



# Fall Budget Forum




# Intro & Summary

- ▶ Sheldon Flom – VP Finance & Operations
- ▶ Jess Jacobs – Director of Accounting & Budget
  
- ▶ Current budget landscape
- ▶ Results for 2021-22
- ▶ Projections for 2022-23 and beyond
- ▶ Next steps



# Current Budget Landscape

- State funding
  - Enrollment
  - PERS
  - Federal funding
- 

# State Aid

(in \$ millions)

	2021-23	2023-25	Variance	
CCSF CSL	\$ 699.0	\$ 764.1	\$ 65.1	9.3%
POP – Additional Funding	\$ -	\$ 90.9	\$ 90.9	13.0%
<b>Total Ongoing Request</b>	<b>\$ 699.0</b>	<b>\$ 855.0</b>	<b>\$ 156.0</b>	<b>22.3%</b>
Transitional Funding	\$ -	\$ 50.0	\$ 50.0	7.2%
<b>Total One-Time Request</b>	<b>\$ -</b>	<b>\$ 50.0</b>	<b>\$ 50.0</b>	<b>7.2%</b>
<b>Grand Total</b>	<b>\$ 699.0</b>	<b>\$ 905.0</b>	<b>\$ 206.0</b>	<b>29.5%</b>

\*CCSF – Community College Support Fund

\*CSL – Continuing Service Level

\*POP – Policy Option Package

# Enrollment

Summer (133 days after term starts)

	Unduplicated Headcount	FTE	Number of Classes	Filled Seat Capacity	Average Credit Load	Full-Time Students	Tuition Charges
2018-19	1,510	162.62	195	37.9%	6.26	9.9%	\$711,517
2019-20	1,228	141.32	180	48.7%	6.24	12.1%	\$672,407
2020-21	1,395	189.88	157	60.6%	6.90	13.6%	\$1,113,486
2021-22	1,316	186.38	170	52.7%	6.86	15.6%	\$1,087,601
2022-23	1,275	175.63	184	50.6%	7.12	16.5%	\$996,585

2021-2022 to 2022-2023	Unduplicated Headcount	FTE	Number of Classes	Filled Seat Capacity	Average Credit Load	Full-Time Students	Tuition Charges
	-3.1%	-5.8%	8.2%	-4.0%	3.8%	5.7%	-8.4%

Fall (42 days after term starts)

	Unduplicated Headcount	FTE	Number of Classes	Filled Seat Capacity	Average Credit Load	Full-Time Students	Tuition Charges
2018-19	6,621	1,267.36	990	68.5%	9.54	38.6%	\$6,663,699
2019-20	6,467	1,241.72	965	71.9%	9.69	39.6%	\$6,901,901
2020-21	5,706	1,170.76	881	70.3%	9.47	37.2%	\$6,591,553
2021-22	5,002	976.50	800	64.6%	9.33	35.0%	\$5,657,478
2022-23	4,887	983.17	805	66.6%	9.35	35.5%	\$5,773,253

2021-2022 to 2022-2023	Unduplicated Headcount	FTE	Number of Classes	Filled Seat Capacity	Average Credit Load	Full-Time Students	Tuition Charges
	-2.3%	0.7%	0.6%	3.0%	0.2%	1.5%	2.0%

➤ Flat projection for current 2022-23

# PERS

	PERS	OPSRP	
2021-23	16.85%	13.16%	Current rates
2023-25	16.06%	12.87%	New rates
% increase	-4.69%	-2.20%	% increase
% of cost by group	36.4%	63.6%	Breakout of which category our employees fall into
Average increase	-3.1%		Weighted average of the % increase

- ▶ Investment snapshot timing
- ▶ Legislative changes
- ▶ Employer rate decision



# Federal Support Funding

## ➤ HEERF

- Higher Education Emergency Relief Fund
- All remaining funds encumbered. Last significant General Fund transfer completed in 2021-22.

