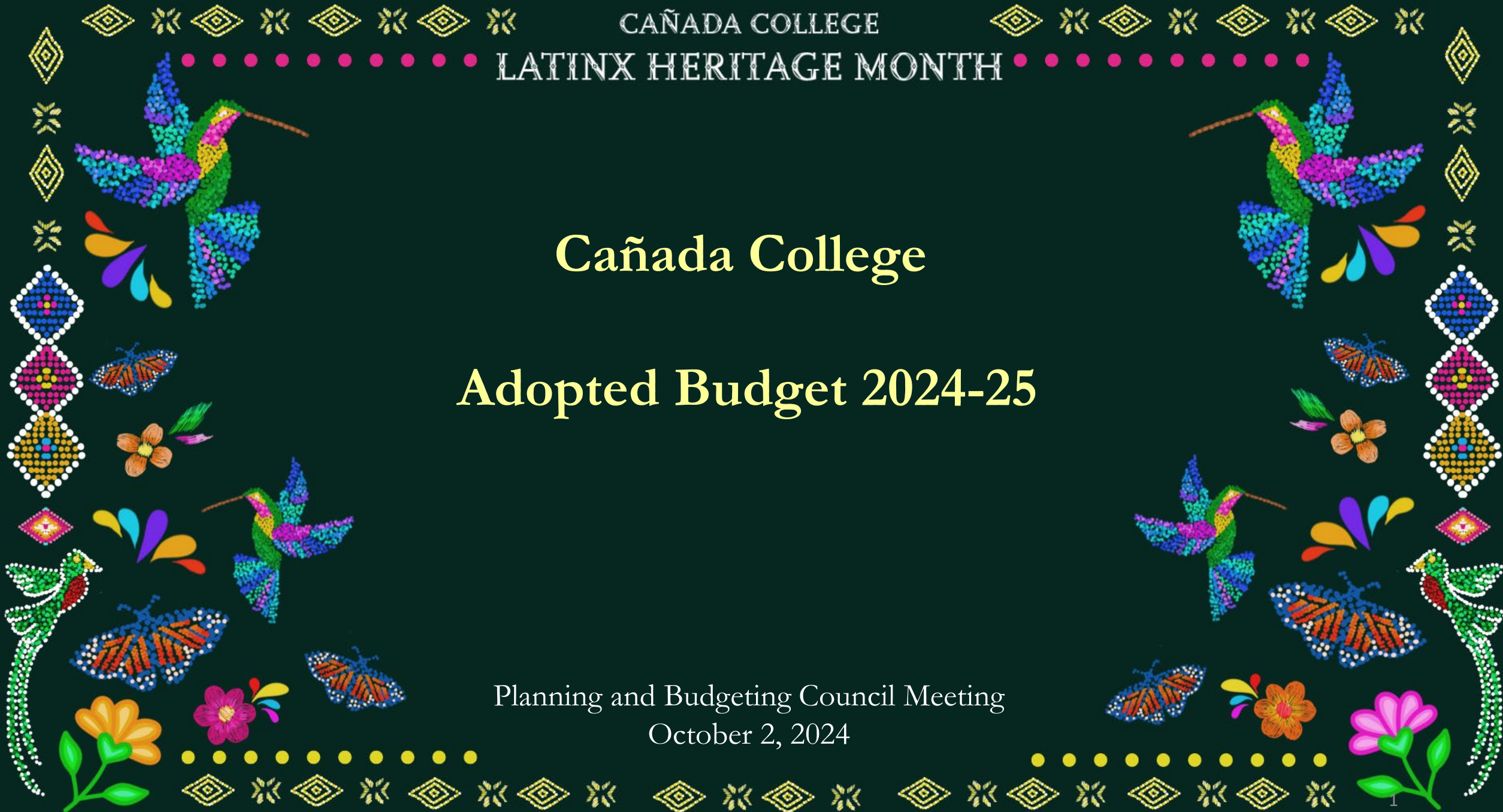


CAÑADA COLLEGE
LATINX HERITAGE MONTH

Cañada College

Adopted Budget 2024-25

Planning and Budgeting Council Meeting
October 2, 2024

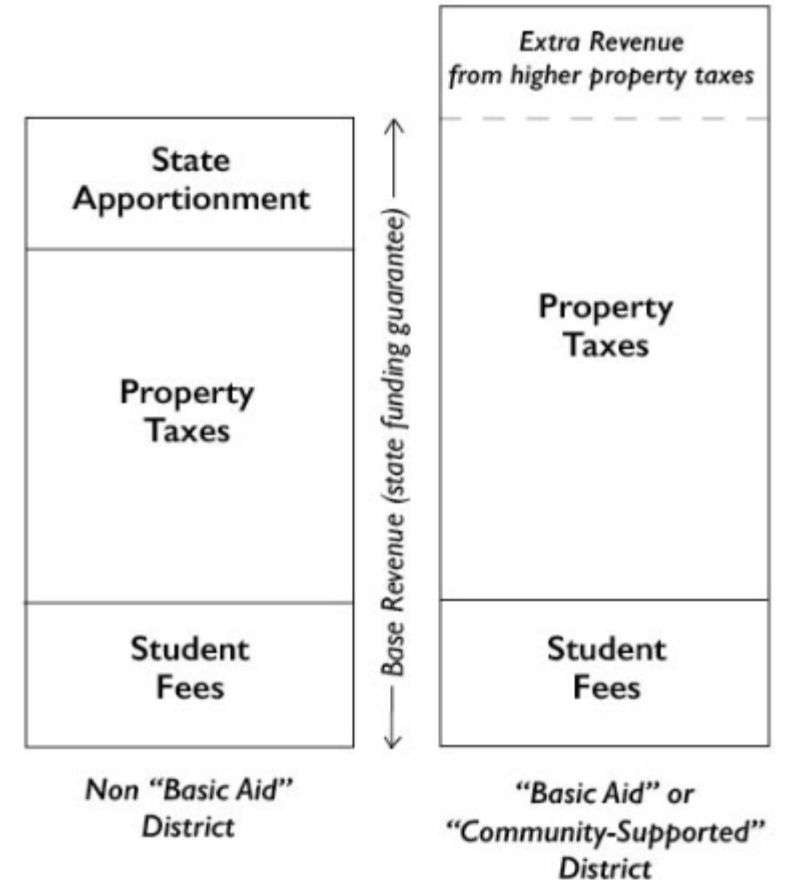


Agenda

- Basic Aid or Community-Supported District
- Budget Calendar and Process
- Resource Allocation
- Adopted Budget 2024-25
- Goals and Priorities
- Challenges and Opportunities

Basic Aid or “Community-Supported: District

- A district becomes basic aid or “community-supported” when its share of local property taxes plus student fees exceeds the state funding guarantee as determined by the formula.
- SMCCCD attained basic aid status in 2011.
- The District keeps the higher revenues as local property tax values accumulate above the state apportionment.
 - Higher salaries in comparison with other districts
 - Additional student support program
 - Innovative Projects
- Other basic aid community college districts: Marin, Mira Costa, South Orange, Napa Valley, San Luis Obispo County, and Sierra.



Budget Calendar

- On or before the 15th day of September of each year the governing board of each community college district shall prepare and keep on file for public inspection a statement of all receipts and expenditures of the district for the preceding fiscal year and a statement of the estimated total expenses for the district for the current fiscal year. *Title V 58300*

Important Dates:

- Jan. 10: Governor's Budget
- May 15: Revised Governor's Budget
- June 30: District Tentative Budget
- June 30: State Budget
- Sept 15: District Final Budget

Resource Allocation Model

- It is a financial plan for the operations of the District and its Colleges for the fiscal year in accordance with Board-adopted educational short- and long-term goals and objectives.
- The Chancellor has overall responsibility for the management of the District's budget.
- Each College shall operate within the allocations of the current budget. The President of each College is responsible for operating the College within the limitations placed by the budget.
- The Chief Financial Officer is responsible for proper accounting of all funds and accounts.

