



C H A B O T - L A S P O S I T A S

| *Community College District*

FY 2022-23 Adopted Budget

September 12, 2023



California's FY 2023-24 Budget

- State Budget Overview
 - Total expenditure budget greater than \$310 billion, just a 1% increase over last year; budget deficit of \$31.5 billion mitigated by reductions, funding shifts, and delays
 - General fund expenditure budget of \$226 billion, a 3% decrease over last year
 - Reserves of \$38 billion, with the Rainy Day Fund near its constitutional maximum of 10% (\$22.3 billion) and the Public School System Stabilization Reserve making up \$10.8 billion of the reserve total
- Community Colleges
 - \$790 million increase systemwide to fund an 8.22% COLA for the SCFF and most categorical programs



Hold Harmless

- Revenue protection for districts through FY 2024-25
- A district's FY 2024-25 revenue level would become its new base, or floor, below which it could not drop.
- Beginning in FY 2025-26, districts who do not generate funding through the SCFF greater than their FY 2024-25 revenue floor, would no longer be given cumulative COLAs
 - COLA would essentially become one-time money in years in which it was given



Major Ongoing Items

- COLA of 8.22%
 - \$10.1 million in additional ongoing revenue for the District
 - COLA is also provided to most categorical programs
- Reductions and Flexibility provisions in categorical programs
 - \$500 million reduced systemwide in instructional support and deferred maintenance allocations from FY 2022-23
 - District Impact: \$7.7 million reduction
 - \$55 million reduced systemwide in retention and enrollment allocations from FY 2022-23
 - District Impact: \$0.8 million reduction
 - Silver lining...remaining one-time funds provided for retention and enrollment outreach, the COVID-19 Recovery Block Grant, and physical plant and instructional support programs can be used for any of these purposes (\$15.5 million in total across the 3 programs)



Adoption Budget Overview:

- Unrestricted fund is balanced districtwide
 - Surplus of approximately \$1.8M or about 1.3% of the expenditure budget; all sites with balanced budgets
 - Surplus achieved through a combination of factors:
 - Significant COLA of 8.22%
 - Unfilled vacancies
 - Reliance on one-time categorical dollars where appropriate
 - Hold harmless funding
- Ending Projected Fund Balance of \$23.8M
 - Equates to a reserve level of 16.5%, well above the 8% target reserve in AP 6305
 - As we complete the FY 2022-23 closing process, this figure can and likely will shift though not significantly



Major Assumptions:

- FTES Assumptions
 - Chabot College – 8,168 FTES
 - Las Positas College – 5,632 FTES
- Revenue Assumptions
 - COLA of 8.22% - Approximately \$10.1M in additional apportionment revenue
 - Enrollment Growth of 0%
 - Deficit Factor of 1%
- Expenditure Assumptions
 - Step and column increases built into position control along with the negotiated salary increases
 - Health care increases built in; increased approximately 13.5% overall



Position Control:

Unrestricted Fund

	FY 2022-23 FTE	FY 2023-24 FTE	Difference	% Difference
Chabot College	255.5	259.1	3.6	1.4%
Las Positas College	205.3	205.4	0.1	0.0%
District/M&O	128.4	137.1	8.7	6.8%
Total	589.2	601.6	12.4	2.1%

