



LONG BEACH CITY COLLEGE

Tentative Budget 2021-22

**Presented by:
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Co-Chair
Budget Advisory Committee**

June 23, 2021



Tentative Budget

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Overview

- **Board Goals, Institutional Priorities & Strategic Plan Goals**
- **State Budget Overview**
- **BAC Planning Assumption Highlights**
- **FTES History and Projection**
- **List of All District Funds – Expenditures & Other Outgo**



Overview (continued)

- **Unrestricted General Fund Details**
 - Overall Summary
 - Revenue Summary
 - Major Revenue Changes in 2021-22
 - Expenditure Summary
 - Major Expenditure Changes in 2021-22
 - 7-Year Trends
- **Future Budget Challenges**

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Board of Trustees Goals

adopted on April 28, 2021

- **Strategic Goal I: Innovate to Achieve Equitable Success**
 - Continue supporting & monitoring the implementation of the 2016-2022 Strategic Plan.
 - Monitor implementation of the Enrollment Management Plan.
- **Strategic Goal II: Accelerate College Readiness and Close Equity Gaps**
 - Monitor strategies for improving college readiness and success of students for people of color, women, LGBTQ, veterans, disabled, and other historically disadvantaged communities.
- **Strategic Goal III: Build Community**
 - Improve Board governance by creating a well-functioning Board unit and adhering to principles of effective Boardsmanship.
- **Strategic Goal IV: Invest in People and Support Structures for Transformation**
 - Support strategies that ensure the long-term fiscal health of the college and the district and devise strategies that improve access and affordability for all students.
 - Develop a strong relationship that ensures the success of the Superintendent-President, the Board, and the College.

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Institutional Priorities

adopted on March 25, 2021

In alignment with the California Community Colleges Chancellor's Office Vision for Success and Long Beach City College's Strategic Plan goals, the College will primarily focus on:

- A.** Increasing student retention, completion, and transfer, while closing equity gaps through the implementation of cross-functional teams in a guided pathways framework.
- B.** Maintaining fiscal viability.
- C.** Expanding outreach to increase enrollment and retain students.

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Institutional Priorities

adopted March 25, 2021

(continued)

- D.** Creating spaces of belonging and inclusivity for our disproportionately impacted and marginalized students through culturally responsive, anti-racist, and inclusive pedagogy and services.
- E.** Attracting and retaining an anti-racist, equity-minded, and diverse workforce.
- F.** Establishing and strengthening relationships with local community organizations.
- G.** Managing and learning from the COVID-19 pandemic throughout the College's reopening and beyond to create a culture of care and enhance emergency operations, planning, and training.

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Institutional Priorities

adopted March 25, 2021

(continued)

- H. Continuing to expand and improve the use of instructional technology in online and face-to-face courses.

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Strategic Plan Goals

adopted June 28, 2016

1. Innovate to achieve equitable student success
2. Accelerate college readiness and close equity gaps
3. Build community
4. Invest in people and support structures for transformation

(Included within Board Goals approved on April 28, 2021)

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Highlighted Resource Allocation towards Goals & Priorities

Grants & Funding Allocations	LBCC Institutional Priorities and Board Goals Related to Institutional Planning							
	I., II., IV. & A. Implement Guided Pathways cross-functional teams to close equity gaps in student success	IV. & B. Maintain Fiscal Health	I., II. & C. Expand Outreach to Increase Enrollment & Retention	I., II. & D. Ensure Anti-racist/ Inclusive Pedagogy & Services	I., IV. & E. Attract/ Retain Diverse/ Anti-racist Workforce	I., IV. & F. Establish/ Strengthen Relationships With Community Organizations	G. Learn from Pandemic to Enhance Emergency Operations/ Planning	I., II., IV. & H. Expand/ Improve Instructional Technology/ Workplace Efficiencies
Strong Workforce	√			√		√		√
Adult Ed Regional Consortium	√		√	√				
Title V HSI Grant for DESTINO (STEM Initiative & Science Center)	√	√	√	√		√		√
Student Equity Achievement Program	√		√	√				√
Goldman Sachs 10K Small Businesses			√	√		√		
Small Business Development Center		√	√	√		√		
COVID-19 Response Grants		√					√	√

Highlighted Resource Allocation towards Goals & Priorities

Student Success Initiatives	LBCC Institutional Priorities and Board Goals Related to Institutional Planning							
	I., II., IV. & A. Implement Guided Pathways cross-functional teams to close equity gaps in student success	IV. & B. Maintain Fiscal Health	I., II. & C. Expand Outreach to Increase Enrollment & Retention	I., II. & D. Ensure Anti-racist/ Inclusive Pedagogy & Services	I., IV. & E. Attract/ Retain Diverse/ Anti-racist Workforce	I., IV. & F. Establish/ Strengthen Relationships With Community Organizations	G. Learn from Pandemic to Enhance Emergency Operations/ Planning	I., II., IV. & H. Expand/ Improve Instructional Technology/ Workplace Efficiencies
College Promise 2.0	√		√	√				
Viking Advantage	√		√	√		√		
Viking Summer Voyage	√		√	√		√		√
Student-Centered Scheduling Improvements	√							
Meta-Majors Development/ Implementation	√							
AB 705 Implementation	√							√
Cultural Curriculum Audit	√			√				