Board Policy: BP 8.11 District Budget

https://downloads.smccd.edu/file?s=/sites/downloads/BoT&du=/sites/downloads/BoT/PoliciesProcedures/8_11.pdf

Resource Allocation Model

- Simple and easy to understand
- Transparent and equitable across all sites/units
- Adaptable to changing fiscal conditions at all levels

Fiscal Year 2024-25 Adopted Resource Allocation (Appendix 1)

- Fiscal Year 2024-25 Adopted Budget Report/Supplemental Information, pages 82-83

- Link to the document:

<https://smccd.edu/financialservices/2024-25%20Adopted%20Budget%20Document.pdf>

Central Services Needs Increase \$16.6M

Central Services Needs

| Districtwide Allocations | 22-23 Adopted Budget | Increase/Decrease | 23-24 Adopted Budget | Increase/Decrease | 24-25 Adopted Budget | 22-23 to 24-25 Increase/Decrease |
|--|----------------------|-------------------|----------------------|-------------------|----------------------|----------------------------------|
| STRS On-Behalf | \$ 6,180,422 | \$ (1,104,390) | \$ 5,076,032 | \$ (10,436) | \$ 5,065,596 | \$ (1,114,826) |
| College-Generated Revenues | \$ 190,199 | \$ 86,952 | \$ 277,151 | \$ 33,406 | \$ 310,557 | \$ 120,358 |
| Strategic Initiatives (SB893) | \$ - | \$ 7,693,044 | \$ 7,693,044 | \$ 3,549,795 | \$ 11,242,839 | \$ 11,242,839 |
| Schedule Maintenance | | | | \$ 5,530,847 | \$ 5,530,847 | \$ 5,530,847 |
| Apprenticeship | \$ 638,661 | \$ (87,441) | \$ 551,220 | \$ 3,866 | \$ 555,086 | \$ (83,575) |
| Miscellaneous | \$ 2,069,379 | \$ 62,800 | \$ 2,132,179 | \$ 1,658,766 | \$ 3,790,945 | \$ 1,721,566 |
| Utilities | \$ 6,888,047 | \$ 957,432 | \$ 7,845,479 | \$ 1,220,581 | \$ 9,066,060 | \$ 2,178,013 |
| Insurance | \$ 3,047,780 | \$ 774,339 | \$ 3,822,119 | \$ 614,229 | \$ 4,436,348 | \$ 1,388,568 |
| Consultant / Legal / Election | \$ 1,285,000 | \$ (500,000) | \$ 785,000 | \$ 950,000 | \$ 1,735,000 | \$ 450,000 |
| Staff Development | \$ 803,838 | \$ (3,429) | \$ 800,409 | \$ 57,913 | \$ 858,322 | \$ 54,484 |
| PT Fac. Office Hours / PT Fac. Medical | \$ 3,450,000 | \$ 1,450,000 | \$ 4,900,000 | \$ 3,187,756 | \$ 8,087,756 | \$ 4,637,756 |
| Transfers Out | \$ 7,763,579 | \$ 478,530 | \$ 8,242,109 | \$ (130,546) | \$ 8,111,563 | \$ 347,984 |
| Estimated Total Expenditures | \$ 32,316,905 | \$ 9,807,838 | \$ 42,124,743 | \$ 16,666,176 | \$ 58,790,919 | \$ 26,474,014 |

