2021-22 ADOPTED BUDGET
2021-22 Budget is balanced

Property taxes projected to increase 4.16% over 2020-21

Funding set aside to support Strategic Plan Initiatives and to support full return to face-to-face operations in Spring 2022

The reserves are, as planned, at 15%
Overview

- Budget Guidelines
- State Budget
- SMCCCD 2021-22 Adopted Budget Assumptions (Unrestricted General Fund Summary)
- 2021-22 Initiatives to Support Students and Community
- PERS and STRS Rates Impact on SMCCCD
- SMCCCD 2021-22 Adopted Budget (Unrestricted General Fund Summary)
- Adopted Budget - All Funds
- Looking Ahead
- Summary
Budget Guidelines

- Address Board goals and District Strategic Plan
- Balanced budget projections through 2023-24
- Maintain adequate reserves
- Use one-time funds for one-time expenses
- Support College budgeting priorities in accordance with participatory governance protocols and accreditation standards
College Affordability and Basic Needs

$155 million in on-going funds to eliminate the age and time-out-of-high-school eligibility requirements for the Cal Grant entitlement for students, which will provide resources to an additional 133,000 students statewide

$2 billion in one-time, non-Proposition 98 General Funds to create a new fund for student housing within the three higher education segments (i.e., community colleges, California State University, University of California)

$2.5 million to provide instructional materials for dual enrollment students

$100 million in one-time funds for colleges to support basic needs, including maintaining food pantries, assisting students with enrollment in the Cal Fresh program, supporting students with obtaining nutritional assistance, and assisting homeless and housing-insecure students with securing stable housing

$115 million in one-time funds for grants to districts for the development of zero-textbook-cost degrees and certificates

$30 million in on-going funds to provide students with mental health resources

$30 million in on-going funds to support basic needs centers and coordinators
Diversity, Equity, and Inclusion

- $20 million for the State Chancellor’s Office to support the implementation of best practices for success in promoting equal employment opportunity with a focus on faculty and staff diversity
- $10 million in one-time funds to support LGBTQ students
- $10 million in on-going funds to support the Rising Scholars Network
- $23.8 million in on-going funds for enrollment growth
- $5.6 million for planning efforts to advance antiracism in curriculum and implement the ethnic studies general education requirement
- $1 million to update and modernize the CCC Registry
- $20 million in one-time funds for culturally competent professional development
Pathways
- $50 million in one-time funds for continued implementation of Guided Pathways
- $10 million in one-time funds to support a workgroup focused on the planning and implementation of competency-based education
- $10 million in one-time funds to establish a workgroup to support the development and implementation of a common course numbering system across the system

Workforce
- $42.4 million in on-going funds for the Strong Workforce program
- $20 million in one-time funds to expand collaboration with the California Workforce Development Board to strengthen alignment with workforce initiatives
- $15 million in on-going funds to support the California Apprenticeship Initiative
Support for Institutions

- $1.45 billion in one-time funds to eliminate the budget deferrals from 2020-21
- $371.2 million or 5.07% cost-of-living adjustment (COLA) to the Student Centered Funding Formula
- $29.2 million or 1.7% COLA for selected categorical programs
- $511 million in one-time funds for deferred maintenance
- $10 million in on-going funds and $90 million in one-time funds for part-time faculty office hours
- $100 million in on-going funds to increase the number of full-time faculty to advance towards the 75/25 Goal
- $74 million in on-going funds for targeted support service programs: Umoja, MESA, Puente, and EOPS
- $1.3 million in on-going funds for Historically Black Colleges and Universities (HBCU) Pathways
- $5.8 million in on-going funds for Dreamer Resource Liaisons to allow every campus to have a full-time position
- $4 million in on-going funds to implement a library services platform
Pandemic Recovery

$250 million in one-time funds in federal American Rescue Plan funds to provide emergency financial assistance to low-income students* (of which, $100 million was part of the SB 85 Immediate Action legislation from spring 2021)

$3.1 million for outreach and application assistance to students applying for the Cal Fresh program*

