



2022-2023 Tentative Budget Presentation Regular Board of Trustees Meeting

June 13, 2022

Shaminder Brar, Assistant Superintendent/VP of Administrative Services

- Governor's May Revision Highlights
- Timeline
- Student Centered Funding Formula
- 2021-2022 Estimated Actuals
- Higher Education Emergency Relief Funds
- Budget Assumptions
- 2022-2023 Tentative Budget



- **\$1.325 Billion in Ongoing Spending**
 - Cost of Living Adjustment (6.56%), SCFF Base Increase, Part-time Faculty Health Insurance, Technology Modernization
- **\$2.9 Billion in One-time Spending**
 - \$1.5 Billion Deferred Maintenance and Energy Efficiency, \$750 Million Discretionary Block Grants, Student Retention and Enrollment, other.

Source: Update on May Revision Joint Analysis, May 13, 2022

- \$49.2B Surplus - State's Primary Revenue Sources of personal income tax, sales tax, and corporate tax, are coming in ahead of projections.
- SCFF COLA – 6.56%
- Proposed SCFF Formula Rates increased by 9.89%.
- Current Hold Harmless Provision sunsets in FY 2024-25; New floor starting FY 2025-26.
- Ongoing Spending – Includes \$375M increase for SCFF, 6.56% COLA for apportionments.
- Legislative Analyst Office (LAO) Comments – The General Fund faces a budget deficit by 2025-26.
- Capital Outlay - \$406M for 22 continuing projects.
- State Operations - \$3.9M to support 26 new positions.
- Multi-Year Road Map
 - Enhance timely transfers
 - Improved Rates of Completion with reduced excess units
 - Closure of Equity Gaps
 - Better alignment of the system with K-12 and workforce needs

Source: Update on May Revision Joint Analysis, May 13, 2022

Standard Financial Reporting Deadlines in Place for 2022-23

- Submit tentative budget to county officer - July 1, 2022
- Make available for public inspection a statement of prior year receipts and expenditures and current year expenses - September 15, 2022
- Hold a public hearing on the proposed budget and adopt a final budget - September 15, 2022
- Complete the adopted annual financial and budget report and make public- September 30, 2022
- Submit an annual financial and budget report to Chancellor's Office - October 10, 2022
- Submit an audit report to the Chancellor's Office - December 31, 2022

Source: Update on May Revision Joint Analysis, May 13, 2022

STUDENT CENTERED FUNDING FORMULA (SCFF)

70% - Base (Enrollment) 3-year average FTES

20% - Supplemental Grant using headcount of Pell recipients, College Promise Grant recipients and AB540 Students

10% - Student Success Initiative Grant based on outcomes of progression and living wage with an additional separate allocation for those outcomes that are Pell recipients or College Promise Grant recipients.

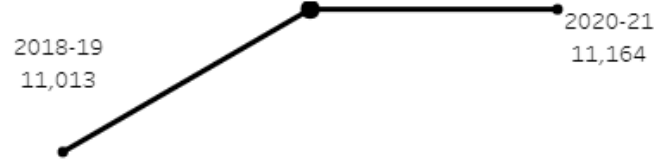
STUDENT CENTERED FUNDING FORMULA (SCFF)

- Current split, 70/20/10, is set in statute. No plans to change.
- SCFF Oversight Committee will make recommendations but not on split.
- Rates will be adjusted annually by any enacted COLA.
- COVID-19 Emergency Conditions Allowance sunsets 2021-22.
- SCFF hold harmless provision is active through 2024-25.*
- 2024-25 funding will be the new floor for SCFF hold harmless provision. No automatic adjustments to reflect cumulative COLA over time, only if provided in budget act language.*

