



Santa Barbara City College 2021-22 Adopted Budget

Board of Trustees
September 9, 2021



Agenda

- State Budget Update
- Adopted Budget Assumptions
- Unrestricted General Fund & Other Details – “The Numbers”
- Fund Balances & Projections



Adopted Budget Assumptions 2021-22



Budget Assumptions

Revenue - Primary Budget Assumptions Included in the Adopted Budget

- The state budget includes a 5.07% COLA (equates to approximately \$4.1M).
- Total Computational Revenue (TCR) assumes 21-22 will be funded based on stability protection funding, which is equivalent to the 20-21 calculated TCR plus the 5.07% COLA. This equates to a 21-22 TCR of approximately \$85.2M.
- Deferred maintenance and instructional equipment funding for 2021-22 is estimated at \$5.6M.
- Enrollment fee revenue declines by 4%, based on the Districts projection of a 4% decline in resident credit FTES from 2020-21 to 2021-22. *(Part of TCR)*
- The Enrollment fee will remain constant at \$46.00/unit.
- Out-of-state tuition revenue is projected to increase by 10% in fiscal year 2021-22 compared to projected FTES for fiscal year 2020-21. - *\$330,000 increase from \$3.31M to \$3.64M*
- International tuition revenue is projected to increase by 5% in 2021-22 in fiscal year 2021-22 compared to projected FTES for fiscal year 2020-21. - *\$175,000 increase from \$3.52M to \$3.7M*

Revenue – State Funding Calculation

- Hold Harmless Provision in SCFF is different than Stability.
- Stability Provided Districts with At Least their Prior Year Total Computational Revenue (TCR).
- SCFF Hold Harmless Provision guarantees a district at least their 17-18 TCR + Subsequent COLA's.
- SBCC Hold Harmless TCR is \$80.9 Million
- **The District will be funded at the TCR stability protection amount of \$85.2M. The TCR includes the “emergency conditions allowance” of 19-20 FTES. This projected TCR amount, however, can adjust upwards if the resident FTES exceeds the 19-20 FTES levels of 12,614 resident FTES (which is 1,319 more than the projected 21-22 resident FTES of 11,296).**

Expenditures - Primary Budget Assumptions Included in the Adopted Budget

- Short-term employees (staff/student) budget assumptions:
 - Short-term employee's budget will be approximately \$746,000.
 - UGF Tutorial budget will remain flat at \$610,000.
 - Reader budget remains flat at \$75,000.
- Employer contributions towards health benefits will increase by 2.2% in 2021-22.
- The CalPERS employer contribution rate increases from 20.7% to 23.0%.
- The CalSTRS employer contribution rate decreases from 16.15% to 15.92%.
- Marketing budget increases by \$130,000
- Diversity, Equity, and Inclusion (DEI) expenditure budget established within the UGF of \$75,000
- Funds from HEERF III for recovery of lost revenues of international and out-of-state tuition will be transferred to the UGF and then utilized to cover general operating salaries and expenditures.

Transfer Assumptions

- Transfer OUT from UGF to the Children's Center Fund \$0. (*HEERF covers Children's Center Fund lost revenues.*)
- Transfer OUT from UGF to the Construction Fund for emergency campus maintenance - \$500,000.
- Transfer OUT from UGF to the Equipment Fund for program review items is \$200,000 for 2021-22.
- Transfer OUT from UGF to the Equipment Fund for equipment and IT refresh \$780,000.
- Transfer OUT from UGF to Food Service Fund \$0. (*HEERF covers Food Service lost revenues.*)
- Transfer OUT from UGF to Parking Fund \$0. (*HEERF covers Parking Fund lost revenues.*)
- Transfer OUT from UGF to Self-Insurance Fund for liability insurance payments \$700,000.
- Transfer IN from select grant funds (primarily due to Financial Aid Media Campaign) to UGF for indirect costs related to administrative overhead. *Approximately \$400,000.*
- Transfer IN from Facility Rentals (primarily due to rental income from Kaplan International Language School) *Approximately \$75,000.*
- Transfer Out from UGF to Foundation \$200,000.



2021-22 Adopted Budget
Unrestricted General Fund
&
Other Details

“The Numbers”



