

FY 2020-2021 Fund 1 Tentative Budget

FOR STRATEGIC PLANNING AND RESOURCE COMMITTEE DISCUSSION

APRIL 30, 2020

District Budget Assumptions

District Revenues are primarily driven by changes in the secured portion of SM County property taxes and international student enrollment.

Property Taxes

- For FY20/21, secured portion of property taxes are not likely to be affected.
- Likely changes will occur in FY21/22, considering impact of COVID-19 driven recession. After the Great Recession, property taxes plummeted.
- Potentially, slower home sales if working online continues, no need to live in the Bay Area/Peninsula

International Student Tuition

- Impact of changes to immigration restrictions
- Recession post COVID-19
- Changes to Higher Ed landscape with colleges & universities offering online classes

State Budget Reductions

- Categorical funding, Lottery funds, Prop 30, Scheduled Maintenance/Instructional equipment

Property Taxes

Change in Property Taxes			
	Scenario #1	Scenario #2	Scenario #3
	Worst	Middle	Best
20/21	4.50%	5.50%	6.50%
21/22	-1.50%	1.50%	4.50%
22/23	-3.50%	0.50%	4.00%

International Student Enrollment

	19-20	20-21	Change
Skyline	265	176	-34%
CSM	600	300	-50%
Canada	117	91	-22%

Enrollment decline results in a loss of \$2.8 million in international student tuition districtwide.

Plan for the Best and Prepare for the Worst

Scenario 1 (Worst)

Year over year change in Assessed Valuation

- FY 20/21 increase by 4.5%
- FY 21/22 decrease by 1.5%

SKYLINE COLLEGE FUND 1 SITE ALLOCATION

FY 2019-2020	\$49,144,902
FY 2020-2021	<u>\$50,327,027</u>
Increase in 20/21	<u>\$ 1,182,125*</u>
FY 2020-2021	\$50,327,027
FY 2021-2022	<u>\$47,891,035</u>
Reduction in 21/22	<u>(\$2,435,992)</u>
NET CHANGE FROM FY 19/20	<u>(\$1,253,867)</u>

****Includes compensation adjustments of \$481,296***

AV Increase Slows Down with Recession

Scenario 2 (Middle)

Year over year change in
Assessed Valuation

- FY 20/21 increase by 5.5%
- FY 21/22 increase by 1.5%

SKYLINE COLLEGE FUND 1 SITE ALLOCATION

FY 2019-2020	\$49,144,902
FY 2020-2021	<u>\$50,427,495*</u>
Increase in 20/21	<u>\$ 1,282,593</u>
FY 2020-2021	\$50,427,495
FY 2021-2022	<u>\$50,250,234</u>
Decrease in 21/22	<u>(\$ 177,261)</u>
NET CHANGE FROM FY 19/20	\$ 1,105,332

** Includes compensation adjustments of \$481,296*

AV increases in both years

Scenario 3 (Best)

Year over year change in Assessed Valuation

- FY 20/21 increase by 6.5%
- FY 21/22 increase by 4.5%

SKYLINE COLLEGE FUND 1 SITE ALLOCATION

FY 2019-2020	\$49,144,902
FY 2020-2021	<u>\$50,527,963</u>
Increase in 20/21	<u>\$ 1,383,061*</u>
FY 2020-2021	\$50,527,963
FY 2021-2022	<u>\$50,425,872</u>
Decrease in 21/22	<u>(\$ 102,091)</u>
NET CHANGE FROM FY 19/20	\$ 1,280,970

**Includes compensation adjustments of \$481,296*

SKYLINE COLLEGE

FUND 1 SITE ALLOCATION*

*Does not Include Fund 3

AV = Assessed Value of Property

	SCENARIO 1		SCENARIO 2		SCENARIO 3	
	AV Change	WORST	AV Change	MIDDLE	AV Change	BEST
FUND 1 SITE ALLOCATION						
FY 2019-2020		\$ 49,144,902		\$ 49,144,902		\$ 49,144,902
Increase from prior year	Up 4.5%	\$ 1,182,125	Up 5.5%	\$ 1,282,593	Up 6.5%	\$ 1,383,061
FY 2020-2021		\$ 50,327,027		\$ 50,427,495		\$ 50,527,963
Decrease from prior year	Down (1.5%)	\$ (2,435,992)	Up 1.5%	\$ (177,261)	Up 4.5%	\$ (102,091)
FY 2021-2022		\$ 47,891,035		\$ 50,250,234		\$ 50,425,872
Change from prior year	Down (3.5%)	\$ (2,592,955)	Up 0.5%	\$ (266,872)	Up 4.0%	\$ 631,777
FY 2022-2023		\$ 45,298,080		\$ 49,983,362		\$ 51,057,649