Highlighted Resource Allocation towards Goals & Priorities

Student Support Programs & Services	LBCC Institutional Priorities and Board Goals Related to Institutional Planning							
	I., II., IV. & A. Implement Guided Pathways cross-functional teams to close equity gaps in student success	IV. & B. Maintain Fiscal Health	I., II. & C. Expand Outreach to Increase Enrollment & Retention	I., II. & D. Ensure Anti-racist/ Inclusive Pedagogy & Services	I., IV. & E. Attract/ Retain Diverse/ Anti-racist Workforce	I., IV. & F. Establish/ Strengthen Relationships With Community Organizations	G. Learn from Pandemic to Enhance Emergency Operations/ Planning	I., II., IV. & H. Expand/ Improve Instructional Technology/ Workplace Efficiencies
Welcome Center	√		√	√				
Dreamer Supports	√			√				
Veterans Supports	√			√				√
Early College Credit Program (ECP)	√		√	√				√
Mental Health Support for Students	√			√				
Needs Assessments: North Long Beach; Student Housing Resources	√			√				
Embedded Tutoring	√			√				√
Starfish Early Alert	√		√	√				√
Formerly Incarcerated Student Supports	√			√				
Office of Basic Needs	√		√	√				

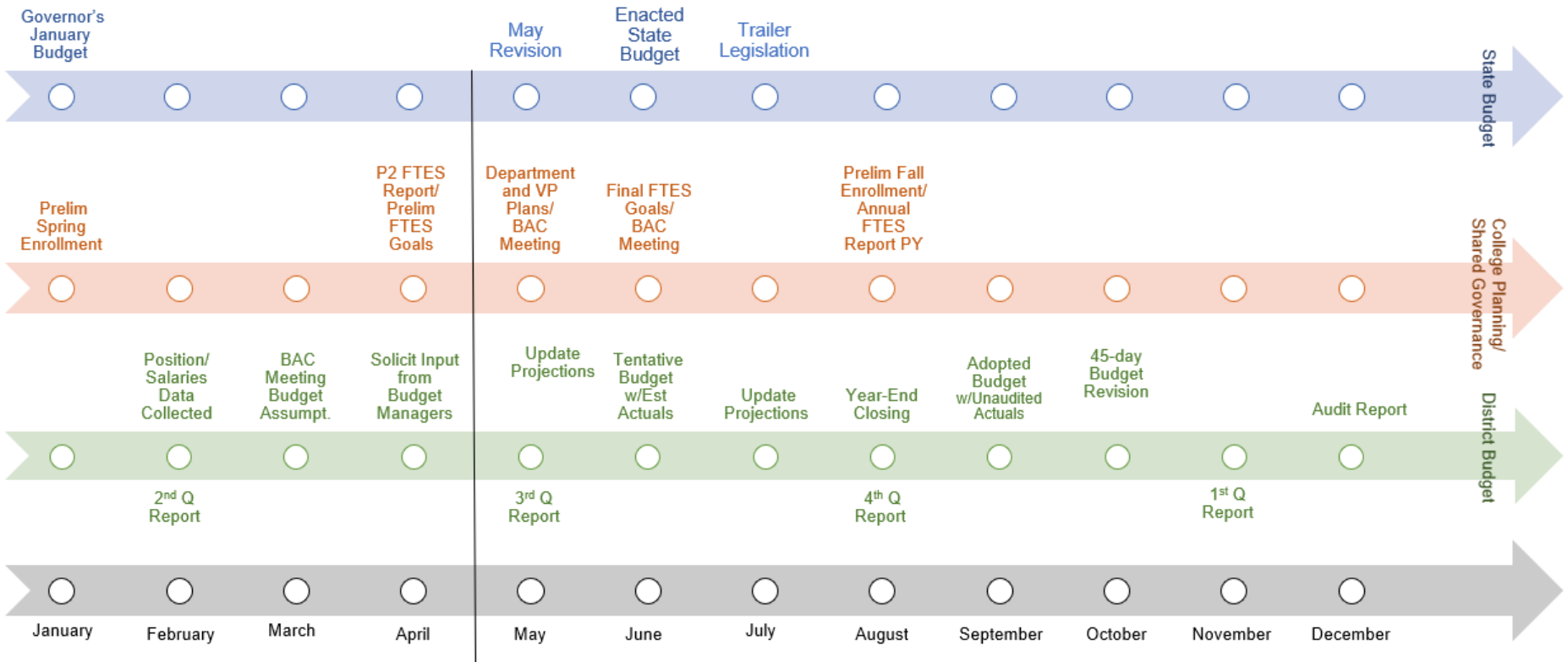
Highlighted Resource Allocation towards Goals & Priorities

Faculty, Staff, and Infrastructure Supports	LBCC Institutional Priorities and Board Goals Related to Institutional Planning							
	I., II., IV. & A. Implement Guided Pathways cross-functional teams to close equity gaps in student success	IV. & B. Maintain Fiscal Health	I., II. & C. Expand Outreach to Increase Enrollment & Retention	I., II. & D. Ensure Anti-racist/ Inclusive Pedagogy & Services	I., IV. & E. Attract/ Retain Diverse/ Anti-racist Workforce	I., IV. & F. Establish/ Strengthen Relationships With Community Organizations	G. Learn from Pandemic to Enhance Emergency Operations/ Planning	I., II., IV. & H. Expand/ Improve Instructional Technology/ Workplace Efficiencies
Distance Learning Support	√			√			√	√
Faculty Professional Development	√			√				√
Noncredit Infrastructure	√		√	√				√
Business Process Reviews	√	√		√			√	
Employee Professional Development (Leadership Initiatives/ Classified Vision for Success)	√			√	√			
Tableau Online Software	√			√				