Unrestricted General Fund

	2020-21 Adopted Budget	2020-21 Adjusted Budget	2021-22 Adopted Budget
Revenue			
Federal Revenue	\$ -	\$ -	\$ -
State Revenue	42,849,000	42,849,000	47,073,545
Local Revenue	49,068,800	50,189,333	51,800,400
Total Revenue	\$91,917,800	\$93,038,333	\$98,873,945
Expenses			
Certificated Salaries	\$ 41,206,303	\$ 41,185,260	\$ 42,749,502
Classified Salaries	21,121,993	20,897,123	21,594,362
Employee Benefits	22,960,129	22,984,170	21,913,544
Materials & Supplies	1,621,255	1,208,686	1,640,600
Operating Expenses	8,980,042	8,575,341	10,212,338
Capital Outlay	423,100	421,133	424,500
Total Expenses	\$96,312,822	\$95,271,713	\$98,534,845
Transfers & Other			
Transfers In	\$ -	\$ 6,370,000.00	\$ 6,370,000
Other Sources	1,975,000	1,975,000	550,000
Transfers out	(2,505,000)	(1,155,000)	(2,380,000)
UGF COVID Mitigation Fund	-	(4,713,647)	-
Contingency	-	-	(4,100,000)
Other Out Go	(10,000)	(160,000)	(10,000)
Total Transfers/Other	(\$540,000)	\$2,316,353	\$430,000
Fund Balance			
Net Change in Fund Balance	\$ (4,935,022)	\$ 82,973	\$ 769,100
Beginning Balance, July 1	25,428,798	25,428,798	25,511,772
Adjustments to Beginning Balance	0	0	0
Net Fund Balance, June 30	\$20,493,776	\$25,511,772	\$26,280,872

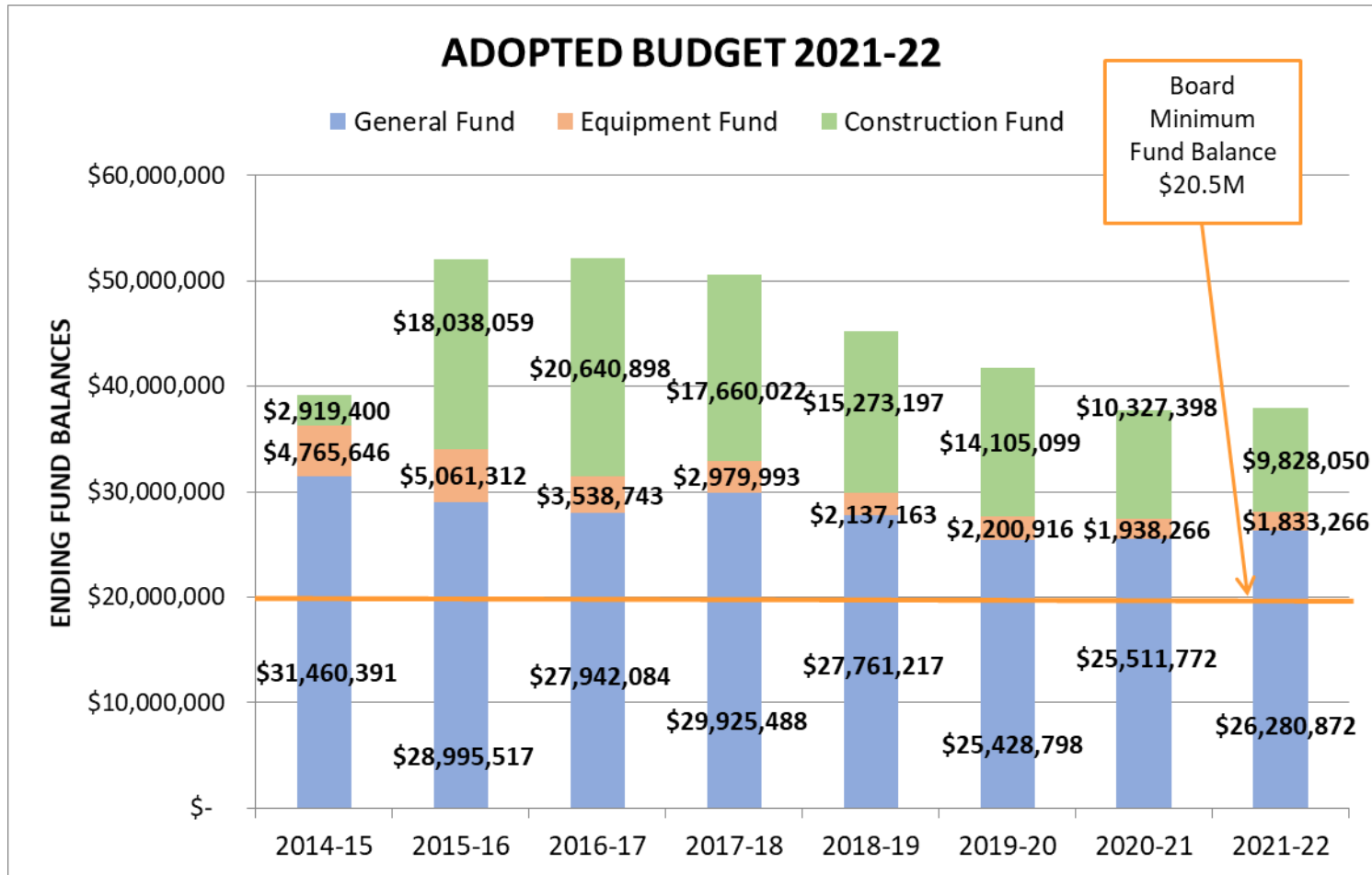
General Fund Reserve Details

	June 30, 2020 Actual Ending Balance	June 30, 2021 Adjusted Budget Ending Balance	June 30, 2022 Adopted Budget Ending Balance
Designated:			
State Mandated Contingency (5%)	\$ 5,268,464	\$ 4,771,586	\$ 5,132,242
General Apportionment Deferral			
Additional Reserve required to meet 15% Principle	\$ 15,805,393	14,314,757	15,396,727
Total Designated	\$ 21,073,857	\$ 19,086,343	\$ 20,528,969
Undesignated:	\$ 4,354,941	\$ 6,425,429	\$ 5,751,903
Total Fund Balance	\$ 25,428,798	\$ 25,511,772	\$ 26,280,872
<i>% Designated Ending Balance/Expenditures</i>	21.60%	18.19%	20.87%
<i>% Total Ending Balance/Expenditures</i>	24.63%	24.31%	26.71%