$100 million to support efforts to bolster student retention rates and enrollment* (of which, $20 million was part of the SB 85 Immediate Action legislation from spring 2021)

$10.6 million in on-going funds to provide a system-wide and integrated online infrastructure to support the continuity of education and quality distance learning across the system

*Included in the SB 85 (immediate action legislation) from spring 2021
Adopted Budget Assumptions

- Property tax increase: 4.16%
- Enrollment:
  - Resident FTES 13,711
    - 3.01% projected decline from 2020-21
  - Out-of-State FTES 478
    - 6.64% projected decline from 2020-21
  - Apprenticeship FTES 112
    - 2.40% projected increase from 2020-21
  - International FTES 528
    - 3.03% projected decline from 2020-21
- Student Enrollment Fees:
  - Resident Tuition: $46/unit – no increase
  - Non-resident Tuition: $307/unit – adopted by Board in February 2021
  - Proposition 55 (EPA): $100/FTES (prior three year average)
  - Lottery: $163/FTES
  - Mandated Cost Block Grant: $30.67/FTES
  - Inflation: 3.96% based on CA CPI
2021-22 Initiatives

- $3.3M Promise Scholars Program
  - Increase in the size of cohort to serve 2,500 students
    - $1M from the County (an additional $1M will be provided for 2022-23 for a total of $2M) to be used as direct aid to students (e.g., fees, books, etc.)
    - $1.4M California College Promise - AB 19 State Allocation
    - $600K Foundation
    - $300K Housing

- $1M Food Insecurity Initiative

- $800K (Year 3 of 3) Equity Institute
2021-22 Initiatives

- $6.75M (one-time) for Free College Strategic Initiative
  - CCAP Dual Enrollment and Middle College
  - Promise Scholars Program infrastructure expansion
  - Open Educational Resources and Zero Textbook Cost
- $32.5M (one-time) for COVID-19 mitigation and emergency preparedness
  - $28.2M HEERF Funding
  - $1M COVID-19 Contingency (set-aside)
  - $3.3M sites' set-aside for emergency preparedness
Based on calculations and projections as of this moment (adopted budget assumptions on enrollment, budgeted expenses, etc.): 50% Law calculation is estimated to be approximately 42.25% for 2021-22.

District plans to continue to address the impact on teaching faculty with:

- **Additional** $1.5M in ongoing budget allocation towards 50% law compliance
  - These funds will be used to increase part-time faculty parity
- $2.2M total allocated between 2020-21 and 2021-22
  - $700K in 2020-21 to convert 10 part-time FTEF to 10 full-time FTEF
PERS and STRS Rates Impact on SMCCCD

Employer Contribution Rates

- **PERS Employer Rate**
  - 2013/14: 8.25%
  - 2014/15: 11.44%
  - 2015/16: 16.92%
  - 2016/17: 19.10%
  - 2017/18: 22.91%
  - 2018/19: 27.10%
  - 2019/20: 22.91%

- **STRS Employer Rate**
  - 2013/14: 16.92%
  - 2014/15: 27.10%
  - 2015/16: 22.91%
  - 2016/17: 19.10%
  - 2017/18: 16.92%
  - 2018/19: 8.25%
  - 2019/20: 11.44%
  - 2020/21: 16.92%
  - 2021/22: 22.91%
  - 2022/23 Est.: 27.10%
  - 2023/24 Est.: 22.91%
PERS and STRS Rates Impact on SMCCCD