Highlighted Resource Allocation towards Goals & Priorities

Marketing & Community Outreach	LBCC Institutional Priorities and Board Goals Related to Institutional Planning							
	I., II., IV. & A. Implement Guided Pathways cross-functional teams to close equity gaps in student success	IV. & B. Maintain Fiscal Health	I., II. & C. Expand Outreach to Increase Enrollment & Retention	I., II. & D. Ensure Anti-racist/ Inclusive Pedagogy & Services	I., IV. & E. Attract/ Retain Diverse/ Anti-racist Workforce	I., IV. & F. Establish/ Strengthen Relationships With Community Organizations	G. Learn from Pandemic to Enhance Emergency Operations/ Planning	I., II., IV. & H. Expand/ Improve Instructional Technology/ Workplace Efficiencies
Community and High School Outreach	√		√	√		√		
Marketing	√		√	√		√		
Equitable Recruitment Efforts/EEO Professional Development	√			√	√	√		
Center for Community & Industry Partnerships	√		√	√		√		

Budget Development Cycle





History of COLAs

Year	Statutory COLA	State Provided COLA
2000-01	3.17%	4.17%
2001-02	3.87%	3.87%
2002-03	1.66%	2.00%
2003-04	1.86%	0.00%
2004-05	2.41%	2.41%
2005-06	4.23%	4.23%
2006-07	5.92%	5.92%
2007-08	4.53%	4.53%
2008-09	5.66%	0.00%
2009-10	5.02%	0.00%
2010-11	-0.38%	0.00%
2011-12	2.24%	0.00%

Year	Statutory COLA	State Provided COLA
2012-13	3.24%	0.00%
2013-14	1.57%	1.57%
2014-15	0.85%	0.85%
2015-16	1.02%	1.02%
2016-17	0.00%	0.00%
2017-18	1.56%	1.56%
2018-19	2.71%	2.71%
2019-20	3.26%	3.26%
2020-21	2.31%	0%
2021-22*	1.70%	4.05%
2022-23**	2.48%	2.48%
2023-24**	3.11%	3.11%

*2-Year compounded rate.

**Projected per School Services of California (May 2021)



State Budget Overview

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Ongoing Unrestricted

- Student Centered Funding Formula (SCFF) 4.05% COLA (Compounded rate of budget year 1.70% & prior year unfunded 2.31% COLA) - \$296.5 million
 - ***\$5.1 million for LBCC***
- Growth funding - \$23.6 million
 - ***Not expected for LBCC***
- Budgeted Deficit Factor
 - ***\$0.6 million (0.5%) estimate based on prior deficits***
- Hold Harmless protection in effect through 2023-24
- COVID Emergency protection in effect through 2021-22



State Budget Overview

(continued)

Categorical Programs

- 1.70% COLA for categorical programs (DSPS, EOPS, CARE, CalWORKs, Child Care Tax Bailout)
 - **\$143,000 for LBCC**

New & Expanded Programs

- Expansion of Zero Cost Textbooks - \$115 million one-time
- Basic Need Centers - \$60 million ongoing
 - \$30 million targeted for mental health & access to technology
- Student Housing - \$4 billion one-time
 - 60% for community colleges

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State Budget Overview (continued)

New & Expanded Programs (continued)

- Dual Enrollment - \$77.5 million one-time
 - \$2.5 million for instructional materials
 - \$75 million for fiscal incentives
- Vocational Training for ESL - \$50 million ongoing
- Regional Workforce partnerships - \$330 million one-time
- Work-Based Learning Models & Programs - \$30 million one-time

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State Budget Overview

(continued)

New & Expanded Programs (continued)

- COVID-19 Block Grant - \$50 million one-time
- Program Pathways Technology & Program Mapping - \$10 million ongoing
- Common Course Numbering - \$10 million one-time

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State Budget Overview

(continued)

Other One-Time

- Deferred Maintenance - \$314.1 million
 - **\$5.3 million for LBCC**
- Deferrals Completely Eliminated - \$1.45 billion
 - **Eliminates \$27.2 million deferred for LBCC**
- No STRS & PERS State contributions to reduce employer contribution rates as in recent years

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State Budget Overview

(continued)

Spring Immediate Action Budget Package

- Emergency Student Financial Assistance Grants - \$100 million
 - ***\$2.2 million for LBCC***
- CalFresh Outreach Program - \$3.1 million
 - ***\$53,000 for LBCC***
- Student Retention and Outreach Program - \$18 million
 - ***\$242,000 for LBCC***

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State Budget Overview

(continued)

Capital Facilities

- \$577.9 million in capital outlay projects including two ongoing LBCC projects:
 - *\$20.6 million for the Music/Theatre Complex (Buildings G & H), LAC*
 - *\$14.8 million for the Construction Trades Phase 2, Building MM, PCC*

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BAC Budget Assumption Highlights

- There will be potential budget redirections in response to both the State's budget impact and the priorities as identified by the College Planning Committee (CPC).
- FTES total resident target is 20,116.
- A 0.5% deficit factor is budgeted based on past experience.
- Total Cost of Ownership – principles shall be employed in department planning and budgeting processes.