College Goals & Strategies

PRE COVID-19

- Enrollment
 - Resident
 - International
 - Dual enrollment
- Face to Face & Online
- Programs & Best Practices
 - College Redesign
 - Promise Scholars Program
 - Meta Majors & Guided Pathways
 - Professional Development
 - High Impact Practices
 - Dual Enrollment
- New Programs

DURING & POST COVID-19

- Access
 - Hotspots
 - Chromebooks
 - Security
- Online only
- Continuity & Retention
 - CAREs Direct Aid to Student
 - Digital Instruction
 - Professional Development
 - Remote Operations
 - Decision Making
 - Payroll, Transaction processing
 - Safety
- How and When to re-occupy campus

Resource Needs During & Post COVID-19

STAFFING

- Review and re-prioritize staffing requests, as needed, being “mindful of hiring & rate of hiring”.
- Evaluate impacts of social distancing requirements on college overall.
- Skyline is still hiring. At this time, Skyline plans to continue with as many as 16 hires in progress.

Resource Needs During & Post COVID-19

FINANCIAL RESOURCES

- ❑ Evaluate impact of lost revenues on college programs, like Child Development Laboratory Center, Study Abroad, facilities rentals, key events & District Auxiliaries.
- ❑ Review and assess status of positions funded with expiring grants or categoricals likely to be impacted by state budget reductions.
- ❑ The Federal Government has made available CAREs support to help educational institutions. Support to Skyline will be in the range of \$2.4 million. More than 50% of these dollars will be distributed as direct aid to students to help needy students continue their education.
- ❑ COVID-19 related expenditures submitted to FEMA will take up to 3-4 years to collect. Reimbursements are anticipated to be in the range of \$0.40 per \$1.00 of outlay.

Resource Needs During & Post COVID-19

PROFESSIONAL DEVELOPMENT

- ❑ Existing plans to invest in distance education techniques and practices as well as online degrees are being expanded and accelerated.
- ❑ Fund 1 dollars are currently used to support faculty training to transition face to face instruction to online modality.

TECHNOLOGY & EQUIPMENT

- ❑ Gabriela Nocito and Rolin Moe are making a number of 'hotspots' available for students who do not have access to an internet connection using library grant funds.
- ❑ Deman Grewal and the IT group has made laptops available to faculty and staff giving them the ability to continue their work remotely.

Resource Needs During & Post COVID-19

FACILITIES

- ❑ Work with CIP team to assess impacts of social distancing requirements on existing college facilities, swing and renovation projects.
- ❑ Continue with planned improvements to buildings and spaces, incorporating COVID-19 practices into instructional and shared spaces.
- ❑ Next slide image from <https://www.bloomberg.com/news/features/2020-04-23/wuhan-s-return-to-life-temperature-checks-and-constant-anxiety>
- ❑ Sign reads: *“Don’t talk, eat fast, wash hands”*



BUDGET SCENARIO DISCUSSION

TIMELINES

FY 2020-2021 Fund 1 Tentative & Final/Adopted Budget

APRIL 30 SPARC Presentation of FY20-21 Fund 1 Scenarios

MAY 1 Skyline College Townhall – SMCCCD CFO Bernata Slater will present District scenarios

MAY 1 - 14 Division Meetings - SPARC members share FY20-21 Scenarios

MAY 14 SPARC FY20-21 Fund 1 Tentative Budget Recommend

MAY 20 CGC – Recommend Fund 1 Tentative Budget to Pres

FALL 2020 SPARC Review 2020-2021 Final/Adopted Budget