



CCOS

COLLEGE OF THE SEQUOIAS

VISALIA

HANFORD

TULARE

Sequoias Community College District

Fiscal Year 2024-25

Final Adopted Budget

September 9, 2024

❖ FY 2023-24 General Fund Summary

- Year-end Close
- Fund Balance (Reserve)

❖ FY 2024-25 Final Adopted Budget

- State and District Budget Assumptions
- Apportionment Terminology

❖ Fiscal Solvency Plan

- Current Fiscal Year plus 1 out Fiscal Year



- ❖ **Provided a 9.22% Salary Increase** (1% above Funded COLA)
 - FT & PT Faculty, Staff and Administrators
- ❖ **Capital Projects Funding**
 - Tulare CTE Phase II, District-wide IT Projects, Classroom & Office Renovations, Stadium, Giant Marketplace, Photovoltaics (Tulare/Hanford), and more
- ❖ **Other Post Employment Benefits (OPEB)**
 - Fully Funded - \$14.0M up from \$10.5M (June, 2019)
- ❖ **Maintain Prudent Fiscal Reserves**
 - \$29.7M



Other Post Employment Benefits (OPEB)

Sequoias Community College District
Balanced Fund (50% Fixed Income, 50% Equity)

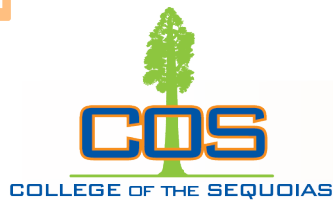
Measure Date	Portfolio Value	Increase/Decrease	Percentage Change	Overall Percentage Increase over June 30, 2019
Jun 30, 2024	\$14,002,269	\$1,434,782	11.42%	32.44%
June 30, 2023	\$12,567,487	\$924,749	7.94%	
June 30, 2022*	\$11,642,738	(\$1,619,602)	(12.21%)	
June 30, 2021*	\$13,262,340	\$2,227,934	20.19%	
June 30, 2020	\$11,034,406	\$462,204	4.37%	
June 30, 2019	\$10,572,202	N/A	N/A	

*2020-21 & 2021-22, Stock market volatility due to COVID-19
Overall increase of 32.44%; \$3,430,067



Summary - FY 2023-24 *(GFU Only)*

Description	FY 2023-24 Close
State Allocation – Est. early R1 <small>(1% Deficit = \$998,106)</small> <small>.61% growth, 10,299.64 funded FTES, 181.53 unfunded FTES</small>	98,812,528
Federal and Local Funds	<u>7,022,890</u>
Total Revenue	105,835,418
Total Expenditures/Transfers	<u>(105,283,556)</u>
Structural Surplus/(Deficit)	<u>551,862</u>



Fund Balance Reserve *(GFU Only)*

Description	FY 2023-24 Close
FY 2023-24 Adjusted Beginning Fund Balance	29,186,922
FY 2023-24 Year-End Surplus (Fallout)	<u>551,862</u>
FY 2024-25 Beginning Fund Balance	<u>29,738,784</u>
Percentage of GF Balance to GF Expenditures	<u>28.25%</u>



- ❖ Governor Newsom signed on June 26, 2024
 - Total FY 2024-25 State Budget - \$298B
 - Deficit - \$45B in 2024-25 and \$30B in 2025-26
- ❖ Budget Focus
 - Stability, Resilience, Restraint, Uncertainty
 - Draws on reserves & operational savings to ensure fiscal stability
- ❖ State Agencies – 8% Reductions
 - Chancellor's Office
 - 10,000 statewide vacant positions eliminated

❖ Community College Budget Framework

- Roadmap for the Future
 - Advance equity, student success and the system’s ability to prepare students for California’s future

❖ 2025-26: Districts will be funded at their SCFF or new “floor” (2024-25 SCFF)

- No longer includes cumulative COLA over time, thus a district’s hold harmless will not grow over time

❖ Apportionment Deferrals

- Defers \$446.4M from SCFF for 2023-24 to 2024-25
- Defers \$243.7M from SCFF 2024-25 to 2025-26