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BAC Budget Assumption Highlights (Continued)

- Maintain a 5.5% minimum unrestricted reserve
 - Total Institutional Effectiveness Fund Balance goal set at 15% (short-term goal is 12.5%)
- Load Banking and Vacation Liability Reserves – \$3.0 million
- Retiree Benefits Annual Required Contribution (ARC) – \$4.1 million
- Health & Welfare Premiums:
 - Decreased by 1.1% - (\$221,791)

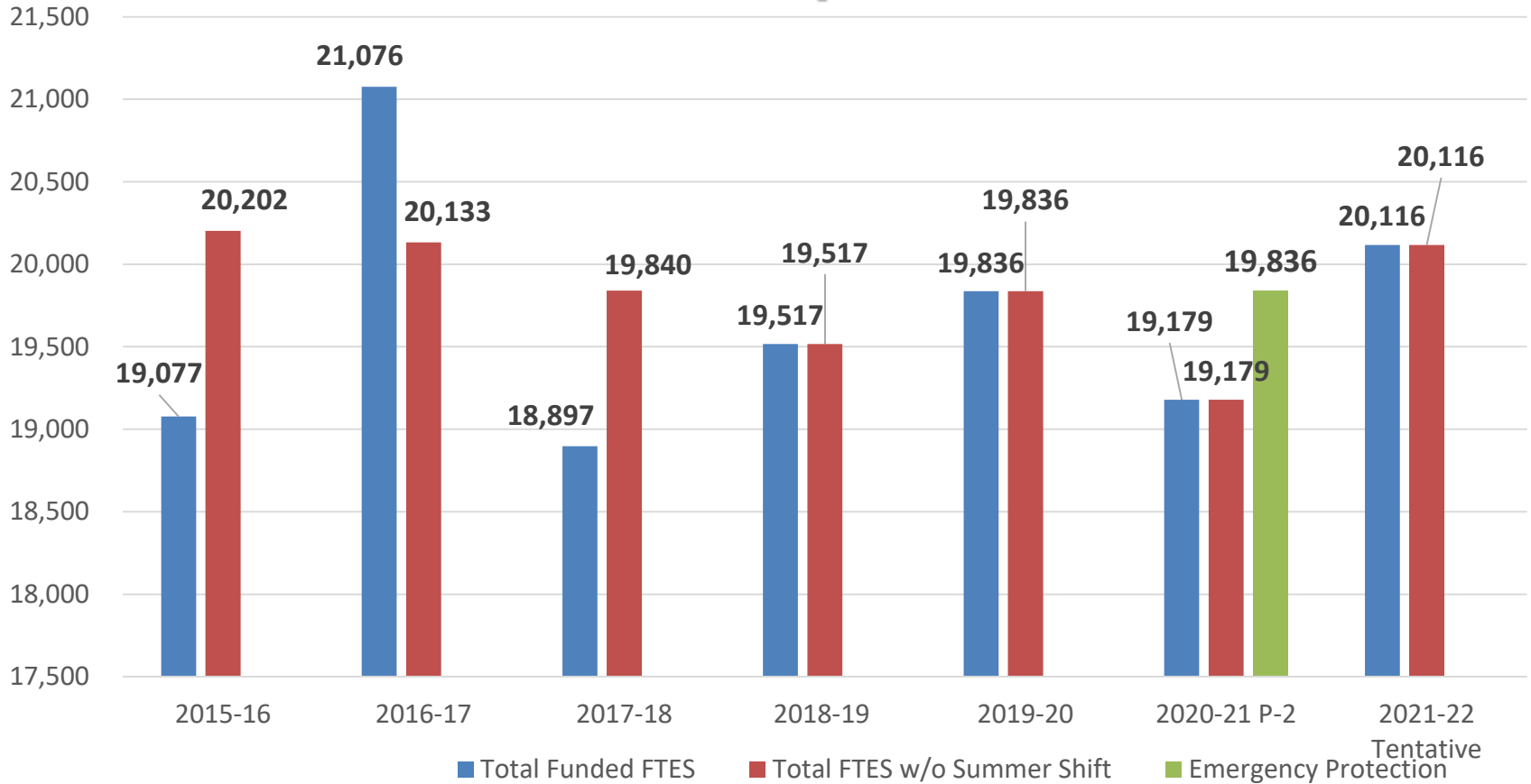
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FTES Comparison*



*Resident Full-Time Equivalent Students (FTES).

List of Funds – Expenditures & Other Outgo (in millions)

	Adopted Budget 2020-21	Estimated Actual 2020-21	Tentative Budget 2021-22
Unrestricted General Fund	\$ 146.9	\$ 143.3	\$ 146.5
Restricted General Fund	61.4	46.4	75.7
Associated Students Body Fund	1.2	0.8	1.2
Capital Projects Fund	33.0	19.4	35.3
Child & Adult Development Fund	2.1	1.8	2.1
Contract/Community Education Fund	1.2	0.0	1.1
General Obligation Bond Fund 2008 Measure E	128.1	0.0	128.0
General Obligation Bond Fund 2016 Measure LB	732.4	78.1	656.0
Retiree Health Fund	3.2	2.5	2.7
Self-Insurance Fund	1.5	1.5	1.7
Student Financial Aid	56.2	64.4	59.6
Student Representation Fund	0.0	0.0	0.0
Vet Stadium Operations	1.5	1.3	1.5
Total	\$ 1,168.7	\$ 359.5	\$ 1,111.4

