

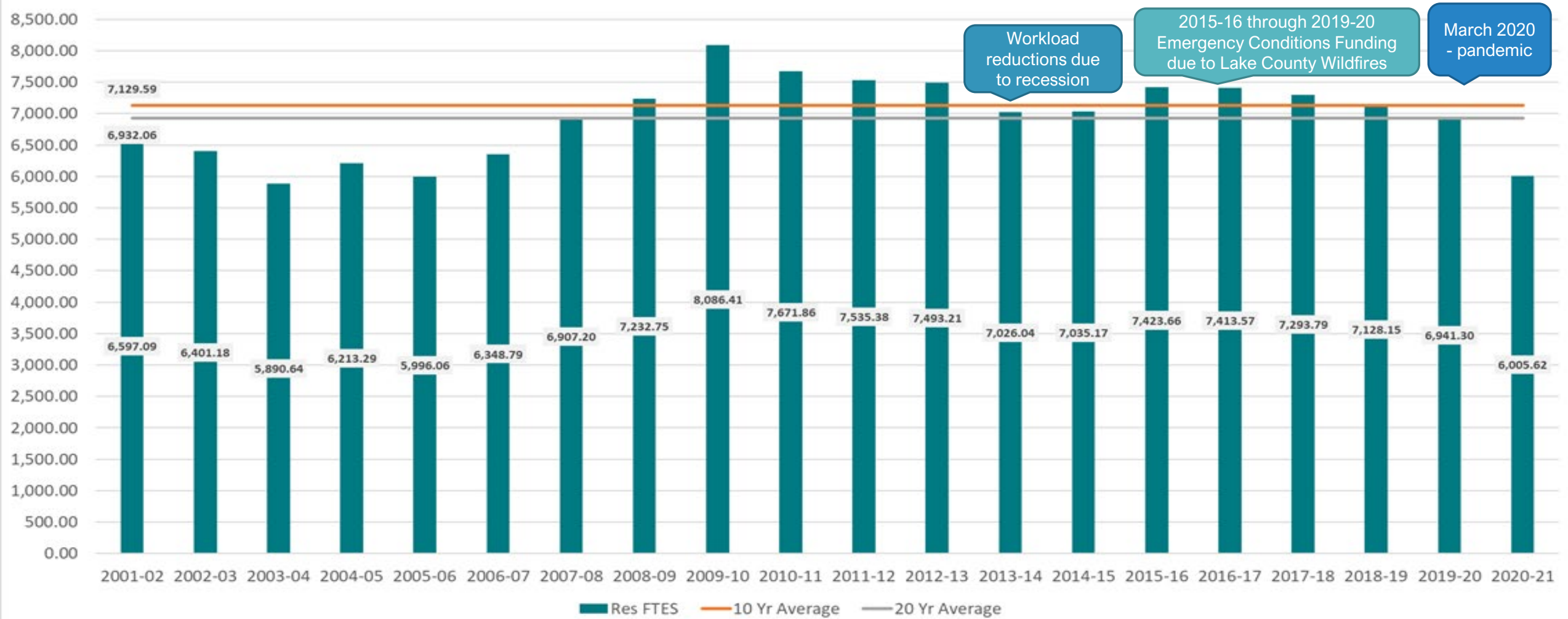
The background of the slide is a dense field of 3D-rendered numbers in various shades of blue and white. The numbers are scattered across the frame, creating a sense of depth and movement. Some numbers are larger and more prominent, while others are smaller and recede into the background. The overall effect is a vibrant, data-oriented aesthetic.

District's
Financial
Presentation

May 6, 2022

District's Enrollment Trends

Yuba Community College District ResFTES History By Academic Year



Overview of District's Financial projections

Student Centered Funding Formula (SCFF) No Hold Harmless Protection					
Fiscal Year	2021-22	2022-23	2023-24	2024-25	2025-26
FTES Funded Level	7,626	7,626	6,929	6,489	6,168
FTES Reported or Actual	6,200	5,768	5,824	6,159	6,482
In Millions					
Revenues	\$64.85	\$67.20	\$63.49	\$61.62	\$60.29
Expenditures	\$63.05	\$64.82	\$65.89	\$66.84	\$67.78
Surplus/Deficit	\$1.80	\$2.38	(\$2.40)	(\$5.22)	(\$7.49)

Revenue includes COLA for 22-23. Expenditures include 0% salary increases for 2022-23 and beyond from COLA and 0% increase for Medical, Dental, and Vision

Overview of District's Financial projections

Student Centered Funding Formula (SCFF) including Hold Harmless Protection (2017-18 funding as floor)

Fiscal Year	2021-22	2022-23	2023-24	2024-25	2025-26
FTES Funded Level	7,626	7,626	6,929	6,489	6,168
FTES Reported or Actual	6,200	5,768	5,824	6,159	6,482
	In Millions				
Revenues	\$64.85	\$67.20	\$67.08	\$63.81	\$63.87
Expenditures	\$63.05	\$64.82	\$65.89	\$66.84	\$67.78
Surplus/Deficit	\$1.80	\$2.38	\$1.19	(\$3.03)	(\$3.91)