Employer Costs

- PERS Employer Cost
- STRS Employer Cost
## Unrestricted General Fund Revenue

<table>
<thead>
<tr>
<th></th>
<th>Adopted 2020-21</th>
<th>Tentative 2021-22</th>
<th>Adopted 2021-22</th>
<th>Variance between Tentative and Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Property Taxes</strong></td>
<td>$165,666,425</td>
<td>$173,010,714</td>
<td>$172,178,871</td>
<td>$(831,843)</td>
</tr>
<tr>
<td><strong>RDA Funds</strong></td>
<td>14,970,114</td>
<td>15,626,516</td>
<td>14,867,919</td>
<td>(758,598)</td>
</tr>
<tr>
<td><strong>Student Fees</strong></td>
<td>8,150,650</td>
<td>8,395,976</td>
<td>7,887,602</td>
<td>(508,374)</td>
</tr>
<tr>
<td><strong>Non-resident Tuition</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(int’l and out-of-state)</td>
<td>4,733,625</td>
<td>6,765,975</td>
<td>6,478,424</td>
<td>(287,550)</td>
</tr>
<tr>
<td><strong>EPA</strong></td>
<td>1,437,300</td>
<td>1,408,700</td>
<td>1,414,825</td>
<td>6,125</td>
</tr>
<tr>
<td><strong>STRS on Behalf</strong></td>
<td>5,796,149</td>
<td>5,796,149</td>
<td>4,488,329</td>
<td>(1,307,820)</td>
</tr>
<tr>
<td><strong>Other Rev/Tsfrs</strong></td>
<td>7,657,706</td>
<td>8,028,879</td>
<td>11,906,164</td>
<td>3,877,285</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$208,411,969</td>
<td>$219,032,908</td>
<td>$219,222,133</td>
<td>$189,227</td>
</tr>
</tbody>
</table>

Minor differences in dollar amounts due to rounding
<table>
<thead>
<tr>
<th>Expense</th>
<th>Adopted 2020-21</th>
<th>Tentative 2021-22</th>
<th>Adopted 2021-22</th>
<th>Variance between Tentative and Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Allocations</td>
<td>$171,424,265</td>
<td>$178,214,535</td>
<td>$178,315,678</td>
<td>$101,143</td>
</tr>
<tr>
<td>Other Benefits/STRS on Behalf</td>
<td>6,046,149</td>
<td>6,046,149</td>
<td>4,738,329</td>
<td>(1,307,820)</td>
</tr>
<tr>
<td>Utilities</td>
<td>4,222,417</td>
<td>5,086,994</td>
<td>5,156,812</td>
<td>69,818</td>
</tr>
<tr>
<td>Districtwide Technology</td>
<td>3,637,143</td>
<td>4,115,036</td>
<td>4,876,481</td>
<td>761,445</td>
</tr>
<tr>
<td>Salary Commitments/Office Hours</td>
<td>8,631,079</td>
<td>9,953,763</td>
<td>9,428,198</td>
<td>(525,565)</td>
</tr>
<tr>
<td>Commitment towards PT faculty parity (50% Law Compliance)</td>
<td>700,000</td>
<td>1,500,000</td>
<td>1,500,000</td>
<td>0</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,815,663</td>
<td>3,213,364</td>
<td>2,951,767</td>
<td>(261,598)</td>
</tr>
<tr>
<td>Other</td>
<td>10,935,253</td>
<td>10,903,066</td>
<td>12,254,869</td>
<td>1,351,804</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$208,411,969</strong></td>
<td><strong>$219,032,908</strong></td>
<td><strong>$219,222,133</strong></td>
<td><strong>$189,227</strong></td>
</tr>
</tbody>
</table>

Minor differences in dollar amounts due to rounding
## Budget Summary

<table>
<thead>
<tr>
<th>Total Income (Excluding PY Carryover)</th>
<th>2021-22 Unrestricted General Fund Expenditure Plan</th>
<th>Prior-Year Carryover Sites / DW One-Time</th>
<th>Restricted for Free College One-Time</th>
<th>Total Adopted 2021-22 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>$219,222,131</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$219,222,131</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Expenses</th>
<th>206,530,582</th>
<th>23,956,678</th>
<th>6,750,000</th>
<th>237,237,260</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$206,530,582</td>
<td>$23,956,678</td>
<td>$6,750,000</td>
<td>$237,237,260</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total TRFs/Other Sources</th>
<th>(12,691,549)</th>
<th>0</th>
<th>0</th>
<th>(12,691,549)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$0</td>
<td>$0</td>
<td>$12,691,549</td>
</tr>
</tbody>
</table>