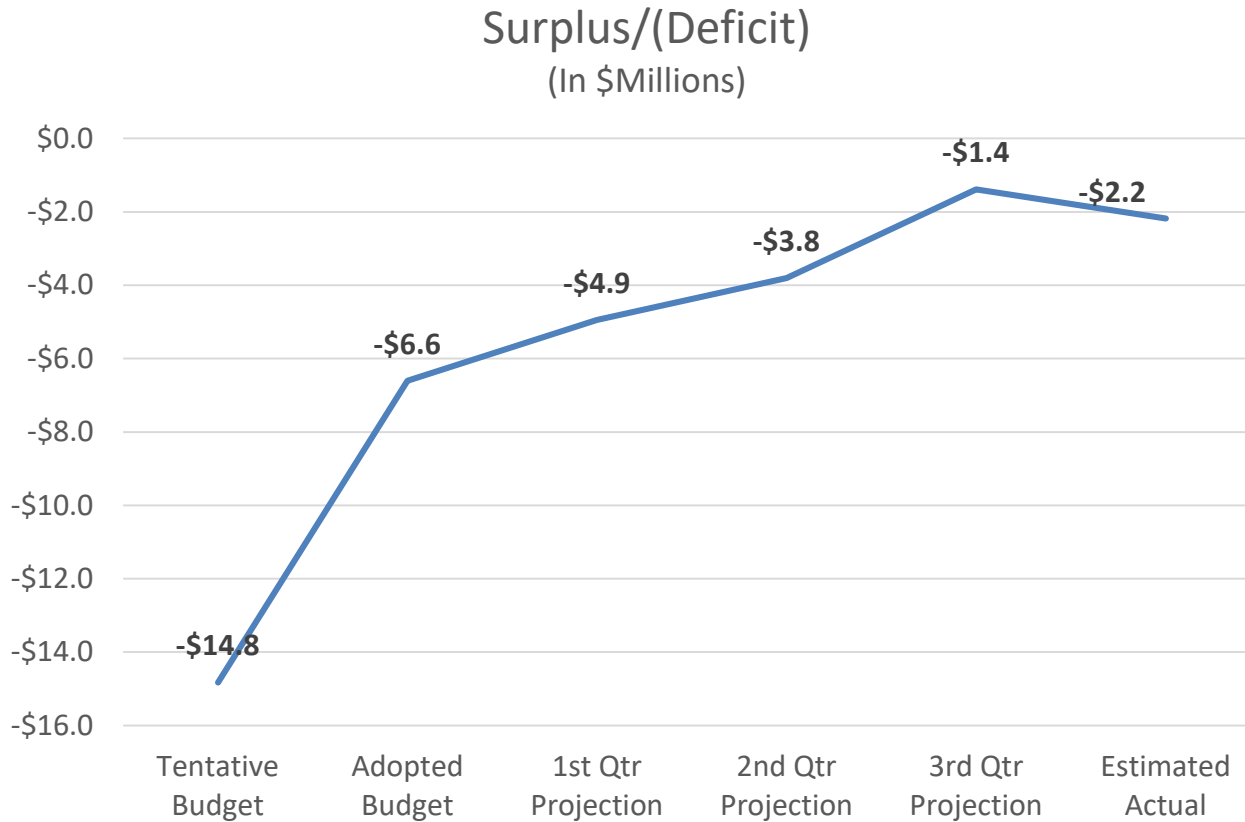
Unrestricted General Fund Overall Summary

	Estimated Actual 2020-21	Tentative Budget 2021-22	*Change Increase/ (Decrease)
Revenues and Other Financing Sources	\$141,138,767	\$144,457,157	\$3,318,390
Expenditures and Other Outgo	143,315,983	146,507,407	3,191,424
Surplus/(Deficit)	(2,177,216)	(2,050,250)	126,966
Fund Balance	\$ 37,006,987	\$ 34,956,737	\$(2,050,250)

*Change is comparison between 2020-21 Estimated Actual and 2021-22 Tentative Budget.



Deficit Reduction Unrestricted General Fund 2020-21



Unrestricted General Fund Revenue Summary

	Estimated Actual 2020-21	Tentative Budget 2021-22	*Change Increase/ (Decrease)
Federal	\$ 140,000	\$ 140,000	\$ 0
State Apportionment	127,361,403	130,794,908	3,433,505
Other State	10,796,053	10,739,107	(56,946)
Local	2,822,311	2,783,142	(39,169)
Other Sources	19,000	0	(19,000)
Total	\$141,138,767	\$144,457,157	\$3,318,390

*Change is comparison between 2020-21 Estimated Actual and 2021-22 Tentative Budget.



Major Revenue Changes in 2021-22

- **Apportionment** – \$3.4 million increase
 - \$5.1 million increase due to the 4.05% catch-up COLA.
 - \$0.4 million increase due to the deficit factor decreasing from 0.85% to 0.50%.
 - (\$2.1) million decrease for prior year adjustments.

