Joint Colleges Budget Presentation
2024-25 Adopted Budget
September 11, 2024

As Presented to the
Board of Trustees
at the
2024-25 Adopted Budget
Special Study Session
August 29, 2024

Presented By:
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Themes

- State revenues have significantly declined, resulting in the exhaustion of safety nets including the State's K-14 Rainy Day Fund and several one-time solutions including the sweeping of unspent funds, Proposition 98 manipulations, and SCFF deferrals, to meet ongoing baseline obligations of COLA and growth in 2024-25.

- State funding of baseline obligations in future years is uncertain.
- In addition, there is potential for current year funding shortfalls.

Themes

- It is expected that District ongoing unrestricted expenditures will exceed ongoing unrestricted revenues in 2024-25.

- Deficit spending is expected based on current staffing and staffing cost structure, including health benefits and the treatment of COLA.

- Some restricted and auxiliary operations may require contributions from the Unrestricted General Fund to preserve services.

Themes

- The Fiscal Stability Plan is critical to reducing deficit spending considering:
  - one-time solutions have an impact only on a single year and
  - ongoing solutions are necessary to have an ongoing impact.

Discussion Topics

- Prior Years' Budget Recap
- 2024-25 State Budget
- District 2024-25 Adopted Budget
- Fiscal Stability Plan
- Education Protection Act
- Conclusion
- Appendices

PRIOR YEARS' BUDGET RECAP

Recent Budget Performance Recap 2017-18 through 2019-20

Coast Colleges

- The District deficit spent in each of the three years prior to 2020-21.

Unrestricted General Fund Summary: 2017-18 through 2019-20			
	2017-2018	**2018-2019**	**2019-2020**
Total Revenue	$261,234,981	$276,478,903	$290,685,455
Total Expenditures	$263,609,506	$277,485,736	$298,402,515
Excess/Deficiency of revenues over expenditures	($2,374,525)	($1,006,833)	($7,717,060)
Other Financing Sources (Uses)	($2,169,183)	($213,006)	($1,043,138)
Excess/Deficiency of revenues over expenditures and other sources (uses)	**($4,543,708)**	**($1,219,839)**	**($8,760,198)**
Beginning Fund Balance	$40,892,865	$36,349,157	$35,129,318
Ending Fund Balance	$36,349,157	$35,129,318	$26,369,120

Recent Budget Performance Recap 2020-21 through 2022-23

Coast Colleges

- Starting in 2020-21, due to the COVID-19 pandemic, nationwide economic forecasts projected severe downturns and all public education agencies anticipated losses in both revenues and students.
- In response, the District implemented a SRP (supplemental retirement plan) to reduce positions to address:
  - Significant enrollment declines starting in 2017-18
  - Expected loss of revenues starting in 2020-21
- The District also implemented a hiring freeze, allowing only critical positions to be filled.
- Despite these actions, the District still anticipated continued deficit spending in 2020-21 and beyond.

Recent Budget Performance Recap 2020-21 through 2022-23

- The District experienced unexpected improvements to its ending fund balances from 2020-21 through 2022-23.

- The overall economy performed much better than expected, preserving federal and state resources that allowed them to provide districts with unexpected aid and support.

- **Federal HEERF aid** allowed the District to backfill losses in revenues and to enhance and supplement critical services during the pandemic, with an unexpected improvement to its ending fund balances from 2020-21 through 2022-23.

Recent Budget Performance Recap 2020-21 through 2022-23

Coast Colleges

- **State aid and actions** provided the District with greater than expected revenues. These included:
  - The Emergency Conditions Allowance which allowed the use of 2019-20 FTES in lieu of much declined 2020-21 through 2022-23 FTES generated $4.9M
  - One-time Block Grants provided $17.4M
  - Augmented SCFF rates above the COLA in 2022-23 generated $4.6M

- The District also experienced much greater salaries and benefits savings than anticipated. This was due, in part, to expanded vacancy periods related to considerations of reorganization and seeking waivers of the hiring freeze.

Recent Budget Performance Recap 2020-21 through 2022-23

Coast Colleges

As a result of the one-time increases in revenues, combined with the greater than expected salaries and benefits savings, the District was able to eliminate the projected deficit spending and experience an increase in reserves in 2020-21 through 2022-23.