Capital Projects Fund Reserve Details

	June 30, 2021 Estimated Ending Balance	2021-22 Revenues	2021-22 Expenses	2021-22 Intrafund Transfers	2021-22 Transfers From UGF	June 30, 2022 Adopted Budget Ending Fund Balance
Fund Balance						
Equipment Fund						
Equipment Replacement	\$ 1,829,336	\$ 20,000	\$ (980,000)		\$ 980,000	\$ 1,849,336
Ergonomic Furniture & Equipment	32,625	50,000	(50,000)			32,625
Instructional Equipment Block Grant	76,305		(125,000)			(48,695)
Total Equipment Fund Balances	1,938,266	70,000	(1,155,000)	-	980,000	1,833,266
Construction Fund						
Construction	\$ 2,923,069	\$ 550,000	\$ (1,000,000)	\$ -	\$ 500,000	\$ 2,973,069
Campus Center	-	-	-	-	-	-
PE Building	6,854,981	-	-	-	-	6,854,981
State Maintenance	549,349	5,600,000	(6,149,349)	-	-	-
Energy Efficiency	-	-	-	-	-	-
La Playa Turf Replacement	-	-	-	-	-	-
Classroom Improvement	-	-	-	-	-	-
Total Construction Fund Balances	10,327,398	6,150,000	(7,149,349)	-	500,000	9,828,050
Total Fund Balance	\$ 12,265,664	\$ 6,220,000	\$ (8,304,349)	\$ -	\$ 1,480,000	\$ 11,661,316

Fund Balances





Fund Balances & Projections

5 Year Fiscal Projections

	2021-22 Draft Adopted Budget	2022-23 Projected Budget	2023-24 Projected Budget	2024-25 Projected Budget	2025-26 Projected Budget
Total Revenues	105,793,945	103,281,945	107,360,945	111,205,945	112,570,945
Expenditures					
Salaries & Benefits	86,257,407	86,907,407	87,594,907	89,682,407	91,769,907
Operations	11,852,938	12,352,938	12,777,938	13,202,938	13,527,938
Capital Outlay	424,500	424,500	424,500	424,500	424,500
Other Expenditures	4,110,000	2,610,000	2,610,000	2,610,000	2,610,000
Transfers Out	2,380,000	2,685,000	2,800,000	2,925,000	3,060,000
Total Expenditures	105,024,845	104,979,845	106,207,345	108,844,845	111,392,345
Net Change In Fund Balance	769,100	(1,697,900)	1,153,600	2,361,100	1,178,600
Beginning Fund Balance	25,511,772	26,280,872	24,582,972	25,736,572	28,097,673
Change in Fund Balance	769,100	(1,697,900)	1,153,600	2,361,100	1,178,600
Ending Fund Balance	26,280,872	24,582,972	25,736,572	28,097,673	29,276,273
Board Policy Designated Reserve	20,528,969	20,458,969	20,681,469	21,183,969	21,666,469
Amount Over / (Under) Board Designated Reserve	5,751,903	4,124,003	5,055,103	6,913,704	7,609,804

Primary assumptions: COLA of approximately 1.5% year over year, no changes in resident FTES, increases in nonresident FTES through 2024-25 to peak levels experienced from 2015-2018, and budget stabilization actions implemented from 2021-22 through 2023-24.

- COVID Related Expenses
 - The District is currently paying students \$100 if they upload their vaccination card. The final cost of these payment may exceed \$1MM, which will impact the planned distribution of HEERF funds.
 - The current budget incorporates the impact of ongoing COVID vaccinations and COVID response staffing needs. Currently the budget reflects estimates of these costs, which will likely change.
- On Campus Operations
 - The Adopted Budget assumes savings from limited on-campus operations and a smaller schedule for both fall and spring semesters. In the event the campus is able to open fully, the budget will need to be adjusted to include these costs.
 - Note: Nonlabor operation budgets based largely on in-person classes; numbers could change if many classes remain online



What's Next

- Budgets will continue to be refined
 - Restricted Funds
 - Allocation of COVID Relief Funds
 - Revenue Generating Funds
- Adopted Budget Presented to Campus Constituencies
 - CPC
 - Academic Senate
 - Classified Consultation Group
 - Associated Student Government
 - Campus Budget Forums
- Final Budget Approval September 9, 2021



Questions?