## ➤ ERC

- Employee Retention Credit
- Net credits due from Feds - \$6.9M
- Planned use:
  - Program reinvestment
  - General fund deficit spending

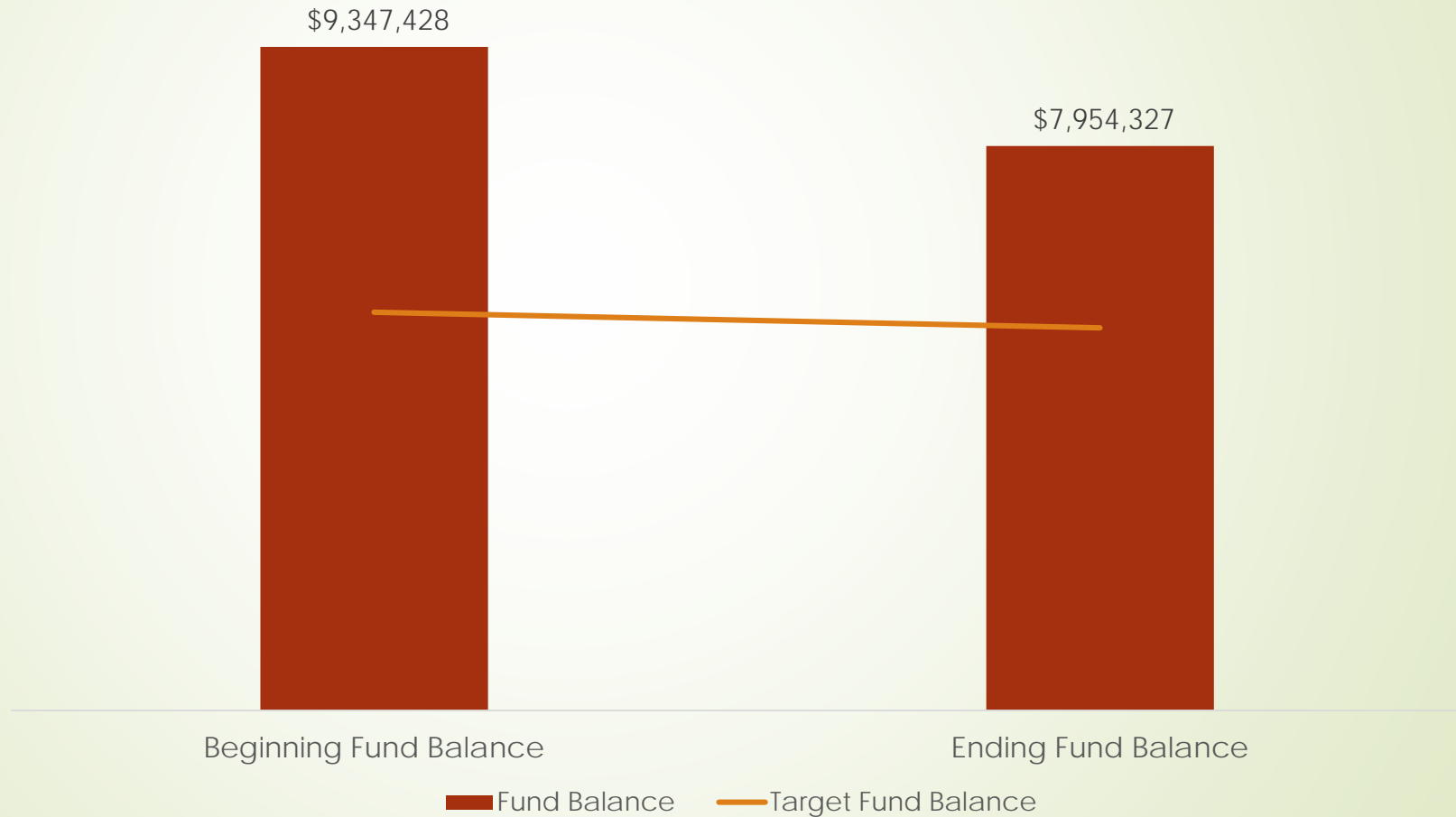
# 2021-22 Financial Results

	Operating	HEERF	Combined
State Aid	\$ 24,925,111	\$ -	\$ 24,925,111
Property Tax	\$ 9,765,433	\$ -	\$ 9,765,433
Tuition	\$ 17,022,721	\$ -	\$ 17,022,721
Other Revenue	\$ 589,697	\$ -	\$ 589,697
HEERF	\$ -	\$ 1,618,043	\$ 1,618,043
<b>Total Revenue</b>	<b>\$ 52,302,962</b>	<b>\$ 1,618,043</b>	<b>\$ 53,921,005</b>
Personnel Costs	\$ 46,896,579	\$ -	\$ 46,896,579
Materials/Services	\$ 6,402,936	\$ -	\$ 6,402,936
Transfers Out	\$ 2,014,591	\$ -	\$ 2,014,591
<b>Total Expenses</b>	<b>\$ 55,314,106</b>	<b>\$ -</b>	<b>\$ 56,314,106</b>
<b>Net</b>	<b>\$ (3,011,144)</b>	<b>\$ 1,618,043</b>	<b>\$ (1,393,101)</b>



# Fund Balance for 2021-22

Fund Balance at 6/30/2022





## What is projected for 2022-23?

- Enrollment flat at 0%
- State funding decrease (enrollment and property tax adjustments)
- Use of ERC funds at \$1 million

# Operating comparison with HEERF/ERC

	21-22	22-23
State Aid	\$ 24,925,111	\$ 24,295,868
Property Tax	\$ 9,765,433	\$ 10,094,770
Tuition	\$ 17,022,721	\$ 17,515,288
Other Revenue	\$ 589,697	\$ 850,620
HEERF/ERC	\$ 1,618,043	\$ 1,000,000
<b>Total Revenue</b>	<b>\$ 53,921,005</b>	<b>\$ 53,756,546</b>
Personnel Costs	\$ 46,896,579	\$ 48,170,684
Materials/Services	\$ 6,402,936	\$ 6,125,083
Transfers Out	\$ 2,014,591	\$ 2,180,011
<b>Total Expenses</b>	<b>\$ 55,314,106</b>	<b>\$ 56,475,778</b>
<b>Net</b>	<b>\$ (1,393,101)</b>	<b>\$ (2,719,232)</b>

# Operating comparison no HEERF/ERC

	21-22	22-23