Resource Allocation Model Historical Trends

Cañada's Resource Allocation Historical Trends

| Year | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 | 23-24 | 24-25 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Step 1: Prior Year | \$20,911,698 | \$23,557,862 | \$24,939,770 | \$27,676,351 | \$30,085,382 | \$31,474,043 | \$33,149,356 | \$33,684,615 | \$34,509,626 |
| Step 2: Central Services Anticipated Expense | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Step 3: Allocate Square Footage | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Step 4: International FTES | \$442,751 | \$130,238 | (\$74,420) | (\$48,952) | (\$152,911) | \$143,306 | (\$210,447) | \$135,210 | (\$512,047) |
| Step 5: 20% College Growth | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Step 6: COLA/CPI/Other | \$1,449,406 | \$1,284,377 | \$2,443,747 | \$991,448 | \$1,288,150 | \$2,289,415 | \$1,751,272 | \$2,451,082 | \$2,660,526 |
| Step 7: Remaining Funds | \$741,981 | \$277,769 | \$367,255 | \$1,466,535 | \$253,423 | (\$757,409) | (\$1,005,565) | (\$1,761,281) | (\$597,092) |
| Subtotal Allocation | \$23,545,836 | \$25,250,246 | \$27,676,352 | \$30,085,382 | \$31,474,043 | \$33,149,355 | \$33,684,616 | \$34,509,626 | \$36,061,013 |
| Prop 55 Allocation | \$315,527 | \$298,193 | \$270,275 | \$269,531 | \$263,020 | \$261,963 | \$243,420 | \$237,482 | \$258,303 |
| Step 8: Total Site Allocation | \$23,861,363 | \$25,548,439 | \$27,946,627 | \$30,354,913 | \$31,737,063 | \$33,411,318 | \$33,928,036 | \$34,747,108 | \$36,319,316 |
| | | 7% | 9% | 9% | 5% | 5% | 2% | 2% | 5% |
| Total Site Increase (Steps 2-7) | \$2,634,138 | \$1,692,384 | \$2,736,582 | \$2,409,031 | \$1,388,661 | \$1,675,312 | \$535,260 | \$825,011 | \$1,551,387 |
| Total COLA/CPI/Step Increase/etc. | \$1,449,406 | \$1,284,377 | \$2,443,747 | \$991,448 | \$1,288,150 | \$2,289,415 | \$1,751,272 | \$2,451,082 | \$2,660,526 |
| Difference | \$1,184,732 | \$408,007 | \$292,835 | \$1,417,583 | \$100,511 | (\$614,103) | (\$1,216,012) | (\$1,626,071) | (\$1,109,139) |

Projected Fund 1 Ending Balance (Appendix 2 and 3)

Cañada College Fund 1- Unrestricted General Fund 1

as 09/30/2024

| | 2022-23 Actual Revenue and Expenses* | 2023-24 Actual Revenue and Expenses* | 2024-25 Projected Revenue and Expenses* |
|--|---|---|--|
| Revenues | as of 06/30/2023 | as of 06/30/2024 | |
| Prior Year Ending Balance | \$ 5,582,742 | \$ 2,505,352 | \$ 1,477,059 |
| Site Allocation (District Resource Allocation Model) | \$ 33,928,035 | \$ 34,747,108 | \$ 36,319,316 |
| Other Revenue* | \$ 4,074,549 | \$ 5,128,805 | \$ 3,400,000 |
| Total Revenues | \$ 43,585,326 | \$ 42,381,265 | \$ 41,196,375 |
| Expenses | | | |
| Administrator | \$ 3,622,150 | \$ 4,008,157 | \$ 3,986,650 |
| Classified | \$ 11,153,989 | \$ 11,080,820 | \$ 11,866,624 |
| Faculty | \$ 19,506,915 | \$ 20,899,327 | \$ 21,939,337 |
| Operational Expenses | \$ 1,380,250 | \$ 1,727,063 | \$ 1,314,940 |
| Total Expenses | \$ 35,663,304 | \$ 37,715,367 | \$ 39,107,552 |
| Subtotal (Revenues-Expenses) | \$ 7,922,022 | \$ 4,665,898 | \$ 2,088,823 |
| Encumbrances/Projected Savings | \$ (4,461) | \$ - | \$ (600,000) |
| Subtotal (Revenue-Expenses-Encumbrances) | \$ 7,917,561 | \$ 4,665,898 | \$ 2,688,823 |
| Transfers Out of Fund 1 | | | |
| Fund 1-Free College Initiative | | | |
| Fund 2-Insurance | \$ (37,190) | \$ (37,190) | \$ (40,000) |
| Fund 3-Promise | \$ (607,982) | \$ (841,646) | \$ (850,000) |
| Fund 3-Health Services/PCC | \$ (192,939) | \$ (227,974) | \$ (220,000) |
| Fund 3-Middle College | \$ (135,886) | \$ (142,167) | \$ (155,000) |
| Fund 3-Food Insecurities | \$ (222,428) | \$ - | |
| Fund 3-Financial Aid | | \$ (889,124) | \$ (957,156) |
| Fund 4-College Contingency | \$ - | \$ - | |
| Fund 4-Equipment Funds | \$ - | \$ - | |
| Fund 4-Small Projects | \$ - | | |
| Fund 4-Capital Improvement Projects | \$ (4,215,784) | \$ (1,050,737) | \$ - |
| Fund 4-Ergonomics | \$ - | \$ - | |
| Subtotal Transfers Out of Fund 1 | \$ (5,412,209) | \$ (3,188,839) | \$ (2,222,156) |
| Fund 1 Ending Balance | \$ 2,505,352 | \$ 1,477,059 | \$ 466,667 |

