



# UNIVERSITY CORPORATION AT MONTEREY BAY

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100 Campus Center

Seaside, CA

93955-8001

831/582-3500

**TO:** University Corporation Board of Directors      **DATE:** June 10, 2022  
**Via:** Larry Samuels, Executive Director  
**FROM:** Starr Lee, Associate Executive Director  
Sherry Baggett, Controller  
**SUBJECT:** 2022/23 Budget Request

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Attached is the Corporation's 2022/23 Budget Request for your review.

- The *2021/22 Projected* Revenue will be about \$8 million more than the *2021/22 Budgeted* Revenue of \$60.8 million due to the implementation of GASB 84 requiring revenue recognition of dining plans. Prior to GASB 84, meal plans were largely recorded through the balance sheet in a liability account with only the net profit flowing through as revenue.
- The *2022/23 Budgeted* Operating Revenues of \$71.8 million are projected to be \$11 million higher than the *2021/22 Budget* due to:
  1. GASB 84 and the recognition of dining plan revenues
  2. Increases in housing revenues as a result of occupancy and rate increases

Reserves will be funded with the Net Surplus remaining each year, as needed, in the appropriate reserve categories (Working Capital/Current Operations, Capital Replacement, Future Operations, Audit Disallowance, and For Sale Housing).

Corporation management recommends approval of the 2022-23 Budget Request and 2022-23 Non-Operational Expenditures as presented.