## Fund Balance

<table>
<thead>
<tr>
<th>Net Change in Fund Balance</th>
<th>(0)</th>
<th>(23,956,678)</th>
<th>(6,750,000)</th>
<th>(30,706,678)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance ( Colleges, CS, DO accounts), July 1</td>
<td>0</td>
<td>23,956,678</td>
<td>0</td>
<td>23,956,678</td>
</tr>
<tr>
<td>Restricted Beginning Balance, July 1</td>
<td>0</td>
<td>0</td>
<td>6,750,000</td>
<td>6,750,000</td>
</tr>
<tr>
<td>15% Reserves/Beginning Fund Balance*</td>
<td>33,149,255</td>
<td>0</td>
<td>0</td>
<td>33,149,255</td>
</tr>
<tr>
<td>Total Beginning Fund Balance</td>
<td>33,149,255</td>
<td>23,956,678</td>
<td>6,750,000</td>
<td>63,855,933</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjustments to Beginning Balance</th>
<th>0</th>
<th>0</th>
<th>0</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET FUND BALANCE, June 30</td>
<td>$33,149,255</td>
<td>$0</td>
<td>$0</td>
<td>$33,149,255</td>
</tr>
</tbody>
</table>
### Adopted Budget – All Funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>2021-22 Final Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted General Fund</td>
<td>$249,928,809</td>
</tr>
<tr>
<td>Self-Insurance Fund</td>
<td>3,246,133</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>61,145,704</td>
</tr>
<tr>
<td>Restricted General Fund</td>
<td>77,708,256</td>
</tr>
<tr>
<td>Capital Projects Fund</td>
<td>71,628,294</td>
</tr>
<tr>
<td>Bookstore Fund</td>
<td>5,921,240</td>
</tr>
<tr>
<td>Cafeteria Fund</td>
<td>181,569</td>
</tr>
<tr>
<td>San Mateo Athletic Club (SMAC)</td>
<td>2,315,800</td>
</tr>
<tr>
<td>Community, Continuing, and Corp Ed</td>
<td>1,399,004</td>
</tr>
<tr>
<td>Child Development Fund</td>
<td>1,456,003</td>
</tr>
<tr>
<td>Trust Funds (Financial Aid)</td>
<td>25,829,246</td>
</tr>
<tr>
<td>Reserve for Post-Retirement Benefits</td>
<td>8,055,487</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$508,815,545</strong></td>
</tr>
</tbody>
</table>
Capital Outlay

- Spending down GO Bond funds (Measure H)
- Continued State funding for one project under Prop 51
  - Building 2 - Workforce and Economic Development Prosperity Center at Skyline College.
- $7.6M in Scheduled Maintenance funds allocated in this year’s State Budget for SMCCCD
<table>
<thead>
<tr>
<th>Change In Portfolio</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Value  7-1-2020</td>
<td>$128,521,859</td>
</tr>
<tr>
<td>Change in Market Value</td>
<td>24,041,212</td>
</tr>
<tr>
<td>Income Received</td>
<td>5,149,569</td>
</tr>
<tr>
<td>Portfolio Fees</td>
<td>(524,624)</td>
</tr>
<tr>
<td>Portfolio Value  6-30-2021</td>
<td>$157,188,015</td>
</tr>
<tr>
<td>Net OPEB Liability 6-30-2021</td>
<td>$116,931,609</td>
</tr>
<tr>
<td>(Under)/<strong>Over</strong> Funded</td>
<td>$40,256,406</td>
</tr>
</tbody>
</table>

Minor differences in dollar amounts due to rounding
Looking Ahead

2022-23 and 2023-24 Considerations:

- Property taxes
- Enrollment
- Insurance
- SMAC and Cañada Building 1
- Covid-19 mitigation – on-going costs
Summary

- 2021-22 Budget is balanced
- Budget is guided by the District’s Strategic Plan
- Provides resources for:
  - Students
  - Employees
  - Community
- The reserves are, as planned, at 15%
- Resources set aside for Covid-19 mitigation
- 2021-22 Final Budget is ready for adoption
QUESTIONS?

Thank You!