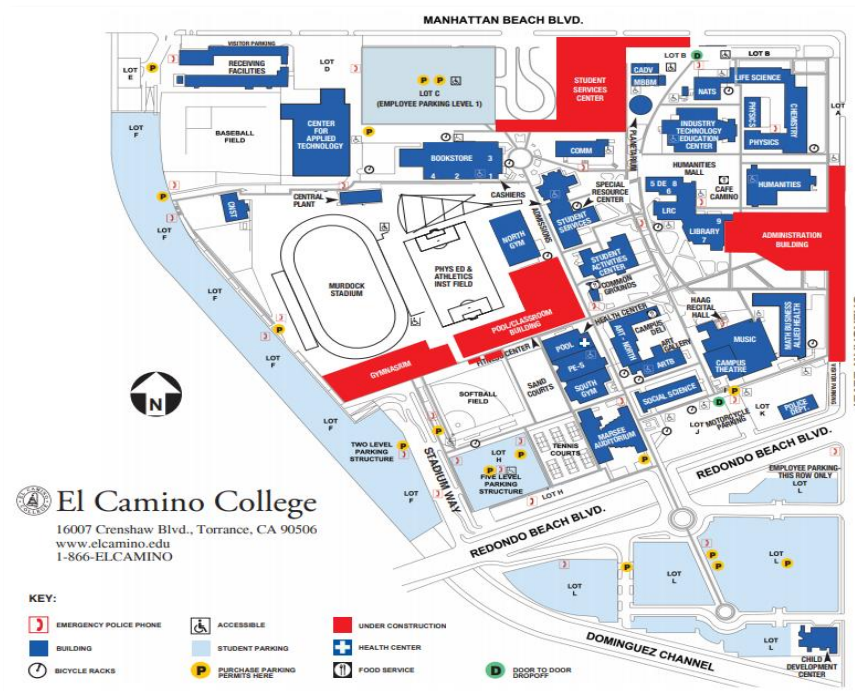


Industry Technology Education Center ("ITEC")

Election of 2012 Overview

- The District voters approved Measure E authorizing \$350 million on November 6, 2012.
- The estimated combined maximum tax rate for the outstanding 2002 Measure E bonds and the 2012 Measure E bonds is \$24 per \$100,000 assessed value.
- In January 2016, the District issued the first series of bonds (i.e. Series 2016A) for \$100 million.
 - Bonds were issued with a 30 year term.
 - Current interest bonds only.

Measure E Bond Projects



Series 2018B Bonds

- The District plans to issue the second series of bonds under Measure E for \$50 million in August 2018.
- The bonds will be issued via a negotiated sale.

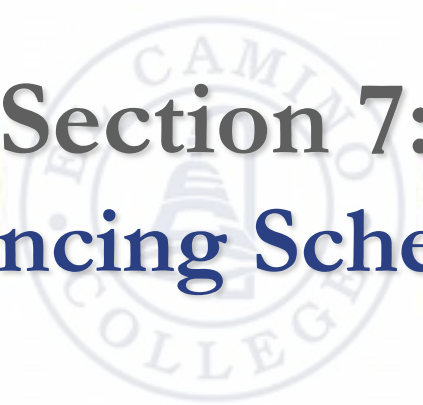
Assumptions:

- Current interest bonds only
- 4.00% annual AV growth rate
- 30-year bond structure

Summary	
Dated Date	8/29/2018
Bond Par Amount	\$50,000,000
True Interest Cost	3.999%
Average Life	23.769

