2020-2021 ADOPTED
BUDGET REPORT
OCTOBER 13, 2020

Evergreen Valley College
San José City College
Community College Center for Economic Mobility
San José - Evergreen Community College Extension at Milpitas
District Services
The largest investment is in our human capital.
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### FY19-20 GENERAL FUND SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>Audited Actuals</th>
<th>Adopted Budget</th>
<th>Estimated Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018-19</strong></td>
<td>$15,307,106</td>
<td>$22,605,124</td>
<td>$22,605,124</td>
</tr>
<tr>
<td>+ Revenues</td>
<td>$133,324,837</td>
<td>$129,460,485</td>
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<td>- Personnel</td>
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<td>$16,357,496</td>
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</tr>
<tr>
<td>+ Discount Factor</td>
<td>-</td>
<td>($1,989,180)</td>
<td>-</td>
</tr>
<tr>
<td>= Total Expenditures</td>
<td>$126,026,819</td>
<td>$129,744,604</td>
<td>$130,986,909</td>
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<td>Ending Fund Balance</td>
<td>$22,605,124</td>
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The largest investment is in our human capital.
REVENUE:
Community Funded “Basic Aid”

$134,004,838
COUNTY ASSESSOR’S DATA POINTS

Basic Aid

Data points at Q1; Q2; Q3; Tentative budget; Adopted budget

Average 6.26%
### COUNTY ASSESSOR’S DATA POINTS

Without the increase in RDA funds, the YoY change would have been 6.2%.

<table>
<thead>
<tr>
<th>Santa Clara County Property Tax Allocation for SJECCD</th>
<th>FY17-18</th>
<th>FY18-19</th>
<th>FY19-20</th>
<th>FY18-19 v. FY19-20 variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure roll and HOPTR</td>
<td>$ 79,318,386</td>
<td>$ 84,184,175</td>
<td>$ 90,776,613</td>
<td>$ 6,592,438</td>
</tr>
<tr>
<td>Unitary &amp; Railroad</td>
<td>$ 948,528</td>
<td>$ 1,031,069</td>
<td>$ 981,002</td>
<td>$(50,067)</td>
</tr>
<tr>
<td>Supplemental</td>
<td>$ 3,276,238</td>
<td>$ 3,847,918</td>
<td>$ 2,681,455</td>
<td>$(1,166,463)</td>
</tr>
<tr>
<td>Unsecured</td>
<td>$ 6,052,220</td>
<td>$ 7,145,744</td>
<td>$ 6,873,915</td>
<td>$(271,829)</td>
</tr>
<tr>
<td>Redevelopment Agency (&quot;RDA&quot;)</td>
<td>$ 7,614,972</td>
<td>$ 6,704,957</td>
<td>$ 11,082,288</td>
<td>$ 4,377,331</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$ 97,210,344</td>
<td>$ 102,913,863</td>
<td>$ 112,395,273</td>
<td>$ 9,481,410</td>
</tr>
<tr>
<td>Overall % Change v. prior FY</td>
<td>8.86%</td>
<td>5.87%</td>
<td>9.21%</td>
<td></td>
</tr>
</tbody>
</table>
The largest investment is in our human capital.
FY19-20 GENERAL FUND (cont.)

- **EVC; $47,971,846; 36.6%**
- **Milpitas Extension; $833,627; 0.6%**
- **District Services; $17,796,791; 13.6%**
- **District Wide; $17,116,895; 13.1%**
- **SJCC; $47,267,749; 36.1%**
COVID-19 EXPENSE MITIGATION

- A portion of the CARES Act will cover some of the additional expenses for the migration to online learning.

- Covid-19 Block Grant.

- Measure G-2010 and Measure X for equipment.

