



**CCOS**

**COLLEGE OF THE SEQUOIAS**

**VISALIA**

**HANFORD**

**TULARE**

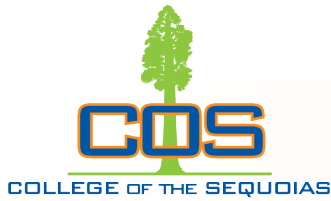
# **Sequoias Community College District**

## **Fiscal Year 2021-22**

### **Final Adopted Budget**

September 13, 2021

- ❖ FY 2020-21 General Fund Summary
  
- ❖ FY 2021-22 Final Adopted Budget
  - State and District Budget Assumptions
  
- ❖ Fiscal Solvency Plan
  - Current Fiscal Year plus 2 out Fiscal Years



## Summary - FY 2020-21 *(GFU Only)*

Description	FY 2020-21 Close
State Allocation – Revised P-2 (.6068% Deficit = \$454,233)	74,402,355
Federal and Local Funds	<u>7,982,685</u>
Total Revenue	82,385,040
Total Expenditures/Transfers	<u>(80,883,053)</u>
Structural Surplus/(Deficit)	<u>1,501,987</u>



## Fund Balance Reserve (GFU Only)

Description	FY 2020-21 Close
FY 2020-21 Adjusted Beginning Fund Balance	21,870,666
Prior Year Adjustment (FY 2019-20)	319,008
FY 2020-21 Year-End Surplus	<u>1,501,987</u>
FY 2021-22 Beginning Fund Balance	<u>23,691,661</u>
Percentage of GF Balance to GF Expenditures	<u>29.29%</u>

## ❖ Elimination of Long Term Debt

- Hanford Lease Revenue Bond
- Student Center Loan
- Visalia / Tulare Solar Loan

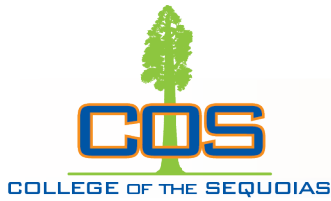
## ❖ Capital Projects Funding

- Hanford Solar and Quad Projects
- Tulare CTE Phase II and Ornamental Horticulture
- Visalia Office Renovations, New Field Turf, Basic Skills Building

## ❖ Other Post Employment Benefits (OPEB)

- Fully Funded

- ❖ Includes a mix of ongoing and one-time investments of \$100B made possible by an unanticipated surge in state revenues and robust federal stimulus funding.
- ❖ Big “Three” Taxes
  - Personal Income
  - Sales and Use
  - Corporations
- ❖ State Reserve
  - \$25.2B (13% of General Fund expenditures)
- ❖ Rainy Day Fund/Budget Stabilization Account
  - \$15.9B (\$7.4B contribution)



# Community College System Impact

Program	Ongoing Funding Amount
COLA	5.07%
ESL	\$50.0M
Basic Needs Centers	\$30.0M
Student Equity and Achievement Program	5% Base Increase

Program	One-time Funding Amount
Repay Deferrals	\$1.453B
Deferred Maintenance	\$511M
College and Career Access Pathways	\$100.0M



# Student Centered Funding Formula Protections

- ❖ Hold Harmless to Fiscal Year 2024-25
  - 30 Districts
- ✓ FTES Stability Protection (Apportionment)
  - 59 Districts
- ❖ FTES Restoration
  - Ability to restore FTES that have declined in the previous 3 years.
- ❖ Basic Allocation
  - Declines in funding are effective 3 years after the initial decline

## ❖ REVENUE

- Student Centered Funding Formula (SCFF)
- COLA 5.07%
- Deficit 1.03%
- No Growth Funds

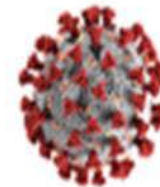
## ❖ EXPENDITURES

- Base Budget Augmentations
- 4% Pay Increase
- Step and Column
- CALPERS & CALSTRS
- Inflationary Increases

# Enrollment Management - FTES



**Annual FTES**  
(CCFS 320 Reporting)



**COVID-19 Emergency  
Conditions Allowance:  
Year 2020  
10,519**

- ❖ Rate increase of \$246,523 is included in final budget for 2021-22
  
- ❖ Prefund / Condition Budget - \$1,381,641
  - 2022-23 increased costs of \$900,482 are budgeted 1 year in advance
  - 2023-24 increased costs of \$481,159 are budgeted 2 years in advance



# Student Centered Funding Formula (SCFF)

## Total FY 2021-22 GFU Final Adopted Budget \$78,982,573

\*\$79,807,872 – 1.03% Deficit of (\$825,299)

70% Base Allocation  
\$53,163,158

- Basic Allocation (Medium District + 2 Education Centers)
- FTES Revenue (Average of 3 years)

### Access

20% Supplemental  
\$16,928,101

- Pell Grant recipients
- CA Promise (BOG) Grant
- AB540 Students

### Equity

10% Student Success  
\$9,716,613

- ADT, AA/AS
- Credit Certificates
- Transfers to 4-yr institution
- 9-CTE units Completers
- Regional living wage
- Transfer level math and English
- (Average of 3 years)

### Success

# Tentative vs. Final Adopted Budget

Tentative Vs. Final Adopted Budget	FY 2021-22 Tentative Budget  4.05% COLA, No Growth, 2.38% Deficit  June 7, 2021 (Board Approved)	FY 2021-22 Adopted Budget  5.07% COLA, No Growth, 1.03% Deficit  July 29, 2021 (Chancellor's Webinar)	Variance
State Allocation	77,149,242	78,982,573	1,833,331
Fed & Local Funds	4,101,532	4,186,059	84,527
Total Revenue	81,250,774	83,168,632	1,917,858
Less: Total Expenditures	<b>(76,663,532)</b>	<b>(76,559,413)</b>	104,119
Structural Surplus/(Deficit)	<u>4,587,242</u>	<u>6,609,219</u>	<u>2,021,977</u>



# Fiscal Solvency Plan – Estimate *Unrestricted Only*

FY 2021-22: 1.03% Deficit, 5.07% COLA, 0% Growth

FY 2022-23: 1.03% Deficit, 0% COLA, 0% Growth

FY 2023-24: 1.03% Deficit, 0% COLA, 0% Growth

Description	2021-22	2022-23	2023-24
State Allocation	78,982,573	79,427,435	79,427,433
Local and Federal Funds	4,186,059	4,186,059	4,186,059
Total Revenue	83,168,632	83,613,494	83,613,492
Expenditures (Object Codes 1000 to 7000)	73,231,663	76,559,413	79,757,975
Step/Column		850,000	875,000
4% Pay increase FY22; 2.5% pay increase 2 out years	2,099,184	1,411,960	1,468,710
2% Pay increase FY21	1,228,566		
Mandatory cost increases		200,000	200,000
Savings from GFU retirees (est 5 in out years)		(1,000,000)	(1,000,000)
Cost of GFU new Faculty 8 (est 10 in out years)		1,345,352	1,715,320
Cost of PERS/STRS		391,250	299,464
LESS: Total Expenditures	76,559,413	79,757,975	83,316,469
Structural Surplus/(Deficit) projected	6,609,219	3,855,519	297,023

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***QUESTIONS / COMMENTS?***

***FINAL ADOPTED BUDGET PRESENTED  
FOR  
BOARD APPROVAL***