State Aid	\$ 24,925,111	\$ 24,295,868
Property Tax	\$ 9,765,433	\$ 10,094,770
Tuition	\$ 17,022,721	\$ 17,515,288
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# What is projected for 2023-24?

- ▶ Tuition increase of 4.0%
- ▶ State funding increase of 7.00% (for whole biennium)
- ▶ PERS decrease of 3.1%
- ▶ Flat enrollment

# 5 year model

	2021-23 Biennium		2023-25 Biennium		2025-27 Biennium	
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
State Aid	24,925,111	24,295,868	25,996,579	25,996,579	27,296,407	27,296,407
Property Tax	9,765,433	10,094,770	10,549,035	11,023,741	11,519,810	12,038,201
Tuition	17,022,721	17,515,288	18,230,959	18,976,172	19,735,219	20,524,628
Other Revenue	589,697	850,620	674,606	682,353	701,456	697,591
HEERF/ERC	1,618,043	1,000,000	1,000,000	500,000		
<b>Revenue</b>	<b>\$ 53,921,005</b>	<b>\$ 53,756,546</b>	<b>\$ 56,451,178</b>	<b>\$ 57,178,845</b>	<b>\$ 59,252,892</b>	<b>\$ 60,556,828</b>
Personnel Costs	46,896,579	48,170,684	49,650,699	48,805,473	50,224,168	51,800,315
Materials/Services	6,402,936	6,125,083	6,247,585	6,372,536	6,499,987	6,629,987
Transfers Out	2,014,591	2,180,011	2,263,718	2,259,418	2,261,218	2,262,568
Budget Enhancements	-	-	300,000	300,000	300,000	300,000
Strategic Investments	-	-	400,000	400,000	400,000	400,000
Operational Efficiencies	-	-	(2,500,000)	(1,500,000)	-	-
<b>Expenses</b>	<b>\$ 55,314,106</b>	<b>\$ 56,475,778</b>	<b>\$ 56,362,002</b>	<b>\$ 56,637,427</b>	<b>\$ 59,685,373</b>	<b>\$ 61,392,870</b>
<b>Net</b>	<b>\$ (1,393,101)</b>	<b>\$ (2,719,232)</b>	<b>\$ 89,177</b>	<b>\$ 541,418</b>	<b>\$ (432,481)</b>	<b>\$ (836,042)</b>

