Sierra Joint Community College District

2021-22 Tentative Budget

June 8, 2021

Information presented in the following exhibits include financial data as of 5/20/2021

Sierra Joint Community College District
2021-22 Tentative Budget Board of Trustees Meeting: June 8, 2021
General Fund Unrestricted Budget Highlights

Exhibit A

Revenue Highlights	
Property Tax Revenue (assumes 2.5% increase)	88,207,158
Enrollment Fees	7,300,000
Full Time Faculty Hiring Allocation	930,879
Education Protection Account ($100/Per FTES)	1,384,000
Total State Apportionment Revenue	97,822,037
Non-Resident Tuition ($307 per unit)	1,450,000
Lottery Revenue	2,110,000
Enrollment Fee	$46/unit

Expenditure Highlights	
Labor Changes:	
PERS Rate Increase (20.7% to 22.91%)	418,000
STRS Rate Increase (16.15% to 16.92%)	263,000
Additional Staffing	800,000
Projected Attrition/Vacancy Savings	(830,000)
Operations Changes:	
COLA on Operations (assumes 4.05% COLA)	635,000

Sierra Joint Community College District
2021-22 Tentative Budget Board of Trustees Meeting: June 8, 2021
General Fund Narrative Summary

Exhibit B

1 **Tentative Budget:** The documents presented in this 2021-22 Tentative Budget package should be viewed as preliminary in nature. The final budget for the fiscal year will be brought to the Board of Trustees for adoption in September 2021.

2 **Definition of Community Supported Status (Basic Aid):** When total property tax and student fee revenues received by a district exceed the state funding guarantee, the district becomes what is known as "Community Supported" or "Basic Aid." The District was in Community Support status for 2020-21 and is expected to remain in Community Supported status in the future, barring major changes in the related budget factors. The District is assuming a 2.5% increase in property tax revenue for 2021-22.

3 **State Budget:** In his 2021-22 May Revision, Governor Newsom states that California is "turning the corner" following the pandemic-induced recession. The State Budget has gone from a deficit of $54B a year ago to a $75.7B surplus based on current projections. Overall, the State's economic and revenue outlook has improved markedly compared to projections developed early in the pandemic. For the California Community Colleges, the May Revision proposal contains a number of ongoing and one-time investments. The District will continue to monitor State Budget deliberations and incorporate relevant information into the District's Adopted Budget which will be presented to the Board for approval in September.

4 **COVID-19 Impacts:** The pandemic has had major impacts on the operation of the District. Through great efforts, instruction and support for students has gone uninterupted. However, this was accomplished through a rapid conversion of nearly all classes to online delivery and also an abrupt shift to remote operations for most employees. The District's success in navigating these challenges is a testament to the resilience, dedication, and committment of District staff. From a budgetary perspective the impacts of the pandemic have varied widely, resulting in both additional costs and savings. Many of the additional costs have been covered by emergency funding provided to the District (see bullet 5). Anticipated savings have largely been the result of cancellation or delay in campus spending for a range of activities and items that have resulted in a larger than usual surplus for the 2020-21 fiscal year.

5 **Emergency Funding:** The Federal and State Government are providing schools, colleges, universitites with emergency assistance funding to address exceptional costs resulting from the COVID-19 pandemic. For the District, this funding includes nearly $22M for emergency student grants and $32M for institutional support costs. To date, the District has spent nearly $8M on emergency student grants and approximately $7M on information technology to support online instruction and telework capabilities, professional development for faculty related to online learning, public health expenses, additional custodial expenses, reimbursement for lost revenues, and facilities improvements to allow for social distancing.

6 **Reserves (Fund Balance):** The Unrestricted General Fund Uncommitted Reserve balance is projected to be $18.8M or 13.2% of total General Fund expenditures of $142M.

Sierra Joint Community College District
2021-22 Tentative Budget Board of Trustees Meeting: June 8, 2021
General Fund Unrestricted & General Fund Restricted Budget Summary

Exhibit C

	Tentative Budget		
	General Fund Unrestricted	General Fund Restricted	General Fund Total
Revenues			
8000 Revenues	104,320,080	42,161,439	146,481,519
Total Revenues	**104,320,080**	**42,161,439**	**146,481,519**
9000 Funding from Reserves	-	-	-
Total Available Funding	**$ 104,320,080**	**$ 42,161,439**	**$ 146,481,519**
Expenses, Debt, Transfers & Other			
1000 Certificated Salaries	41,051,509	2,927,851	43,979,360
2000 Classified Salaries	20,291,214	4,767,181	25,058,395
3000 Benefits	22,799,000	2,269,991	25,068,991
4000 Supplies and Materials	1,425,000	1,192,078	2,617,078
5000 Other Operating Expenses and Services	11,238,237	3,201,917	14,440,154
6000 Capital Outlay	329,260	506,450	835,710
7000 Debt Payments, Transfers, Other	3,174,655	27,295,970	30,470,625
Total Expenses, Debt, Transfers & Other	**$ 100,308,875**	**$ 42,161,439**	**$ 142,470,314**

Surplus/(Deficit) [1]	**$ 4,011,205**

Fund Balance Summary	
Beginning Fund Balance (as of 2020-21 Budget Revision)	$ 24,696,944
Change in Fund Balance (Total Revenues Less Total Expenses, Debt, Transfers & Other)	4,011,205
Total Estimated Unrestricted Fund Balance	28,708,149
Less: Committed Reserves [2]	(9,956,616)
Total Estimated Unrestricted/Uncommitted Fund Balance	**$ 18,751,533**
Estimated Unrestricted/Uncommitted Fund Balance as a Percent of Expenses	**13.2%**

[1] The Surplus/(Deficit) takes into consideration the portion of 2020-21 expenditures that is being funded from reserves and is calculated by subtracting Total Expenses, Debt, Transfers & Other from Total Available Funding.