- FEMA for reimbursement of some T&M and emergency response expenses – amount is undetermined.
### Cares Act Grant Applications

<table>
<thead>
<tr>
<th>Cares Act Grant Applications</th>
<th>SJCC</th>
<th>EVC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation $</td>
<td>$1,137,482</td>
<td>$1,974,993</td>
</tr>
<tr>
<td>Student grant</td>
<td>$1,137,482</td>
<td>$1,974,992</td>
</tr>
<tr>
<td>Institutional grant</td>
<td>$164,245</td>
<td>$317,569</td>
</tr>
<tr>
<td>MSCI grant</td>
<td>$2,439,209</td>
<td>$4,267,554</td>
</tr>
</tbody>
</table>

The Coronavirus Aid, Relief, and Economic Security (CARES) Act – Restricted funds
Coronavirus (COVID-19) Pandemic: Work Eligible for Public Assistance (Interim)
FEMA Policy FP 104-009-19

BACKGROUND
Under the President Donald J. Trump’s March 13, 2020, Coronavirus (COVID-19) emergency declaration and subsequent major disaster declarations for COVID-19, state, local, tribal, and territorial (SLTT) government entities and certain private nonprofit (PNP) organizations are eligible to apply for assistance under the FEMA Public Assistance (PA) Program.

PURPOSE
This interim policy defines the framework, policy details, and requirements for determining the eligibility of work and costs under the PA Program to ensure consistent and appropriate implementation across all COVID-19 emergency and major disaster declarations. Except...
During the 2019-20 fiscal year, we completed three transactions of general obligation bonds:

$68.945 million 2019 GO Refunding Bonds on October 1, 2019 - Taxpayer savings: $11,007,920

$225 million Election of 2016 GO Bonds, Series B on June 16, 2020 - All-inclusive interest cost: 2.41%

$200 million Election of 2016 GO Bonds, Series B-1 on June 16, 2020 - All-inclusive interest cost: 2.84%
FY19-20 OTHER KEY FISCAL ACTIONS (cont.)
From gratitude to anxiety: What's on employees' minds has changed during the COVID-19 crisis.

Change in topic prevalence over time¹

- More prevalence (April 1, 2020)
- More prevalence (May 27, 2020)

- Anxious but thankful
- Worries
- Stressful lockdown
- Hours, balance, and Zoom
- Overwhelmed by responsibilities
- Challenges with executing work remotely
- Childcare
- Difficulty and stress (generic)

- Company support
- Job security
- Location-specific
- Energy, isolation, and quarantine (generic)
- Current situation (generic)
- Connectiviy
- Great
- Fine (generic)
- Happy and healthy family and friends

¹Bubble size represents frequency of the topic. Connected topics were more likely to appear together in respondents' comments.

Source: Weekly pulse surveys of ~10,000 employees of one global company from April 1 to May 27, 2020

Source: McKinsey & Company
The largest investment is in our human capital.
PROOF OF PUBLICATION
IN THE CITY OF SAN JOSE
IN THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

FILE NO. J. Pace

In the matter of
San Jose Mercury News

The undersigned, being first duly sworn, deposes and says: That at all times hereinafter mentioned affiant was and still is a citizen of the United States, over the age of eighteen years, and not a party to or interested in the above entitled proceedings; and was at and during all said times and still is the principal clerk of the printer and publisher of the San Jose Mercury News, a newspaper of general circulation printed and published daily in the City of San Jose, County of Santa Clara, State of California as determined by the court's decree dated June 27, 1952, Case Numbers 84096 and 84097, and that said San Jose Mercury News is and was at all times herein mentioned a newspaper of general circulation as that term is defined by Sections 6000; that at all times said newspaper has been established, printed and published in the said County and State at regular intervals for more than one year preceding the first publication of the notice herein mentioned. Said decree has not been revoked, vacated or set aside.

I declare that the notice, of which the annexed is a true printed copy, has been published in each regular or entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

09/26/2020
FISCAL REPORTING TIMELINE

7 months

Emergency Proclamation
March 13, 2020

Adoption of Budget
October 13, 2020

Annual Audit Report
February 28, 2021

Spring ’20

Summer

Fall ’20

Intersession

Spring ’21

In Person

Online Modality and Remote Work

Hybrid, Blended or Online Potential Alternative Remote Work

Potential based on new guidelines

7 months
FY20-21 ADOPTED BUDGET

Fund Balance at 6/30/2020

+ Revenues

- Expenses

Includes $2M of undistributed funds across locations and contingency for Covid expenses and balances CEM, Parking and Cafeteria funds.

