



LONG BEACH
CITY COLLEGE

Overview

- Board Goals, Institutional Priorities & Strategic Plan Goals
- Resource Allocations: Goals & Priorities
- 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 2022-23
- Expenditure Summary
- Major Expenditure Changes in 2022-23
- 7-Year Trends
- Future Budget Challenges

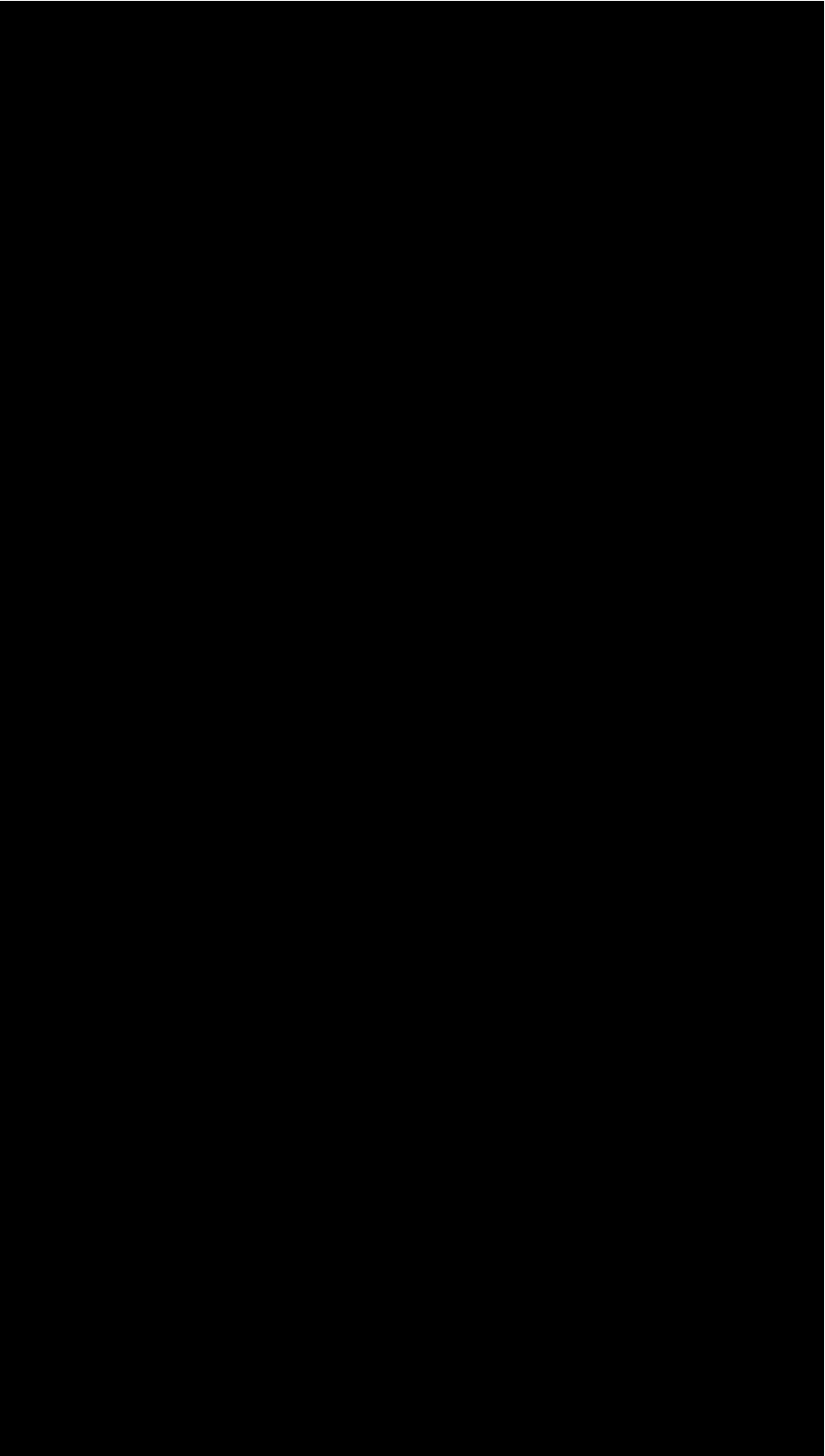
Board Goals, Institutional Priorities & Strategic Plan Goals

Tentative Budget 2022-23

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 Boardmanship.
- 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.