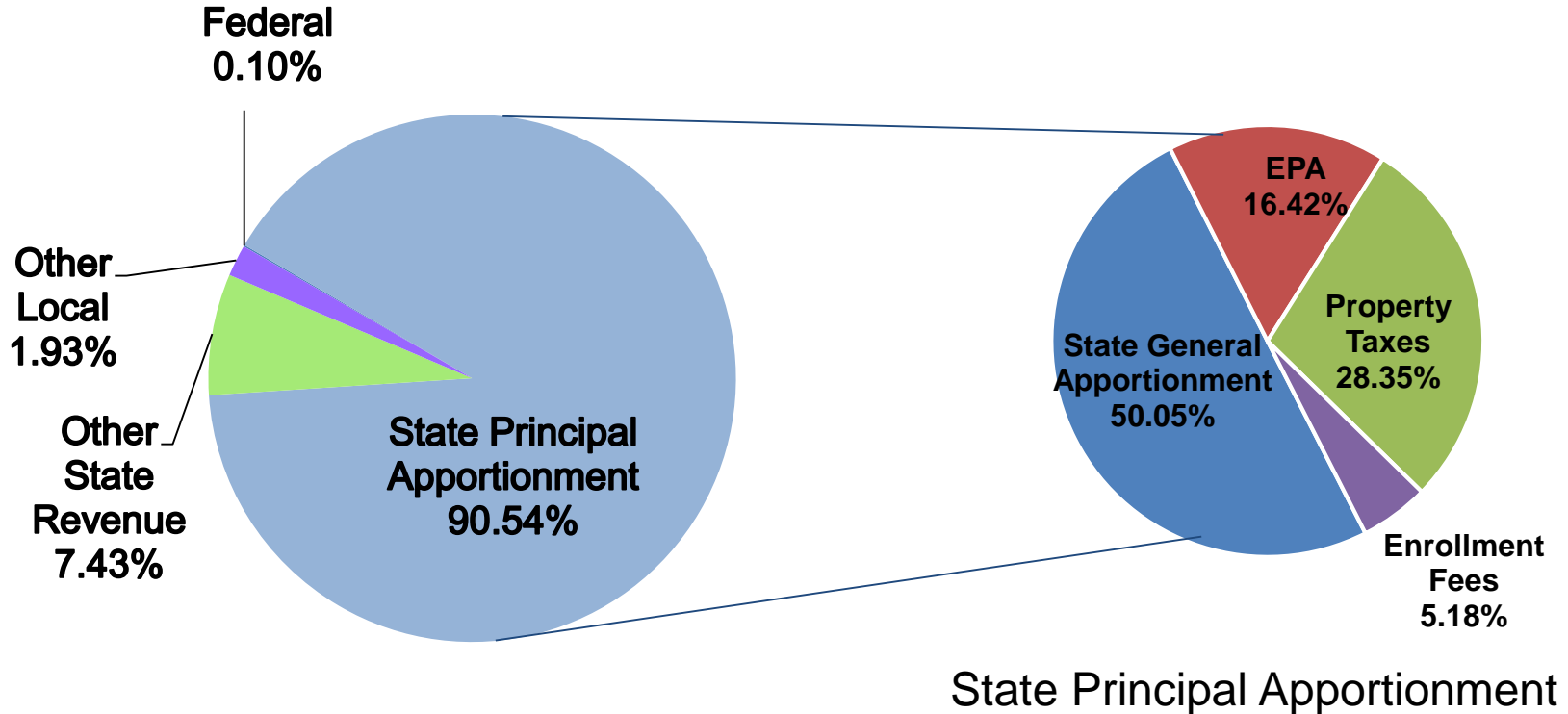
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Unrestricted General Fund Budgeted Revenue & Other Sources 2021-22



Unrestricted General Fund Expenditure Summary

	Estimated Actual 2020-21	Tentative Budget 2021-22	*Change Increase/ (Decrease)
Academic Salaries	\$56,589,053	\$ 57,701,728	\$ 1,112,675
Classified Salaries	28,719,003	31,152,015	2,433,012
Benefits	43,408,019	46,033,865	2,625,846
Supplies	703,432	67,7730	(25,702)
Services	11,029,563	6,940,929	(4,088,634)
Capital Outlay	867,600	1,540,536	672,936
One-Time	66,3313	97,4604	311,291
Other Outgo	1,336,000	1,486,000	150,000
Total	\$143,315,983	\$146,507,407	\$ 3,191,424



Major Expenditure Changes in 2021-22

- **Academic Salaries** – \$1.1 million increase due to step and column increases and hiring 4 new full-time faculty.
- **Classified Salaries** – \$2.4 million increase due to step and column increases, 10 academic support positions increased to 12-month assignments, and budgets for vacancies.
- **Total Benefits** – \$2.6 million increase is due to increases to certain benefit rates, most notably 2.30% for PERS, 0.77% for STRS and 1.18% for State Unemployment Insurance (SUI); as well as the increase to statutory benefits due to increased payroll.

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Major Expenditure Changes in 2021-22 (continued)

- **Contract Services & Operating Expenses** – (\$1.8) million decrease is mainly due to the net of the \$0.2 million increase in travel and conference expense, the (\$0.4) million decrease in election costs (held every other year), the \$0.8 million increase in software licenses and other services and expenses, and the impact of increased cost allowance (\$4.7) million due to additional HEERF funding indirect costs.
- **Capital Outlay** – \$0.7 million increase due mainly to increases in budgeted equipment expenses.

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Major Expenditure Changes in 2021-22 (continued)

- **One-Time Funds** – \$0.3 million increase is due to plans to complete projects delayed by the campus shutdown and resulting focus on transitioning to remote work and learning.
- **Other Outgo** - \$0.2 million increase is due to the transfer of \$150,000 to the Restricted General Fund for the Student Health Services program to help serve additional student health needs.

