



SBCCD

FY 2017-2018 Budget Presentation



Purpose

Agenda

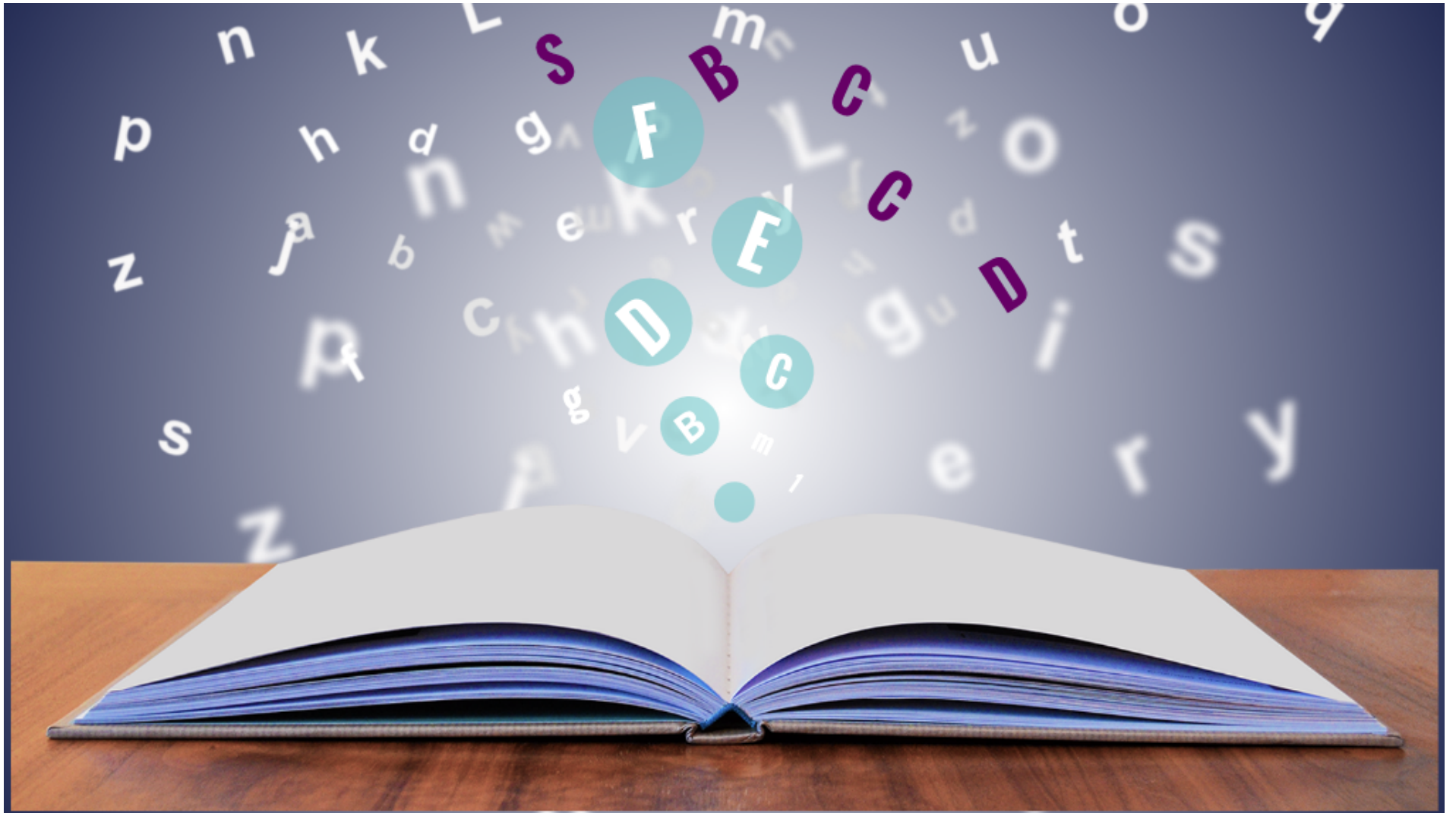
Purpose

Facilitate the Trustees' Success
by Providing the Necessary
Information to Approve SBCCD's
FY 2017-18 Final Budget