Estimated Debt Service and Tax Rates

	Principal	Net Interest	Net Debt Service
8/1/2019	1,390,000	-	1,390,000.00
8/1/2020	2,580,000	-	2,580,000.00
8/1/2021	1,370,000	1,411.78	1,371,411.78
8/1/2022	-	2,209,500.00	2,209,500.00
8/1/2023	-	2,209,500.00	2,209,500.00
8/1/2024	-	2,209,500.00	2,209,500.00
8/1/2025	-	2,209,500.00	2,209,500.00
8/1/2026	-	2,209,500.00	2,209,500.00
8/1/2027	-	2,209,500.00	2,209,500.00
8/1/2028	-	2,209,500.00	2,209,500.00
8/1/2029	-	2,209,500.00	2,209,500.00
8/1/2030	-	2,209,500.00	2,209,500.00
8/1/2031	-	2,209,500.00	2,209,500.00
8/1/2032	-	2,209,500.00	2,209,500.00
8/1/2033	-	2,209,500.00	2,209,500.00
8/1/2034	-	2,209,500.00	2,209,500.00
8/1/2035	-	2,209,500.00	2,209,500.00
8/1/2036	-	2,209,500.00	2,209,500.00
8/1/2037	-	2,209,500.00	2,209,500.00
8/1/2038	-	2,209,500.00	2,209,500.00
8/1/2039	2,550,000	2,209,500.00	4,759,500.00
8/1/2040	2,860,000	2,086,700.00	4,946,700.00
8/1/2041	3,190,000	1,948,400.00	5,138,400.00
8/1/2042	3,550,000	1,793,600.00	5,343,600.00
8/1/2043	3,930,000	1,620,800.00	5,550,800.00
8/1/2044	4,340,000	1,429,000.00	5,769,000.00
8/1/2045	4,785,000	1,212,000.00	5,997,000.00
8/1/2046	5,260,000	972,750.00	6,232,750.00
8/1/2047	6,780,000	709,750.00	7,489,750.00
8/1/2048	7,415,000	370,750.00	7,785,750.00
Total	50,000,000.00	51,916,161.78	101,916,161.78



Section 7: Financing Schedule

Timeline

Date	Activity
Tuesday, July 10	Rating meetings with rating agencies
Monday, July 16	District Board approve financing documents
Friday, July 27	Receive ratings
Friday, August 3	POS posted electronically and distributed to investors
Wednesday, August 15	Bond Pricing
Wednesday, August 29	Closing

Comparison of New Funding Formula Scenarios vs FTES Method

(A) New Formula				2017-18	Y0	Y1	Y2	Y3	Y4	Y5	Totals	
		filing for annual (7/11/2018)	borrow?	Total	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Totals	
Scenario #1	no borrowing	19,226.13	-	19,226.13	\$ 112,144,367	\$ 119,353,557	\$ 115,988,878	\$ 114,720,467	\$ 121,538,941	\$ 122,917,460	\$ 706,663,670	
Scenario #2	borrow to cap	19,226.13	416.72	19,642.85	\$ 114,076,533	\$ 117,800,442	\$ 115,988,878	\$ 114,720,467	\$ 122,917,162	\$ 124,310,011	\$ 709,813,492	\$ 3,149,822 compared to Prior Scenario
Scenario #3	borrow to large college threshold	19,226.13	774.87	20,001.00	\$ 115,921,338	\$ 116,465,617	\$ 115,988,878	\$ 114,720,467	\$ 124,101,674	\$ 124,846,975	\$ 712,044,949	\$ 2,231,457 compared to Prior Scenario
Scenario #4	max borrowing	19,226.13	1,346.77	20,572.90	\$ 118,867,155	\$ 114,334,145	\$ 115,988,878	\$ 114,720,467	\$ 125,993,124	\$ 118,661,147	\$ 708,564,916	\$ (3,480,033) compared to Prior Scenario
				930.05								

(B) New Formula with HH				Y0	Y1	Y2	Y3	Y4	Y5	Totals		
		filing for annual (7/11/2018)	borrow?	Total	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Totals	
Scenario #1	no borrowing	19,226.13	-	19,226.13	\$ 112,144,367	\$ 119,353,557	\$ 118,143,695	\$ 121,298,132	\$ 121,538,941	\$ 122,917,460	\$ 715,396,152	\$ 8,732,482
Scenario #2	borrow to cap	19,226.13	416.72	19,642.85	\$ 114,076,533	\$ 117,800,442	\$ 120,179,225	\$ 123,388,010	\$ 122,917,162	\$ 124,310,011	\$ 722,671,382	\$ 12,857,889
Scenario #3	borrow to large college threshold	19,226.13	774.87	20,001.00	\$ 115,921,338	\$ 119,062,807	\$ 122,122,721	\$ 125,383,397	\$ 124,101,674	\$ 124,846,975	\$ 731,438,912	\$ 19,393,963
Scenario #4	max borrowing	19,226.13	1,346.77	20,572.90	\$ 118,867,155	\$ 122,088,455	\$ 125,226,128	\$ 128,569,666	\$ 125,993,124	\$ 118,661,147	\$ 739,405,676	\$ 30,840,759