Unrestricted General Fund Summary: 2020-21 through 2022-23			
	2020-2021	**2021-2022**	**2022-2023**
Total Revenue	$298,283,295	$308,694,491	$351,994,942
Total Expenditures	$276,745,088	$291,007,099	$334,811,213
Excess/Deficiency of revenues over expenditures	$21,538,207	$17,687,392	$17,183,729
Other Financing Sources (Uses)	($12,282,159)	($8,398,561)	($2,760,278)
Excess/Deficiency of revenues over expenditures and other sources (uses)	$9,256,048	$9,288,831	$14,423,451
Beginning Fund Balance	$26,369,120	$35,625,168	$44,913,999
Ending Fund Balance	$35,625,168	$44,913,999	$59,337,450

Recent Budget Performance Recap 2023-24

Coast Colleges

- In its 2023-24 Adopted Budget, without the one-time budget enhancements provided over the prior three years, the District projected deficit spending of $3.9 million and expected that deficit spending would continue in the subsequent years.

- In Spring 2024, to eliminate this trend of deficit spending, the District implemented a Fiscal Stability Plan (FSP) with a goal of aligning on-going expenditures with on-going resources.
    - The FSP is a multi-year plan with incremental implementation comprised of college and District Office actions.

Recent Budget Performance Recap 2023-24

Coast Colleges

- The FSP Phase I resulted in a net increase to 2023-24 reserves of $5.69M
  - Increase in revenues of $1.26M
    - Ongoing and reflected in 2024-25 and MYP
  - Decrease in expenditures of $4.43M
    - $3.3M ongoing and reflected in 2024-25 and MYP
  - Elimination of projected deficit spending of $3.88M.

Recent Budget Performance Recap 2023-24

- Salary savings were the greatest portion of the total savings in the FSP Phase I.
- Positions that were determined would not be filled were not budgeted.
  - OCC ongoing salary savings from vacant positions closed in 2023/24 of $2.2M.
  - GWC closed positions through attrition for a savings of $450K.
  - CCC ongoing salary reduction of $650K, and onetime salary savings of $130K.

