



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

Major Items in Enacted State Budget		
Ongoing Increases	Amount	Type
COLA of 6.56%	\$8.00M	Unrestricted
Technology/Data Security	\$0.35M	Restricted
subtotal Ongoing	\$8.35M	
One-Time Increases	Amount	Type
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
subtotal One-Time	\$24.10M	
Total Ongoing and One-Time	\$32.45M	



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%
Total	567.21	603.98	36.77	6.48%

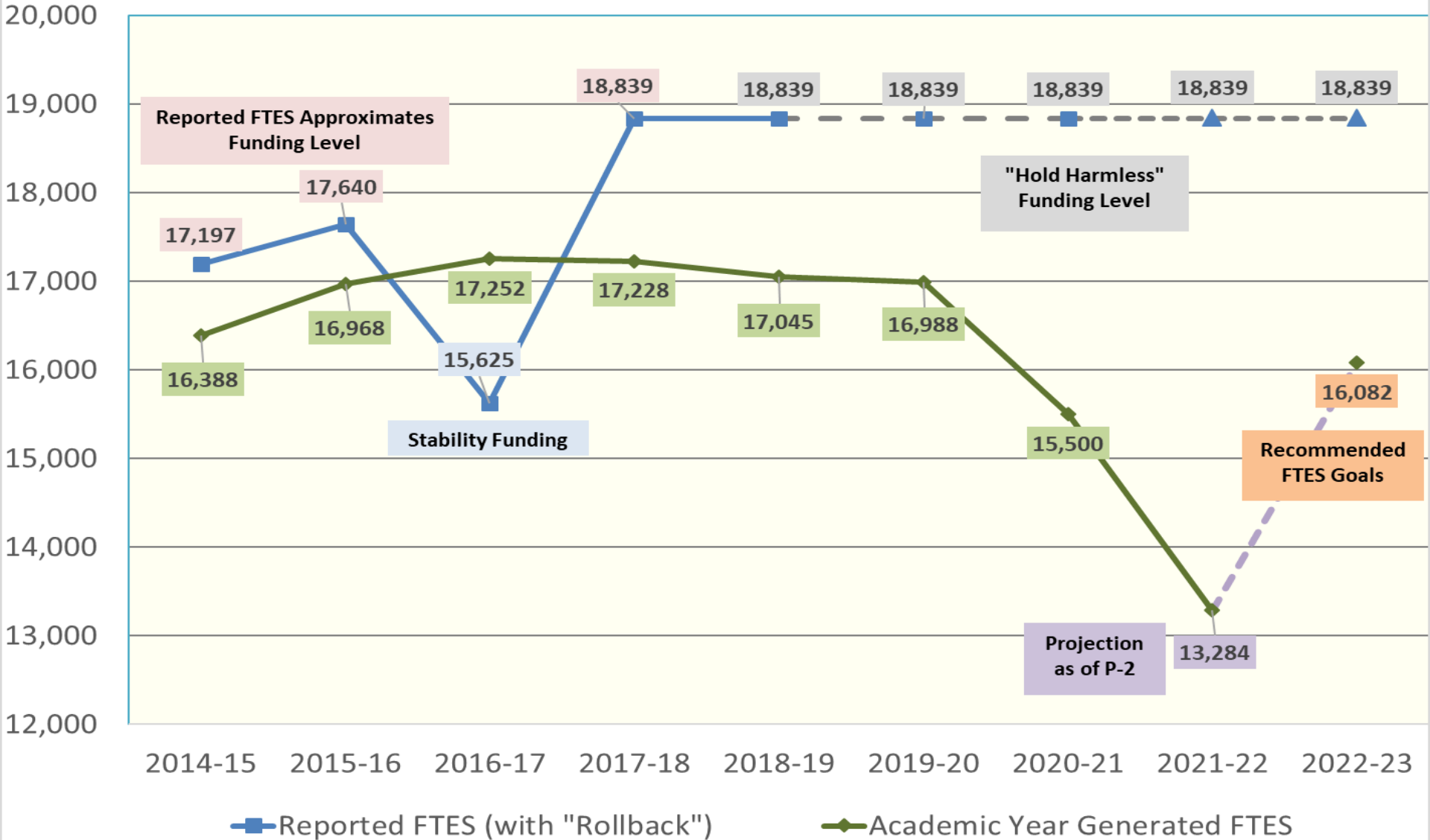
*The increase in budgeted positions is due to the full-time faculty hires required to receive the full-time faculty hiring dollars as well as the migration of campus security back to the General Fund and off federal stimulus dollars

**\$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?