



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

| *Community College District*

# **FY 2022-23 Adopted Budget**

**August 16, 2022**



# California's FY 2022-23 Budget

- State Budget Overview
  - Total expenditure budget greater than \$300 billion, a 17% increase over last year
  - General fund expenditure budget of \$235 billion, a 20% increase over last year
  - Reserves of \$37.2 billion, with the Rainy Day Fund now at the constitutional maximum of 10% and the Public School System Stabilization Reserve making up \$9.5 billion of the reserve total
- Community Colleges
  - \$4 billion in Proposition 98 augmentations over prior year, the majority of which is provided as one-time funds



# 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 (clarification is currently being sought on this point)



# Major Ongoing Items

- COLA of 6.56%
  - Nearly \$8 million in additional ongoing revenue for the District
  - COLA is also provided to various categorical programs
- SCFF Metric increases
  - \$400 million dedicated to increasing the \$ per FTES as well the \$ per points in the supplemental and success components of the formula
  - \$200 million dedicated to increasing the basic allocation (based on college size)
    - This \$600 million has the desired effect of many districts moving out of hold harmless and onto the SCFF
    - Based on the FY 2022-23 Advance Apportionment schedule, only 10 districts are still on Hold Harmless; of those 10, only 7 districts are non-Basic Aid (CLPCCD is 1 of the 7)





# Major One-Time Items

- Physical Plant and Instructional Equipment funded at \$840 million
  - District should receive approximately \$12.6 million and have until June 30, 2027 to expend or encumber
- COVID-19 Block Grant funded at \$650 million
  - District should receive approximately \$8.5 million to address issues related to the COVID-19 pandemic, including the mitigation of learning loss.
  - Districts can use the funds for student support efforts, reengagement strategies, professional development opportunities, technology investments, and health and safety measures. Districts have 5 years to expend or encumber.



# Total Ongoing and One-Time Increases

<b>Major Items in Enacted State Budget</b>		
<b>Ongoing Increases</b>	<b>Amount</b>	<b>Type</b>
COLA of 6.56%	\$8.00M	Unrestricted
Technology/Data Security	\$0.35M	Restricted
<b>subtotal Ongoing</b>	<b>\$8.35M</b>	
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<b>One-Time Increases</b>	<b>Amount</b>	<b>Type</b>
Physical Plant/Instr. Equip.	\$12.60M	Restricted
COVID-19 Block Grant	\$8.50M	Restricted
Retention/Enrollment	\$2.00M	Restricted
Technology/Data Security	\$1.00M	Restricted
<b>subtotal One-Time</b>	<b>\$24.10M</b>	
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<b>Total Ongoing and One-Time</b>	<b>\$32.45M</b>	



# Adoption Budget Overview:

- Unrestricted fund is balanced districtwide
  - Surplus of approximately \$6.5M or about 5.0% of the expenditure budget; all sites with balanced budgets
  - Surplus achieved through a combination of factors:
    - Significant COLA of 6.56%
    - Unfilled vacancies
    - Reliance on federal stimulus dollars where appropriate
    - Hold harmless funding
- Ending Projected Fund Balance of \$30.1M
  - Equates to a reserve level of 23.3%, well above the 8% target reserve in AP 6305
  - As we complete the FY 2021-22 closing process, this figure can and likely will shift



# Major Assumptions:

- FTES Assumptions
  - Chabot College – 9,540 FTES
  - Las Positas College – 6,542 FTES
- Revenue Assumptions
  - COLA of 6.56% - Approximately \$8M in additional apportionment revenue
  - Enrollment Growth of 0%
- Expenditure Assumptions
  - Step and column increases built into position control
  - Mandated increases in CalPERS and CalSTRS





# Position Control:

## Unrestricted Fund

	FY 2021-22 FTE	FY 2022-23 FTE	Difference	% Difference
Chabot College	246.43	267.99	21.56	8.75%
Las Positas College	191.28	207.15	15.87	8.30%
District/M&O	129.50	128.84	(0.66)	-0.51%
<b>Total</b>	<b>567.21</b>	<b>603.98</b>	<b>36.77</b>	<b>6.48%</b>