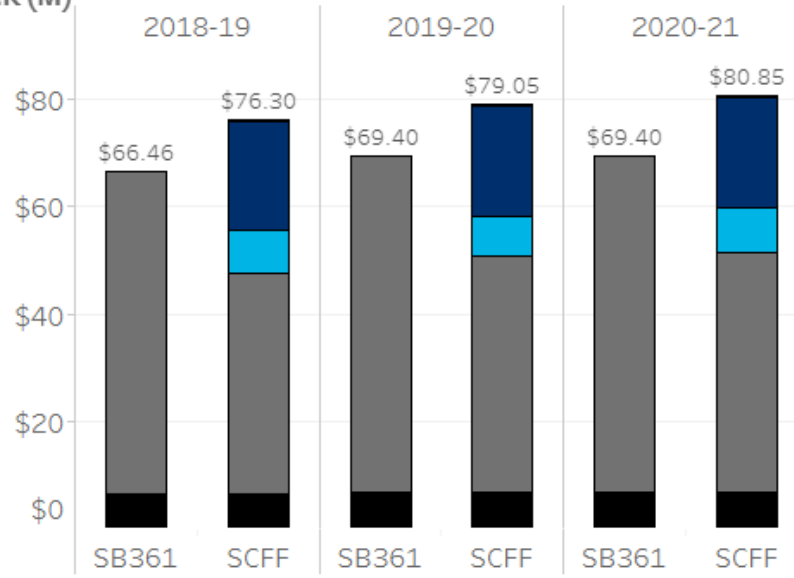
*Source: Update on May Revision Joint Analysis, May 13, 2022

STUDENT CENTERED FUNDING FORMULA(SCFF)

Antelope
Valley CCD
FTES*



TCR (M)



■ Supplemental
■ Success
■ Min. Revenue Commitment
■ FTES (\$)
■ Basic

* FTES: total FTES reported on CCFS-320 adjusted for emergency provisions and statutory requirements

Source: <https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/scff-dashboard>



- **HEERF I - The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)**
 - Antelope Valley College Allocation: \$10,887,536
 - Institutional Aid: \$5,122,845
 - Minority Serving Institution: \$641,845
 - Student Aid: \$5,122,846
- **HEERF II - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)**
 - Antelope Valley College Allocation: \$22,729,960
 - Institutional Aid: \$16,457,850
 - Minority Serving Institution: \$1,149,264
 - Student Aid: \$5,122,846
- **HEERF III - American Rescue Plan Act (ARP)**
 - Antelope Valley College Allocation: \$39,915,987
 - Institutional Aid: \$18,840,730
 - Minority Serving Institution: \$1,956,889
 - Student Aid: \$19,118,368

HIGHER EDUCATION EMERGENCY RELIEF FUNDS (HEERF)