[2] Committed Reserve includes projected District obligations and commitments as of June 30, 2022 as follows:

Committed Reserve - LiUNA Pension Plan Withdrawal Fee	2,700,000
Unspent Portion of 2015-16 Full-Time Faculty Hiring Funds (Professional Development)	207,958
Unspent Portion of 2018-19 Full-Time Faculty Hiring Funds (Course Accessibility Stipends)	285,903
MINT Surplus (Table Negotiations)	662,755
District Share of 2020-21 Surplus (per Dec 2017 MINT Agreement)	1,100,000
Reserve to Address Funding Uncertainties due to COVID-19	5,000,000
Estimated Committed Reserve as of June 30, 2021	$ 9,956,616

Sierra Joint Community College District
2021-22 Tentative Budget Board of Trustees Meeting: June 8, 2021
General Fund Unrestricted Budget Detail

Exhibit D

		General Fund Unrestricted Tentative Budget
Revenues		
8000	State Apportionment (Includes EPA Funds)	2,314,879
8000	Property Taxes	88,207,158
8000	Enrollment Fees	7,300,000
8000	Total State Revenues	97,822,037
8000	Less: Deficit Factor	-
8000	Total State Revenue with Deficit	97,822,037
8000	Federal Revenues	23,000
8000	Other State Program Revenues	3,749,433
8000	Local/Other Revenues	2,725,610
8000	One-Time Prior Year Apportionment Adjustment	-
Total Revenues		**$ 104,320,080**
Expenses		
1000	Certificated Salaries - Instructional	17,060,499
1000	Certificated Salaries - Non-Instructional	1,949,638
1000	Certificated Salaries - Ed Admin	4,138,159
1000	Certificated PT - Instructional	11,765,000
1000	Certificated Salaries - PT Non-Instructional	1,244,000
1000	Reassigned Time	119,877
1000	Stipends	905,000
1000	Staff Development Flex Hours	320,000
1000	Overload Pay - Instructional	3,381,000
1000	Overload Pay - Non-Instructional	126,000
1000	Board Member	42,336
2000	Classified Supervisory & Confidential	3,579,890
2000	Classified Instructional Aides	2,013,481
2000	Classified Salaries - FT & PT	12,348,393
2000	Classified Salaries - Overtime & Standby	320,000
2000	Classified Salaries - Temporary	625,000
2000	Student Help and Tutors	1,404,450
3000	Benefits	19,874,000
3000	Retiree Benefits	2,925,000
4000	Supplies and Materials	1,425,000
5000	Other Operating Expenses and Services	11,238,237
6000	Capital Outlay	329,260
Total Expenses		**$ 97,134,220**
Debt, Transfers & Other		
7000	Debt Payment Transfers	619,898
7000	Inter/Intra-Fund Transfers (Including Match)	310,000
7000	Contingency - Division/Department/Center (DDC)	1,038,170
7000	Contingency - District	1,206,587
7000	Contingency - ePAR	-
7000	Other	-
Total Debt, Transfers & Other		**$ 3,174,655**
Total Expenses, Debt, Transfers & Other		**$ 100,308,875**
Beginning Fund Balance (as of 2020-21 Budget Revision)		$ 24,696,944
Change in Fund Balance (Total Revenues Less Total Expenses, Debt, Transfers & Other)		4,011,205
Total Estimated Unrestricted Fund Balance		28,708,149
Less: Committed Reserve		(9,956,616)
Total Estimated Unrestricted/Uncommitted Fund Balance		**$ 18,751,533**

Sierra Joint Community College District
2021-22 Tentative Budget Board of Trustees Meeting: June 8, 2021
General Fund Unrestricted Revenue Detail

Exhibit E

	General Fund Unrestricted Tentative Budget
State Apportionment	
State Apportionment (Includes EPA Funds)	2,314,879
Property Taxes	88,207,158
Enrollment Fees	7,300,000
Total State Revenues	97,822,037
Less: Deficit Factor	-
Total State Revenue with Deficit	97,822,037
Federal Revenues	
Forest Reserve Revenue	15,000
Veterans	8,000
Other Federal Revenue	-
Total Federal Revenues	23,000
Other State Program Revenues	
PT Faculty Office Hours	100,000
PT Faculty Compensation	275,000
Non-TCR Full Time Faculty Hiring	676,433
BOG Fee Waiver Adm.2%	164,000
Lottery	2,110,000
Mandated Costs	424,000
Other General Categorical	-
Total Other State Program Revenues	3,749,433
Local/Other Revenues	
Contributions, Gifts, Grants	50,000
Contract Instructional Services	-
2% Enrollment Fee	148,000
Sales, Commission	317,000
Rentals & Leases	35,250
Interest Income	200,000
Student Records	20,000
Non-Resident Tuition	1,450,000
Audit Fee	7,000
Other Student Fees	3,300
Other Local Revenue	617,200
Indirect Costs	127,060
Bad Debt Collection	20,000
Uncollectible Res/Non-Res Tuition	(272,500)
Transfers In	-
Unrealized Gain (Loss) on Investment & Gain (Loss) on sale of Assets	-
Other Contract Services	3,300
Misc (Surplus, Returned Item)	-
Total Local/Other Revenues	2,725,610
One-Time Revenues	
One-Time Prior Year Apportionment Adjustment	-
Total Revenues	**$ 104,320,080**