Recent Budget Performance Recap 2023-24

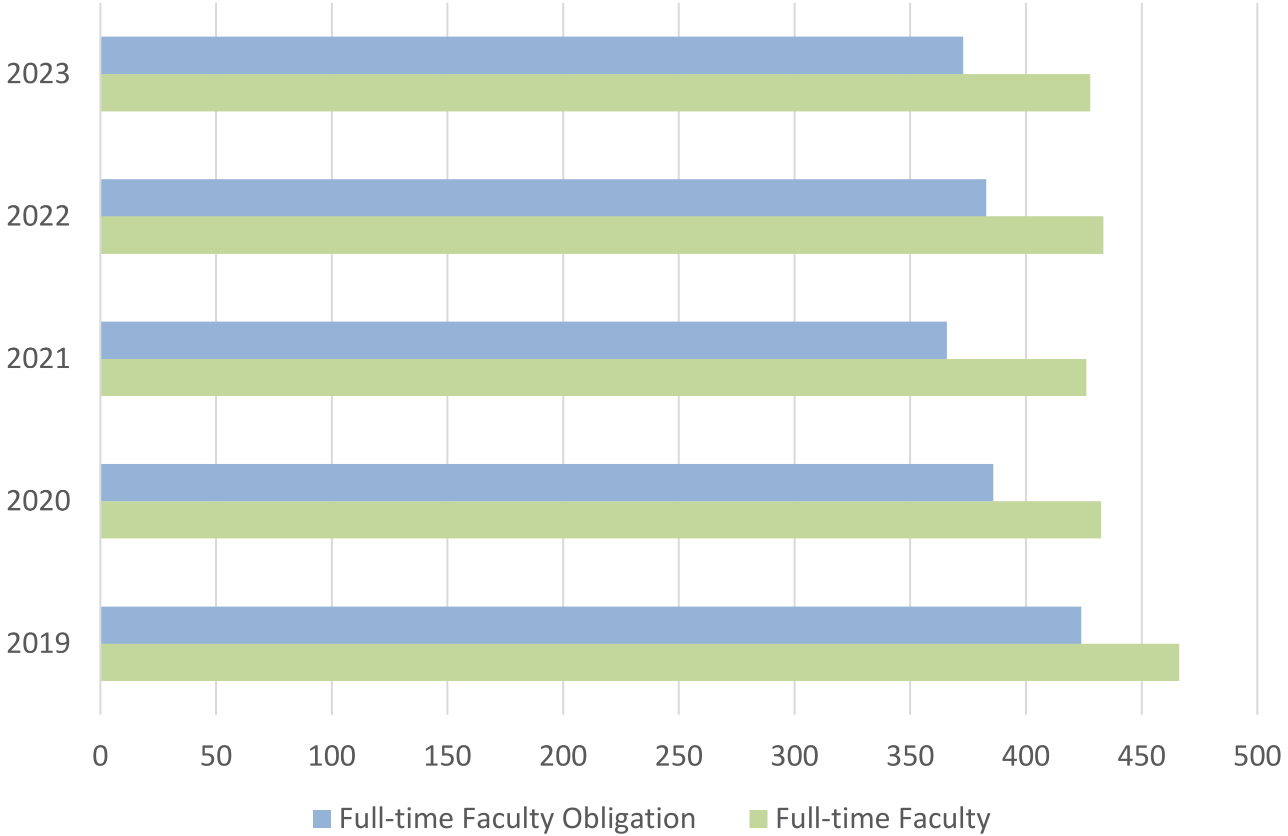
- The following changes also occurred from the 2023-24 Adopted Budget to the Unaudited Actuals
- Increases in revenues include
  - $4.6M increased interest earned from higher than anticipated restricted programs cash balances (which will gradually decrease in the coming years)
  - $1M increased lottery
  - $2.4M increased college dedicated revenue
  - $400K from increased non-resident tuition rates
  - $7.2M for a technical adjustment of the STRS On-behalf payment that is offset by an equal adjustment in expenditures.
- Increases in expenditures include
  - $2.0M transfer to the District Office for an unanticipated HVAC replacement project.

Reduction in Positions

Coast Colleges

- The District has reduced salaries expenditures with the goal of aligning the number of positions for all employee groups with the enrollment decline.
  - The District has been well above the FON for the past several years
- This reduction has been achieved through attrition related to the SRP eff. 7/1/2020 and the hiring freeze.
- A total of 170 positions have been eliminated since 2019-20.
  - Categorical programs required a slight increase in both classified professionals and administrators/management in 2023-24 due to program staffing requirements.

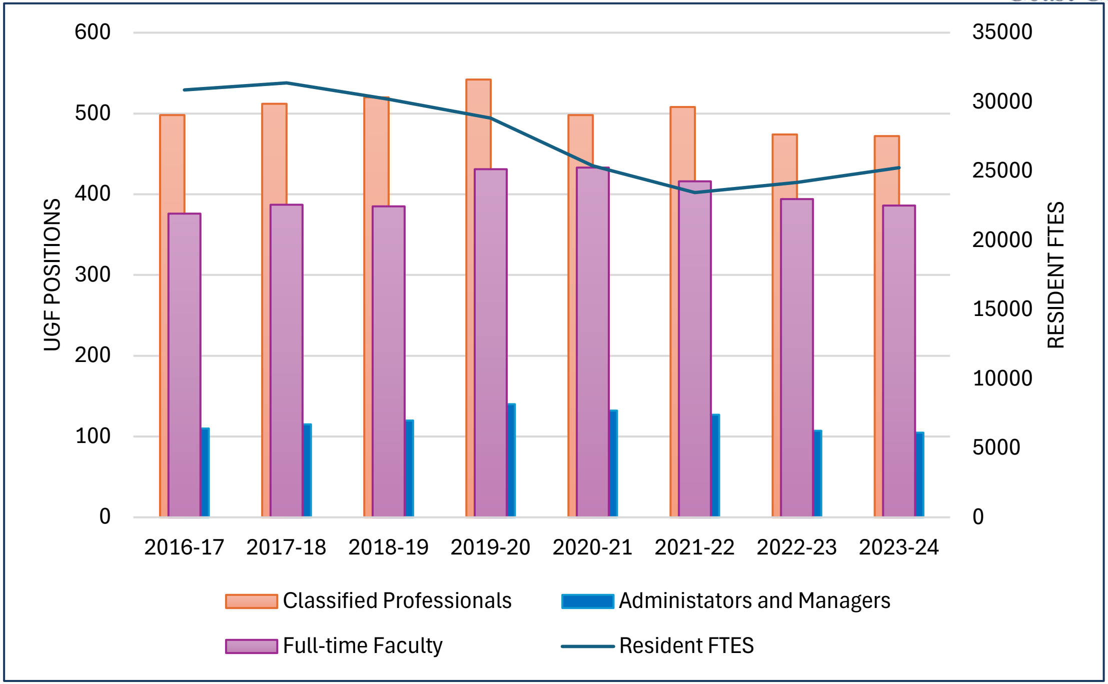
Faculty Obligation Number compared to Full-time Faculty
Five-year Trend