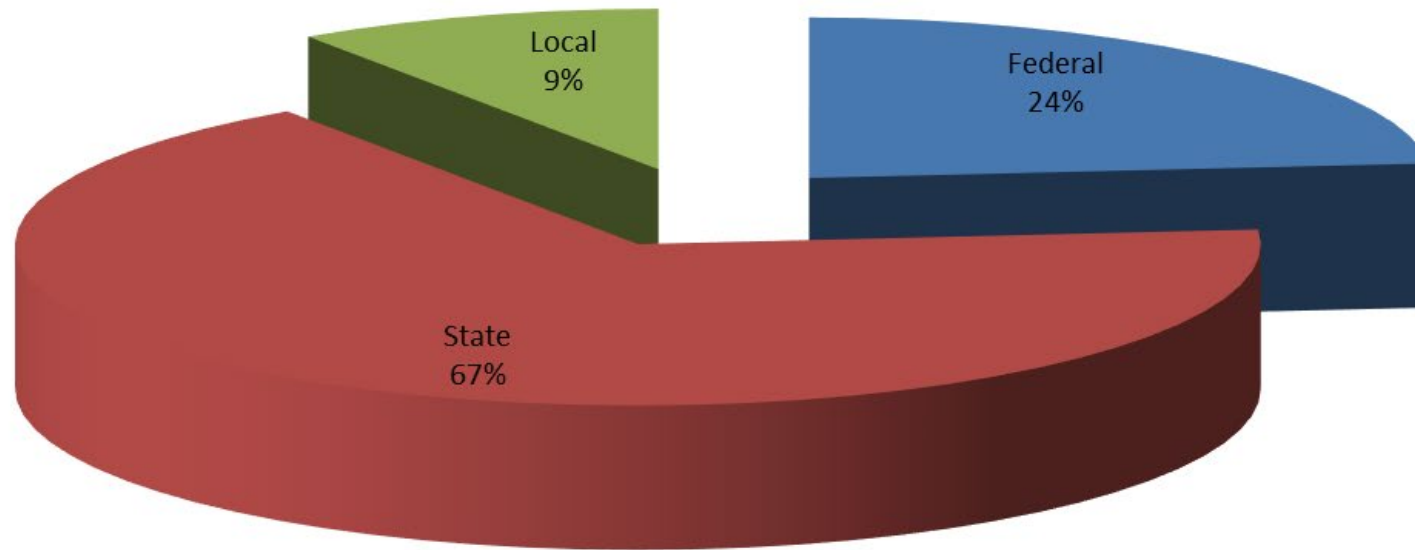
HEERF	HEERF Category	Awarded	2020	2021	2022	Total Expended	Variance	Committed	Variance	Estimates	Remaining
HEERF I	Institutional	5,122,845	260,299	4,862,546	-	5,122,845	-	-	-	-	-
	MSI	641,845	479,102	162,743	-	641,845	-	-	-	-	-
	Student	5,122,846	2,993,381	2,129,465	-	5,122,846	-	-	-	-	-
HEERF I Total		10,887,536	3,732,782	7,154,754	-	10,887,536	-	-	-	-	-
HEERF II	Institutional (32049)	16,457,850	-	5,655,260	5,750,302	11,405,561	5,052,289	1,476,108	3,576,181	3,576,181	-
	MSI	1,149,264	-	1,149,264	-	1,149,264	-	-	-	-	-
	Student	5,122,846	-	5,122,846	-	5,122,846	-	-	-	-	-
HEERF II Total		22,729,960	-	11,927,370	5,750,302	17,677,671	5,052,289	1,476,108	3,576,181	3,576,181	-
HEERF III	Institutional (32066)	18,840,730	-	-	144,978	144,978	18,695,752	116,810	18,578,942	4,083,115	14,495,827
	MSI (32037)	1,956,889	-	13,989	1,356,757	1,370,746	586,143	-	586,143	-	586,143
	Student (32065)	19,118,368	-	-	19,231,050	19,231,050	(112,682)	-	(112,682)	(112,682)	-
HEERF III Total		39,915,987	-	13,989	20,732,786	20,746,775	19,169,212	116,810	19,052,403	3,970,433	15,081,970
Grand Total		73,533,483	3,732,782	19,096,113	26,483,087	49,311,982	24,221,501	1,592,918	22,628,584	7,546,614	15,081,970