(C) Old Formula				Y0	Y1	Y2	Y3	Y4	Y5	Totals		
		filing for annual (7/11/2018)	borrow?	Total	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Totals	
Scenario #1	no borrowing	19,226.13	-	19,226.13	\$ 112,144,367	\$ 114,977,562	\$ 109,698,737	\$ 112,633,157	\$ 116,527,591	\$ 118,776,298	\$ 684,757,713	
Scenario #2	borrow to cap	19,226.13	416.72	19,642.85	\$ 114,076,533	\$ 117,182,225	\$ 109,698,737	\$ 112,633,157	\$ 118,928,694	\$ 121,225,424	\$ 693,744,770	
Scenario #3	borrow to large college threshold	19,226.13	774.87	20,001.00	\$ 115,921,338	\$ 119,077,002	\$ 109,698,737	\$ 112,633,157	\$ 128,403,786	\$ 123,330,301	\$ 709,064,322	
Scenario #4	max borrowing	19,226.13	1,346.77	20,572.90	\$ 118,867,155	\$ 122,102,648	\$ 109,698,737	\$ 112,633,157	\$ 124,287,559	\$ 126,691,465	\$ 714,280,721	

C - A		Scenario #1	Scenario #2	Scenario #3	Scenario #4
		\$ 4,375,996	\$ 6,290,141	\$ 2,087,310	\$ 5,011,349
		\$ 618,216	\$ 6,290,141	\$ 2,087,310	\$ 3,988,468
		\$ (2,611,386)	\$ 6,290,141	\$ 2,087,310	\$ (4,302,112)
		\$ (7,768,503)	\$ 6,290,141	\$ 2,087,310	\$ 1,705,565
		\$ 21,905,958	\$ 16,068,722	\$ 2,980,628	\$ (5,715,805)

Y2 (Year 2)
4,813,197

Funded FTES	Y0 2017-18	Y1 2018-19	Y2 2019-20	Y3 2020-21	Y4 2021-22	Y5 2022-23
Scenario #1	19,226.13	19,226.13	19,226.13	19,226.13	19,226.13	19,226.13
Scenario #2	19,642.85	18,809.41	19,226.13	19,226.13	19,642.85	19,642.85
Scenario #3	20,001.00	18,451.26	19,226.13	19,226.13	20,001.00	19,798.03
Scenario #4	20,572.90	17,879.36	19,226.13	19,226.13	20,572.90	17,879.23

Assumptions:
1 no growth
2 20,000 large college >20,000 not possible

State Joint Conference Committee Budget Agreement

On Friday, June 8, 2018, the State Joint Conference Committee reached agreement on the State Budget for the 2018-2019 fiscal year. The two most significant items are related to the creation of the new Online Community College (the 115th college) and the new funding formula for community colleges. Details of these proposals and others of interest are listed below.

- **Online Community College** – provides \$100 million in one-time funding and \$20 million in ongoing funding for the creation of a new online community college, administered by the California Community Colleges Board of Governors. The new online college is tasked with developing courses and programs leading to short-term credentials and certifications with labor market value which are not duplicative of programs offered at existing colleges and lead into pathways offered at existing colleges. In addition, they have provided \$35 million in one-time funds for competitive grants to existing community college districts to develop the online programs, courses and content.
- **New Funding Formula** – creates a new funding formula that will be phased in over three years. The formula contains three components as follows:
 1. **Base Allocation** – Represents 70% of the formula and is calculated on credit FTES at **\$3,826** using a three-year rolling average of FTES plus the allocation for the number of colleges and centers operated by the district.
 2. **Supplemental Allocation** – Represents 20% of the formula and is calculated on the number of students who receive Pell grants, the number of students who receive a California Promise Grant (fee waiver), and those that are exempted from non-resident tuition (AB 540 students). Paid at **\$919** per point for each of the three metrics.
 3. **Student Success Incentive Allocation** – Represents 10% of the formula and is paid at **\$440** per total points computed using the following metrics:
 - a. **AA/AS or BA/BS degree** – Three points
 - b. **ADT degree** – Four points
 - c. **Credit Certificates (18 or more units)** – Two points
 - d. **Completion of transfer level math and English in 1st year** – Two points
 - e. **Transfer to a four-year university** – One and one-half points
 - f. **Completion of 9 or more CTE units** – One point
 - g. **Regional Living Wage within 1 year** – One point