An integrated process to strategically allocate resources to reach outcomes.

Vision for Student Success
Basic Aid

Data points at Q1; Q2; Q3; Tentative budget; Adopted budget

Average 6.26%
COUNTY ASSESSOR’S DATA POINTS

Data points at Q1; Q2; Q3; Tentative budget; Adopted budget

Average 6.26%
## PROPOSED ADOPTED BUDGET & MULTI YEAR PROJECTION

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<th>Forecasted Budget</th>
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<td></td>
<td>$</td>
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<td>$131,892,647</td>
<td>$135,610,864</td>
<td>$139,803,718</td>
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<td>$110,195,235</td>
<td>$114,147,794</td>
<td>$114,128,105</td>
<td>$115,243,078</td>
<td>$117,321,916</td>
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<td>- Non-Personnel</td>
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<td>$21,815,445</td>
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FY20-21 GENERAL FUND (cont.)

- EVC: $48,582,464; 35.0%
- District Services: $20,294,824; 14.6%
- District Wide: $19,630,933; 14.1%
- Milpitas Extension: $1,026,757; 0.7%
- SJCC: $49,271,997; 35.5%
RESOURCE ALLOCATION MODEL

District Wide Assessment

Variable Due to Expenses

District Services Assessment

15.5%

69%

Total College Generated Revenue

- Instructional Materials Fees
- Enrollment Fees: International Students
- Enrollments Fees: Residents
- Parking Fees
- Other Local Income
- B.O.G. (2% Admin. Fee)
- Federal MAA Program
- Other Financing Sources

District Revenue

EVC

Non-College Generated Revenue

SJCC

College Program Allocation

10% Basic Allocation

10% Basic Allocation

1% Basic Allocation

College Program Allocation

Program Performance and Innovation Allocation

Per Resident FTES Allocation

Per Resident FTES Allocation

Other Revenue Per FTES Allocation

Other Revenue Per FTES Allocation

Total Other Revenue Per Resident FTES Allocation

- Mandated Cost
- EPA
- Lottery
- Interest
- Other State Income
- Other Local Income
- Property Rental
- State Reimbursed Cost
- Use of Facilities
- Other Financing Sources

Total Property Tax Allocation

- Secured
- Supplemental Secured
- Unsecured Roll
- RDA Pass-thru
- RDA Residual Payments
- Secured Homeowners Exempt

Adopted Percentage Allocation Model Flow Chart is approved with the following:
- Resident FTES is measured based on a three-year rolling average.
- Hold Harmless Agreement: Years 1 and 2 & 100%. Year 3 at 2/3 and Year 4 at 1/3.
- New property tax revenue is based on the 1st property tax data point, (4.39% for FY2018-19)
- There will be a District level committee formed to continue to improve the model and address cost considerations for CTE, Athletics, DSPS, Equity and other student programs.
OPERATING BUDGET CONSIDERATIONS

- History and projections of property taxes
- Total cost of instruction
- H&W, retirement and other staffing costs
- Enrollment projections and attrition models
- Fiscal impact to categorical funds (State)
- International students, auxiliary functions and facility rentals
- Matriculation and other fees revenue and reimbursements
- Total cost of ownership across all functions and departments
We’ll remain **optimistic**, continue to be **realistic** and **transparent**, and will be **responsible** and follow principle when it comes to fiscal sustainability and management.
- Student centered **quality instruction and services**
- Develop the **golden pipeline** with emphasis in Dual enrollment and middle college @Milpitas
- Improve **retention, persistence and graduation**.
- Reduce the time to completion and **improve on-time graduation** (2 yrs.)
- Launch **employment-related initiatives** for career readiness
- **Guided Pathways**: UC/CSU transfer, on-time degree completion
- Maximize **categorical programs and grants**
The largest investment is in our human capital.
- Basic needs and mental health
- Accreditation
- Deliver best-in-class instruction
- Cultivate a culture of innovation
- Talent acquisition and retention
- Professional development and mobility
- Top-notch technologies
- Operational effectiveness (simplify, automate, eliminate)
THANK YOU

OUR VOTE IS OUR VOICE