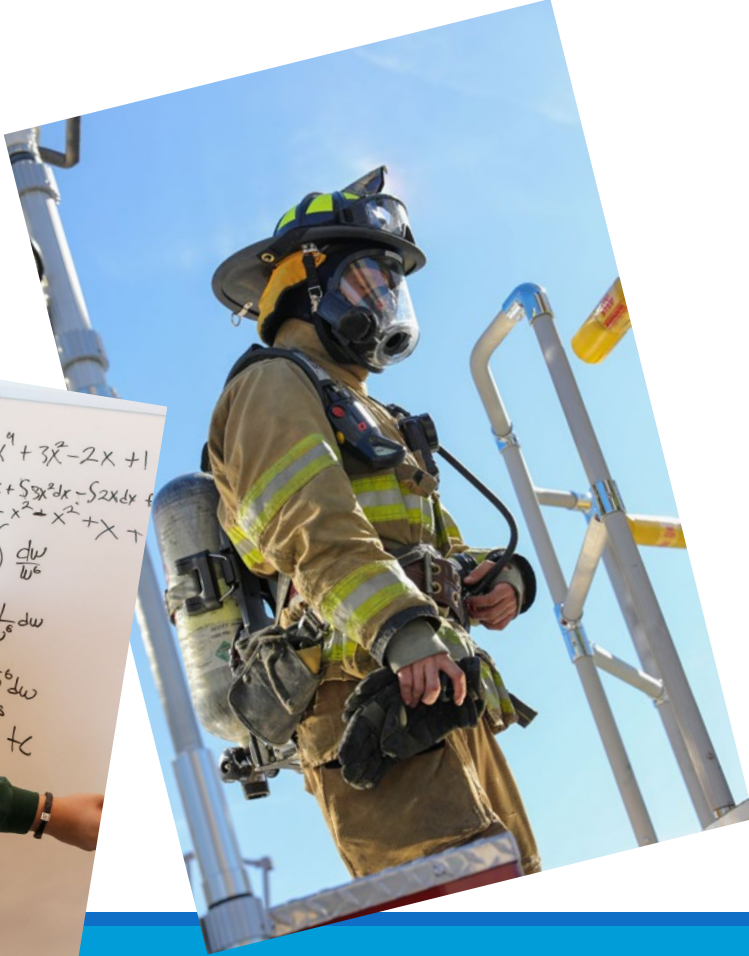
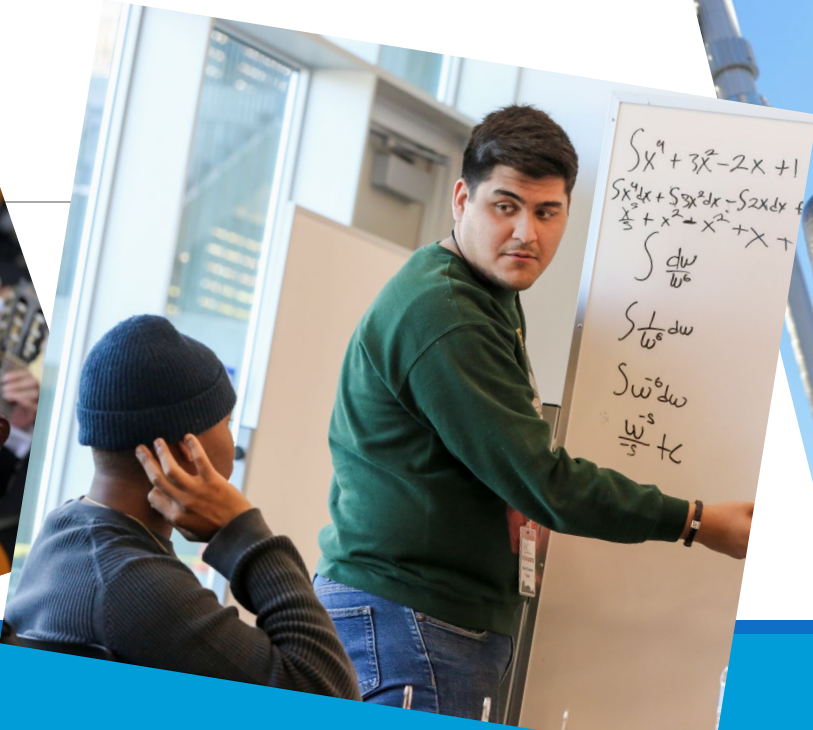