Reduction in Positions Reorganizations

- Reorganizations have been critical in ensuring the efficient provision of services even with reductions in positions.
- There have been 51 reorganizations District-wide in 2022-23 and 2023-24.
  - *Example: OCC Student Equity, Support Services, and Outreach was reorganized to eliminate the vacant Manager of Student Equity position to support the reclassification of a manager to the newly created position of Associate Dean of Equity and Special Programs. This allowed the program to provide an expanded list of special programs serving students while saving about $205,000.*

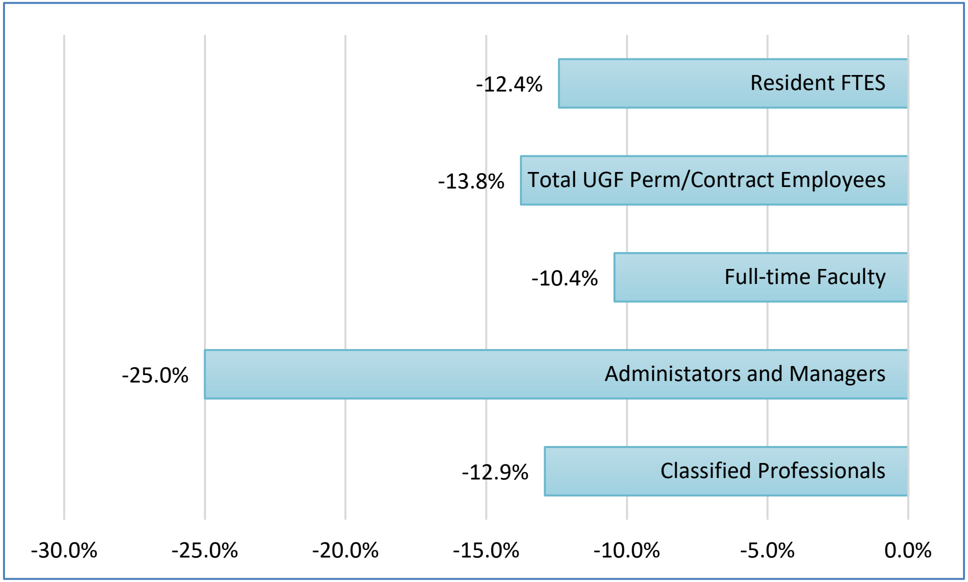
8-year History of Resident FTES and UGF Positions



The District's enrollment decline began in 2017-18. However, the number of positions increased through 2019-20 and didn't begin to decrease until 2020-21.

Please note: Confidential positions ranged between 8 and 13 positions – too small a data set to include in the graph.

Decline in Resident FTES Compared to UGF Permanent/Contract Employees 2020-21 through 2023-24



The decline in UGF-supported permanent and contract employees largely kept track with the decline in resident FTES from 2020-21 through 2023-24 with the exception of administrators and managers which experienced a decline of twice that of resident FTES.

Please note: Confidential positions ranged between 8 and 13 positions – too small a data set to include in the graph.