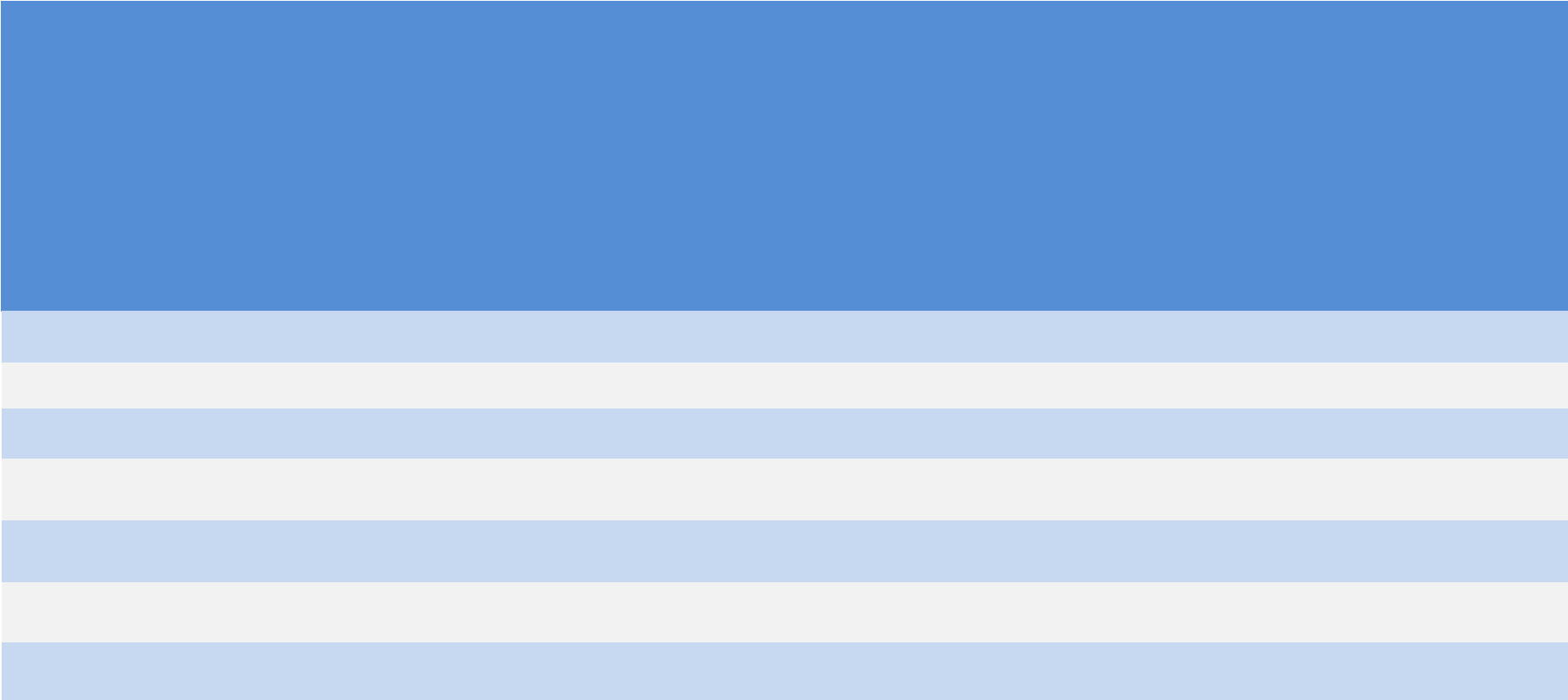
Strategic Plan Goals

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)