- h. **Equity Component** – An additional \$111 per total points computed in the above metrics for students who receive California Promise Grants (fee waiver) plus \$111 per total points computed in the above metrics at one and one-half times the point value above for students who receive a Pell grant.
- 4. **Hold Harmless** – Provides districts with guaranteed cost-of-living increases in each of the next three years ensuring that districts receive the higher of the amount received in 2017-18 plus COLA or the amount calculated under the new formula and restoration of FTES declines over a three-year period.
- 5. **Noncredit FTES** – Both noncredit and career development college preparation (CDCP) FTES continue funding at existing levels and fall outside of the formula.
- 6. **Alignment with System Goals** – Requires districts to develop goals in alignment with the State system goals appearing in the Strategic Vision Plan developed by the Chancellor’s Office. The goals must be approved by each local Board no later than January 1, 2019.
- 7. **Annual External Audit** – Requires an additional audit step related to implementation of funding.
- 8. **Oversight Entity** – Creates a Community College Student Success Funding Formula Oversight Committee consisting of 15-members to monitor implementation and make recommendations for improvement to the Legislature, Governor, and State Chancellor. Representatives will be chosen by the Governor, Senate Rules Committee and the Speaker. One intention is review the number of first-generation students and encompass this metric into the formula by 2022-23.
- 9. **Phase-In** – The funding formula will be phased in over three years as follows:
 - 2018-2019:** Base = 70%, Supplemental = 20% and Student Success = 10%.
 - Rates: Base = \$3,826/FTES, Supplemental = \$919/point, Success = \$440/point plus \$111/point for Equity.
 - 2019-2020:** Base = 65%, Supplemental = 20%, and Student Success = 15%
 - Rates: Base = \$3,476/FTES, Supplemental = \$919/point, Success = \$660/point plus \$167/point for Equity. These rates will be adjusted by COLA.
 - 2020-2021:** Base = 60%, Supplemental = 20% and Student Success = 20%

Rates: Base = \$3,126/FTES, Supplemental = \$919/point, Success = \$880/point plus \$222/point for Equity. These rates will be adjusted by COLA.

- **Full-Time Faculty** – Provides \$50 million ongoing funds to hire more full-time faculty. At this point, we do not know how the Chancellor’s Office will distribute these funds.
- **One-time Grant/Special Project Programs** – Provides the following one-time allocations for special projects and/or grant opportunities that may impact us:
 - a) **\$50 million** for part-time faculty office hours.
 - b) **\$10 million** towards a “hunger free campus” grant. If we participate, we must have a designated employee for the program and either have an on-campus food pantry or participate in regular food distributions.
 - c) **\$8.49 million** for a Veterans Resource Center grant to establish or enhance on-campus centers that provide support services to veteran students.
 - d) **\$10 million** for a Pathways in STEM fields grant that supports public-private partnerships and creates cost-free education for students in grades 9-14.
 - e) **\$5 million** for a Re-entry programs grant for currently or formerly incarcerated students with a focus on their reentry into their communities.
 - f) **\$10 million** for a mental health services grant to expand mental health services provided on-campus, provide training, and develop stronger relationships with the county behavioral health department and community-based mental health services.
 - g) **\$2 million** for a certified nurse assistant training program grant.

At this point, we do not know how the Chancellor’s Office will distribute these funds.

- **Deferred Maintenance and Instructional Equipment** – Provides \$28.465 million in one-time funds for deferred maintenance, instructional equipment, and water conservation projects. These funds are distributed based upon the FTES generated and are provided directly to the colleges. This is a significant decrease from the \$143.5 million proposed in the May Revise.

- **Financial Aid Technology Improvements** – Provides \$13.5 million in one-time funds and \$5 million in ongoing funds to upgrade colleges' financial aid management systems. At this point, we do not know how the Chancellor's Office will distribute these funds.
- **California College Promise Program** – Provides \$46 million in ongoing funds for implementation of the California College Promise Program. At this point, we do not know how the Chancellor's Office will distribute these funds.

The Budget Agreement will now go to both the Senate and Assembly for vote by each house by June 15. The Higher Education Trailer Bills (AB 1809 and SB 843) will likely not be voted upon for a couple of weeks. If approved, the Governor has until June 30 to sign the budget.

The Tentative Budget presented tonight does not contain any of the provisions listed above. Once approved by the Legislature and Governor, we will incorporate them into our Adopted Budget which will come to the Board in September for review and approval.