Agenda

- The Challenges
- The Solutions
- The Results
- Future Concerns & Next Steps





The Challenges

FY 2017-2018 Budget Presentation

- Declining Enrollment
- Increasing Costs

Declining Enrollment

- Unemployment Rate
- Population
- Demographics

Declining Enrollment

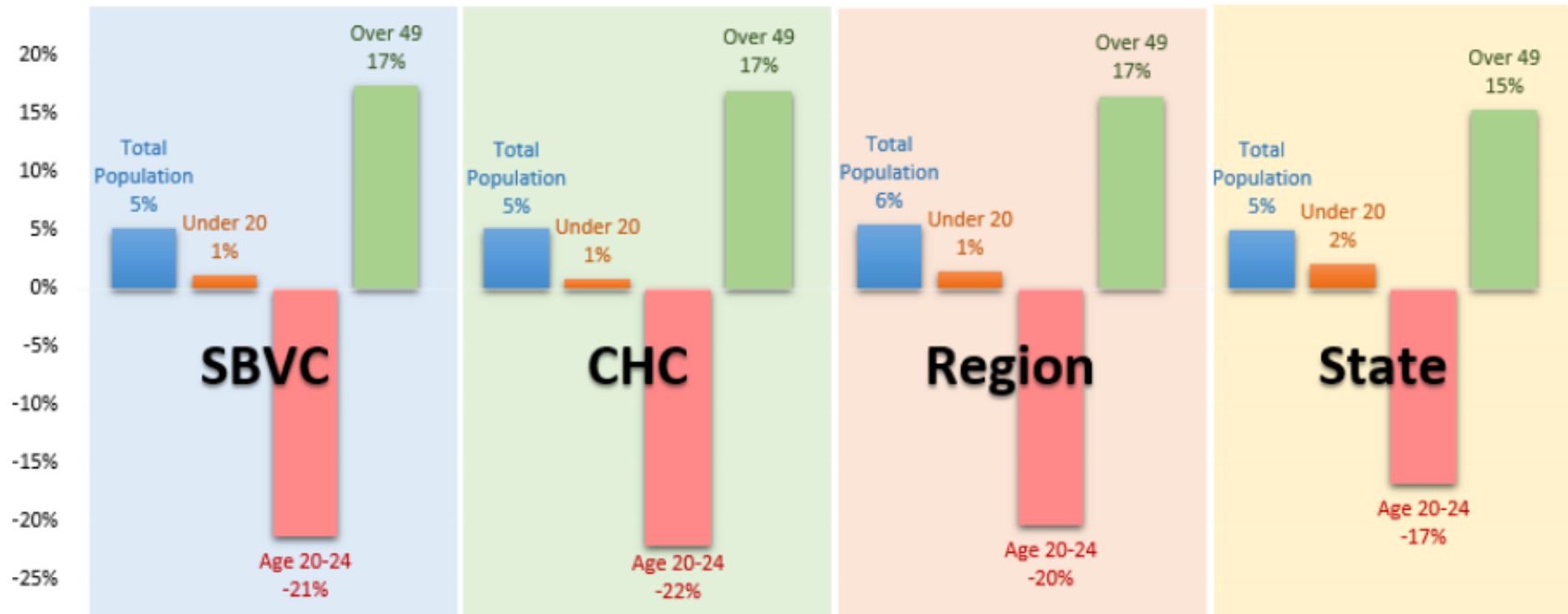
Unemployment Rate



Data from U.S. Bureau of Labor Statistics - Last updated: Jun 13, 2017

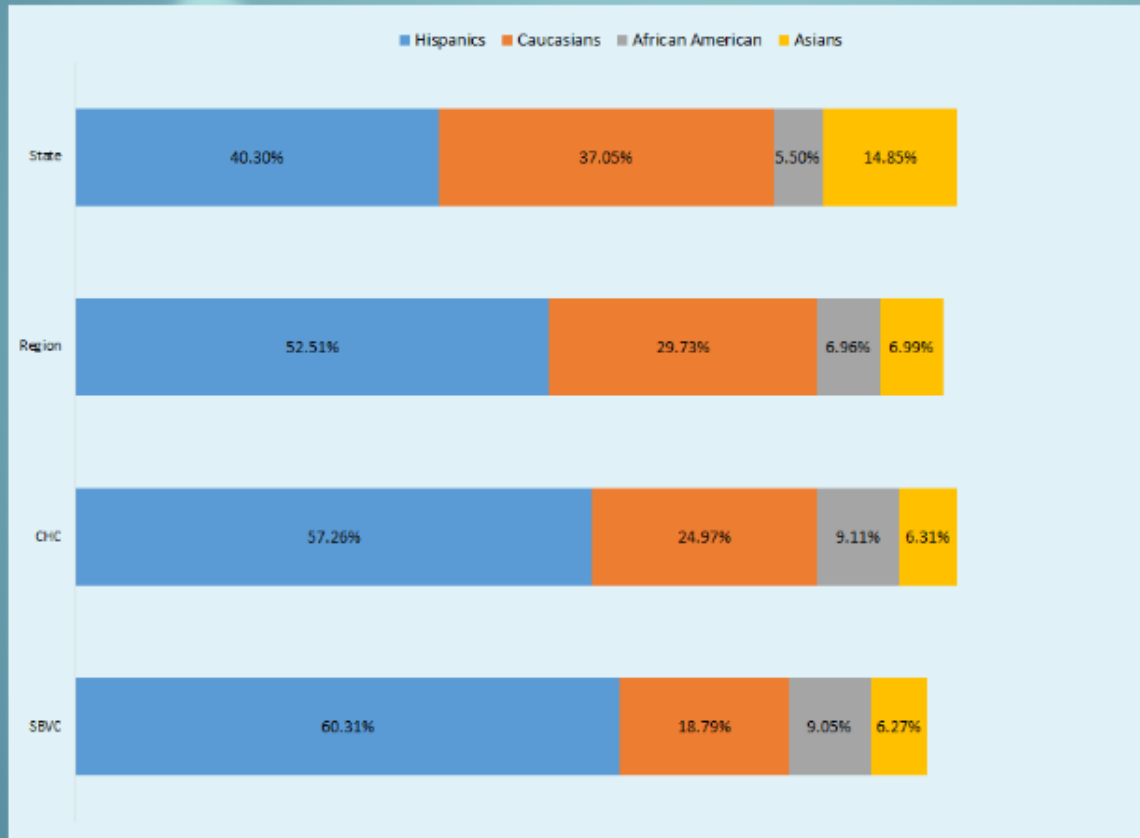
Declining Enrollment

Expected Population 2015-25



