



SAN DIEGO
Community College District

FY 2024-25
ADOPTED
BUDGET

BOARD OF TRUSTEES PRESENTATION
SEPTEMBER 12, 2024

VICE CHANCELLOR, FINANCE AND BUSINESS SERVICES
DANIEL J. TROY



CALIFORNIA COMMUNITY COLLEGE BUDGET PRIMER

Student Centered Funding Formula (SCFF)

- Basic Allocation – fixed amount based on number and size of colleges and centers
- Fulltime Equivalent Student (FTES) Allocation – revenue earned based on three-year average FTES
- Supplemental Allocation – revenue earned based on headcount of Assembly Bill (AB) 540, Pell, California College Promise Grant (CCPG)
- *Success Allocation – revenue earned based on three-year average headcount in various outcome categories (e.g., degrees, certificates, transfers)*

CALIFORNIA COMMUNITY COLLEGE BUDGET PRIMER

Student Centered Funding Formula (SCFF)

- Stability – one-year protection based on prior year SCFF calculation adjusted by current cost of living adjustment (COLA)
- Hold Harmless Protection – minimum SCFF funding is a district's 2017-2018 apportionment as adjusted by funded COLAs

Districts are funded on the *greatest* of their actual SCFF calculation, Hold Harmless, or Stability figure.

CALIFORNIA COMMUNITY COLLEGE BUDGET PRIMER

SCFF Revenue Funding Sources

- Local property taxes – most stable source of revenue
- Student Enrollment Fees – fluctuate based on enrollment and proportion of students required to pay fees
- Education Protection Account (Prop 30/55) – least stable, reliant on upper income earners
- State General Fund Allocation – highly variable, Proposition 98 revenues distributed to 64 districts in which local property taxes do not fully fund SCFF TCR