❖ Apportionment Deferrals

- Defers \$446.4M from SCFF for 2023-24 to 2024-25
 - 8.7% Revenue Deficit Factor at P2 (\$8.6M)
- Defers \$243.7M from SCFF 2024-25 to 2025-26
 - 2.4% Revenue Deficit Factor at Advance (\$2.4M)
 - District elected to use 1.0341% (\$1M)

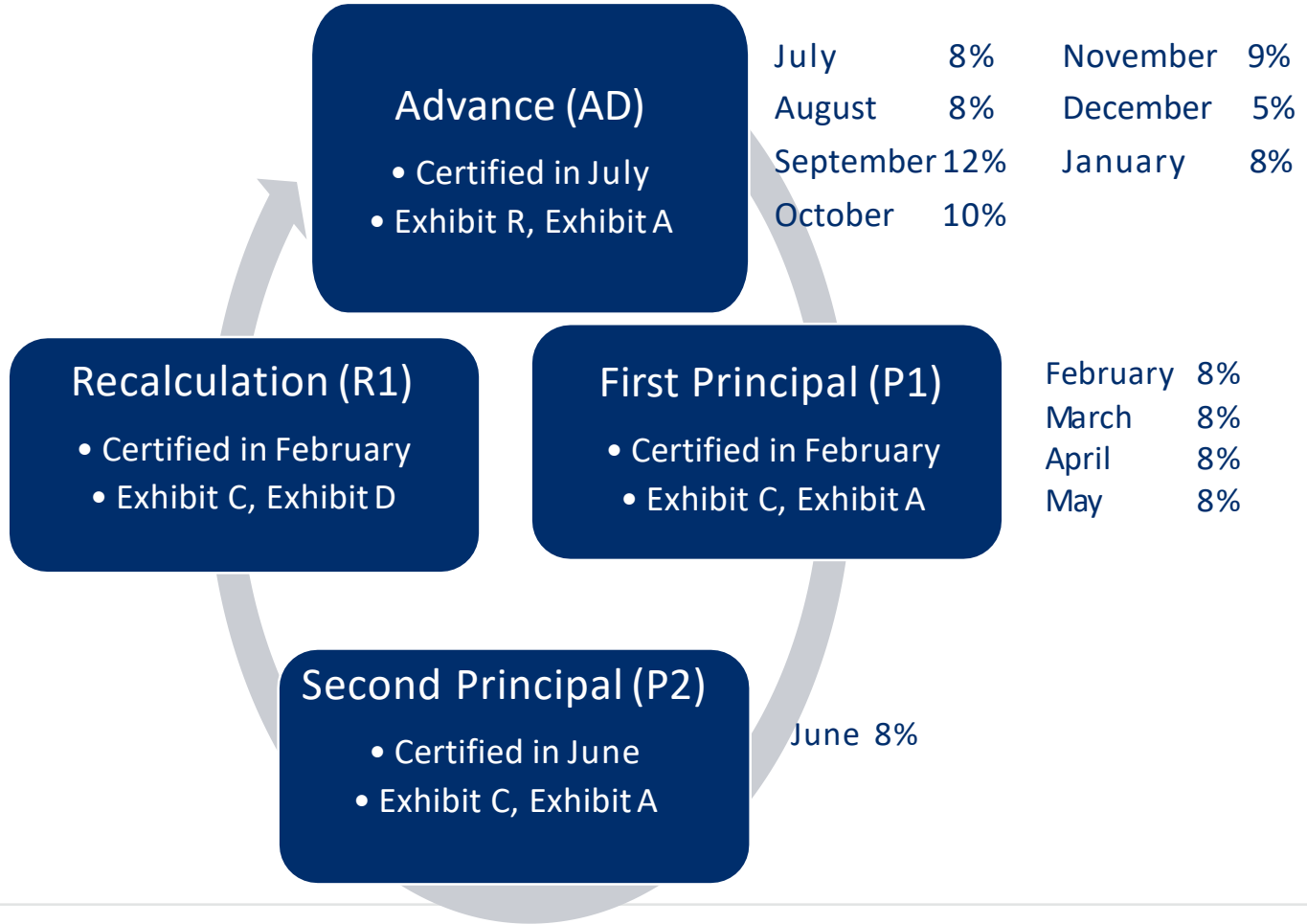
❖ Reallocation of Unspent Funds

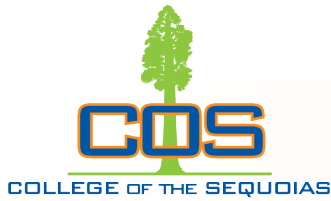
- 2020 Strong Workforce Programs - \$18.8M
- 2022 Student Success Completion Grant - \$22.5M
- ***Learning-Aligned Employment Program (LAEP) - \$4.2M COS***

❖ AB 247 K-14 Bond - \$10B

- \$1.5B for Community Colleges to construct and modernize educational facilities

Apportionment Cycle





Community College System Impact

Program	Ongoing Funding Amount
SCFF Cost of Living Allowance (COLA)	<ul style="list-style-type: none"> • 1.07%
SCFF Enrollment Growth	<ul style="list-style-type: none"> • 0.5%
COLA – Various Categoricals *Exception (Student Equity & Achievement Program)	<ul style="list-style-type: none"> • 1.07%
Program	One-time Funding Amount
Deferred Maintenance/Energy Projects/Instructional Equipment	<ul style="list-style-type: none"> • FY 2022-23 (\$9M reduced to \$4M) • FY 2023-24 (\$62,176) • FY 2024-25 (No Funding Provided)

SCFF Revenue Protections

<p>Hold Harmless (ECS 84750.4(h))</p>	<p>Districts receive no less than their 2017-18 Total Computational Revenue (TCR) plus applicable cumulative annual cost of living adjustments through 2024-25.</p> <p>The 2022 Budget Act extends the Hold Harmless protection in a modified form. Starting in 2025-26, the Hold Harmless provision will no longer reflect cumulative COLAs over time.</p> <p><u>A district's 2024-25 TCR will represent its new "funding floor", below which it cannot drop.</u></p>