Permanent and Contract Employee Count

Classified Professionals		2019-20	2020-21	2021-22	2022-23	2023-24	5- Year % Change
District Totals	Unrestricted GF	542	498	508	474	472	-12.92%
	Categorical	184	166	163	140	148	-21.20%
	Combination	35	25	29	55	52	48.57%
	District-Wide Total	761	689	700	669	672	**-12.9%**

Confidential		2019-20	2020-21	2021-22	2022-23	2023-24	
District Totals	Unrestricted GF	13	11	9	8	8	**-38.46%**

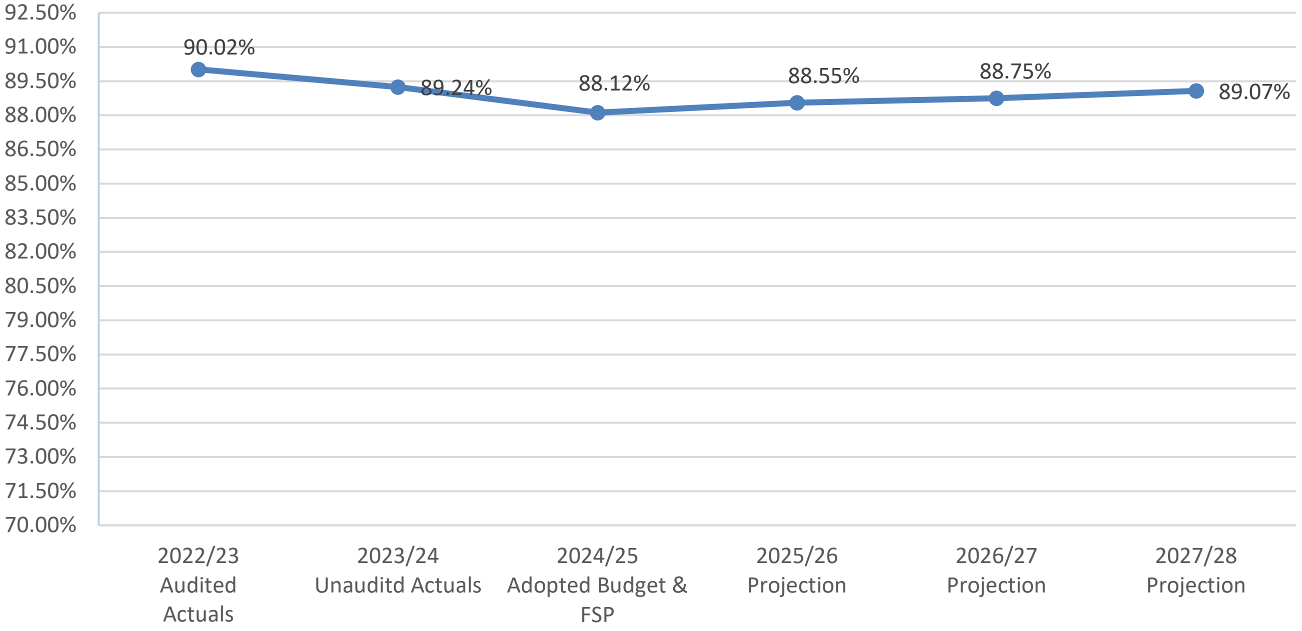
Administrators and Managers		2019-20	2020-21	2021-22	2022-23	2023-24	
District Totals	Unrestricted GF	140	132	127	107	105	-12.9%
	Categorical	35	38	30	24	28	-31.4%
	Combination	8	7	6	10	13	37.5%
	District-Wide Total	183	177	163	141	146	**-17.5%**

Full-Time Faculty		2019-20	2020-21	2021-22	2022-23	2023-24	
District Totals	Unrestricted GF	431	433	416	394	386	-10.4%
	Categorical	17	17	15	7	7	-58.82%
	Combination	22	27	13	39	38	72.73%
	District-Wide Total	470	477	444	440	431	**-8.30%**
Decline in Resident FTES from 2019-20 through 2023-24							**14%**