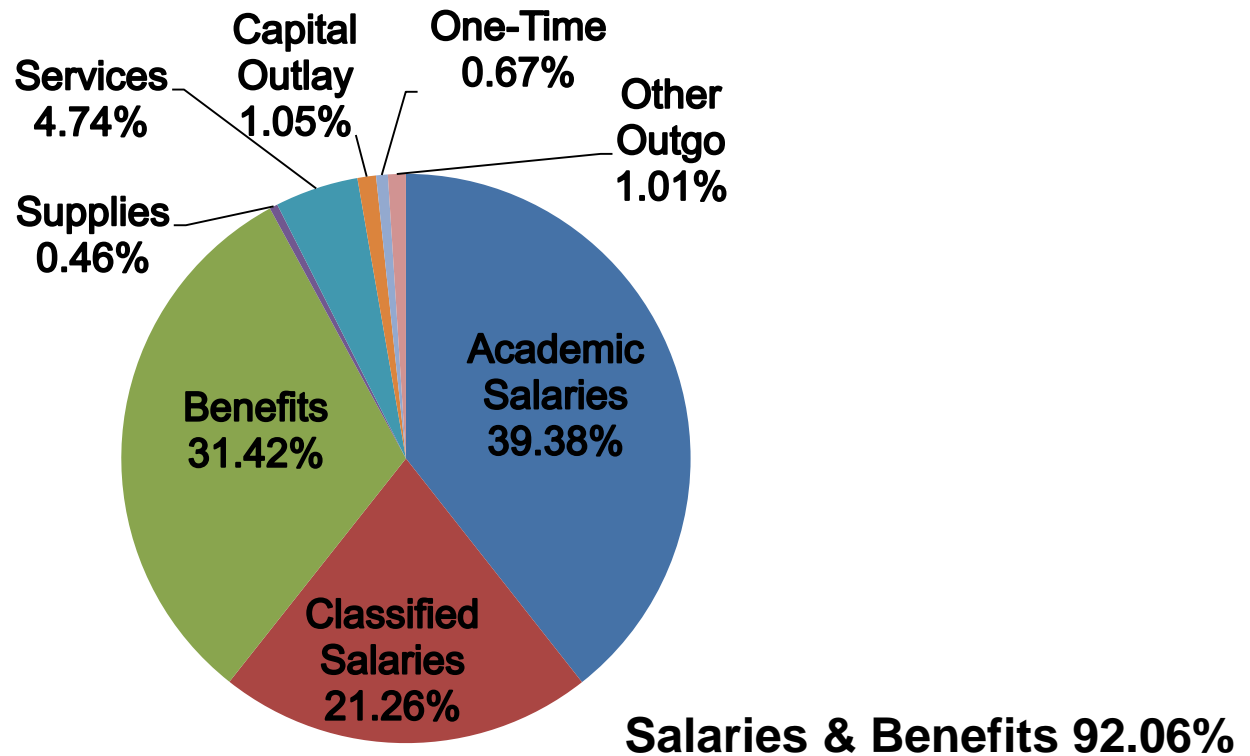
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Unrestricted General Fund Budgeted Expenditures and Other Outgo 2021-22



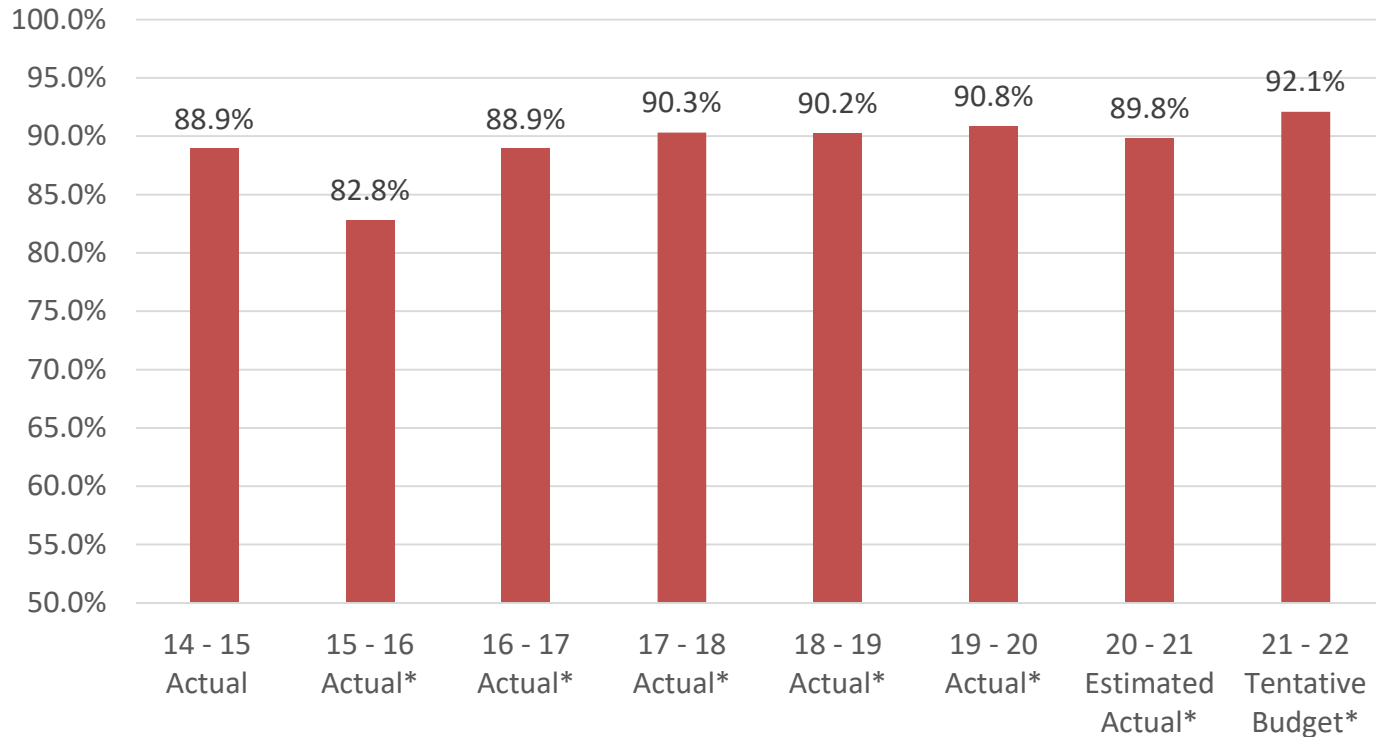
Unrestricted General Fund 7-Year Trend Summary (in \$ millions)