# Southwestern Community College District Governing Board ADOPTION BUDGET FY 22-23

AUGUST 22, 2022, DR. KELLY HALL



# SCCD Governing Board: 2022

- Roberto Alcantar

Board President



- Kirin Macapugay

Board Vice President



- Leticia Cazares

Board Member



- Griselda A. Delgado

Board Member



- Don Dumas

Board Member



- Jose M. Perez

Student Trustee

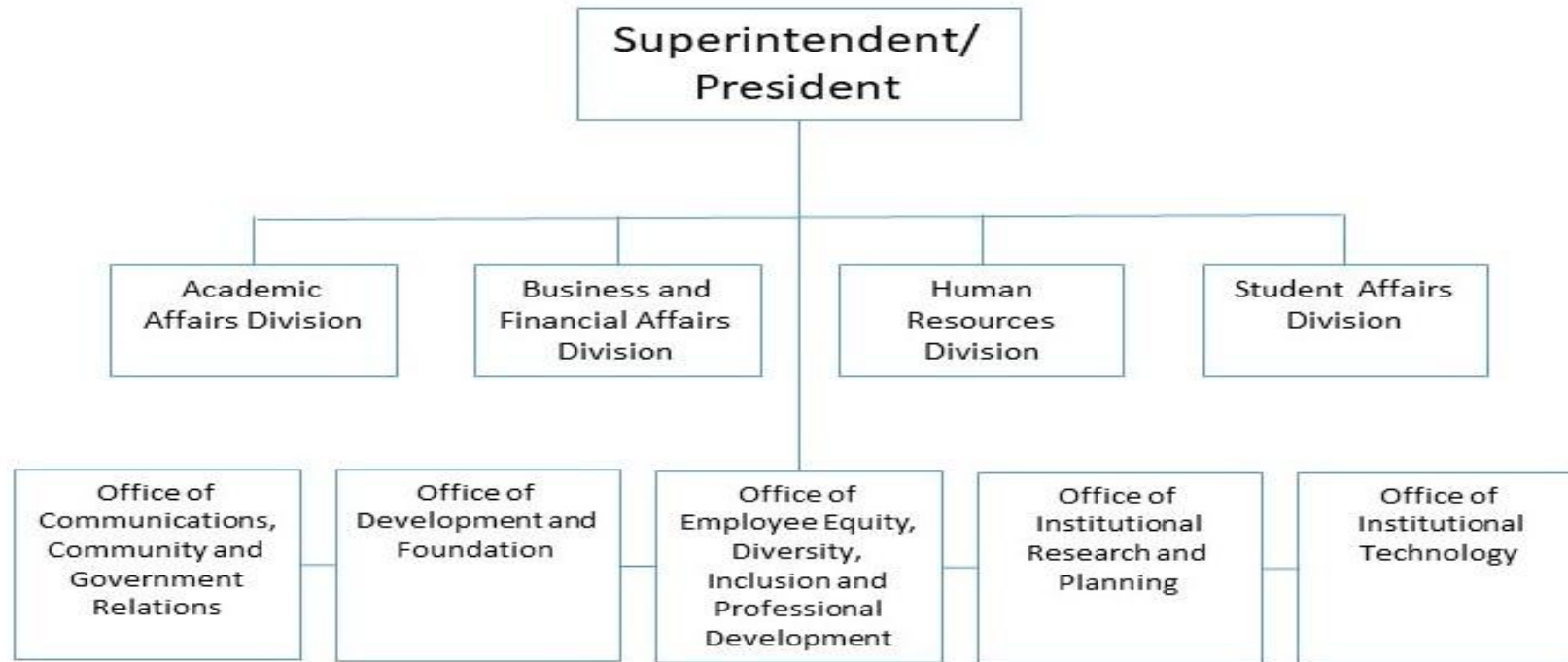


- Dr. Mark Sanchez

Superintendent  
- President

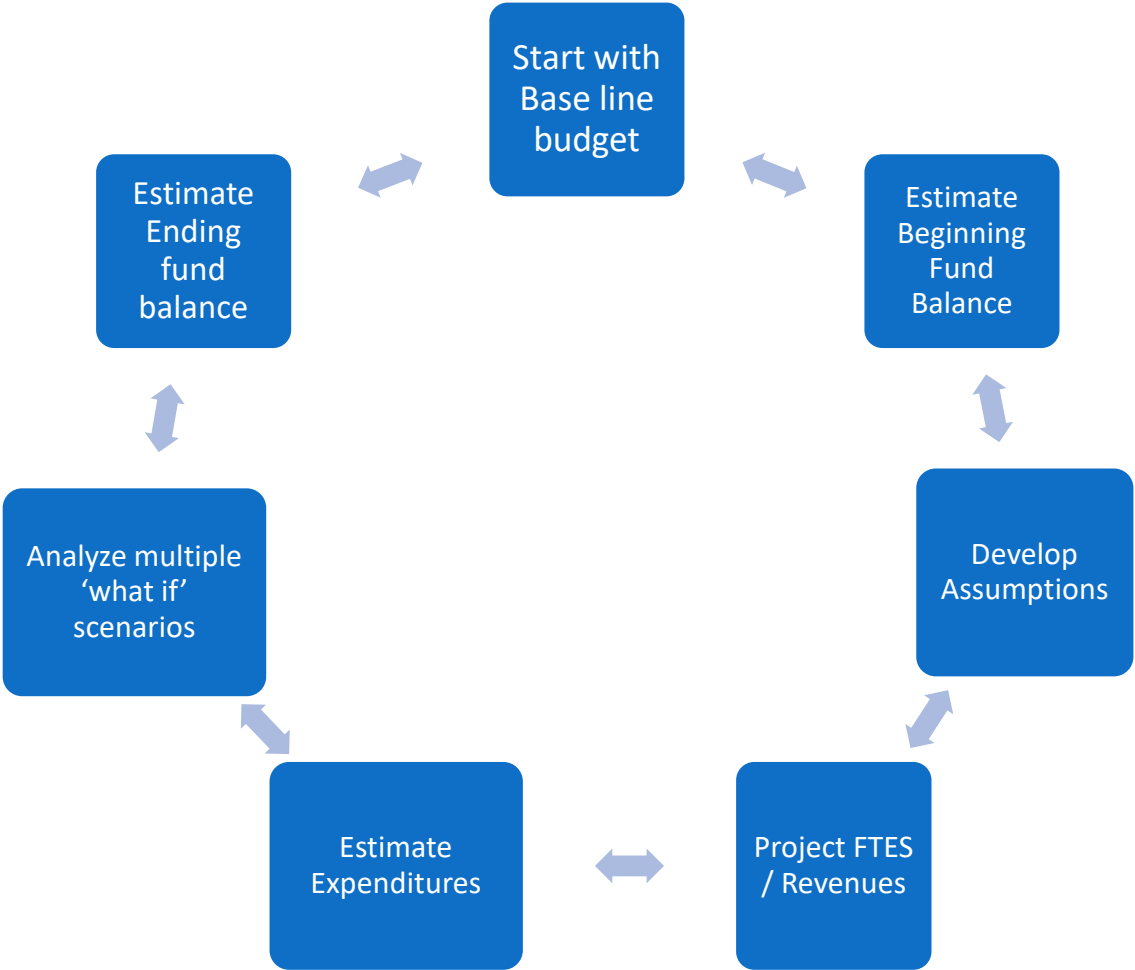


# DISTRICT DIVISIONAL STRUCTURE





# Budget and Planning Integration



# Projected Actuals 2021-22

Description	2021-22 Adopted Budget (Adjusted)	2021-22 Projected Actuals
Total Revenue	\$ 120,646,540	\$ 123,066,576
Total Expenses	117,183,828	119,491,443
Excess (Deficit)	\$ 3,462,712	\$ 3,575,133
Beginning Fund Balance	\$ 17,622,790	\$ 17,622,790
Adjustments	5,370,038	5,370,038
Beginning Fund Balance as Adjusted	\$ 22,992,828	\$ 22,992,828
Excess (Deficit)	3,462,712	3,575,133
Ending Fund Balance	\$ 26,455,540	\$ 26,567,961
Ending Fund Balance	\$ 26,455,540	\$ 26,567,961
Assigned for Full-Time Faculty Hiring	(3,297,298)	(3,297,298)
Committed for Compensated Absences	(4,132,241)	(4,132,241)
Governing Board Reserve - Committed for Economic Uncertainty	(18,749,412)	(19,118,631)
Remaining Fund Balance	\$ 276,589	\$ 19,791

## Key Factors Contributing to Actual Results

- The Chancellor's recalculation of 2019-20 revenue was received in 2021-22, increasing revenue by \$1,224,960.
- The effect of contract negotiations and revised salary schedules increased expenses by \$6,507,411.
- Revised estimates of non-personnel expenses and lost revenue reimbursements from COVID Emergency Relief Funds resulted in a reduced non-personnel budgeted expense of \$3,749,692.