Highlighted Resource Allocations: Goals & Priorities



Highlighted Resource Allocations: Goals & Priorities

Faculty, Staff, and Infrastructure Supports	LBCC Institutional Priorities and Board				Goals Related to Institutional Planning			
	I., II., IV. & A. Implement Guided Pathways Using Cross-functional Teams to Close Equity Gaps in Student Success	IV. & B. Maintain Fiscal Viability	I., II., IV. & C. Expand Outreach/ Invest in Infrastructure to Increase Student Enrollment and Persistence	I., II. & D. Create Spaces of Belonging				

Highlighted Resource Allocations: Goals & Priorities

State Budget Overview

Budget Development Cycle

State Budget Overview

Apportionment

- Student Centered Funding Formula (SCFF) 6.56% COLA - \$493.0 million
 - *\$9.0 million for LBCC*
- Base SCFF increase - \$250 million
 - \$0.4 million based on LBCC metrics
- 0.5% Growth funding - \$26.2 million
 - *Not expected for LBCC*
- Budgeted Deficit Factor
 - *\$0.7 million (0.5%) estimate based on prior deficits*
- Removed COLA for hold Harmless protection after 2024-25
- COVID Emergency protection ends 2021-22
 - Uses the greater of 2019-20 or current year FTES

State Budget Overview

Categorical Programs

- 6.56% COLA for categorical programs (DSPS, EOPS, CARE, CalWORKs, Child Care Tax Bailout, Mandated Cost Block Grant, and Adult Education - \$60.6 million
 - *\$1 million for LBCC*
- \$25 million – Student Equity and Achievement (SEA) Program
 - \$400,000 estimated for LBCC studies

State Budget Overview

New and Expanded Programs

- Discretionary Block Grant -\$750 million
 - \$12 million estimated for LBCC
 - Includes reporting requirements
 - Funds to be encumbered in 3 years; spent in 5 years
- Integrated Technology - \$99 million
 - \$1.6 million estimate for LBCC
 - For data modernization and protection
- Student Recruitment and Retention - \$150 million
 - \$2.5 million estimate for LBCC

State Budget Overview

Other One-time Programs/Uses

- Deferred Maintenance and Instructional Equipment Block Grant - \$1.5 billion
 - \$25 million for LBCC
 - Split evenly between the two programs
 - 3 years to encumber; 5 years to spend
- No STRS & PERS State contributions to reduce employer contribution rates as in recent years

State Budget Overview

- \$403 million in Proposition 51 capital outlay projects – one-time

State Budget Overview

State Reserve Projected Balances

- Budget Stabilization Account (BSA, also known as the rainy-day fund) - \$37.1 billion
- Public School System Stabilization Account (PSSSA) - \$9.5 billion