Projections include 0% salary increases for 2022-23 and beyond from COLA and 0% increase for Medical, Dental, and Vision

Overview of District's Financial projections

Student Centered Funding Formula (SCFF) including Hold Harmless Protection (2021-22 funding as floor)

Funding level = 7,626 FTES

Fiscal Year	2021-22	2022-23	2023-24	2024-25	2025-26
FTES Funded Level	7,626	7,626	6,929	6,489	6,168
FTES Reported or Actual	6,200	5,768	5,824	56,115	6,482
	In Millions		In Millions		
Revenues	\$64.85	\$66.59	\$66.47	\$63.81	\$66.13
Expenditures	\$63.05	\$64.82	\$65.89	\$66.83	\$67.84
Surplus/Deficit	\$1.80	\$1.77	\$0.58	(\$3.02)	(\$1.71)

Projections include 0% salary increases for 2022-23 and beyond from COLA and 0% increase for Medical, Dental, Vision

Changes to “COLA”

How COLA used to be determined

- ◆ Based on the SB 361 Funding Formula, COLA was based on the FTES funding

How COLA is determined now

- ◆ Based on the Student-Centered Funding Formula, COLA is determined based FTES, Supplemental, and Student Success numbers

What “COLA” is intended to be used for

Wages

- ❖ Fund salary schedule increases for regular employees
- ❖ Fund Step and Column Increases
- ❖ Adjust salary schedules for temporary employees and student employees

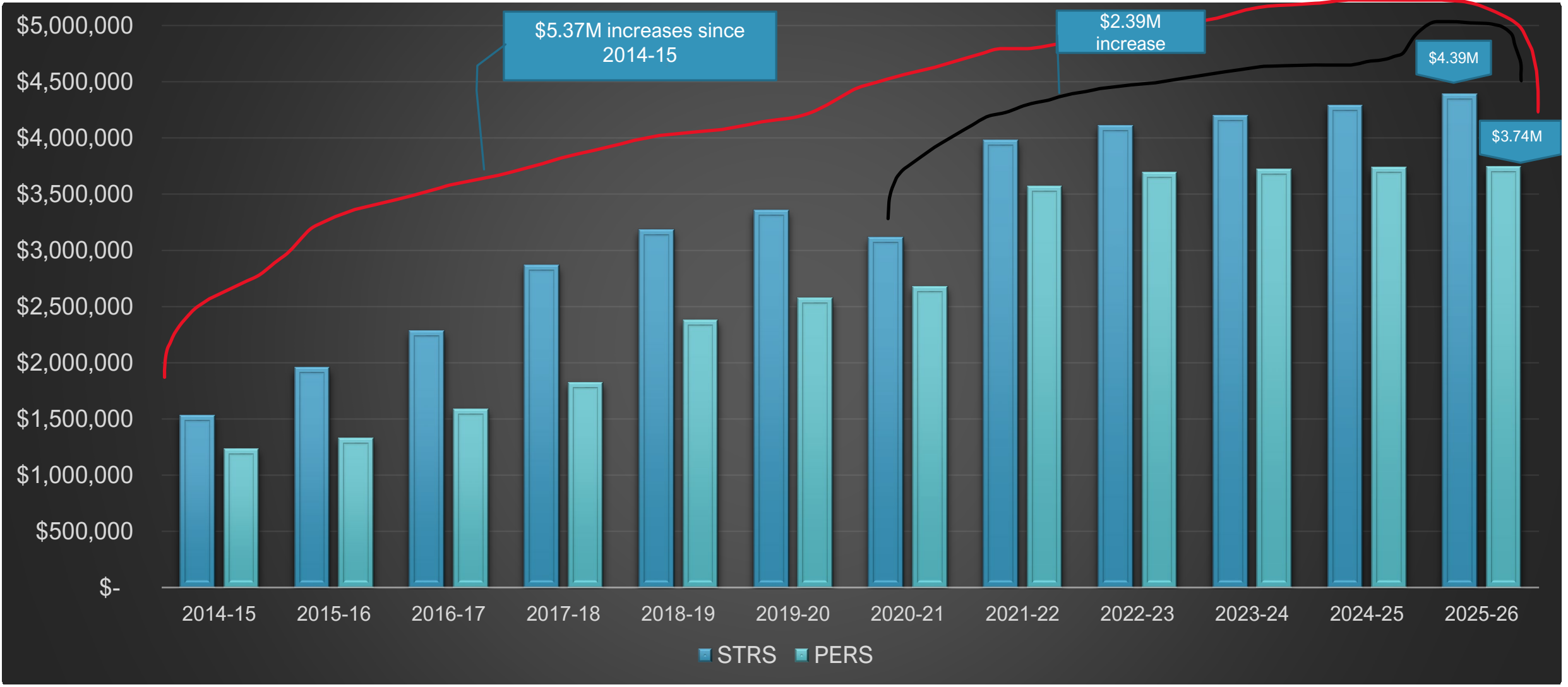
Benefits

- ❖ Fund employee and employer benefit increases (CalPERS, CalSTRS, Health Benefits, Worker’s Compensation, etc.)
- ❖ Fund Retiree health benefits and fund increases to retiree health benefits