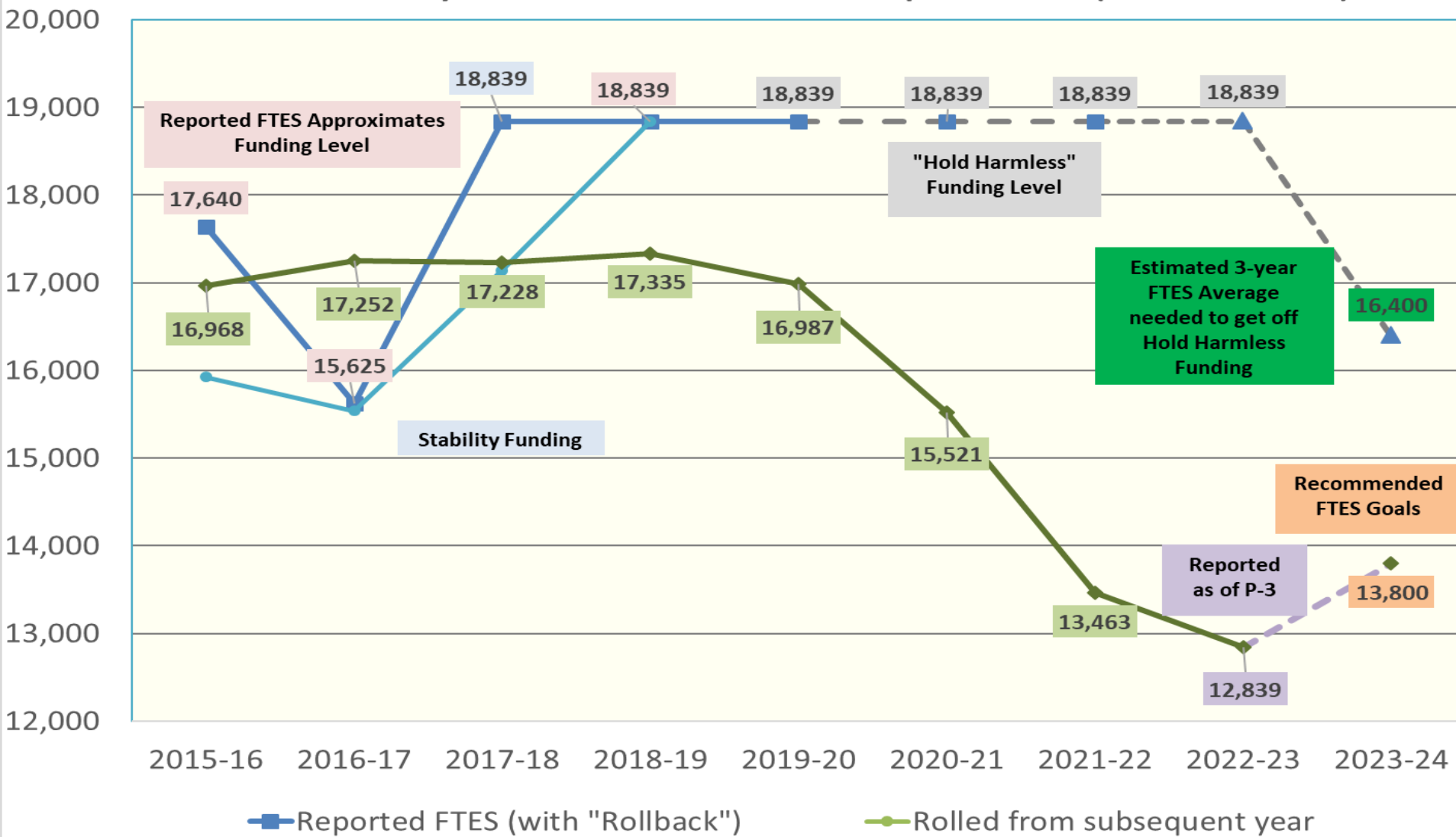
*\$11.0M in budgeted vacant positions (all sites) within the unrestricted fund

**M&O saw an increase of over 156,000 gross square feet and are funded on a Total Cost of Ownership of model within the new BAM





Historic Annually Generated District FTES vs Reported FTES (with "Rollback")





Conclusion

- Recapturing enrollment during the Hold Harmless period (through FY 2024-25) is key
 - Significant investment from the State to help do so and the flexibility to use additional dollars from other programs if necessary
- The District is in a financially solid position with sufficient reserves
- Continue our advocacy for enhancement to the SCFF, particularly in the supplemental section
- Continue to advocate for cumulative COLAs beyond FY 2024-25
- Remain committed to serving our students and staying competitive with our peers to attract the best talent to work in our District



Questions?