SCFF REVENUE SOURCES

- FY 2024-25 SDCCD SCFF Revenue

- Advance Apportionment **\$326,708,666**

- Local property taxes \$170,484,638

- Student Enrollment Fees \$12,825,222

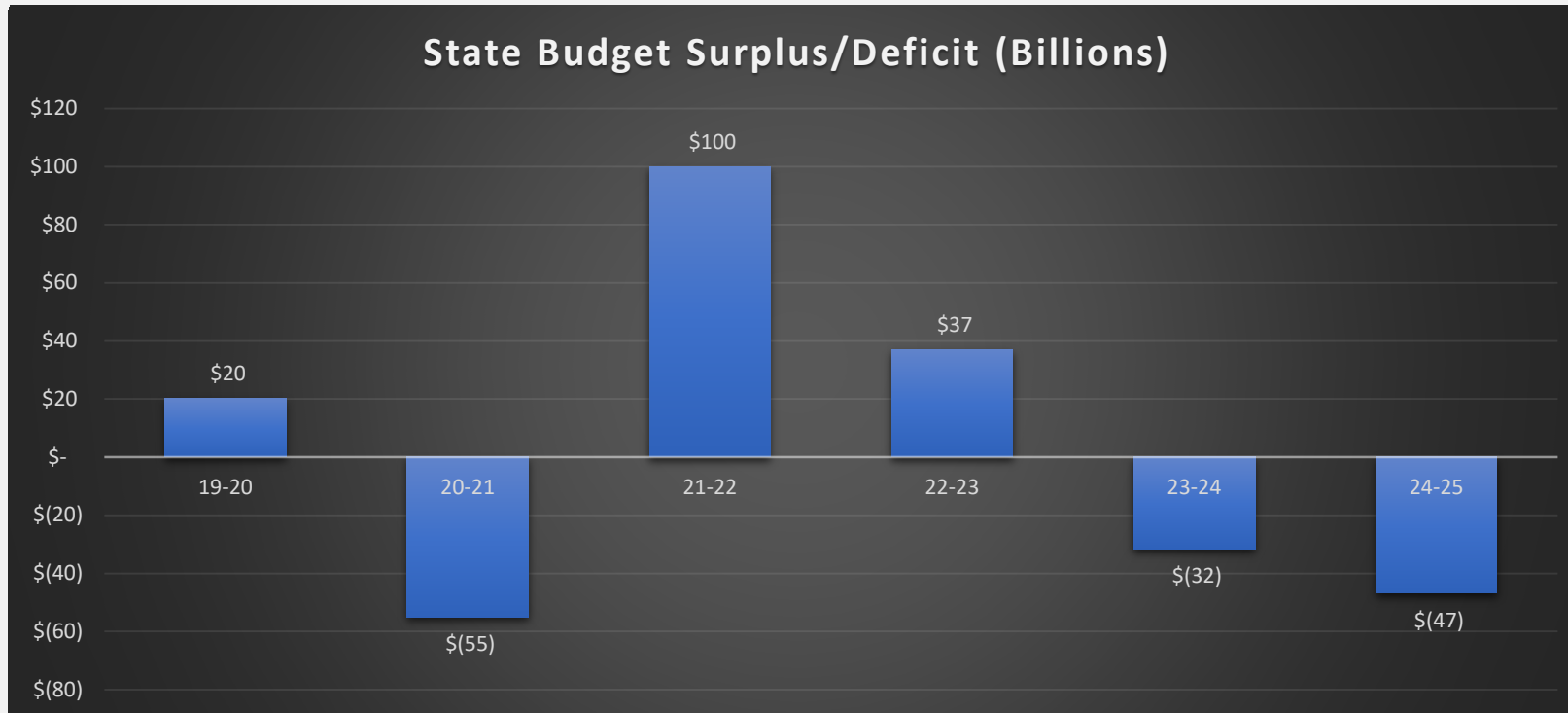
- EPA \$41,599,905

- State General Fund Allocation \$93,941,055

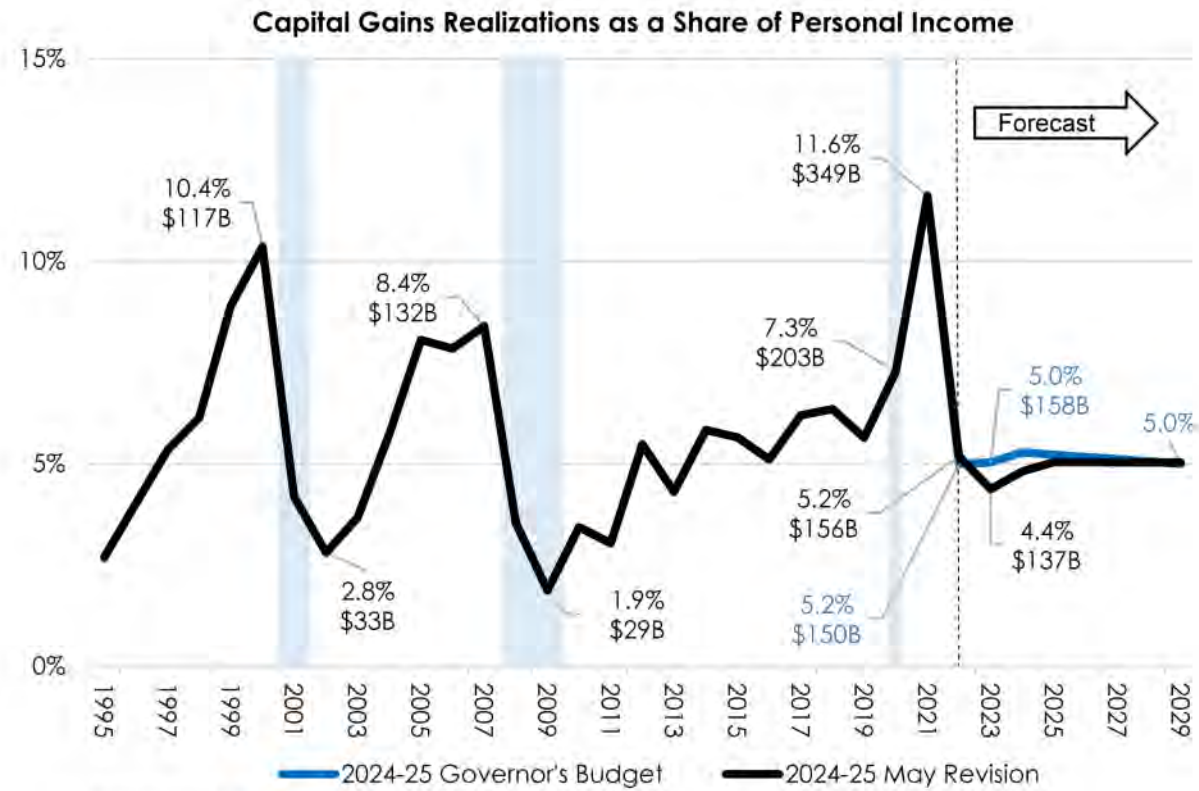
- Funding Available **\$318,850,820**

- SDCCD Deficit - \$7,857,846**

CALIFORNIA STATE BUDGET VOLATILITY



CAPITAL GAINS



Shaded bars indicate previous U.S. recessions.