Other

- ❖ Fund district initiatives to support increasing the Student-Centered Funding Formula (higher level of accountability)
- ❖ Fund total fixed costs (technology replacement, maintenance/repairs, and increases to electricity water/sewer, gas, insurance, software licenses, etc.)
- ❖ Unfunded liabilities and facilities/technology needs

CalPERS/CalSTRS Employer Contributions



CalPERS/CalSTRS Employer Contributions

Fiscal Year	STRS (\$)	PERS (\$)	STRS (%)	PERS (%)
2014-15	\$ 1,536,440	\$ 1,233,458	8.88	11.77
2015-16	\$ 1,959,334	\$ 1,332,225	10.73	11.84
2016-17	\$ 2,285,569	\$ 1,590,823	12.58	13.88
2017-18	\$ 2,870,183	\$ 1,829,105	14.43	15.53
2018-19	\$ 3,188,620	\$ 2,384,498	16.28	19.72
2019-20	\$ 3,361,873	\$ 2,577,098	17.10	19.72
2020-21	\$ 3,116,632	\$ 2,683,924	16.15	20.70
2021-22	\$ 3,983,057	\$ 3,572,894	16.92	22.91
2022-23	\$ 4,113,905	\$ 3,696,516	18.00	25.37
2023-24	\$ 4,203,044	\$ 3,727,197	18.00	25.20
2024-25	\$ 4,293,074	\$ 3,742,106	18.00	24.60
2025-26	\$ 4,396,005	\$ 3,745,848	18.00	23.70

What does “COLA” mean for our district?

COLA

2022-23: Stability protection of 7,626 FTES (no protection beyond 22-23 year)

- ❖ 5.33% COLA for 2022-23 = \$1.77M based on the Student-Centered Funding Formula (SCFF) with enrollment declines impacting the supplemental/success numbers
- ❖ The SCFF consists of three components:
 - ❖ Base Allocation—Enrollments (3-Year Average FTES)
 - ❖ Supplemental Allocation—Counts of low-income students (CY Counts)
 - ❖ Student Success Allocation—Counts of outcomes related to the Vision for Success, with “premiums” for outcomes of low-income students (CY Counts)

\$1.77M

Expenditure Increases

2022-23: \$1.16M increase

- ❖ Step & Column Adjustments = \$539K
- ❖ PERS/STRS Employer Contribution Increases = \$254K
- ❖ Other Benefit Increases (Social Security, Medicare, Unemployment, Worker’s Comp, etc.) = \$131K
- ❖ Other Expenditures (Supplies/Materials, Software licenses, Debt Service, Retiree Health Benefits, etc.) = \$243K

2023-24: \$969K Increase

- ❖ Step & Column Adjustments = \$545K
- ❖ PERS/STRS Employer Contribution Increases = \$119K
- ❖ Other Benefit Increases (Social Security, Medicare, Unemployment, Worker’s Comp, etc.) = \$173K
- ❖ Other Expenditures (Supplies/Materials, Software licenses, Debt Service, Retiree Health Benefits, etc.) = \$132K

\$2.13M

Unfunded Liabilities/Technology/Facilities Needs

Unfunded Liabilities

Retiree Health Benefits Liability:
\$54M

Funds set aside for this liability:
Approx. \$10M invested in
Irrevocable Trust
\$5M in Fund 69

Solar, Lighting Retrofit, CREBs Loan
Balance: \$14.53M

Central Plant Loan Balance: \$2.90M

Facilities Needs

\$74.19M Scheduled
Maintenance Repairs
(per 5-year scheduled
maintenance plan)

\$80M Facilities
Modernization Costs

Technology Needs

\$4.31M (for a 5-year
replacement cycle - \$861K
Annual replacement cost
unfunded)

Unfunded Needs = \$214.93M

- ◇ State's budget relies heavily on strong stock markets
- ◇ Inflation impacting the State and the overall district budget
- ◇ District's enrollment declines impacting overall district funding despite the hold harmless option
- ◇ Rising pension costs without state relief
- ◇ Unfunded needs in excess of \$214.93M
- ◇ **Goods news:** Medical, Dental, and Vision plans with 0% increase (6th year in a row with the exception of the Kaiser Plan)

FCMAT Working Group Next Steps

- ◆ Draft report presented to DC3 – May 2022
- ◆ Report finalized – May 2022
- ◆ Consideration of recommendations by YCCD Chancellor – May 2022
- ◆ Recommendations and priorities finalized by the Chancellor – May 2022
- ◆ Chancellor shares chosen recommendations with Working Group – May 2022
- ◆ Implementation plan and timeline created by Chancellor's Cabinet and projected savings finalized by Fiscal Services – June/July 2022
- ◆ Ongoing work for a total cost of operations for new WCC facilities finalized with planning updated as needed – July 2022
- ◆ DC3 monitors implementation progress monthly – 2022-23 Academic Year
- ◆ Regular updates provided to Board of Trustee's Finance Committee and Policy Committees – 2022-23 Academic Year

Questions