Fund 1 Ending Balance

| | Actual 21-22 | Actual 22-23 | Actual 23-24 | Projected 24-25 |
|--|---------------------|---------------------|---------------------|--------------------|
| Fund Number and Description | | | | |
| 10003 - Current Unrestricted-Canada | \$ - | \$ 0 | \$ (20,928) | \$ (8,698) |
| 10493 - Site Facility Set-Ups Canada | \$ 76,139 | \$ 55,047 | \$ 28,481 | \$ - |
| 11002 - Educ Protection Acct Prop 30/55 | \$ - | \$ - | \$ - | \$ - |
| 11003 - Full-Time Faculty Hiring | \$ - | \$ - | \$ - | \$ - |
| 14003 - Faculty Professional Dev - CAN | \$ 48,730 | \$ 102,438 | \$ 78,901 | \$ 65,000 |
| 15301 - Mgmt Development - Canada | \$ 35,307 | \$ 35,810 | \$ 43,208 | \$ 20,000 |
| 15302 - Classif Development - Canada | \$ 97,011 | \$ 117,433 | \$ 129,672 | \$ 65,000 |
| 16001 - Trustees Designated Projects | \$ 85,255 | \$ 96,256 | \$ 86,595 | \$ 30,000 |
| 16427 - Free College Initiative - PSP | \$ 674,711 | \$ 655,197 | \$ 336,982 | \$ - |
| 16428 - Free College Initiative - Dual Enr | \$ 520,128 | \$ 334,882 | \$ 24,172 | \$ - |
| 16429 - Free College Initiative - OER ZTC | \$ 320,355 | \$ 231,577 | \$ 220,589 | \$ 190,699 |
| 17003 - Summer School - Canada | \$ - | \$ - | \$ - | \$ - |
| 18002 - One-Time General Purpose Funding | \$ 2,865,056 | \$ 762,949 | \$ 189,389 | \$ - |
| 18035 - Emergency Preparedness | \$ 385,319 | \$ 100,000 | \$ 98,020 | \$ 98,020 |
| 18048 - Verizon Wireless | \$ 83,380 | \$ - | \$ 8,542 | \$ - |
| 18059 - District Special Needs | \$ 19,034 | \$ 2,189 | \$ - | \$ - |
| 18301 - Proctoring Service - CAN | | \$ 2,036 | \$ 4,403 | \$ 4,403 |
| 18306 - Natural Res Conserv Serv (NRCS) | \$ 2,244 | \$ 2,244 | \$ 2,244 | \$ 2,244 |
| 18309 - CAN PE Game Activities | | \$ 109 | \$ 109 | \$ - |
| 18313 - CAN Facilities Rental Fund | \$ 271,264 | \$ - | \$ 230,051 | \$ - |
| 18503 - Indirect Cost Allocation - Cañada | \$ 98,809 | \$ 7,184 | \$ 16,628 | \$ - |
| Grand Total | \$ 5,582,742 | \$ 2,505,352 | \$ 1,477,059 | \$ 466,667 |