Source: California Department of Finance, 2024-25 May Revision Forecast.

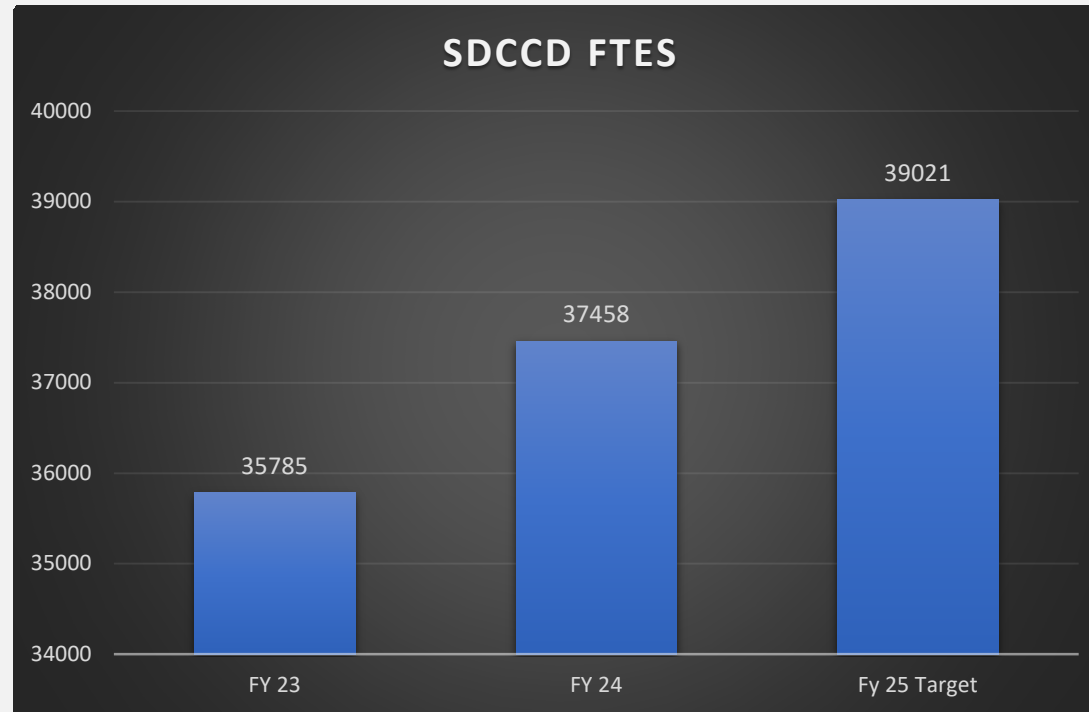
FY 2024-25 ENACTED STATE BUDGET SUMMARY AND COMPARISON TO FY 2023-24
(IN MILLIONS)



2024 Budget Act
General Fund Budget Summary
(Dollars in Millions)

| | | | | % increase/ decrease |
|--------------------|------------|------------|------------|----------------------------|
| | 2023-24 | 2024-25 | (decrease) | |
| Total Expenditures | \$ 223,075 | \$ 211,504 | -5.19% | |

SDCCD PROGRESS



SCFF RESULTS

| | Hold Harmless | SCFF Calculation | Stability |
|------------------|-----------------------|-----------------------|-----------------------|
| 2022-23 | \$ 292,173,885 | \$ 290,025,598 | \$ 268,204,753 |
| 2023-24 | \$ 316,190,578 | \$ 323,249,892 | \$ 313,865,702 |
| 2024-25 (Adv) | \$ 319,573,816 | \$ 320,432,539 | \$ 326,708,665 |