<p>Stability Protection (ECS 84750.4(g)(4)(A))</p>	<p>Commencing in 2020-21 declines in the SCFF TCR (excluding the hold harmless) are applicable in the year after the decline and includes any applicable COLA.</p>
<p>FTES Restoration Protection (EDC 84750.4(d)(2)(D))</p>	<p>Ability to restore FTES that have declined in the previous 3 years.</p>
<p>Basic Allocation Protection (Title 5 § 58776)</p>	<p>Declines in college and center basic allocation tiers are effective 3 years after the initial decline. Increases or new colleges or centers are eligible for funding in the year following the increase or establishment.</p>
<p>Emergency Conditions Allowances (Title 5 58146)</p>	<p>Emergency conditions protection from apportionment declines due to a variety of factors including natural disasters and pandemic.</p>

SCFF District

California Community Colleges

2023-24 Second Principal

State Center CCD

Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)

I. Base Allocation (FTES + Basic Allocation)	\$	203,019,676
II. Supplemental Allocation		51,646,662
III. Student Success Allocation		36,920,253
		291,586,591
Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$	291,586,591
2022-23 SCFF Calculated Revenue + COLA (B)		284,189,029
Hold Harmless Revenue (C)		232,797,496
Stability Protection Adjustment		-
Hold Harmless Protection Adjustment		-
		2023-24 TCR (Max of A, B, or C) \$ 291,586,591

Revenue Sources

Property Tax & ERAF	\$	66,952,396
Less Property Tax Excess		-
Student Enrollment Fees		8,743,985
Education Protection Account (EPA)		27,786,921
State General Fund Allocation		162,617,501

Minimum of at least \$100 x Funded FTES	Funded FTES: 32,043.12	x	Rate: \$867.17
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State General Fund Allocation