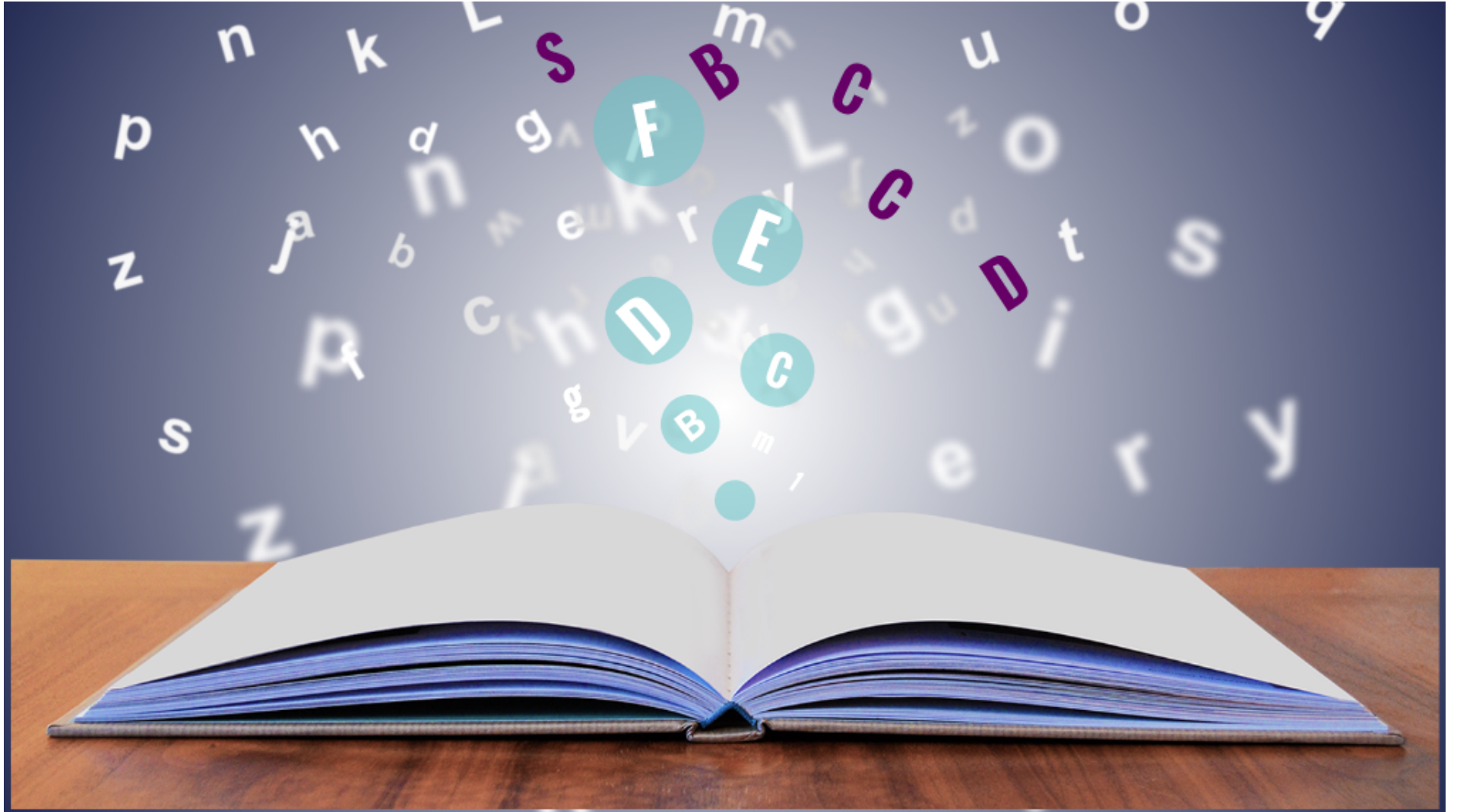
Declining Enrollment

Expected Demographics by 2025



Increasing Costs

- **STRS/PERS Increases**
 - Over \$1 Million every year
- **Health Care Increases**
 - 3.61% Increase from 2016-17
- **Salary Increases**
 - 2nd Year of 1.5% Salary Increase
- **Other Operating Costs**
 - Facilities, Utilities, Classroom Materials, etc.



The Solutions

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**Solutions to
Declining
Enrollment**

