



2016-17 Governor's Budget Proposal

STATE CENTER COMMUNITY COLLEGE DISTRICT

Board of Trustees Meeting

February 2, 2016

California Economy

- 7th Year of Expansion
- Major Revenue Streams
 - Personal Income Taxes
 - Corporate Taxes
 - Sales Taxes



Governor's Higher Education Focus

- Keeping Student's Costs Low
- Promoting Technology & Innovation
- Easing Transfer Process
- Improving Graduation Rates



Governor's Proposed 2016-17 State Budget (Additional Funding)

On-Going Funding

2016-2017

Unrestricted Funding

Access (2%)	\$ 114,700,000
COLA (0.47%)	\$ 29,300,000

Restricted Funding

Scheduled Maintenance/ Instructional Equipment	\$ 225,000,000
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Total On-Going Funding	\$ 369,000,000
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Governor's Proposed 2016-17 State Budget (Additional Funding)

One-Time Funding

2016-2017

Unrestricted Funding

State Mandates \$ 76,300,000

Restricted Funding

Scheduled Maintenance/ Instructional Equipment \$ 34,500,000

Total One-Time Funding \$ **110,800,000**



Governor's Proposed 2016-17 State Budget (Additional Funding)

Categorical Funding

2016-2017

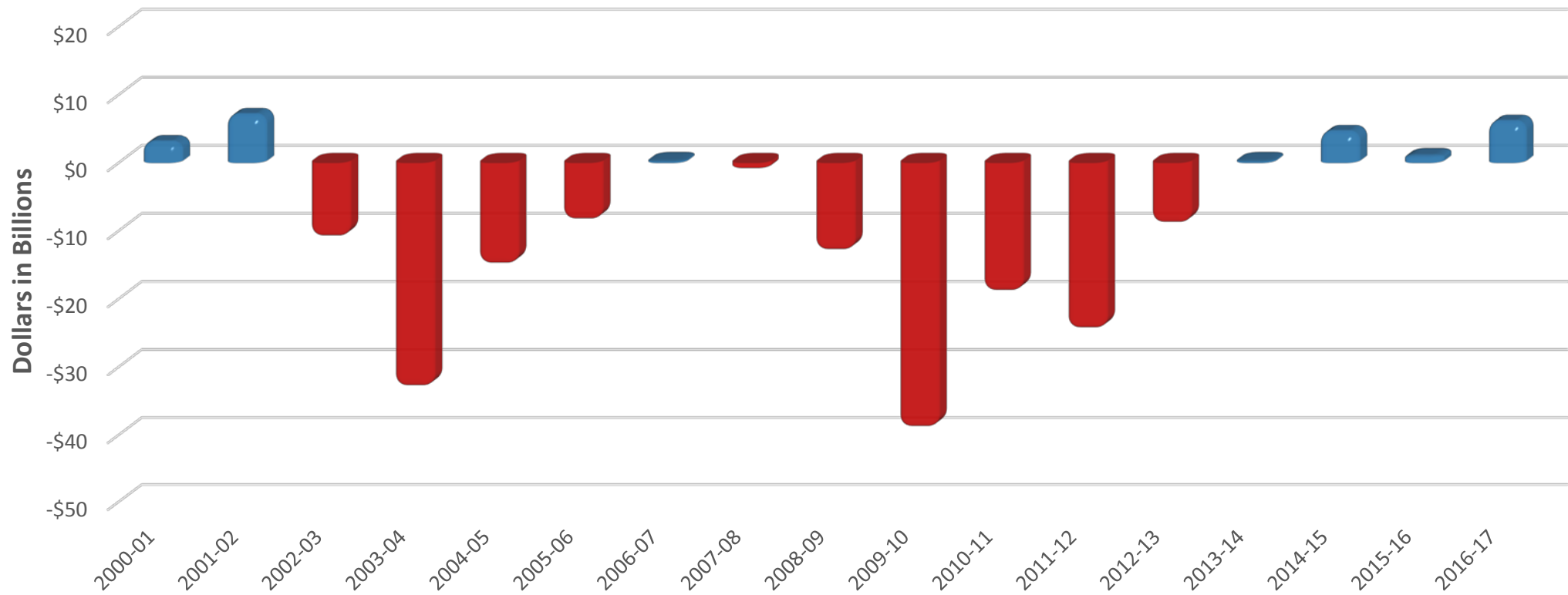
Workforce Development	\$ 200,000,000
CTE Pathways	\$ 48,000,000
Basic Skills	\$ 30,000,000
Proposition 39	\$ 45,200,000
Total Categorical Funding	\$ 323,200,000