Projected Fund 1 Ending Balance (Appendix 4)

Funds: 10003, 11002, 11003, and 17003

Cañada College Multiyear Projections

Funds 10003, 11002, 11003 and 17003

| | 24-25 as of 12/04/2023 | 24-25 as of 09/30/2024 | 25-26 as of 09/30/2024 | 26-27 as of 09/30/2024 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| Revenue | | | | |
| Site Allocation | \$ 35,635,292 | \$ 36,319,316 | \$ 35,853,008 | \$ 35,486,799 |
| Other Revenue* | \$ 3,500,000 | \$ 3,500,000 | \$ 3,500,000 | \$ 3,500,000 |
| Total Revenue | \$ 39,135,292 | \$ 39,819,316 | \$ 39,353,008 | \$ 38,986,799 |
| Expenses | | | | |
| Administrator | \$ 4,281,487 | \$ 3,986,650 | \$ 4,265,715 | \$ 4,564,315 |
| Classified | \$ 11,287,556 | \$ 11,824,481 | \$ 12,652,194 | \$ 13,537,848 |
| Faculty | \$ 21,407,434 | \$ 21,344,435 | \$ 22,838,546 | \$ 24,437,244 |
| Operational Expenses | \$ 1,946,130 | \$ 1,050,292 | \$ 1,123,813 | \$ 1,202,480 |
| Total Projected Expenses | \$ 38,922,608 | \$ 38,205,858 | \$ 40,880,268 | \$ 43,741,887 |
| Encumbrances/Projected Savings | \$ (1,200,000) | \$ (600,000) | \$ (600,000) | \$ (600,000) |
| Child Development Laboratory Commitment | | | \$ 200,000 | \$ 200,000 |
| Subtotal (Revenue-Expenses-Encumbrances /Savings) | \$ 40,122,608 | \$ 37,605,858 | \$ 40,480,268 | \$ 43,341,887 |
| Transfers Out of Fund 1 | | | | |
| Fund 2-Insurance | \$ (30,000) | \$ (40,000) | \$ (40,000) | |
| Fund 3-Promise | \$ (697,576) | \$ (850,000) | \$ (909,500) | |
| Fund 3-Health Services/PCC | \$ (214,453) | \$ (220,000) | \$ (235,400) | |
| Fund 3-Middle College | \$ (151,629) | \$ (155,000) | \$ (165,850) | |
| Fund 3-Financial Aid | | \$ (957,156) | \$ (1,024,157) | |
| Subtotal | \$ (1,093,658) | \$ (2,222,156) | \$ (2,374,907) | \$ - |
| Total Projected Expenses | \$ 39,028,950 | \$ 39,828,014 | \$ 42,855,175 | \$ 43,341,887 |
| Projected Ending Balance | \$ 106,342 | \$ (8,698) | \$ (3,502,167) | \$ (4,355,088) |

*Office Hours, COLA Allocation from DO, etc.

** Projected 7% increases for 2425, 2526 & 2627

Goals and Priorities

Goals:

- Effectiveness (leveraging existing resources)
- Focused Growth (building on what works)
- Supportive Energy (creating room for ideas and innovation)

Priorities:

- Transparency in process
- Resource optimization
- Efficiency and effectiveness

Challenges and Opportunities

Challenges:

- State projected deficits, potential reduction in categorical programs funding
- No longer using the Total Compensation Formula, change made in 2022-23
- Free College Initiative Cost Increases as enrollment increases, Board initiative
- Free College Initiative One-Time Funds fully expended by the end of 2024-25, Board initiative
- Limited funds to support scheduled maintenance needs and CIP projects

Opportunities:

- Align all expenses with revenue

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Thank you