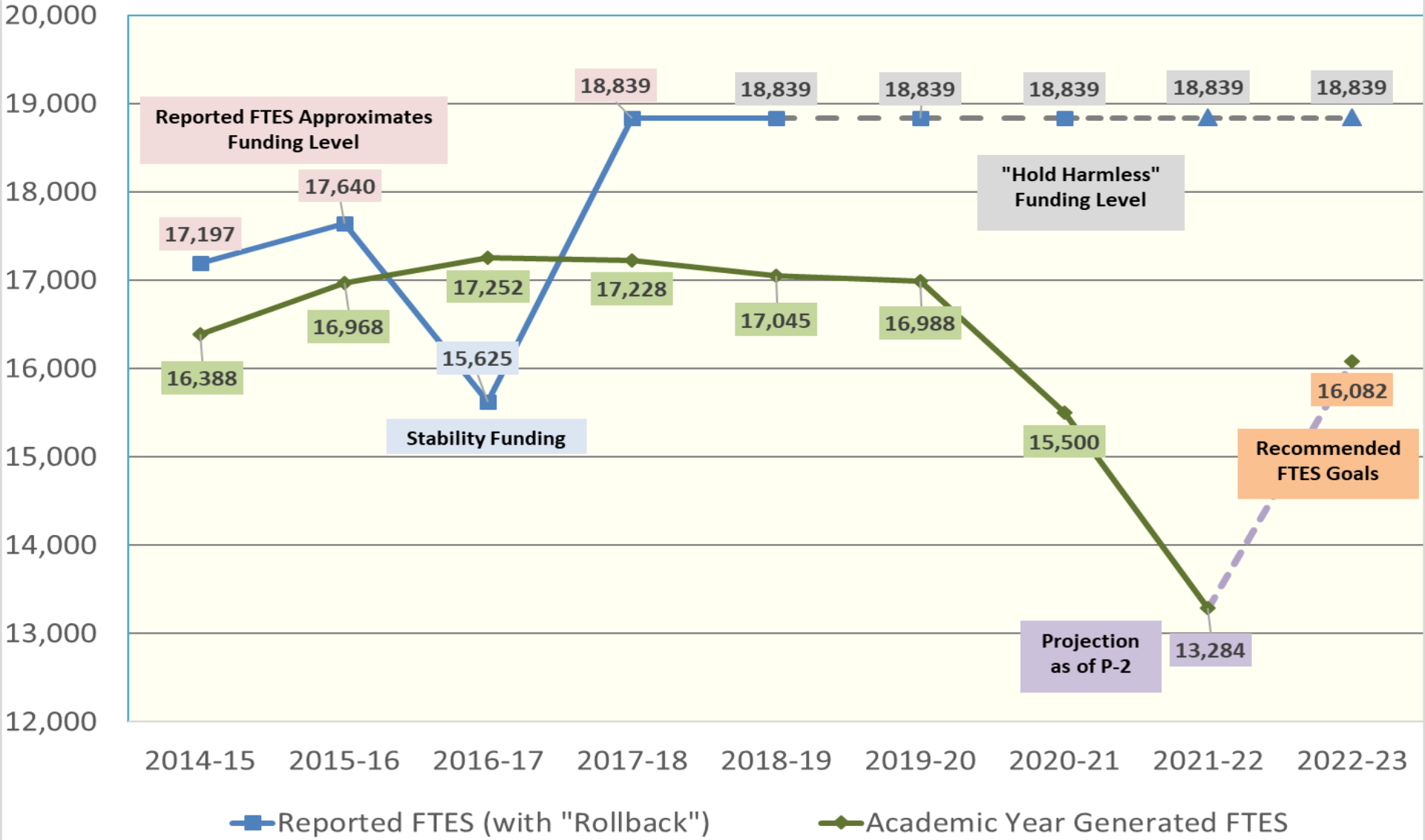
\*The increase in budgeted positions is due to the full-time faculty hires required to receive the full-time faculty hiring dollars as well as the migration of campus security back to the General Fund and off federal stimulus dollars

\*\*\$5.2M in budgeted vacant positions (all sites), many due to the full-time faculty funds received from the state





### 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
- The District is in a financially solid position with sufficient reserves
- Continue our advocacy for enhancement to the SCFF, particularly in the supplemental section
- Remain committed to serving our students and staying competitive with our peers to attract the best talent to work in our District



**Questions?**