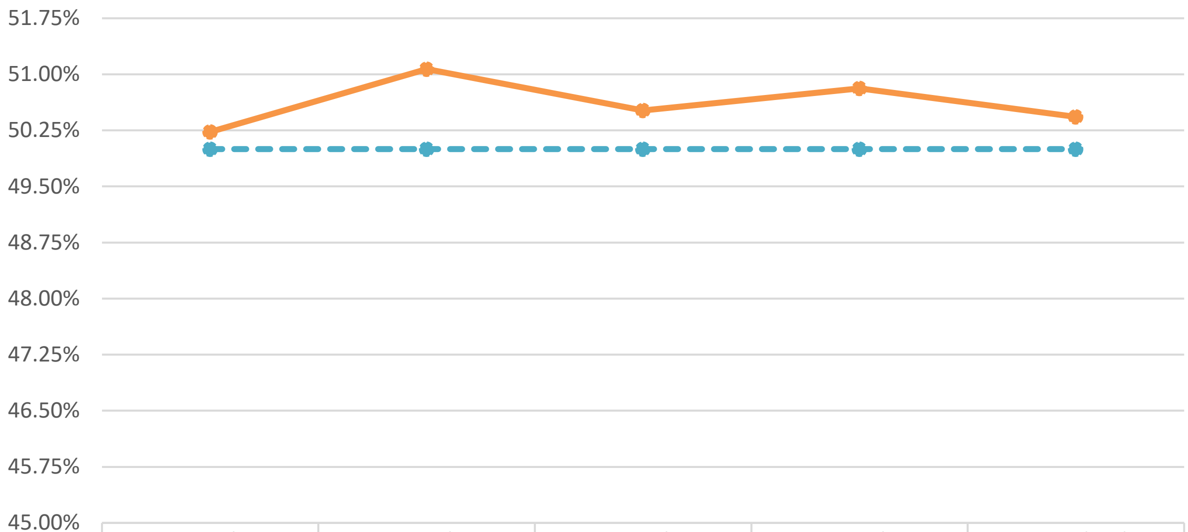
Source: Argos Report: Employee Count by E-Class and Fund Type as of 7/26/2024

Salaries and Benefits as a Percentage of Total Unrestricted General Fund Expenditures

Coast Colleges



50% Law Comparison



	Actuals 2019-20	Actuals 2020-21	Actuals 2021-22	Actuals 2022-23	Unaudited 2023-24
50% Law Requirement	50.00%	50.00%	50.00%	50.00%	50.00%
50% Law Calculation	50.23%	51.07%	50.52%	50.81%	50.43%

50% Law Requirement   50% Law Calculation

Recent Budget Performance Recap 2023-24

Coast Colleges

Changes from the 2023-24 Adopted Budget to the Unaudited Actuals

TOTAL UNRESTRICTED GENERAL FUND	2023-2024 Adopted	2023-2024 Unaudited (as of 8/6/24 P2)
Beginning Balance (District & Colleges)	59,337,450	59,337,450
Prior Year Fund Balance Adjustment	-	-
Adjusted Beginning Balance	59,337,450	59,337,450
Total Revenue	270,515,290	286,237,835
Revenue & Beginning Balance	329,852,740	345,575,285
Total Expected Level of Spending	274,516,367	277,449,080
Estimated Ending Fund Balance	55,336,373	68,126,205
Estimated Ending Fund Balance %	20.16%	24.55%

2024-25 STATE BUDGET

Governor's January Proposal of the 2024-25 Budget

- Declines in state revenues beginning in 2022-23 resulted in greatly diminished resources
  - Due to delays in income tax filing deadlines, the amount of the decline was unknown until November 2023, well after the end of the fiscal year
- The 2024-25 January Proposal reflected only a "baseline" continuation of funding with limited COLA and growth, with no proposed new programs and minimum program expansion

  - Nursing was the exception with $60 million in one-time funds (source of funds was not specified)
- COLA of 0.76%
- Growth of 0.50%

Governor's January Proposal of the 2024-25 Budget

Coast Colleges

- State Budget Deficit of $38B
  - LAO believed to be $73B, questioning revenue projections and proposed Prop 98 shifts of obligations to future years.
- Solution was a combination of spending reserves, shifts, delays, deferrals, borrowings, and sweeping unused funds
- Included $5.7B (60% of the total) to be withdrawn from the K-14 Rainy Day Fund
  - Of this amount, the following would be withdrawn for community colleges to fund ongoing SCFF obligations:
    - $235.9M for 2023-24 to meet current year obligations – State revenue deficits may still occur
    - $486.2M for 2024-25
- 2024-25 K-14 Rainy Day Fund Balance after withdrawals would be $3.8B