# California State Budget FY 22-23

The FY 22-23 California Budget Act was signed by Governor Newsom on June 30, 2022. The Budget Act continues what has become a common narrative in this era of roller-coaster economics. Higher than expected revenues from wealthy taxpayers in the near term co-exist with significant concerns about escalating inflation and the recession that will likely follow. The Budget Act contains a spending plan of just over \$300 billion, almost 17% more than the FY 21-22 budget.

Concurrently, a recent analysis by the Legislative Analyst's Office modeled over 10,000 scenarios, all of which predict a State budget deficit by FY 25-26. Future projections warn districts to brace for funding declines by FY 25-26. (GANN / SAL Limit)

# CCC Funding

## PROPOSITION 98 COMMUNITY COLLEGE FUNDING (IN MILLIONS)

Source	2020-21 Enacted	2021-22 Enacted	2022-23 Enacted	Change From 2021-22	Percent Change
General Fund	\$6,588	\$6,333	\$8,975	\$2,642	42%
Local property tax	3,327	3,535	3,653	118	3%
Totals	\$9,915	\$9,868	\$12,628	\$2,760	28%

6.56% COLA  
 Base Increase (Institution Size)  
 Basic Increase (SCFF Rates)  
 One-time Funds

## FY 22-23 SCFF Rates

Allocations	2021-22 Rates	2022-23 Rates with 6.56% COLA	2022-23 Rates with 6.56% COLA + Base Increase	Change from 2021-22 (Amount)	Percent Change
Base Credit <sup>a</sup>	4,212	4,488	4,737	524	12.45%
Incarcerated Credit <sup>a</sup>	5,907	6,294	6,642	735	12.45%
Special Admit Credit <sup>a</sup>	5,907	6,294	6,642	735	12.45%
CDCP	5,907	6,294	6,642	735	12.45%
Noncredit	3,552	3,785	3,994	442	12.45%
Supplemental Point Value	996	1,061	1,120	124	12.45%
Student Success Main Point Value	587	625	660	73	12.45%
Student Success Equity Point Value	148	157	167	18	12.45%

# FY 22-23 Adoption Budget Building Assumptions



- The District will elect the Emergency Conditions Allowance for FY 22-23.
- A Cost-of-Living Adjustment (COLA) to SCFF apportionment of 6.56% combined with on-going increases to base funding will generate an additional \$12.6 million in State apportionment.
- No growth funding is anticipated.
- We will welcome 41 new FT Faculty in the fall (28 are from our adjunct ranks).
- LHE's taught by adjuncts will be reduced substantially as the % of classes taught by FT Faculty will increase from 39 to 48%.
- The District expects to receive **one-time** funds estimated as follows (in millions):
  - Student Re-Engagement Funds \$2
  - Deferred Maintenance Funds \$11
  - COVID Recovery Block Grant \$8.6
  - Data Security and Modernization \$2
- Categorical programs on-going funding increased by 6.56% COLA:
  - Extended Opportunity Programs and Services (EOPS)
  - Disabled Student Services (DSS)
  - Adult Ed
  - Academic Senate
  - Cooperative Agencies Resources for Education (CARE)
- Changes from current funding amounts for:
  - Student Equity and Achievement Program – 5%
  - Strong Workforce – no change
- COVID-19 HEERF relief funds will be fully expended in the current year with no carry-forward.
- The one-time funds in the current budget along with the base augmentations and the largest COLA in over 40 years provide an opportunity for Southwestern to regrow enrollments and stabilize funding prior to FY 24-25.