General Fund Allocation	\$	160,427,293
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)		2,190,208
Subtotal State General Fund Allocation		\$162,617,501
Adjustment(s)		-
Total State General Fund Allocation (Exhibit A)		\$162,617,501

Available Revenue \$ 266,100,803

2023-24 TCR (Max of A, B, or C) 291,586,591

See memo for additional information regarding revenue deficit at 2023-24 P2. 8.7404% Revenue Deficit \$ (25,485,788)

Hold Harmless District

California Community Colleges

2023-24 Second Principal

Ohlone CCD

Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)

I. Base Allocation (FTES + Basic Allocation)	\$	45,376,436
II. Supplemental Allocation		5,124,532
III. Student Success Allocation		6,566,136
		Student Centered Funding Formula (SCFF) Calculated Revenue (A) \$ 57,067,104
		2022-23 SCFF Calculated Revenue + COLA (B) 59,046,934
		Hold Harmless Revenue (C) 62,665,550
		Stability Protection Adjustment -
		Hold Harmless Protection Adjustment 5,598,446
		2023-24 TCR (Max of A, B, or C) \$ 62,665,550

Revenue Sources

Property Tax & ERAF	\$	32,448,645
Less Property Tax Excess		-
Student Enrollment Fees		4,050,909
Education Protection Account (EPA)		5,877,470
State General Fund Allocation		14,811,316

Minimum of at least \$100 x Funded FTES	Funded FTES: 6,777.74	x	Rate: \$867.17
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State General Fund Allocation

General Fund Allocation	\$	14,279,299
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)		532,017
Subtotal State General Fund Allocation		\$14,811,316
Adjustment(s)		-
Total State General Fund Allocation (Exhibit A)		\$14,811,316

Available Revenue \$ 57,188,340

2023-24 TCR (Max of A, B, or C) 62,665,550

See memo for additional information regarding revenue deficit at 2023-24 P2. 8.7404% Revenue Deficit \$ (5,477,210)

Basic Aid/Community Supported District

California Community Colleges

2023-24 Second Principal

South Orange County CCD

Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)

I. Base Allocation (FTES + Basic Allocation)		\$	165,490,365
II. Supplemental Allocation			24,320,779
III. Student Success Allocation			26,377,603
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$	216,188,747
	2022-23 SCFF Calculated Revenue + COLA (B)		209,981,309
	Hold Harmless Revenue (C)		196,195,370
	Stability Protection Adjustment		-
	Hold Harmless Protection Adjustment		-
	2023-24 TCR (Max of A, B, or C)	\$	216,188,747

Revenue Sources

Property Tax & ERAF		\$	304,948,492
Less Property Tax Excess			(108,010,322)
Student Enrollment Fees			14,798,000
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	Funded FTES: 27,339.54	x
		Rate: \$100.00	
			2,733,954
State General Fund Allocation			1,718,623

State General Fund Allocation

General Fund Allocation	\$	-
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	1,718,623	
Subtotal State General Fund Allocation	\$1,718,623	
Adjustment(s)	-	
Total State General Fund Allocation (Exhibit A)	\$1,718,623	

Available Revenue \$ 216,188,747

2023-24 TCR (Max of A, B, or C) 216,188,747

Fully Community Supported

See memo for additional information regarding revenue deficit at 2023-24 P2.