BAC Budget Assumption Highlights

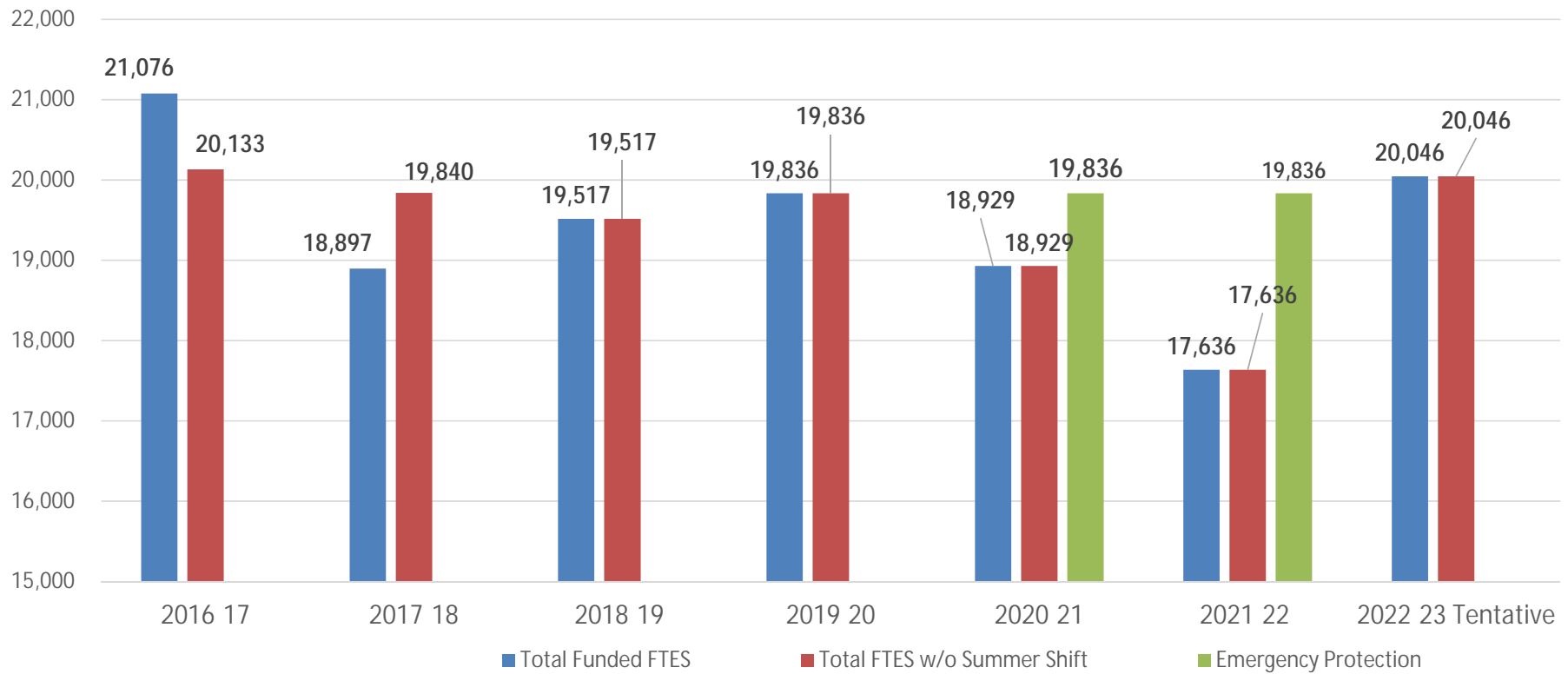
BAC Budget Assumption Highlights

- 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 20,046.
- 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.

BAC Budget Assumption Highlights

- 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) – \$5 million
- Health & Welfare Premiums:
 - Increased by 1.1% - \$189,155