CALIFORNIA GOVERNOR'S PRIORITIES FOR FY 2024-25

- Focus on stability in the context of a significant budget deficit
- No major core reductions to programs or services
- Draws on reserves and savings to balance the budget
- Maintaining funding for key education priorities:
 - Higher education compacts with the University of California (UC) and California State University (CSU) – albeit with one-time unallocated base funding cuts
 - \$18M for two projects to support Vision 2030 priorities



FY 2024-25 ADOPTED STATE BUDGET: PROPOSED INVESTMENTS IN CCC SYSTEM

ONE-TIME FUNDS

Nursing Program \$60M

FAFSA Completion \$20M

E-Transcripts \$12M

ON-GOING FUNDS

1.07% COLA \$100.2M

1.07% COLA Categorical Programs \$13.1M

0.5% Growth \$28M

\$243.7M deferred to July 2025



FY 2024-25 ADOPTED BUDGET BUILDING ASSUMPTIONS - OPPORTUNITIES

- The District enters last year before funding 'floor' in 'Stability'
 - Stability = prior year SCFFTCR plus COLA
- Emergency Conditions Allowance (ECA)
 - District retains some benefit due to 3-year average funding
- 1.07% COLA = \$3.4 million for SDCCCD
- FTES Target of 39,021



FY 2024-25 ADOPTED BUDGET BUILDING ASSUMPTIONS - CHALLENGES

- PERS contribution rates increase to 27.05% (up from 26.68% in FY 2023-24)
- Medical contributions estimated to increase almost 7%
- State revenue volatility – deferrals, deficits...
- Unfunded FTES – 326 unfunded in FY 24

GENERAL FUND UNRESTRICTED

TOTAL UNRESTRICTED GENERAL FUND REVENUE TREND



| General Fund, Unrestricted Revenue Trend | | | | | |
|------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| | Actuals | Actuals | Actuals | Projected | Adopted |
| | Per 311 | Per 311 | Per 311 | Actuals | Budget |
| STUDENT CENTERED FUNDING FORMULA | | | | | |
| Base (Basic + FTES) | \$ 184,285,419 | \$ 191,431,044 | \$ 225,488,613 | \$ 255,831,151 | \$ 253,337,208 |
| Supplemental | 39,320,196 | 34,523,565 | 36,302,754 | 38,643,951 | 39,057,441 |
| Success | 24,808,986 | 25,739,041 | 28,234,231 | 28,774,790 | 28,215,117 |
| Hold Harmless/Stability | 12,542,098 | 22,493,554 | 2,148,287 | - | 6,098,900 |
| Total SCFF | \$ 260,956,699 | \$ 274,187,204 | \$ 292,173,885 | \$ 323,249,892 | \$ 326,708,666 |
| Other Revenue | 23,176,195 | 30,173,077 | 38,728,750 | 47,291,894 | 35,255,398 |
| Total | \$ 284,132,894 | \$ 304,360,281 | \$ 330,902,635 | \$ 370,541,786 | \$ 361,964,064 |
| Beginning Fund Balance | \$ 18,559,590 | \$ 21,903,119 | \$ 35,363,457 | \$ 50,302,359 | \$ 76,978,468 |
| Total Resources | \$ 302,692,484 | \$ 326,263,400 | \$ 366,266,092 | \$ 420,844,145 | \$ 438,942,532 |

UNRESTRICTED GENERAL FUND EXPENDITURES & FUND BALANCE

| General Fund, Unrestricted Expenditure Trend | | | | | |
|----------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| | Actuals | Actuals | Actuals | Actuals | Adopted |
| | Per 311 | Per 311 | Per 311 | Projected | Budget |
| Salaries | \$ 172,054,723 | \$ 175,098,566 | \$ 188,075,783 | \$ 206,102,569 | \$ 224,548,835 |
| Employee Benefits | 81,614,340 | 87,392,210 | 91,789,154 | 100,113,421 | 110,649,323 |
| Non-Personnel Expenses | 27,120,302 | 28,409,167 | 36,775,983 | 37,317,799 | 40,011,087 |
| TOTAL | \$ 280,789,365 | \$ 290,899,943 | \$ 316,640,920 | \$ 343,533,789 | \$ 375,209,245 |
| Beginning Fund Balance | \$ 18,559,590 | \$ 21,903,119 | \$ 35,363,457 | \$ 50,302,359 | \$ 76,978,468 |
| Operating Excess (Deficiency) | 3,343,529 | 13,460,338 | 14,938,902 | 26,676,109 | (13,245,182) |
| Ending Fund Balance | \$ 21,903,119 | \$ 35,363,457 | \$ 50,302,359 | \$ 76,978,468 | \$ 63,733,286 |
| Total Budget | \$ 302,692,484 | \$ 326,263,400 | \$ 366,943,279 | \$ 420,512,257 | \$ 438,942,531 |
| Ending Fund Balance % | 8% | 12% | 16% | 22% | 17% |