**Solutions to
Increasing Costs**

Solutions to Declining Enrollment

Stability

**EDCT's Support
to Colleges**

**Marketing
& Outreach**

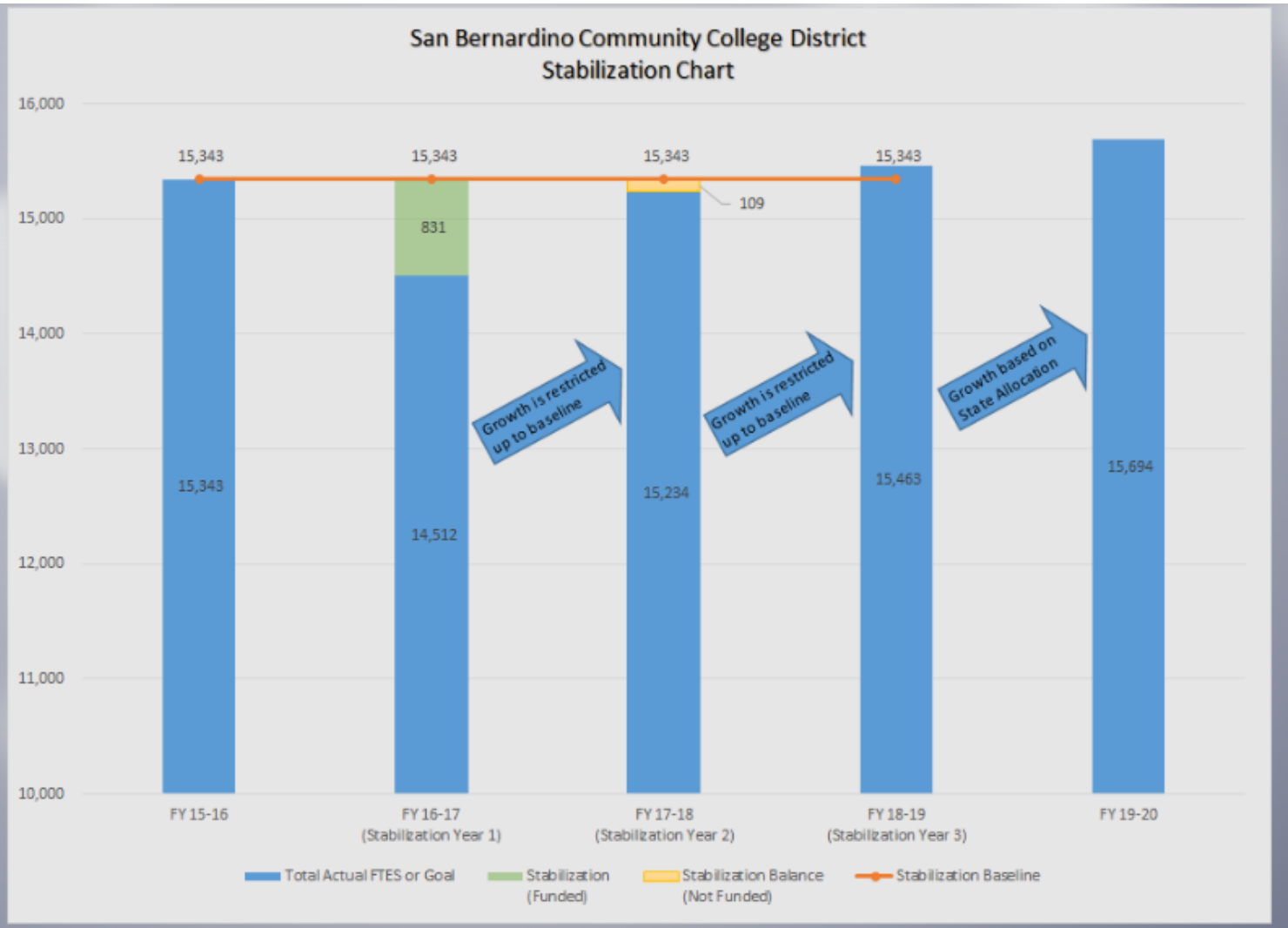
**Increase
Productivity**

Stability

- When a district has fewer FTES than the previous fiscal year, State allows 3-year Stability plan
- District gets "Stability" the first year of decline and is funded at the same FTES as the previous fiscal year (baseline)
- District then has 2 additional years to move back up to the baseline
 - The additional 2 years are funded on actual FTES
 - Growth is restricted up to the baseline amount