# 5 year model

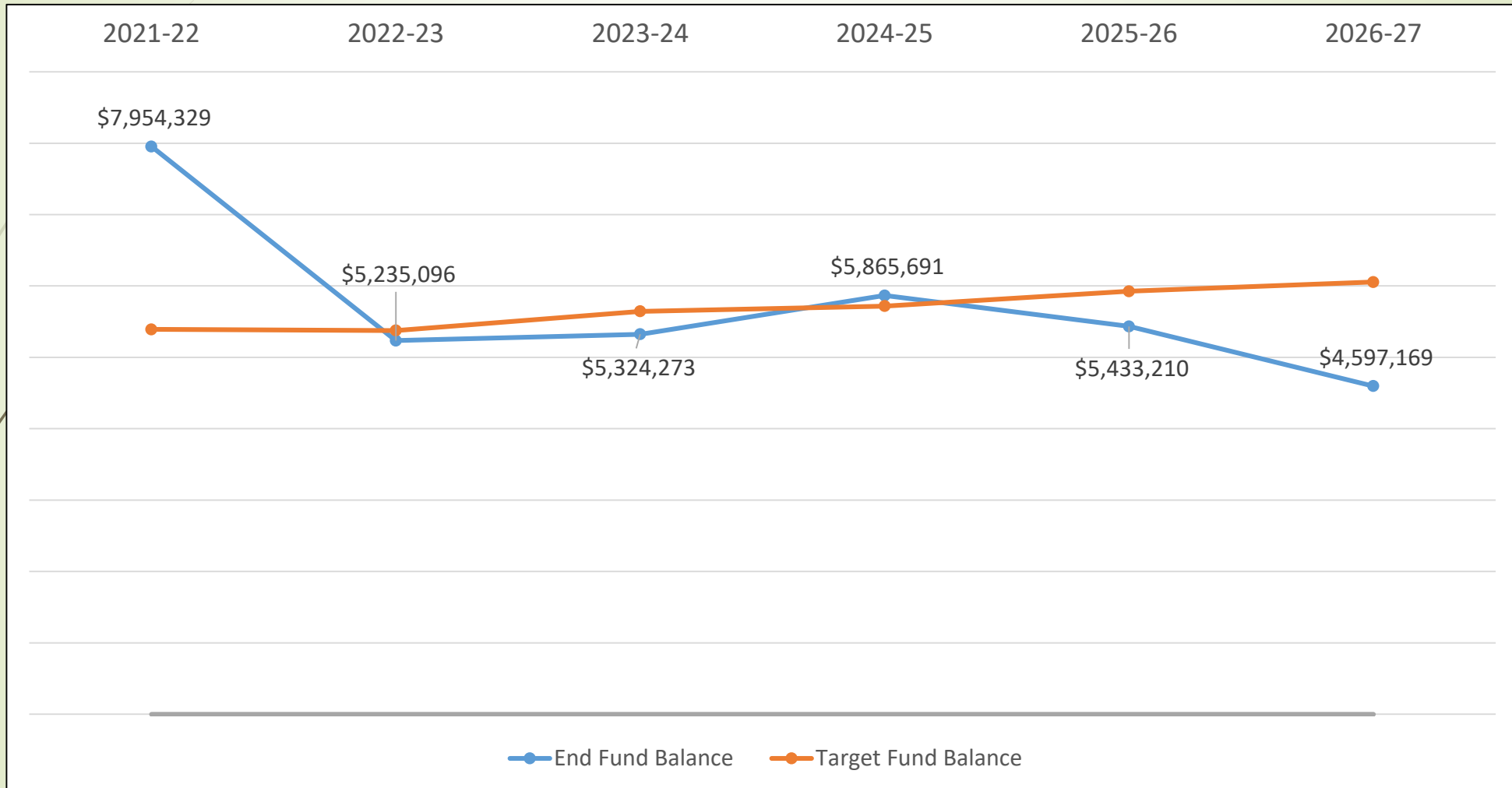
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# 5 year model