FY 2024-25 SCFF FUNDING



SAN DIEGO COMMUNITY COLLEGE DISTRICT GENERAL FUND UNRESTRICTED - ADOPTED BUDGET DISTRICTWIDE REVENUE & EXPENSE ALLOCATIONS BY COLLEGE FISCAL YEAR 2024-2025 Campus Target FTES of 39,021

PROJECTED CONTINUOUS REVENUES:

| Apportionment Allocation | Rate per FTES | # of FTES | Anticipated Three Year Average | Apportionment based on targets |
|-----------------------------------------------------|---------------|---------------|-----------------------------------|-----------------------------------|
| Student Centered Funding Formula Calculation | | | | |
| Credit Base | \$5,294 | 29,841 | 29,635 | 156,888,700 |
| Special Admit (Preliminary Estimates) | \$7,425 | 1,230 | 1,425 | 10,580,058 |
| CDCP Base (Preliminary Estimates) | \$7,425 | 7,223 | 7,425 | 55,127,671 |
| Non-Credit Base (Preliminary Estimates) | \$4,465 | 727 | 962 | 4,297,422 |
| Total FTES (Credit & Non-Credit Combined) | | 39,021 | | 226,893,851 |

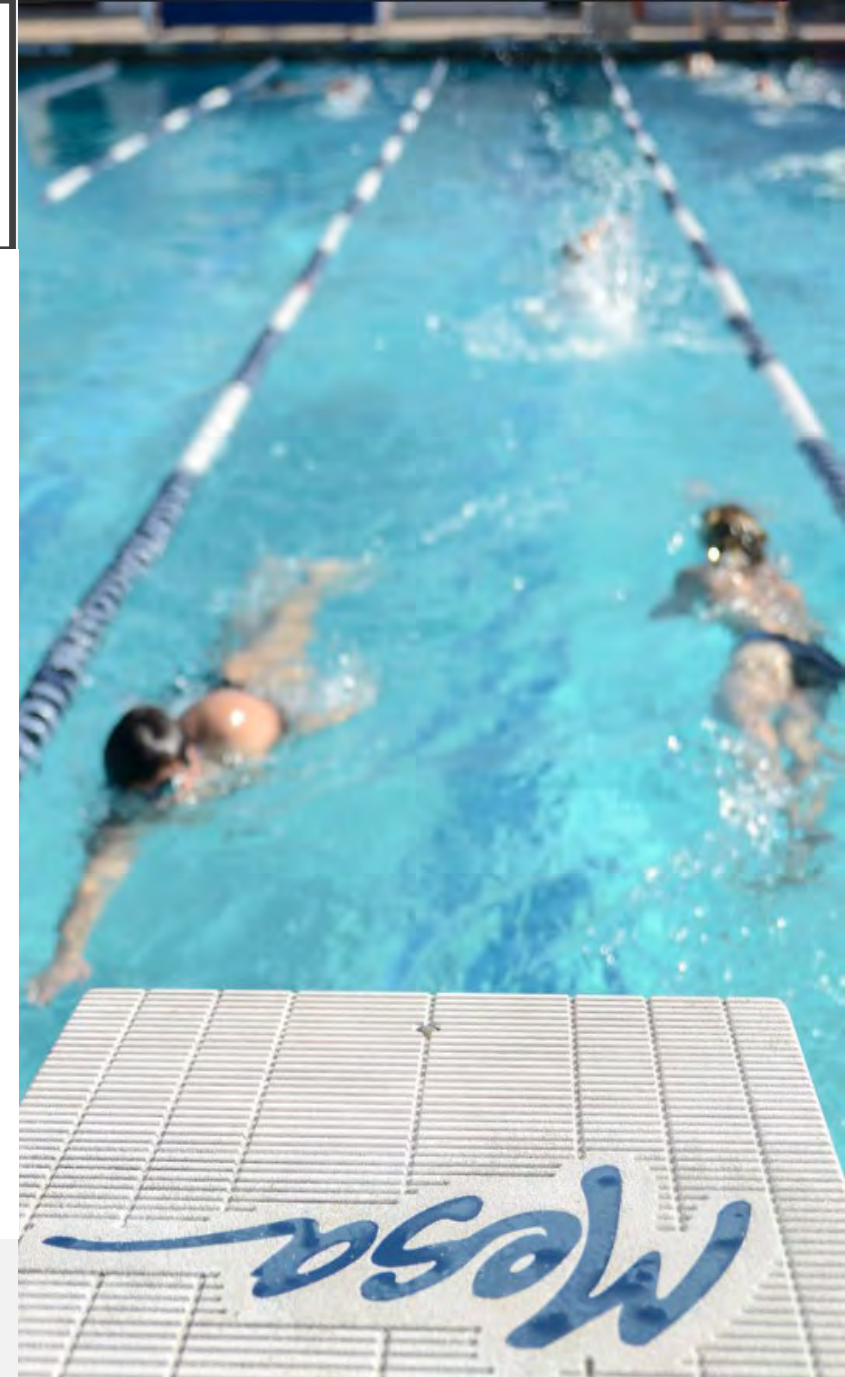
MULTI-YEAR PROJECTION

General Fund Unrestricted Revenue Trend

| 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|---------|-----------|---------|-----------|-----------|-----------|
| Actuals | Projected | Adopted | Projected | Projected | Projected |
| Per 311 | Actuals | Budget | | | |

STUDENT CENTERED FUNDING FORMULA

| | | | | | | | | | | | | |
|-------------------------|----|-------------|----|-------------|----|-------------|----|-------------|----|-------------|----|-------------|
| Base (Basic + FTES) | \$ | 225,488,613 | \$ | 255,831,151 | \$ | 253,159,980 | \$ | 255,010,747 | \$ | 263,089,511 | \$ | 272,003,532 |