	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Estimated Actual	21-22 Tentative Budget
Salaries & Benefits as a % of Total Expenses & Other Outgo	88.9%	82.8%*	88.9%*	90.3%*	90.2%*	90.8%*	89.8%*	92.1%*
Surplus / (Deficit)	\$4.4	\$2.7	\$2.2	(\$0.3)	\$6.0	\$3.0	(\$2.2)	(\$2.0)
Ending Balance	\$25.6	\$28.3	\$30.5	\$30.2	\$36.2	\$39.2	\$37.0	\$35.0
Ending Balance as a % of Total Expenses & Other Outgo	24.0%	21.4%	24.4%	22.9%	27.5%	28.3%	25.8%	23.9%

*Percentage of Total Expenses and Other Outgo including one-time expenses.



Salaries & Benefits as a % of Total Expenses & Other Outgo



*Percentage of Total Expenses and Other Outgo including one-time expenses.

Unrestricted General Fund Multi-Year Projection (in \$millions)

	Tentative Budget 2021-22	Projected 2022-23	Projected 2023-24
Projected Revenue			
Apportionment Revenue	\$130.8	\$134.0	\$138.2
Other Revenue	13.7	13.6	13.6
Total Available Funding	144.5	147.6	151.8
Projected Expenses			
Expenditure Base (Prior Year)	143.3	146.5	151.2
Adjustments to Operations	(3.0)	0.3	(0.1)
Adjustments to Compensation/Benefits	6.2	4.4	3.0
Total Projected Expenses	146.5	151.2	154.1
Projected Surplus/ (Deficit)	(2.0)	(3.6)	(2.3)
Projected Ending Fund Balance	\$35.0	\$31.4	\$29.1
% of Expenses	23.9%	20.7%	18.9%



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Future Budget Challenges

- **Enrollment Management:**
 - Declining enrollment trends throughout the state were exacerbated by the pandemic.
 - Other districts are reporting substantial declines.
 - Difficulties of transitioning to remote learning have especially impacted our most disadvantaged students.
 - Outreach and marketing efforts help mitigate enrollment declines.
 - LBCC enrollment down 3% as of P-2.
- **State Pension Obligations:**
 - No one-time contributions in the State Budget to reduce PERS and STRS expenses as in prior years.
 - STRS and PERS obligations continue to increase in the upcoming years.

STRS & PERS Future Employer Rates

Fiscal Year	STRS		PERS		Total
2014-15	8.88%	227,313	11.77%	370,860	598,173
2015-16	10.73%	1,779,636	11.85%	128,984	1,908,620
2016-17	12.58%	1,270,151	13.89%	933,156	2,203,307
2017-18	14.43%	1,193,075	15.53%	839,116	2,032,191
2018-19	16.28%	834,704	18.06%	764,568	1,599,272
2019-20	17.10%	1,039,210	19.72%	1,058,278	2,097,488
2020-21	16.15%	(889,279)	20.70%	979,089	89,810
2021-22	16.92%	1,253,000	22.91%	555,000	1,808,000
2022-23	18.00%	625,000	26.10%	1,222,000	1,847,000
2023-24	18.00%	0	27.10%	383,000	383,000
Total		\$ 7,332,810		\$ 7,234,051	\$ 14,566,861

Rates are as of May 2021 and are subject to change for future years. Employer contribution increase estimates are based on total covered salary estimates from the 2020-21 Adopted Budget.



Future Budget Challenges

(continued)

- **Student Centered Funding Formula (SCFF) Metrics:**
 - Statewide enrollment declines have negatively impacted revenue calculated by the SCFF.
 - Great efforts have been made to try to increase metrics and related revenue under the SCFF.
 - The funding formula provides protections including:
 - Hold harmless protection through 2023-24, and
 - Emergency COVID protection through 2021-22.
- **Fiscal Cliff:**
 - SCFF protections help, but they are temporary.
 - Many districts are having difficulties planning future years with potential significant drops in apportionment revenue (fiscal cliff) looming.

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Future Budget Challenges

(continued)

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- **SERP Implementation:**
 - SERP provides opportunities and potential salary savings,
 - It also presents challenges of transitions and additional workloads.
- **COVID Funding**
 - Combined funding from HEERF I, II & III and state aid will exceed \$100 million in a three-year period.
 - The aid is needed, but it also present new workload and compliance requirements to manage.



Future Budget Challenges

(continued)

● State Budget Concerns

- May Revise Budget is extremely positive.
- LAO has expressed concerns with the state's ability to manage such large funding initiatives

● Returning to Campus

- The campus closure was difficult.
- The transition back to in-person learning and work presents significant challenges as well.
- Re-Opening Steering Committee is working through plans to help ensure the safety of students and employees.
- Goal: to provide the balance of online and in-person learning that our students need.

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Questions?