Sum of Year to Date as of 6/1/2022

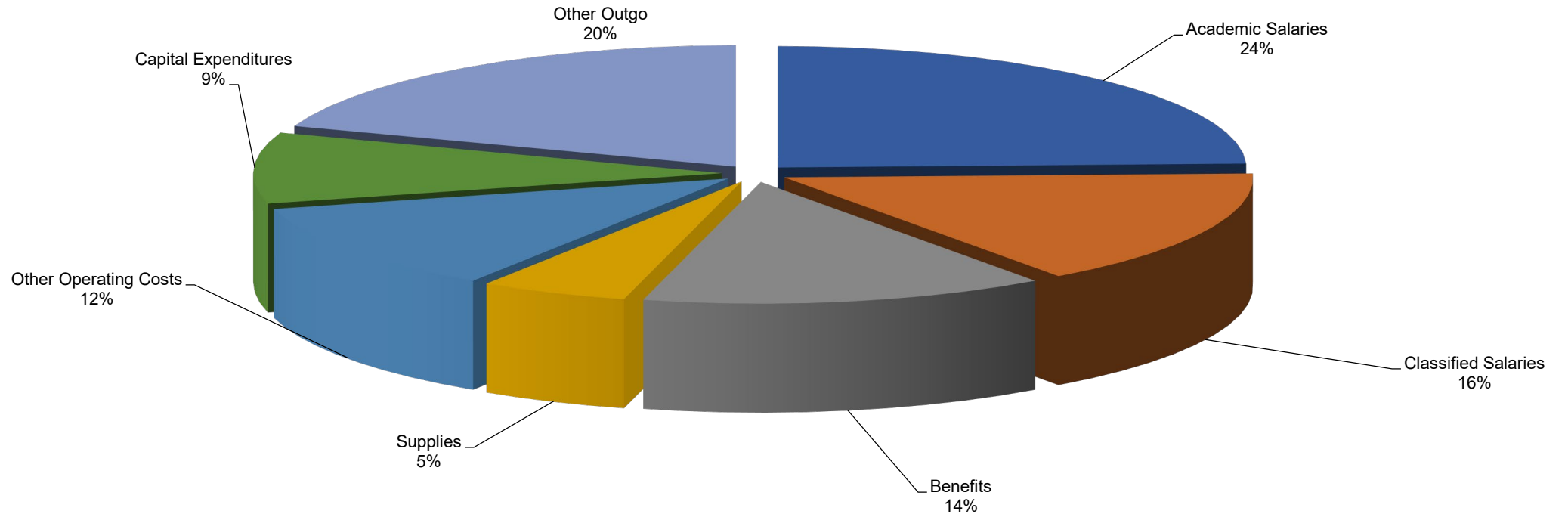
2021-22 UNRESTRICTED FUND ESTIMATED ACTUALS

	2021-22 Estimated Actuals
BEGINNING FUND BALANCE	39,220,853
Total Revenue	89,481,927
Total Expenditures & Other Outgo	90,038,383
Total Ending Fund Balance	38,664,397
Surplus/(Deficit)	(556,456)
Assigned Aside for Categorical Salaries + Benes	(500,000)
Capital Projects Protection	(5,000,000)
DEI Initiatives & Training	(500,000)
IT Reserve	(1,000,000)
Leave Payoff	(750,000)
Reserve for Emergencies (AP 6305)	(500,000)
Revenue Loss Protection	(10,000,000)
Reserve for Pension Stabilization (BP 6250)	(5,000,000)
Resource Allocation	(760,360)
Unassigned Ending Fund Balance	14,654,037
Reserve % (Per BP 6200) 12% min/15% goal	16.28%

GENERAL FUND 2021-22 ESTIMATED REVENUE



GENERAL FUND 2021-22 ESTIMATED EXPENDITURES



2021-22 ESTIMATED ACTUALS ALL FUNDS

2021-2022 Estimated Actuals										
Fund	Name	Beginning Balance	Revenue	Expenditures	Ending Balance	Committed/ Assigned Reserves	Surplus/Deficit	Unrestricted Balance After Assignments	Reserve	% of Overall Budget
	General Fund									
10	Unrestricted	39,220,853	89,481,927	90,038,383	38,664,397	(24,010,360)	(556,456)	14,654,037	16.3%	34.60%
12 (13 & 14)	Restricted	1,206,615	50,761,433	50,840,995	1,127,054		(79,562)			19.54%
21	Bond Interest & Redemption	20,268,253	15,950,494	20,951,840	15,266,907		(5,001,346)			8.05%
41	Capital Outlay Fund	1,506,614	6,819,490	2,385,895	5,940,209		4,433,595			0.92%
42	Revenue Bond Construction	101,989,130	612,160	55,265,645	47,335,644		(54,653,485)			21.24%
51	Enterprise Operations/Auxiliary Services	1,163,606	1,116,692	35,712	2,244,586		1,080,980			0.01%
33	Child Development Center	292,019	950,501	792,461	450,059		158,040			0.30%
72	Student Rep	399,912	54,875	22,160	432,627		32,715			0.01%
74	Financial Aid	1,160,783	39,566,024	39,556,574	1,170,233		9,450			15.20%
75	Scholarships & Loan	32,720	532,439	313,830	251,328		218,608			0.12%
Antelope Valley College Budget			205,846,035	260,203,496			(54,357,461)			100.00%