| Supplemental | | 36,302,754 | | 38,643,951 | | 39,057,441 | \$ | 40,201,824 | \$ | 42,211,915 | \$ | 44,322,511 |
| Success | | 28,234,231 | | 28,774,790 | | 28,215,117 | \$ | 28,553,677 | | 29,433,130 | | 30,404,424 |
| Hold Harmless/Stability | | 2,148,287 | | - | | 6,276,126 | | 6,054,964 | | - | | - |
| Total SCFF | \$ | 292,173,885 | \$ | 323,249,892 | \$ | 326,708,665 | \$ | 329,821,212 | \$ | 334,734,556 | \$ | 346,730,467 |
| Other Revenue | | 38,728,750 | | 47,291,894 | | 35,255,399 | | 42,748,399 | | 49,310,199 | | 51,775,709 |
| Total | \$ | 330,902,635 | \$ | 370,541,786 | \$ | 361,964,064 | \$ | 372,569,611 | \$ | 384,044,755 | \$ | 398,506,176 |
| Beginning Fund Balance | \$ | 35,363,457 | \$ | 50,302,359 | \$ | 76,978,468 | \$ | 63,733,287 | \$ | 53,989,579 | \$ | 48,478,861 |
| Total Resources | \$ | 366,266,092 | \$ | 420,844,145 | \$ | 438,942,532 | \$ | 436,302,898 | \$ | 438,034,334 | \$ | 446,985,037 |



RESTRICTED GENERAL FUNDS



| | | Restricted Funds |
|---------------------------------------|----------|---------------------|
| | | |
| | Revenue | |
| Federal | | 14,173,073 |
| State | | 147,846,918 |
| Local | | 41,630,417 |
| Total Revenue | | 203,650,408 |
| | | |
| | Expenses | |
| Academic Salaries | | 32,200,652 |
| Classified Salaries | | 41,228,540 |
| Employee Benefits | | 24,255,202 |
| Total Personnel Expenses | | 97,684,394 |
| | | |
| Supplies and Materials | | 16,828,740 |
| Other-Operating Expenses and Services | | 44,179,798 |
| Capital Outlay | | 18,442,786 |
| Transfer out to General Fund | | 3,963,573 |
| Reserves | | 10,591,961 |
| Other Student Financial Aid | | 11,959,156 |
| Total Other Expenses | | 105,966,014 |
| | | |
| Total Expenses | | 203,650,408 |