**Stability
Chart**

Stability Chart





**EDCT's Support to
Colleges for
Diversification of
Educational Offers**

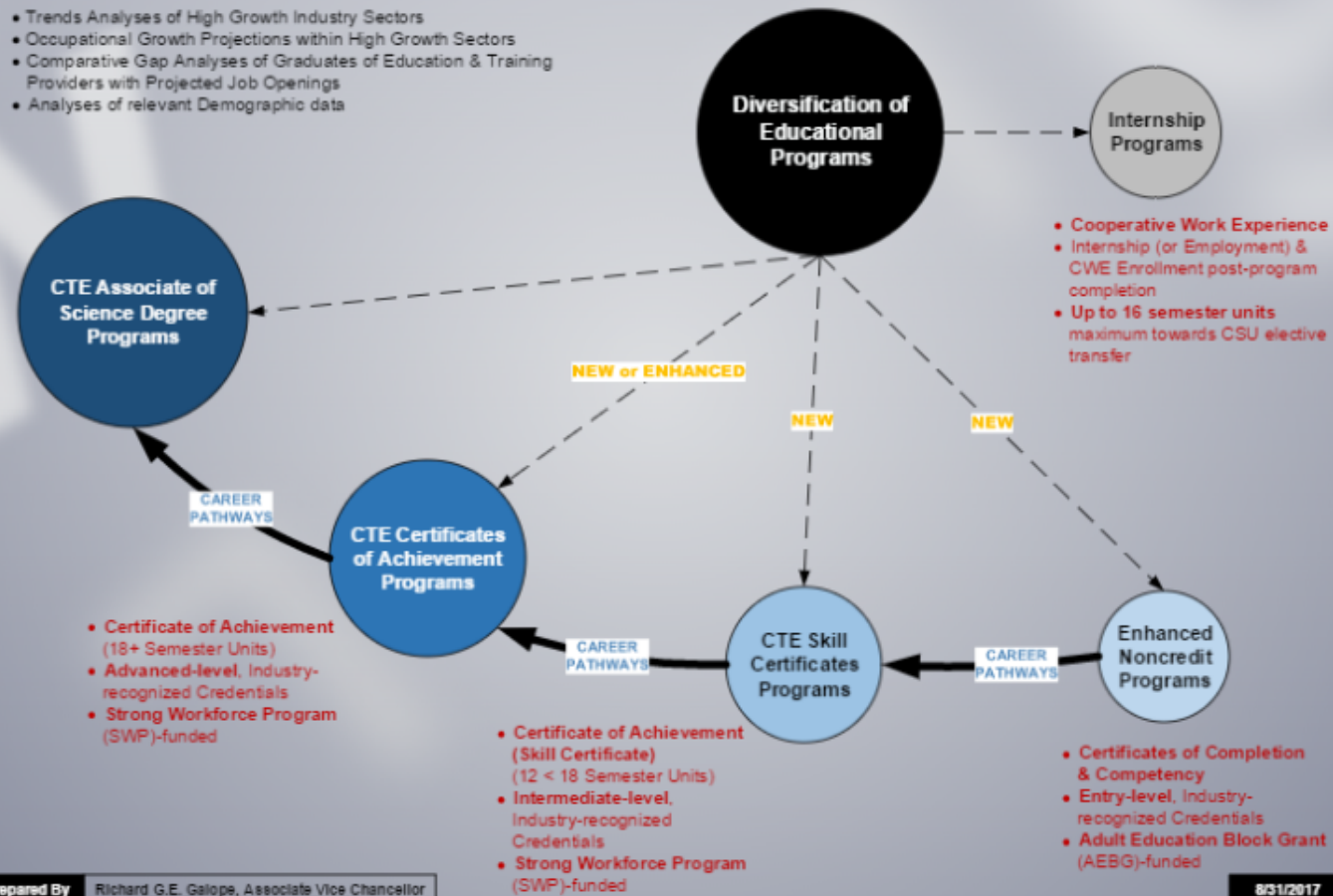


**Diversification of
Educational
Program Offerings**

Diversification of Educational Program Offerings

Enhancement of Existing or Development of New Programs based on multiple factors, including:

- Trends Analyses of High Growth Industry Sectors
- Occupational Growth Projections within High Growth Sectors
- Comparative Gap Analyses of Graduates of Education & Training Providers with Projected Job Openings
- Analyses of relevant Demographic data



Marketing & Outreach