El Camino Community College

Planning and Budgeting Committee Fact Sheet

STATEMENT OF PURPOSE

The Planning and Budgeting Committee (PBC) serves as the consultation committee for campus-wide planning and budgeting. The PBC assures that planning and budgeting are integrated and evaluated while driven by the mission and strategic initiatives set forth in the Strategic Plan. The PBC makes recommendations to the President on all planning and budgeting issues and reports committee activities to campus constituencies. 11/2/17

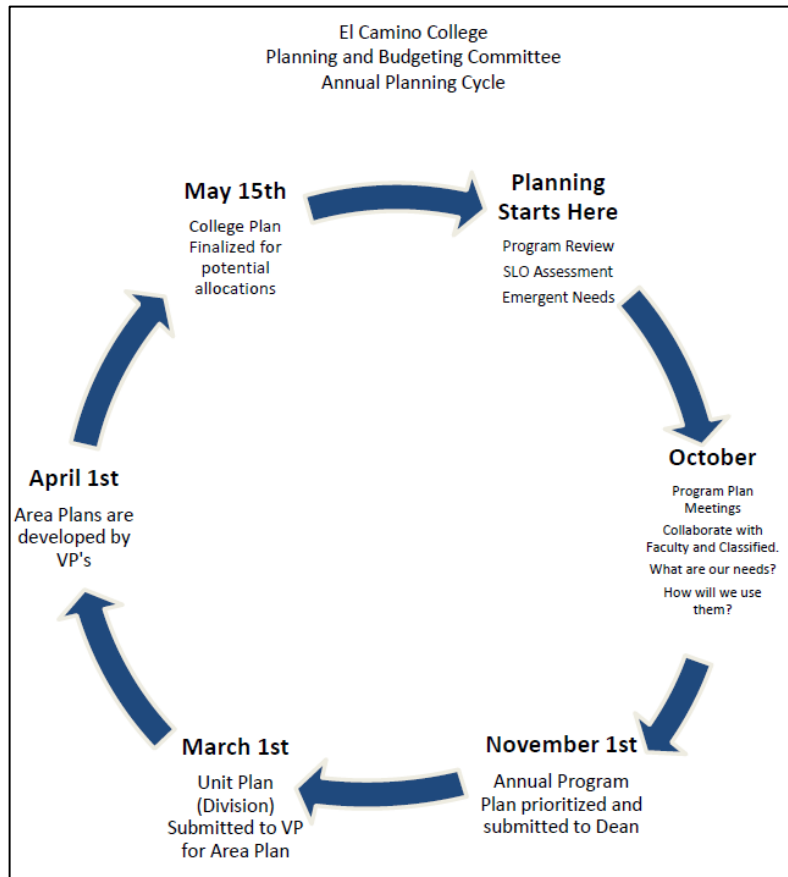
Strategic Initiative – C – Collaboration

Advance an effective process of collaboration and collegial consultation conducted with integrity and respect to inform and strengthen decision-making.

Reporting Structure: President/Superintendent
Committee Chair: Rory K. Natividad
Representation: Consists of one member and an alternate: Academic Affairs, Academic Senate, Administrative Services, Classified Union, Faculty Association, Police Officers Association, Student Organization, Student Services

Goals: Annual goals are developed in collaboration with members and awareness of the educational master plan and strategic initiatives.

Accomplishments: Annual goals, comprehensive activity calendar, consistent and collaborative communication, integrated planning, website, unanimous approval of final budget,



Annual Topics:

- Annual Planning
- Enrollment
- Evaluation
- Final Budget
- Fiscal Accountability
- Goal setting and measuring
- Institutional effectiveness
- Integrated planning
- Planning Summit
- Tentative Budget

Committee Reports

- Educational Master Plan
- ECC Foundation
- Financial Aid
- Facility Steering
- Hiring
- Legislative updates
- SSSP / Equity
- VP Areas reports and highlights



PLANNING & BUDGETING COMMITTEE

Annual Planning Calendar 2018-19

Location: Library 202

STATEMENT OF PURPOSE

The Planning and Budgeting Committee serves as the consultation committee for campus-wide planning and budgeting. The PBC assures that planning and budgeting are integrated and evaluated while driven by the mission and strategic initiatives set forth in the Strategic Plan. The PBC makes recommendations to the President on all planning and budgeting issues and reports committee activities to campus constituencies.

Strategic Initiative – C – Collaboration

Advance an effective process of collaboration and collegial consultation conducted with integrity and respect to inform and strengthen decision-making.