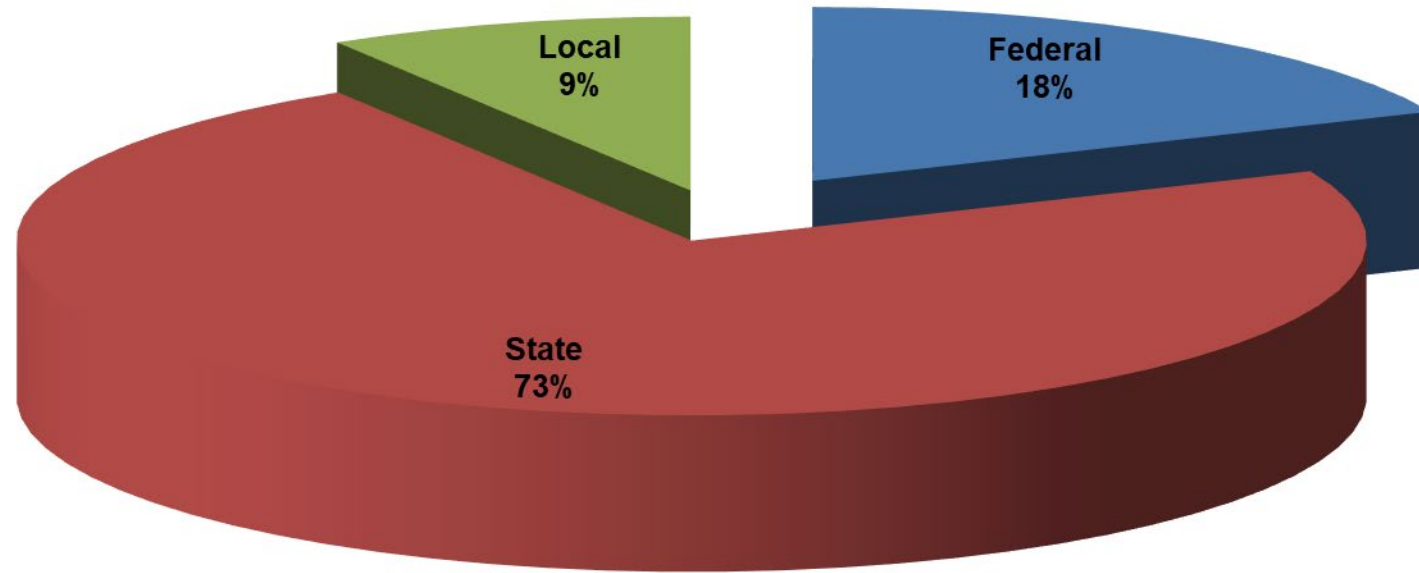
- 3.35% TCR Deficit (Based on 2021-2022)
- SCFF COLA – 6.56%
- COVID-19 Emergency Conditions Allowance Ends in FY 2021-22
- SCFF FTES same as FY 2021-22 P2
- SCFF headcount same as FY 2021-22 P1
- Step & Column Increases
- Pension Rate Increases
 - CalPERS – Up from 22.91% in 2021-22 to 25.37% in 2022-23
 - CalSTRS – Up from 16.92% in 2021-22 to 19.10% in 2022-23
- Resource allocation funding proposed