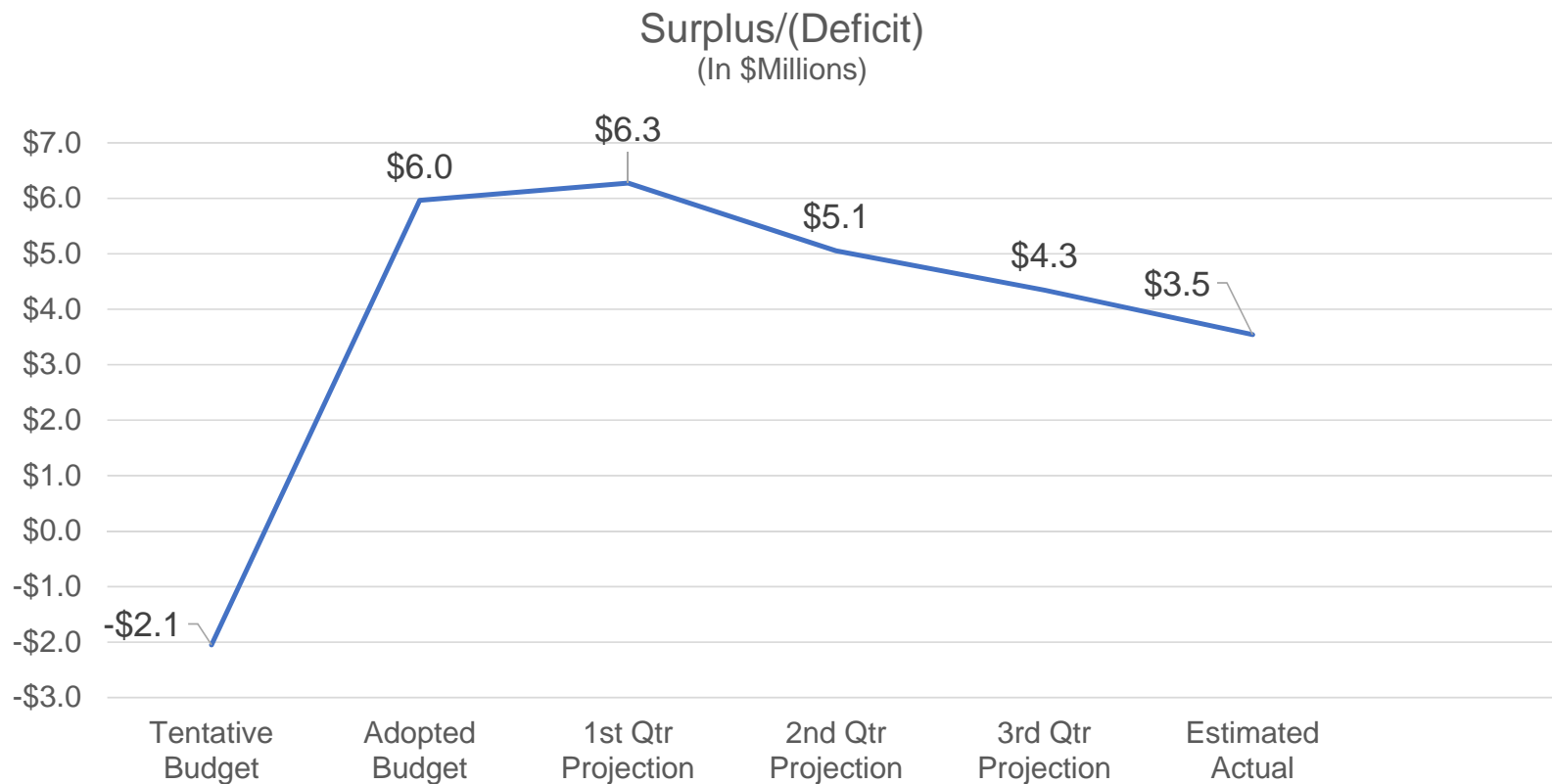
FTES Comparison*



*Resident Full-Time Equivalent Students (FTES).

Unrestricted General Fund Overall Summary

Surplus/(Deficit) Changes Unrestricted General Fund 2021-22



Unrestricted General Fund: Revenue Summary

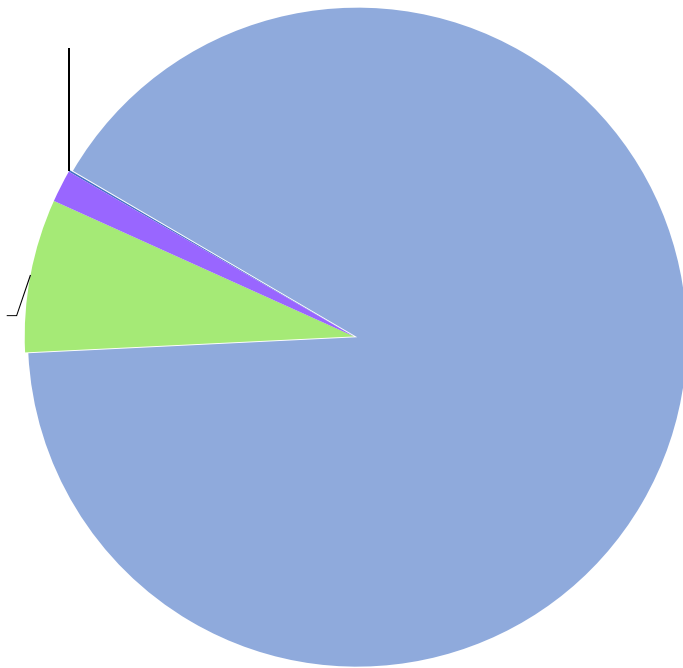
	Estimated Actual 2021 22	Tentative Budget 2022 23	*Change Increase/ (Decrease)
Federal	\$ 140,000	\$ 140,000	\$ 0
State Apportionment	133,627,688	145,885,998	12,258,310
Other State	12,341,077	12,078,696	(262,381)
Local	2,734,768	2,532,234	(202,534)
Other Sources	6,376	3,434	(2,942)
Total	\$148,849,909	\$160,640,362	\$11,790,453