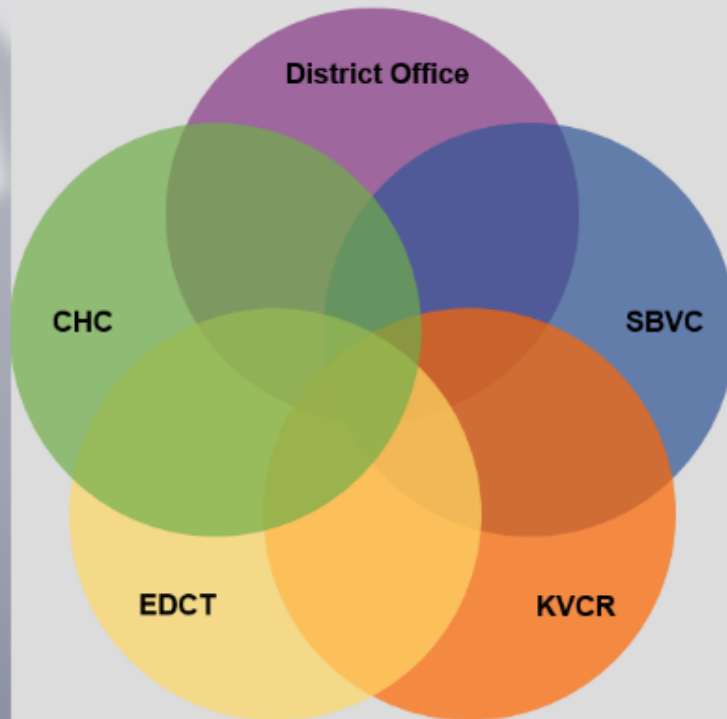
- SBVC Plan
- CHC Plan

District Support
Services

District Support Services

Working Together

District-wide Marketing & Outreach Strategies



Strategic Alignment:

- Marketing outreach strategies support the strategic directions outlined in the 2017-2022 District Support Services Plan, CHC and SBVC Comprehensive Plans.
- Strategies reflect the feedback obtained from SBCCD Trustees' Board-to-Board meetings with K-12 leaders.
- SBCCD/SBVC/CHC/EDCT/KVCR will collaborate and coordinate efforts through shared community outreach calendars, PR editorial calendars, etc.