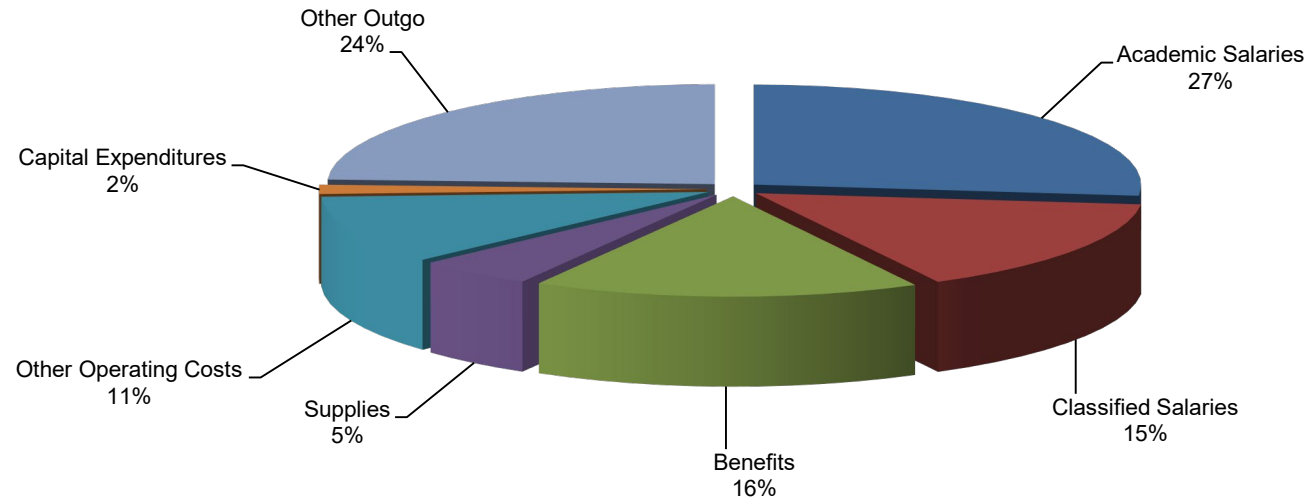
2022-23 UNRESTRICTED FUND TENTATIVE BUDGET

	2022-23 Tentative Budget
BEGINNING FUND BALANCE	38,664,397
Total Revenue	87,463,516
Total Expenditures & Other Outgo	82,969,377
Total Ending Fund Balance	43,158,536
Surplus/(Deficit)	4,494,139
Benes	(500,000)
Capital Projects Protection	(5,000,000)
DEI Initiatives & Training	(500,000)
IT Reserve	(1,000,000)
Leave Payoff	(750,000)
Reserve for Emergencies (AP 6305)	(500,000)
Revenue Loss Protection	(10,000,000)
Reserve for Pension Stabilization (BP 6250)	(5,000,000)
Resource Allocation	(760,360)
Unassigned Ending Fund Balance	19,148,176
Reserve % (Per BP 6200) 12% min/15% goal	23.08%