*Change is comparison between 2021-22 Estimated Actual and 2022-23 Tentative Budget.

Major Revenue Changes in 2022-23

- Apportionment – \$12.3 million increase
 - \$9.4 million increase due to the 6.56% COLA & increase to SCFF.
 - \$3.9 million increase due to the deficit factor decreasing from 3.35% in 2021-22 3rd quarter report to 0.50% for the Tentative Budget.
 - (\$1.0) million decrease for prior year adjustments.
- Other State Revenue - (\$0.3) million decrease
 - Lottery revenue decrease due to projected lower P2 FTES.
- Local Revenue - \$0.2 million decrease
 - Due mainly to lower interest estimate for 2022-23.

Unrestricted General Fund Budgeted Revenue & Other Sources 2022-23



Unrestricted General Fund Expenditure Summary

	Estimated Actual 2021 22	Tentative Budget 2022 23	*Change Increase/ (Decrease)
Academic Salaries	\$ 56,901,100	\$ 60,551,080	\$ 3,649,980
Classified Salaries	29,009,345	32,386,339	3,376,994
Benefits	45,467,707	49,393,295	3,925,588
Supplies	787,190	704,543	(82,647)
Services	9,785,635	9,832,086	46,451
Capital Outlay	1,382,449	1,755,480	373,031
One Time	488,174	1,961,651	1,473,477
Other Outgo	1,486,000	1,656,000	170,000
Total	\$145,307,600	\$158,240,474	\$12,932,874

*Change is comparison between 2021-22 Estimated Actual and 2022-23 Tentative Budget.

Major Expenditure Changes

Major Expenditure Changes in 2022-23 (continued)

- Contract Services & Operating Expenses – no net change compared to 2021-22 estimated actual
 - increase \$1.0 million from 2021-22 adopted budget for increased utilities.
 - budget \$450,000 for election costs (held every other year).
- Capital Outlay – \$0.4 million increase
 - increases in budgeted equipment expenses.

Major Expenditure Changes in 2022-23 (continued)

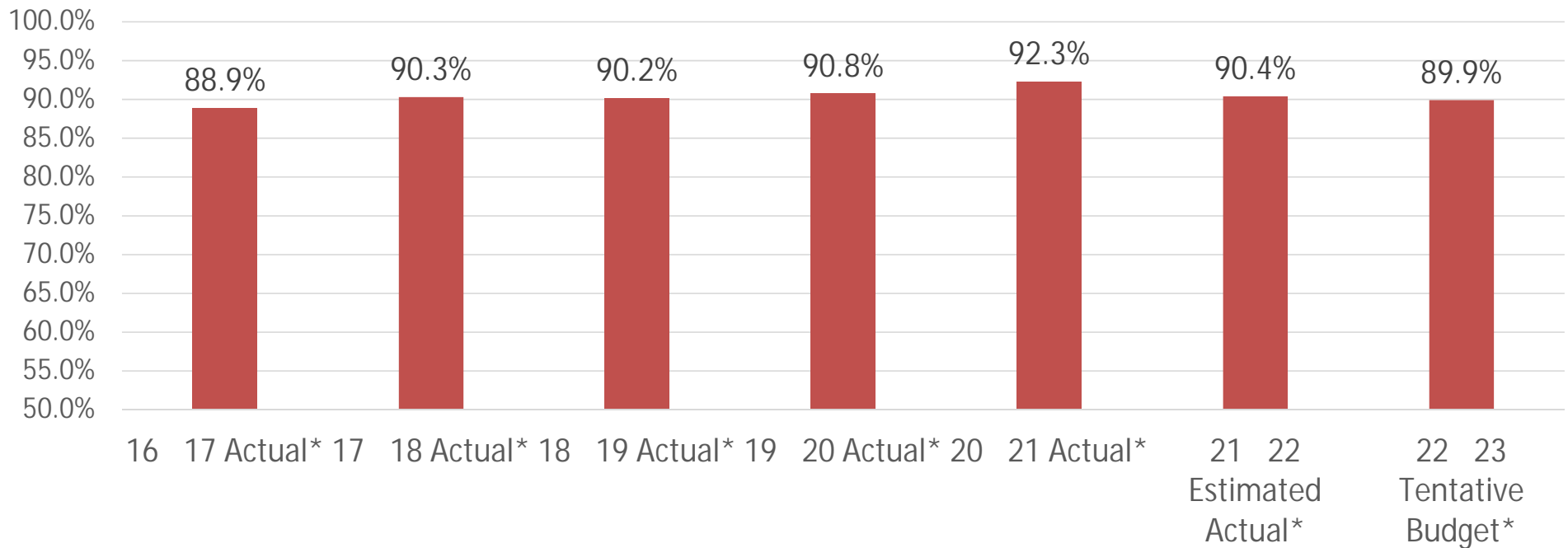
Unrestricted General Fund 7-Year Trend Summary