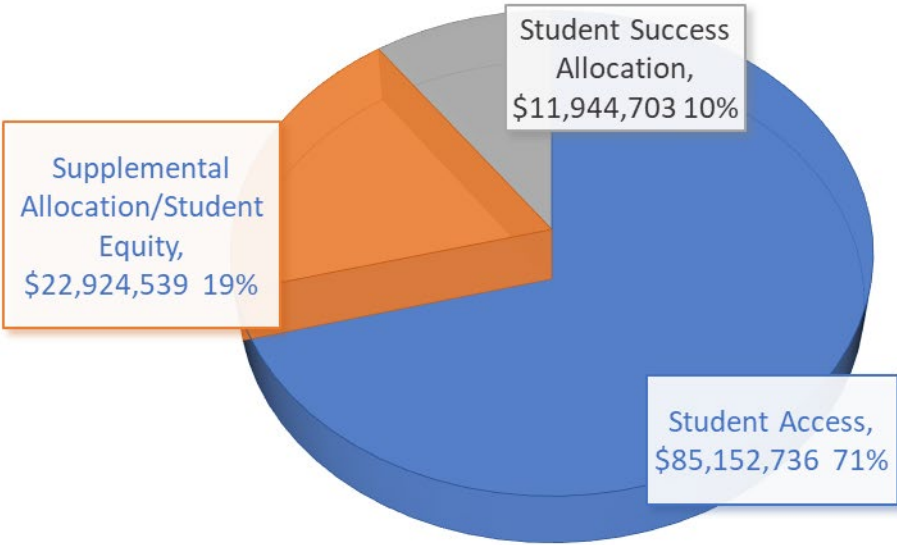
# SCFF Revenue



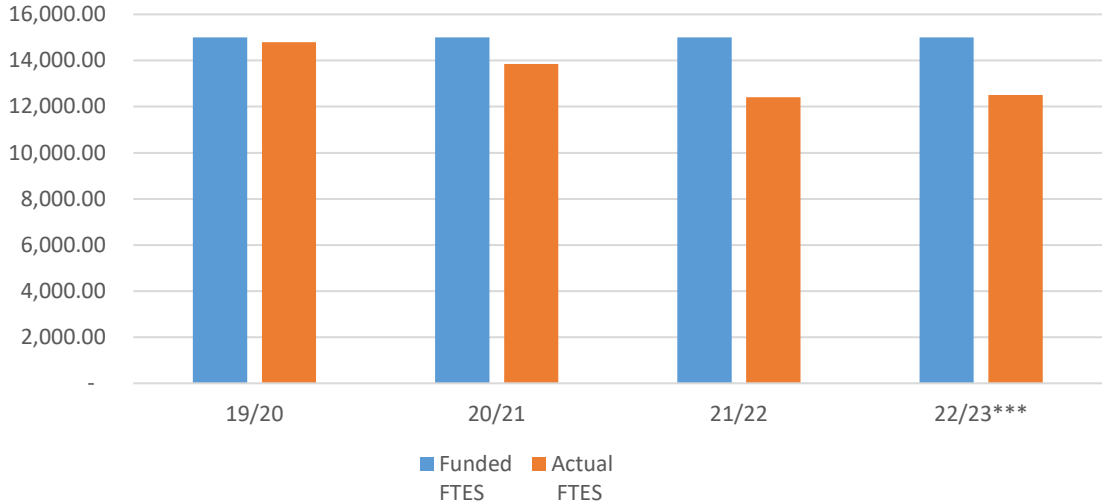
Fiscal Year	Funded FTES	Actual FTES	% Change Year over Year
19/20	15,008.59	14,799.70	
20/21	15,008.59	13,851.38	-6.41%
21/22	15,008.59	12,402.69	-10.5%
22/23***	15,008.59	12,500.00	0.78%