Members

- | | |
|---|---|
| <input type="checkbox"/> Jose Anaya – Community Advancement | <input type="checkbox"/> Rory K. Natividad - Chair (non-voting) |
| <input type="checkbox"/> Amy Grant - Academic Affairs | <input type="checkbox"/> Alex Ostrega – ASO, Student Rep. |
| <input type="checkbox"/> Jeff Hinshaw - Administrative Services | <input type="checkbox"/> Gary Robertson – Campus Police |
| <input type="checkbox"/> Ken Key - ECCFT | <input type="checkbox"/> Jackie Sims - Management/Supervisors |
| <input type="checkbox"/> David Mussaw – ECCE | <input type="checkbox"/> Greg Toya – Student Services |
| | <input type="checkbox"/> Josh Troesh - Academic Senate |

Alternate Members / Support

- | | |
|--|--|
| <input type="checkbox"/> Babs Atane – Support | <input type="checkbox"/> Jane Miyashiro – Support |
| <input type="checkbox"/> Walter Cox - Alt., Ac. Affairs | <input type="checkbox"/> Ross Miyashiro – Support |
| <input type="checkbox"/> Kristie Daniel-DiGregorio – Support | <input type="checkbox"/> Sidney Porter – Alt. Ac. Senate |
| <input type="checkbox"/> Brian Fahnestock – Support | <input type="checkbox"/> Jean Shankweiler – Support |
| <input type="checkbox"/> Irene Graff – Support | <input type="checkbox"/> Luukia Smith – Alt. ECCE |
| <input type="checkbox"/> Vacant- Alt. ASO | <input type="checkbox"/> Michael Trevis – Alt. Adm. |
| <input type="checkbox"/> Kelsey Iino– Alt. Student Services | <input type="checkbox"/> Steve Waterhouse-Alt. Mgmt/Sup |
| <input type="checkbox"/> Art Leible – Support | <input type="checkbox"/> Carolee Jessop-Vakil – Alt. ECCFT |
| <input type="checkbox"/> Ruben Lopez – Alt. Police | <input type="checkbox"/> Van Buren, Star – Alt. Comm Adv. |

- July 19, 2018
- August 2, 2018
- August 16, 2018 (final budget)
- August 22 or 23 (2nd read/rec)
- August 30, 2018 (Agenda published)
- September 6, 2018
- September 20, 2018
- October 4, 2018
- October 18, 2018
- November 1, 2018
- November 15, 2018
- December 6, 2018
- December 20, 2018

- January 3, 2019
- January 17, 2019
- February 7, 2019
- February 21, 2018
- March 7, 2019
- March 21, 2019
- April 4, 2019
- April 18, 2019
- May 2, 2019
- May 16, 2019
- June 6, 2019
- June 20, 2019

Group Representations	Member	Alternate
Management/Supervisors	Sim, Jackie	Waterhouse, Steve
Academic Affairs	Grant, Amy	Cox, Walter
ECCFT	Key, Ken	Casper-Vakil, Carolee
Student Services	Toya, Greg	Iino, Kelsey
Admin Services	Hinshaw, Jeff	Trevis, Micheal
ASO	Ostrega, Alex	Gutierrez, Jennifer
ECCE	Mussaw, David	Smith, Luukia
Academic Senate	Troesh, Josh	Porter, Sidney
Campus Police	Robertson, Gary	Lopez, Ruben
Community Advancement	Anaya, Jose	Van Buren, Star

7/15/2015

9/30/2015

1/7/2016

5/10/2016

6/2/2016

7/7/2016

7/20/2017

11/8/2017

4/25/2018

7/1/2018

Lopez, Ruben

El Camino College Annual Planning & Budgeting Calendar

Annual Planning Process	Month	Annual Budget Process
	September	Final Budget submitted to Board of Trustees for discussion and approval
College Plan published. PBC review & endorsement of College Plan.	October	College Plan finalized and budgeted
Program plans finalized for the next fiscal year (November 1 st) Unit plan (next fiscal year) development commences.	November	
Unit plan (next fiscal year) development	December	
Mid-year updates and evaluations of previous years Annual Plans	January	Governors State Budget Update
Unit plan Divisional finalization	February	
Unit plans finalized for the next fiscal year (March 1 st)	March	
Area plans prioritized (April 15 st)	April	Determine enrollment targets, sections to be taught, and full- and Faculty Obligation Number (FON) Vice Presidents jointly determine ongoing operational costs including: <ol style="list-style-type: none"> 1. Full-time salaries 2. Benefits, Utilities, GASB 3. Legal and contract obligations Develop Line Item Budgets
Draft College Plans compiled for next fiscal year (May 15 th)	May	May Revise Tentative budget for PBC review, discussion and recommendation
	June	Tentative Budget is presented to the Board.
Final updates and evaluation of annual plan recommendations College Plan presentation and discussion	July	Tentative Budget is rolled into active status (purchasing can begin)
	August	Final revenue and expenditure adjustments made to budget Final Budget 1 st and 2 nd review