(in \$ millions)

	16 17 Actual	17 18 Actual	18 19 Actual	19 20 Actual	20 21 Actual	21 22 Estimated Actual	22 23 Tentative Budget
Salaries & Benefits as a % of Total Expenses & Other Outgo	88.9%*	90.3%*	90.2%*	90.8%*	92.3%*	90.4%*	89.9%*
Surplus / (Deficit)	\$2.2	(\$0.3)	\$6.0	\$3.0	\$7.7	\$3.6	\$2.4
Ending Balance	\$30.5	\$30.2	\$36.2	\$39.2	\$46.9	\$50.5	\$52.9
Ending Balance as a % of Total Expenses & Other Outgo	24.4%	22.9%	27.5%	28.3%	34.3%	34.8%	33.4%

*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 2022 23	Projected 2023 24	Projected 2024 25
Projected Revenue			
Apportionment Revenue	145.9	153.7	159.9
Other Revenue	14.7	15.3	15.3
Total Available Funding	160.6	169.0	175.2
Projected Expenses			
Expenditure Base (Prior Year)	145.3	158.2	158.6
Adjustments to Operations	2.0	(1.8)	0.6
Adjustments to Compensation/Benefits	10.9	2.1	2.7
Total Projected Expenses	158.2	158.5	161.9
Projected Surplus/ (Deficit)	2.4	10.5	13.3
Projected Ending Fund Balance	52.9	63.4	76.7
% of Expenses	33.4%	40.0%	47.4%

STRS & PERS Future Employer Rates

Fiscal Year	STRS		PERS		Total
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%	(218,810)	20.70%	592,670	373,860
2012 22	16.92%	(76,000)	22.91%	976,000	900,000
2022 23	19.10%	2,712,000	25.37%	1,207,000	3,919,000
2023 24	19.10%		25.20%	(67,000)	(67,000)
2024 25	19.10%		24.60%	(237,000)	(237,000)
Total		\$ 8,533,966		\$ 6,195,772	\$ 14,729,738

Rates are as of May 2022 and are subject to change for future years. Employer contribution increase estimates are based on total covered salary estimates from the 2022-23 Tentative Budget.

Future Budget Challenges

(continued)

- Returning to Campus
 - Great efforts were made to return to our campuses
 - New normal includes evaluating hybrid learning and work environments
 - Re-Opening Steering Committee - maintain the safety of students and employees as we work through the proper steps to provide the combination of online and in-person education that best serve our students
- Economic Impacts
 - Inflation – California consumer price index (CPI) 6.55% for 2021-22
 - Supply chain issues – especially for technology equipment, repair and construction materials