Increase Productivity

- SBVC Plan
- CHC Plan



Solutions to Increasing Costs

**Budget
Efficiencies**

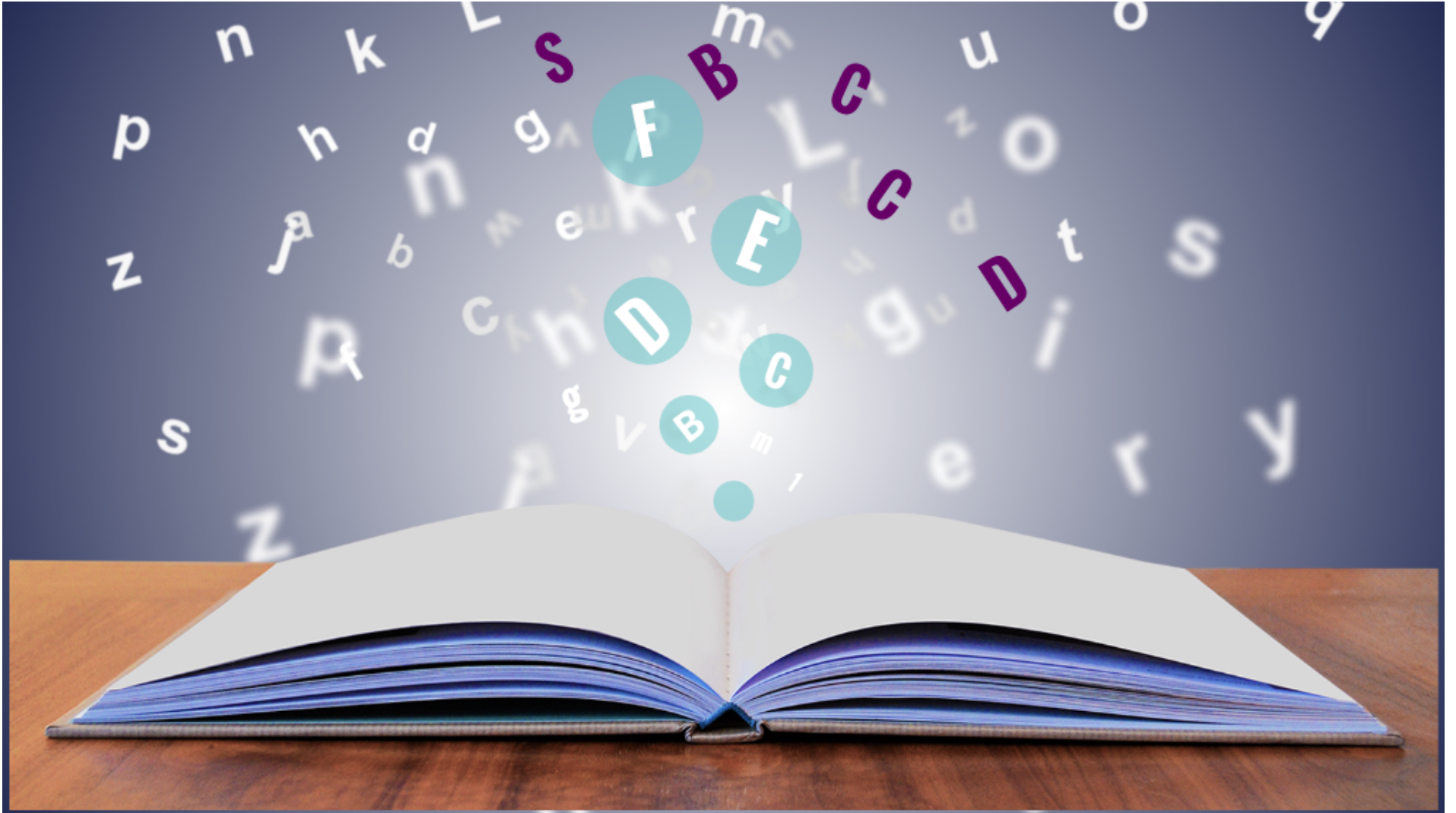
**Prior
Commitments**

Budget Efficiencies

- Budget Decreases
- KVCR Funding
- Staffing True Budgeting
- Space Utilization
- Integration of Student Success

Prior Commitments

- 1.5% Salary Increases
- Set Aside for STRS/PERS (Future)