SUMMARY OF ALL GENERAL FUNDS

| | Unrestricted Funds | Restricted Funds | Total All General Funds |
|---------------------------------------|-----------------------|---------------------|----------------------------|
| Revenue | | | |
| Federal | - | 14,173,073 | 14,173,073 |
| State | 156,224,028 | 147,846,918 | 304,070,946 |
| Local | 205,740,036 | 41,630,417 | 247,370,453 |
| Total Revenue | 361,964,064 | 203,650,408 | 565,614,472 |
| Expenses | | | |
| Academic Salaries | 135,398,607 | 32,200,652 | 167,599,259 |
| Classified Salaries | 89,150,228 | 41,228,540 | 130,378,768 |
| Employee Benefits | 110,649,323 | 24,255,202 | 134,904,525 |
| Total Personnel Expenses | 335,198,158 | 97,684,394 | 432,882,552 |
| Supplies and Materials | 4,609,969 | 16,828,740 | 21,438,709 |
| Other-Operating Expenses and Services | 39,433,956 | 44,179,798 | 83,613,754 |
| Capital Outlay | 3,236,071 | 18,442,786 | 21,678,857 |
| Transfer out to General Fund | 4,904,712 | 3,963,573 | 8,868,285 |
| Reserves | 51,733,844 | 10,591,961 | 62,325,805 |
| Other Student Financial Aid | 56,300 | 11,959,156 | 12,015,456 |
| Total Other Expenses | 103,974,852 | 105,966,014 | 209,940,866 |
| Total Expenses | 439,173,010 | 203,650,408 | 642,823,418 |



ALL FUNDS

| Funds | 2023-2024 Total Budget Adopted | 2024-2025 Total Budget Adopted | Changes Over/Under |
|---------------------------------|--------------------------------------|--------------------------------------|-----------------------|
| General Funds | | | |
| General Fund Unrestricted | 395,313,569 | 439,173,010 | 43,859,441 |
| General Fund Restricted | 221,061,600 | 203,650,408 | (17,411,192) |
| Total General Funds | \$ 616,375,169 | \$ 642,823,418 | \$ 26,448,249 |
| Other Funds | | | |
| Bond Interest & Redemption Fund | 205,613,048 | 207,161,386 | 1,548,338 |
| Child Development Fund | 4,498,926 | 5,187,380 | 688,454 |
| Other Special Revenue Fund | 884,574 | 674,477 | (210,097) |
| Capital Outlay Projects Fund | 72,969,533 | 64,343,096 | (8,626,437) |
| Proposition S Fund | 1,895,137 | - | (1,895,137) |
| Proposition N Fund | 3,889,420 | - | (3,889,420) |
| Enterprise Funds | 12,361,307 | 12,371,380 | 10,073 |
| Internal Services | 25,546,741 | 36,225,297 | 10,678,556 |
| Associated Students | 522,377 | 543,090 | 20,713 |
| Student Representation Fee | 689,299 | 640,007 | (49,292) |
| Student Financial Aid Fund | 64,075,946 | 63,383,057 | (692,889) |
| Scholarship / Loan | 59,427 | 59,027 | (400) |
| Trust and Agency | 2,274,580 | 2,488,593 | 214,013 |
| Retiree Benefit Trust | 7,771,213 | 9,170,008 | 1,398,795 |
| Total Other Funds | \$ 403,051,528 | \$ 402,246,798 | \$ (804,730) |
| Grand Totals | \$ 1,019,426,697 | \$ 1,045,070,216 | \$ 25,643,519 |

- Debt Service Fund is not funding available to spend. The decrease denotes a reduction in debt.
- Capital Outlay, Prop S and N construction projects are completed.

FY 2024-25 ADOPTED BUDGET FINAL THOUGHTS

- Proposition 98 Maintenance Factor – K14 stands to benefit when revenues increase
- Pandemic Protections – Emergency conditions and funding supports are phasing out
- Advocacy – Adequate growth funding, supplemental allocation adjustments
- Strategic Planning is Critical – FTES targets, increasing supplemental counts