University Corporation 2022-23 Budget <i>(as of June 13, 2022)</i>	Housing Operations and Residential Life				Auxiliary Enterprises		University Support		Administration		Grants and Contracts		Totals	
	Student Housing		Faculty/Staff Housing		Commercial Services/Dining Services/KAZU		Child Development Ctr/University Support/Salinas City Ctr/CSUMB @ North Salinas		Ryan Ranch and all Administrative Funds		Grants and Contracts		TOTALS	
	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request	21/22 Projected Actuals	22/23 Budget Request
<b>REVENUES</b>														
Housing Revenue	28,294,394	28,950,358	12,513,009	13,193,957	-	-	-	-	-	-	-	-	40,807,402	42,144,315
Housing- No License Fee	1,006,706	1,075,950	-	18,588	-	-	-	-	-	-	-	-	1,006,706	1,094,538
Housing Concessions	(1,006,706)	(1,075,950)	-	(18,588)	-	-	-	-	-	-	-	-	(1,006,706)	(1,094,538)
Contract Revenue	-	270,000	-	-	722,292	750,000	100,298	525,800	62,046	34,920	-	-	884,636	1,580,720
Vending/Commission Revenue	11,013	-	-	-	7,230,244	7,112,089	-	-	-	-	-	-	7,241,256	7,112,089
Sponsored Programs Revenue	-	-	-	-	-	-	-	-	-	-	14,250,000	15,100,000	14,250,000	15,100,000
Indirect Cost Recovery-Grants	-	-	-	-	-	-	-	-	-	-	1,611,000	1,400,000	1,611,000	1,400,000
Investment Income	-	-	-	-	-	-	-	-	1,303,465	1,200,000	-	-	1,303,465	1,200,000
Membership Dues	-	-	-	-	1,763,086	1,750,000	-	-	-	-	-	-	1,763,086	1,750,000
Other Revenue	22,748	540,700	13,120	8,040	535,545	927,769	-	-	74,246	-	-	-	645,658	1,476,509
<b>TOTAL REVENUES</b>	<b>28,328,154</b>	<b>29,761,058</b>	<b>12,526,128</b>	<b>13,201,997</b>	<b>10,251,166</b>	<b>10,539,858</b>	<b>100,298</b>	<b>525,800</b>	<b>1,439,757</b>	<b>1,234,920</b>	<b>15,861,000</b>	<b>16,500,000</b>	<b>68,506,504</b>	<b>71,763,633</b>
<b>EXPENSES</b>														
Salaries and Wages	1,423,124	1,932,130	-	-	802,004	1,086,146	219,078	378,496	1,738,836	2,336,916	-	-	4,183,042	5,733,688
Benefits	633,827	836,071	-	-	263,340	527,157	127,620	194,372	894,715	1,220,675	-	-	1,919,503	2,778,275
Payment for Services from CSUMB	713,353	710,491	57,805	57,805	206,303	200,356	517,518	477,585	1,044,557	1,154,100	-	-	2,539,537	2,600,337
Utilities	3,241,194	3,645,387	1,404,874	1,492,440	311	349,573	116,748	230,017	98,230	103,604	-	-	4,861,358	5,821,021
Travel	11,949	56,300	9,324	9,042	5,715	20,000	1,297	5,686	21,916	39,200	-	-	50,201	130,228
Contractual Services	3,618,071	4,658,180	1,291,984	1,825,672	6,564,425	6,604,162	289,128	219,292	560,428	437,470	-	-	12,324,035	13,744,776
Information Technology Costs	123,608	389,560	81,941	173,117	93,214	167,103	63,273	73,626	116,692	97,400	-	-	478,727	900,806
Equipment (noncapital)	205,398	377,000	153,183	160,991	-	75,000	-	-	750	125,000	-	-	359,330	737,991
Supplies	195,027	229,600	108,556	172,354	21,414	16,000	3,065	20,600	7,657	10,500	-	-	335,719	449,054
Insurance	1,076,667	1,232,506	342,610	479,140	23,272	28,787	30,465	36,539	5,998	50,318	66,794	101,204	1,545,806	1,928,494
Repairs and Maintenance	3,241,762	1,121,851	1,730,350	2,845,450	82,725	50,000	34,776	36,000	2,072	150,000	-	-	5,091,686	4,203,301
Depreciation	5,757,187	5,971,015	1,192,718	1,250,623	717,407	714,524	428,215	371,695	346,184	344,166	210,000	215,000	8,651,711	8,867,023
Meal Concessions	241,770	373,112	-	-	-	-	-	-	-	-	-	-	241,770	373,112
Rental Expense	46,469	63,188	98	-	44,820	183,286	809,615	747,248	-	-	-	-	901,002	993,722
Sponsored Programs	-	-	-	-	-	-	-	-	-	-	14,250,000	15,100,000	14,250,000	15,100,000
Cost of Goods Sold	-	-	1,338,979	1,005,000	-	-	-	-	-	-	-	-	1,338,979	1,005,000
Other Expense	668,164	612,375	151,295	139,053	467,198	494,189	114,100	103,845	198,987	159,761	300,000	300,000	1,899,745	1,809,223
<b>TOTAL ALL EXPENSES</b>	<b>21,197,570</b>	<b>22,208,765</b>	<b>7,863,716</b>	<b>9,610,687</b>	<b>9,292,148</b>	<b>10,516,283</b>	<b>2,754,899</b>	<b>2,895,001</b>	<b>5,037,022</b>	<b>6,229,110</b>	<b>14,826,794</b>	<b>15,716,204</b>	<b>60,972,148</b>	<b>67,176,051</b>
Allocation of Administrative Costs to Profit Centers	-	291,062	-	187,648	-	308,303	-	302,172	-	(1,089,185)	-	-	-	-
<b>NET REVENUE AFTER OPERATING EXPENSES, BEFORE UNIVERSITY SUPPORT</b>	<b>7,130,584</b>	<b>7,261,231</b>	<b>4,662,412</b>	<b>3,403,662</b>	<b>959,019</b>	<b>(284,728)</b>	<b>(2,654,601)</b>	<b>(2,671,373)</b>	<b>(3,597,265)</b>	<b>(3,905,005)</b>	<b>1,034,206</b>	<b>783,796</b>	<b>7,534,355</b>	<b>4,587,582</b>
<b>UNIVERSITY SUPPORT</b>														
RHA Stipends and Food Insecurity	-	16,100	-	-	-	-	-	-	-	-	-	-	-	16,100
Community Outreach	-	-	-	-	9,000	4,000	110,680	194,765	-	-	-	-	119,680	198,765
Contribution to Auxiliary	-	-	-	-	-	-	25,000	25,000	-	-	-	-	25,000	25,000
Contribution to University	-	-	-	-	-	-	2,859,092	954,000	-	-	-	-	2,859,092	954,000
<b>SUBTOTAL UNIVERSITY SUPPORT</b>	<b>-</b>	<b>16,100</b>	<b>-</b>	<b>-</b>	<b>9,000</b>	<b>4,000</b>	<b>2,994,772</b>	<b>1,173,765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,003,772</b>	<b>1,193,865</b>
<b>NET REVENUE AFTER UNIVERSITY SUPPORT</b>	<b>7,130,584</b>	<b>7,245,131</b>	<b>4,662,412</b>	<b>3,403,662</b>	<b>950,019</b>	<b>(288,728)</b>	<b>(5,649,373)</b>	<b>(3,845,138)</b>	<b>(3,597,265)</b>	<b>(3,905,005)</b>	<b>1,034,206</b>	<b>783,796</b>	<b>4,530,583</b>	<b>3,393,717</b>
<b>NONCASH AND NON-OPERATING EXPENSES</b>														
Less: Interest on Debt	(3,143,787)	(3,287,352)	-	-	-	-	(94,350)	(83,517)	-	-	-	-	(3,238,137)	(3,370,869)
Less: Payments for Principal Debt	(3,444,100)	(3,817,000)	-	-	-	-	(240,900)	(253,000)	-	-	-	-	(3,685,000)	(4,070,000)
<b>SUBTOTAL NONCASH, NON-OPERATING EXPENSES</b>	<b>(6,587,887)</b>	<b>(7,104,352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(335,250)</b>	<b>(336,517)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,923,137)</b>	<b>(7,440,869)</b>
<b>TOTAL NET REVENUE (DEFICIT)</b>	<b>542,697</b>	<b>140,779</b>	<b>4,662,412</b>	<b>3,403,662</b>	<b>950,019</b>	<b>(288,728)</b>	<b>(5,984,623)</b>	<b>(4,181,655)</b>	<b>(3,597,265)</b>	<b>(3,905,005)</b>	<b>1,034,206</b>	<b>783,796</b>	<b>(2,392,554)</b>	<b>(4,047,152)</b>