The Results

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FY 2016-2017

- Stabilization
- Revenue Shortfall
- Estimated Actuals
- Bottom Line



See
Handout

FY 2017-2018

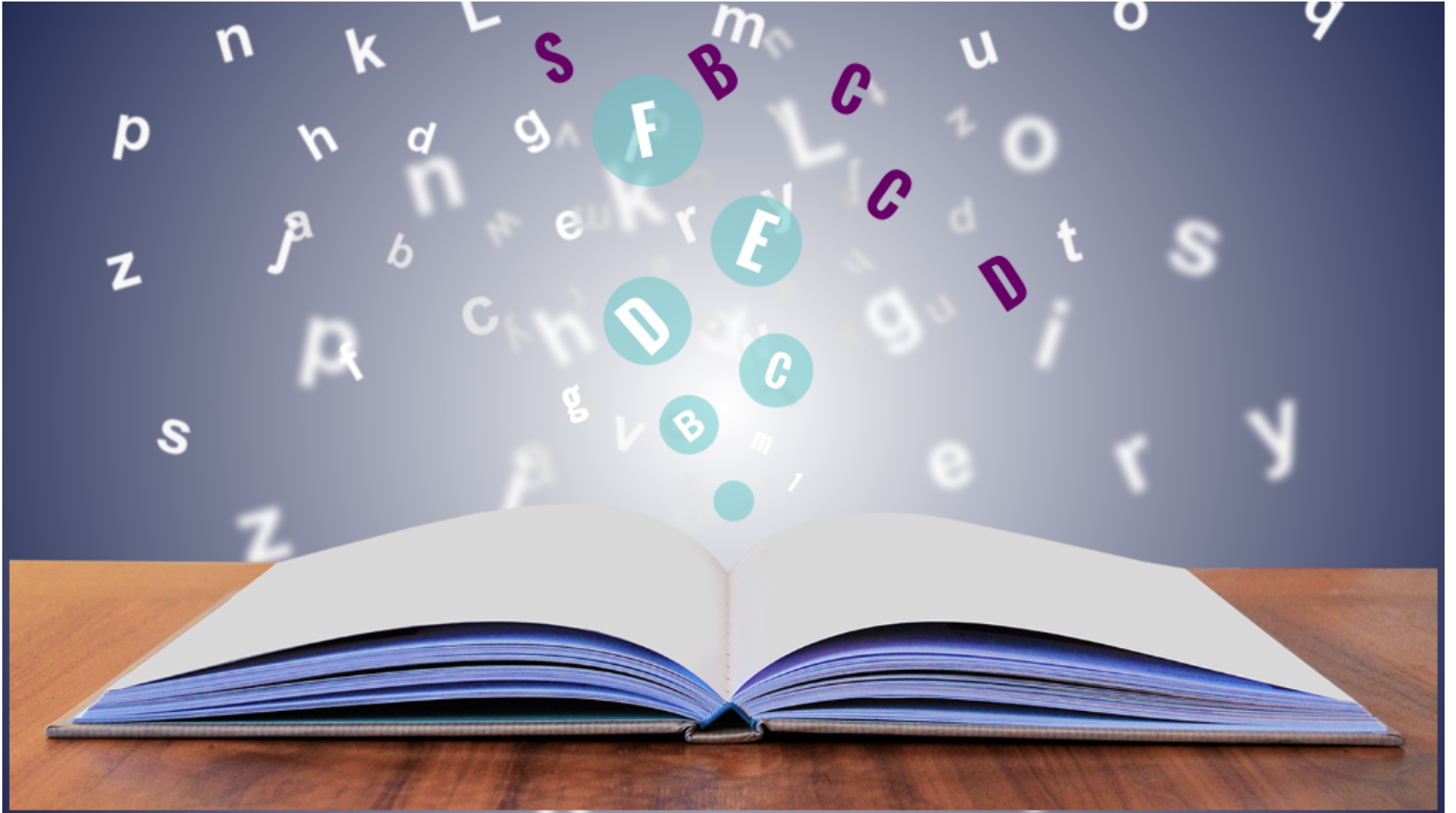
- FTES Goals
- Revenue Shortfall
- Estimated Budget
- One-time Adjustments
- Bottom Line



Future Fiscal Years

- Revenue Shortfall
- Set Asides for STRS/PERS
- KVCR
- EDCT
- Bottom Line





Future Concerns & Next Steps

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Future Concerns

- Future Deficit Spending
- Declining Fund Balance
- Revenue Shortfall from State

Next Steps

- Enrollment Monitoring
- Financial Tools
- Collegial Work
 - Board Budget Committee
 - District Budget Committee
 - Colleges
- Board Approval





Thank you!

