

SBVC Budget Presentation
Academic Senate



- The 2020– 21 Final Budget Adopted 09 – 10 – 2020 included an approximate \$60 million operating cost for the campus.

- The current budget operation is currently on track with the \$60 million forecast.

- Expenditures have been reduced from previous year due to savings in the following categories:

1. Lower operational campus costs

2. Lower utility costs

3. Soft hiring freeze on vacancies

Middle Case Scenario - 2020-21 Final Budget				
	SBVC	CHC	DSO	SBCCD Total
Section C - Site Expenses				
33 1000 - Academic Salaries	\$30,524,601	\$14,755,965	\$1,013,847	\$46,294,413
34 2000 - Classified Salaries	\$10,821,110	\$6,647,281	\$9,323,977	\$26,792,368
35 3000 - Benefits	\$12,455,398	\$6,740,105	\$4,954,750	\$24,150,252
36 4000 - Supplies	\$823,658	\$321,977	\$388,505	\$1,534,140
37 5000 - Other Expenses and Services	\$5,287,830	\$2,323,562	\$5,589,674	\$13,201,065
38 6000 - Capital Outlay	\$454,601	\$28,330	\$132,245	\$615,176
39 7000 - Other Outgo	\$33,215	\$7,000	\$580,000	\$620,215
40 Site Budgeted / Projected Actual Expenditures	\$60,400,412	\$30,824,220	\$21,982,997	\$113,207,629
41 Percentage of Budget by Site	53.35%	27.23%	19.42%	
42 Shared Costs (DSO)	\$15,308,896	\$6,674,102	-\$21,982,997	
43 Annual Excess/(Deficit) (line 32 - line 40 - line 42)	\$1,429,181	-\$3,884,712	\$0	-\$2,455,531

- The 2021-22 State Budget can be accessed at ebudget.ca.gov.
- The current budget is a proposal and could be subject to change by the May Revision.
- The state revenue is currently **higher**.
- Originally the next academic year was predicted to be in a dire state, but the stimulus has moved this level to a more hopeful state.
- The state is now offering a **1.5% COLA** (Cost of Living Adjustment).
- The original district 2020 – 21 middle case scenario was developed with the anticipation of no COLA.
- The COLA is requiring the college develop an equity plan to receive the funding. A plan has already been submitted to the state.

The Department of Finance welcomes you to the
California Budget
 2021-22
 Gavin Newsom Governor
 State of California

Select Budget Year: 2021-22

Governor's Proposed Budget (January)
 The Budget proposed by the Governor
 Summary -
 Detail -
 Five-Year Infrastructure Plan -

May Revision (May)
 Changes to the Governor's Proposed Budget based upon the latest economic forecasts

Enacted Budget (Summer)
 The Budget passed by the Legislature and signed by the Governor

COLA			
	BEST	MIDDLE	WORST
2019-20	3.26%	3.26%	3.26%
2020-21	0.00%	0.00%	0.00%
2021-22	2.80%	0.00%	0.00%
2022-23	3.16%	3.16%	3.16%
2023-24	3.16%	3.16%	3.16%
2024-25	3.16%	3.16%	3.16%

- The stimulus also changes the planned deferral payments.
- The state's previous projections included deferral payments from the state from February through June 2021.
- The district budget for 2020– 21 had planned to borrow from internal funds to make payroll. Operating cost are approximately \$10 million a month.
- The hopeful status of the state budget could reduce or eliminate the IOU and we would receive payments on time each month.
- Another adjustment in the state budget proposal is a reduction to employer's STRS/PERS contribution. Several years ago the state increased employer contributions to retirements because systems were under funded. The current proposal would decrease employer contribution by several percent.

FUND		PROJECTED TEMPORARY BORROWING BY MONTH					
#	DESCRIPTION	FEB	MAR	APR	MAY	JUN	TOTAL
410	Capital Outlay	4,000,000					4,000,000
590	Investment Properties	714,000	2,836,000	5,450,000			9,000,000
615	Workers Compensation			3,732,000	2,268,000		6,000,000
690	Retiree Benefit				2,500,000		2,500,000
730	Student Body Center Fee						-
775	PARS Investment Trust				5,605,000	5,703,000	11,308,000
TOTALS		4,714,000	2,836,000	9,182,000	10,373,000	5,703,000	32,808,000

Developmental Budget for 2021 – 22

- Significant Board Budget Directives

1. Return to 10– 15% Fund Balance.
2. Reinstate Deferred Maintenance as part of Budget Plan

- SBVC Tentative Budget

1. Conservative approach to maintain supplies, contract services, and equipment to the same as last year.
2. If there are proposed exceptions, these will be handled on a case by case basis.

- DSO Proposed Budget

1. Approximately \$1 million increase from last year
2. Other than a mandatory software upgrade to support the campuses, the increase is due to step and column and medical benefit increases for staff.
3. SBVC will experience the same increase.