\*\*\* FY19-20 & 20-21, 21-22, 22-23 Emergency Conditions Allowance

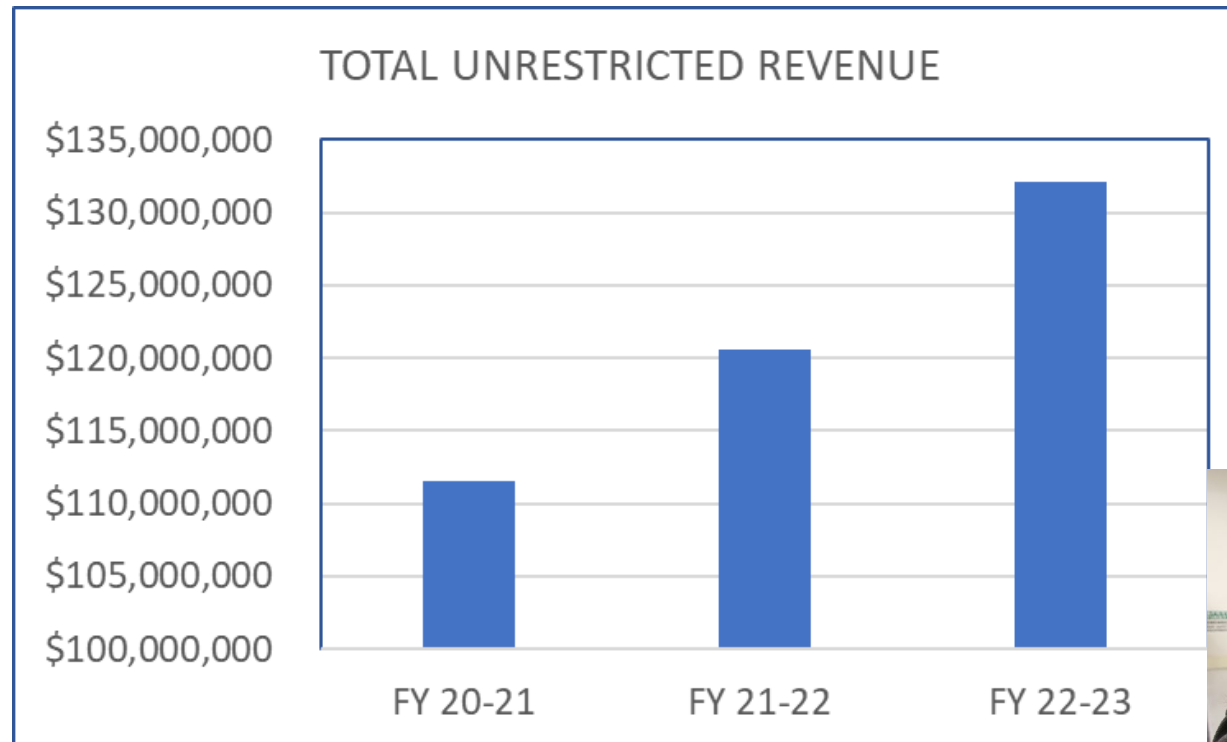
## STUDENT CENTERED FUNDING FORMULA REVENUE