GENERAL FUND 2022-23 TENTATIVE BUDGET REVENUE



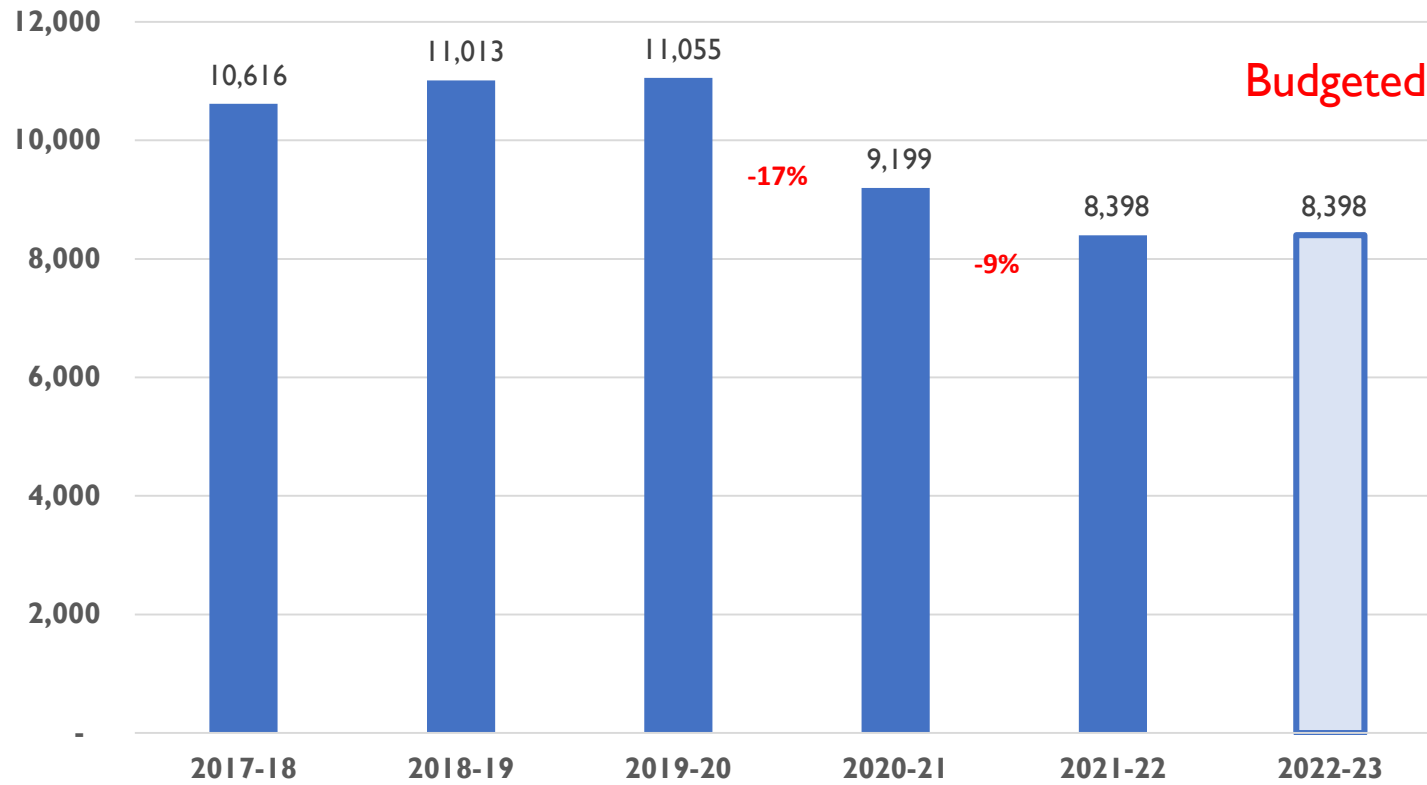
GENERAL FUND 2022-23 TENTATIVE BUDGET EXPENDITURES



2022-23 TENTATIVE BUDGET

2022-2023 Tentative Budget										
Fund	Name	Beginning Balance	Revenue	Expenditures	Ending Balance	Committed/ Assigned Reserves	Surplus/Deficit	Unrestricted Balance After Assignments	Reserve	% of Overall Budget
	General Fund									
10	Unrestricted	38,664,397	87,463,516	82,969,377	43,158,536	(24,010,360)	4,494,139	19,148,176	23.1%	26.17%
12 (13 & 14)	Restricted	1,127,054	53,234,187	53,234,187	1,127,054		-			16.79%
21	Bond Interest & Redemption	15,266,907	16,748,019	18,856,656	13,158,270		(2,108,637)			5.95%
41	Capital Outlay Fund	5,940,209	2,482,038	4,436,870	3,985,377		(1,954,832)			1.40%
42	Revenue Bond Construction	47,335,644	105,531,918	116,613,384	36,254,178		(11,081,466)			36.78%
51	Enterprise Operations/Auxiliary Services	2,244,586	-	-	2,244,586		-			0.00%
33	Child Development Center	450,059	941,184	941,184	450,059		-			0.30%
72	Student Rep	432,627	36,640	36,640	432,627		-			0.01%
74	Financial Aid	1,170,233	39,566,024	39,490,412	1,245,844		75,612			12.46%
75	Scholarships & Loan	251,328	441,033	441,018	251,343		15			0.14%
Antelope Valley College Budget			306,444,559	317,019,728			(10,575,169)			100.00%

FTES HISTORY



IMPACT OF 3-YEAR AVG PROTECTIONS

	FTES	HEADCOUNT	SCFF REVENUE
SCFF Revenue With 3 Year Average Protections	10,295.62	15,018	82,912,190
SCFF Revenue With 2021 FTES and Headcount	8,397.96	14,494	73,897,075
Difference	1,897.66	524	9,015,115



Thank You