0.0000% Revenue Deficit \$ -

Stability Protection District

California Community Colleges

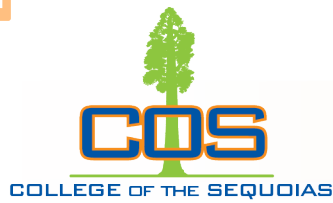
2023-24 Second Principal

Sequoias CCD

Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)			
I. Base Allocation (FTES + Basic Allocation)		\$	67,202,070
II. Supplemental Allocation			18,671,035
III. Student Success Allocation			12,328,716
			12,328,716
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$	98,201,821
	2022-23 SCFF Calculated Revenue + COLA (B)		98,481,779
	Hold Harmless Revenue (C)		78,893,594
	Stability Protection Adjustment		279,958
	Hold Harmless Protection Adjustment		-
	2023-24 TCR (Max of A, B, or C)	\$	98,481,779
Revenue Sources			
Property Tax & ERAF		\$	19,013,183
Less Property Tax Excess			-
Student Enrollment Fees			3,367,634
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	Funded FTES: 10,070.64	x
		Rate: \$867.17	
			8,732,984
State General Fund Allocation			58,760,292
State General Fund Allocation			
General Fund Allocation	\$		58,060,374
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)			699,918
Subtotal State General Fund Allocation			\$58,760,292
Adjustment(s)			-
Total State General Fund Allocation (Exhibit A)			\$58,760,292
		Available Revenue	\$ 89,874,093
		2023-24 TCR (Max of A, B, or C)	98,481,779
See memo for additional information regarding revenue deficit at 2023-24 P2.	8.7404%	Revenue Deficit	\$ (8,607,686)



Community College System Impact

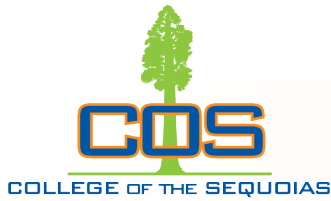
SCFF Base Funding	FY 23-24	FY 24-25	Amount Change	Percent Change
Credit	5,238	5,294	56	1.07%
CDCP	7,346	7,425	79	1.07%
Non-Credit	4,417	4,465	48	1.07%
Supplemental Point Value	1,239	1,252	13	1.07%
Student Success Main Point Value	730	738	8	1.07%
Student Success Equity Point Value	184	186	2	1.07%



Community College System Impact

SCFF Base Allocation	FY 23-24	FY 24-25	Amount Change	Percent Change
Medium College (10,000 – 20,000 FTES)	8,586,065	8,677,936	91,871	1.07%
State Approved Centers (1,000 FTES)	2,146,516	2,169,484	22,968	1.07%

COS Basic Allocation	FY 23-24	FY 24-25	Change
Medium College	8,586,065	8,677,936	91,871
2 - State Approved Centers	<u>4,293,032</u>	<u>4,338,968</u>	<u>45,936</u>
Totals	<u>12,879,097</u>	<u>13,016,904</u>	<u>137,807</u>



District Budget Assumptions

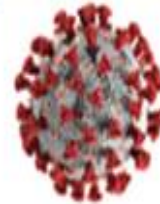
REVENUE (GFU and Restricted)	\$136,316,593
Full SCFF	COLA + .53% Growth, 10,352.27 Funded FTES
COLA	1.07%
Deficit Factor	1.0341%
EXPENDITURE (GFU and Restricted)	\$133,166,981
Salary increase 1% above COLA (1.07%) Management & Confidential only	
Base Budget Augmentations	<i>(see next slide)</i>
Step & Column Advances	
New Staffing	
STRS/PERS	
Health & Welfare	
SURPLUS/(DEFICIT)	\$3,149,612



FY 2024-25 Base Budget Augmentations

Discretionary/Operational	\$915,399
Counseling Hours, instructional equipment, utilities, fuel, rents, hourly student worker assistance, grounds, software, databases, dues and memberships.	
New Staffing - 4	\$409,520
Lab Technician, Athletic Trainer, Giant Marketplace/Threads Specialist, Custodian	
Reallocation of Funding Sources - 10	\$1,408,503
1) Due to Student Equity and Achievement (SEA), Outreach and Retention, and Student Equity (SEP) not receiving COLA for the past few fiscal years.	
2) Move from Categorical grants into the appropriate GFU budgets	
Total Base Budget Augmentations	\$2,733,422

Annual FTES
(CCFS 320 Reporting)