Funded Compared to Actual FTES

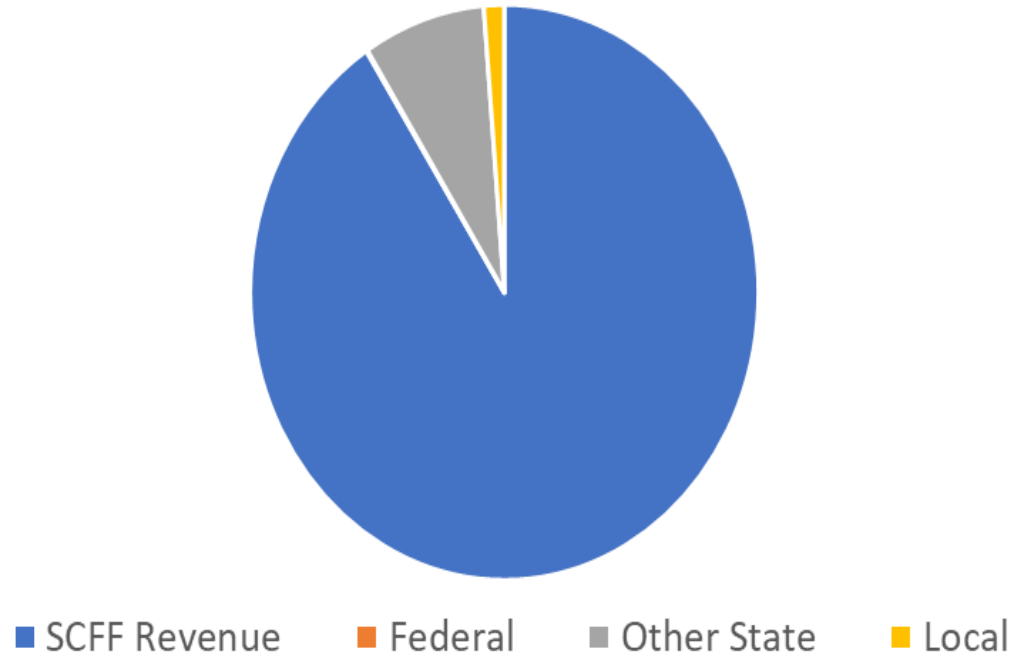


# Total Unrestricted General Fund Revenue Trend



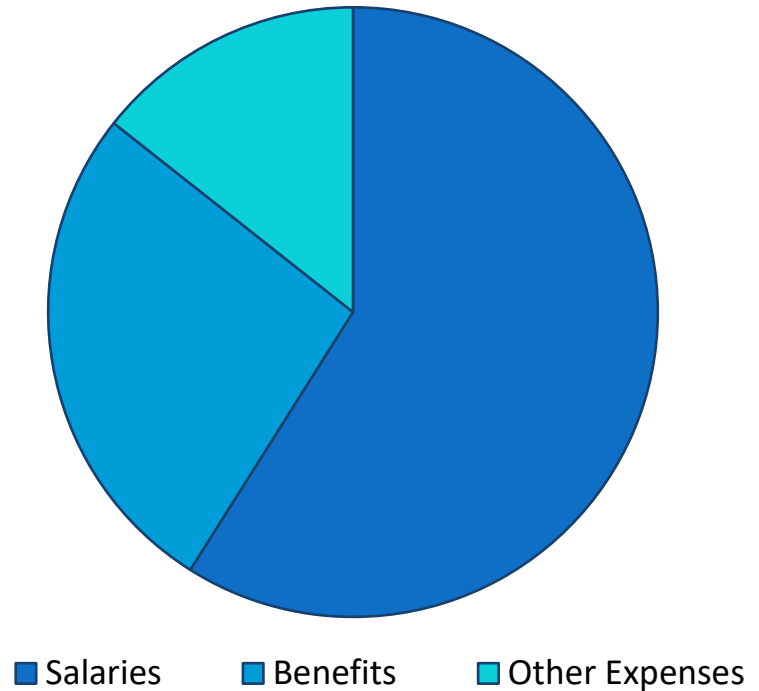
# Unrestricted General Fund AB 22-23

General Unrestricted Fund Revenue: All Sources



\$132,097,569

General Unrestricted Expenses



\$128,620,363

**SURPLUS: \$3,477,206**

# Unrestricted General Fund Balance FY 22-23

Unaudited Beginning Fund Balance		\$26,567,961
Revenues	\$132,097,569	
Expenses	<u>128,620,363</u>	
Excess of Revenues over Expenses		<u>3,477,206</u>
Projected Ending Fund Balance		\$30,045,167
Committed for Compensated Absences	\$(4,132,241)	
Committed for Economic Uncertainty	<u>(20,579,258)</u>	
Uncommitted Fund Balance		<u>\$5,333,667</u>

# All Revenue Adoption Budget FY 22-23

	Adoption Budget All Funds	
<b>General Fund:</b>		
Unrestricted	\$	132,097,569
Restricted		49,700,533
Total General Fund	\$	181,798,102
<b>Other Funds:</b>		
Proposition R Construction Bond Fund	\$	250,000
Proposition Z Construction Bond Fund		800,000
Capital Outlay		9,452,654
Enterprise Funds		
Bookstore		1,602,000
Food Services		407,300
Civic Center-Facilities Leasing		325,000
Fitness Center		1,844,000
Student Center		149,200
Student Representation Fee		10,000
Associated Student Organization (ASO)		300,000
Self-Insurance		3,600
Total Other Funds	\$	15,143,754
<b>Total Budgeted Revenue</b>	<b>\$</b>	<b>196,941,856</b>





# Deferred Maintenance Spending

Capital Outlay Projects Fund 41	FY 22-23 Adoption Budget
<b>Scheduled Maintenance - Multi-Year</b>	
Prior Year Scheduled Maintenance	\$ 181,387
Carpet and Flooring	112,513
Parking Lot C Repair	326,660
HVAC Ducting Repairs	100,545
Electrical Upgrade	2,136,759
HVAC Mechanical Upgrades and Repairs District Wide	3,103,087
Completion of CARES Projects (post CARES Funding)	300,000
HVAC Districtwide	12,591,638
<b>Total</b>	<b>\$ 18,852,589</b>
<b>Redevelopment Funds</b>	
ADA Access Upgrade	\$ 58,586
<b>Total</b>	<b>\$ 58,586</b>
<b>Total Capital Outlay Projects</b>	<b>\$ 18,911,175</b>



Thank You!

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