Headwinds

Recession Looming in the Future

Balanced Budgets Have been Quickly Followed by Huge Deficits



Source: Governor's Budget Summary, Page 2



Headwinds

Proposition 30

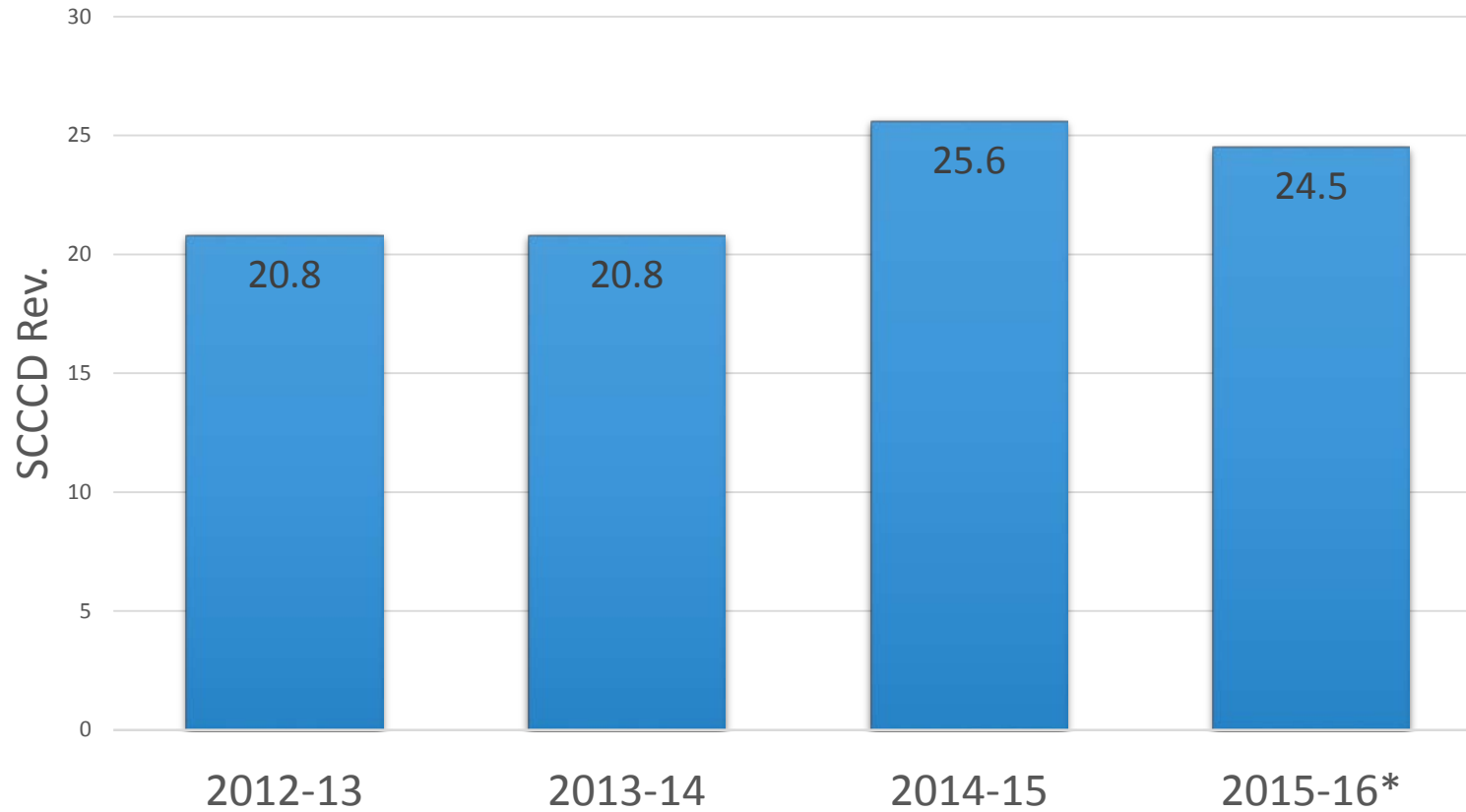
- Sales Tax (Jan 2013 to Dec 2016)
 - 0.25% Increase
- Personal Income Taxes (Jan 2012 to Dec 2018)
 - +1% taxable income rate over \$250k, \$300k, \$500k & \$1m



Headwinds

Proposition 30 Impact

Education Protection Account (Prop 30)
(Dollars in Millions)



*Estimated



Summary

- Additional Funding to CCCs
- Early in the Budget Process
- Not as Strong as 2015-2016 Budget
- Lacking in Discretionary Funds



QUESTIONS