COVID-19 Emergency
Conditions Allowance:
Year 2020
10,426





Tentative vs. Adopted Budget

Categories	FY 2024-25 Tentative Budget	FY 2024-25 Final Adopted	Changes
Revenue Limit	100,210,394	100,339,307	128,913
Other Revenue	<u>39,631,125</u>	<u>35,977,286</u>	<u>(3,653,839)</u>
Total Revenue	\$139,841,519	\$136,316,593	(\$3,524,926)
Academic Salaries	43,729,103	43,356,864	(372,239)
Classified Salaries	31,644,142	27,756,802	(3,887,340)
Benefits	29,354,991	29,163,104	(191,887)
Supplies	2,977,010	2,961,755	(15,255)
Services	14,515,792	15,425,158	909,366
Capital Outlay	4,439,073	4,734,500	295,427
Other Outgo	<u>9,791,796</u>	<u>9,768,798</u>	(22,998)
Total Expenditures	\$136,451,907	\$133,166,981	(\$3,284,926)
Surplus/(Deficit)	<u>\$3,389,612</u>	<u>\$3,149,612</u>	<u>(240,000)</u>



Student Centered Funding Formula (SCFF)

GFU Final Adopted Budget **\$101,387,765**

Estimated Deficit Factor 1.0341% = (\$1,048,458)
 Final Adopted Budget (SCFF + COLA) = \$100,339,307

70% Base Allocation
\$69,796,201

- Basic Allocation (Medium District + 2 Education Centers)
 - \$13,016,903
 - FTES Revenue (Average of 3 years)
- Access**

20% Supplemental
\$18,870,822

- Pell Grant recipients
 - CA Promise (BOG) Grant
 - AB540 Students
 - (Prior Year)
- Equity**

10% Student Success
\$12,720,742

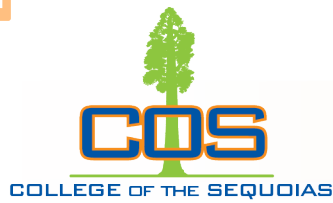
- ADT, AA/AS
 - Credit Certificates
 - Transfers to 4-yr institution
 - 9-CTE units Completers
 - Regional living wage
 - Transfer level math and English
 - (Average of 3 years)
- Success**

❖ FY 2024-25

- Revenue
 - SCFF + COLA 1.07%, Growth .53%, Deficit Factor 1.0341%
- Expenditure
 - Salary Increase 2.07% Management/Confidential, Health and Welfare
 - Step & Column, STRS/PERS, Budget Augmentations

❖ FY 2025-26

- Revenue
 - SCFF + COLA 2.93%, Growth .61%, Deficit 1.0341%
- Expenditure
 - Step & Column, STRS/PERS
 - Other increases (TBD – Budget Augmentations)



Fiscal Solvency – Budget Year + One(GFU Only)

Categories	FY 2024-25 Final Adopted Budget	FY 2025-26 Estimate Only	Variance
Revenue Limit	100,339,307	103,859,509	3,520,202
Other Revenue	<u>5,171,973</u>	<u>5,171,973</u>	<u>0</u>
Total Revenue	\$105,511,280	\$109,031,482	3,520,202
Academic Salaries	39,595,647	40,625,265	1,029,618
Classified Salaries	20,714,141	21,163,804	449,663
Benefits	24,353,122	24,898,666	545,544
Supplies	1,318,508	1,318,508	0
Services	9,709,771	9,852,771	143,000
Capital Outlay	1,581,529	1,581,529	0
Other Outgo	<u>5,088,950</u>	<u>5,088,950</u>	<u>0</u>
Total Expenditures	\$102,361,668	\$104,529,493	2,167,825
Surplus/(Deficit)	<u>\$3,149,612</u>	<u>\$4,501,989</u>	

**Leangela Miller-
Hernandez**
**Director, Budget
& Categorical
Accounting**

**Rainbow Park-
Moore**
**Chief
Accounting
Officer**

**Kinetha
Cochran**
**Executive
Assistant**

QUESTIONS / COMMENTS?

***FINAL ADOPTED BUDGET PRESENTED
FOR
BOARD APPROVAL***