# Summary

- Large operating deficits
- Upward pressure on operating costs (PERS exception)
- Enrollment stabilizing
- State aid projected at low end of expectations
- Moving forward with reductions



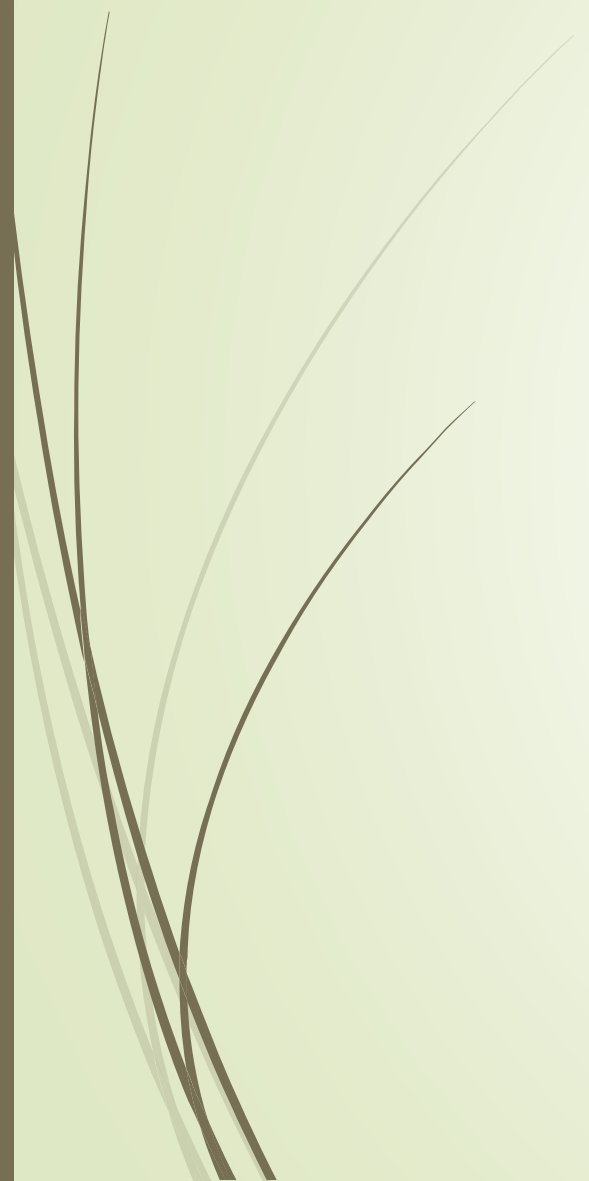
# Reductions Approach

- ▶ Budget Communications Taskforce - Assemble group of representatives from associations
- ▶ Working with Deans and Directors currently
- ▶ Budget meetings with all managers in January
- ▶ Bottom line - \$4M next biennium and \$2.5M next year



## Going forward – key dates

- January Board meeting
  - Budget managers meetings January
  - Student forums Feb
  - Campus forums March
  - March Board meeting to discuss tuition
  - Budget committee May
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Questions?