Early Action Plan, April 2024

Coast Colleges

- In an extremely rare mid-year action, in April 2024, the Early Action Plan was enacted with budget solutions totaling $17.3 billion
- Implemented many of the proposed funding shifts, delays, deferral, and reduction
- Increased some revenues and borrowing
- Authorized the Administration to sweep one-time funds from prior year

2024-25 May Revision

Coast Colleges

- State revenues continued to decline
- Continued focus on only baseline adjustments for "core" programs
  - Sweeping funds that may have already been appropriated from programs that are not "core" or have excess funds
- COLA increases from 0.76% to 1.07%
- State Deficit increased from $38B to $45B
  - LAO believed to increase from $73B to $78B
- Similar solutions as in January but with complete depletion of the $9.5B in the K-14 Rainy Day Fund
- 7.95% reduction across all state agencies
  - Expected to be able to absorb through vacant position elimination with no layoffs

2024-25 Enacted State Budget

- Introduced a new two-year budget approach that maintains focus on core programs
- State Budget Deficits
  - $45 billion in 2024-25
  - $28.4 billion in 2025-26
  - LAO projects $78 billion in 2024-25
- The Early Action Plan in April 2024 provided $17 billion in solutions
- Plans to restore the exhausted Rainy Day Fund starting with a deposit of $1.1B after 2024-25

2024-25 Enacted State Budget

Coast Colleges

- Defers cash payments of SCFF.
  - $446.4M is deferred from 2023-24 to 2024-25 (with no net effect on cash)
  - $243.7M is deferred from 2024-25 to 2025-26
    - the District has sufficient cash to absorb the deferral with no financing
- Shifts $8.8B in 2022-23 Prop 98 “overpayments” to future years
- Suspends Prop 98 in 2023-24
  - Shifts $8B in “maintenance factor” to future years

2024-25 Enacted State Budget

Coast Colleges

Budget reductions for programs that affect community college districts

- Learning Aligned Employment Program - Reduced $485 million unspent balance
- Golden State Teacher Grant Program - Reduced $60.2 million one-time funds leaving $50 million one-time balance
- Middle Class Scholarship Program - Reduced $510 million ongoing support leaving $100 million ongoing
- California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program - Eliminated 2025-26 expansion of $550 million that would have supported the California Preschool, Transitional Kindergarten, and Full-Day

2024-25 Enacted State Budget

Coast Colleges

Does not adopt all one-time funding proposals and add some reallocation of unspent funds

- Reallocates:
  - $18.8M in unspent 2020 Strong Workforce funds
  - $21.3M in unspent 2022 Student Success and Completion Grants
- Shifts $65M from Strong Workforce to Expanded Nursing and Pathways for low-income Workers Demonstration Project
- Does not fund augmentation for Common Cloud Data Platform Demonstration Project
- Adds $20M for Financial Aid Assistance for FAFSA delays

2024-25 Governor's January Proposal to Enacted State Budget

Description	January Proposal	May Revise	Enacted State Budget
Funded COLA (SCFF and Selected Categorical Programs)	0.76%	1.07%	1.07%
Funded Growth	0.5%	0.5%	0.5%
Budget Deficit	$38B	$45B	$45B
Proposition 98 Guarantee	$109.05B	$109.13B	$115B*
Expanded Nursing (one-time funding carved from Strong Workforce)	$60M	$60M	$60M
Expand e-Transcript California (one-time funding)	--	$12M	$12M

**Increase includes repayment of $4 billion of the $8 billion suspended in 2023-24*

2024-25 Governor's January Proposal to Enacted State Budget

Description	January Proposal	May Revise	Enacted State Budget
Common Cloud Data Platform Demonstration Program (one-time funding)	--	$12M	--
Mapping Pathways for Credit for Prior Learning (one-time funding)	--	$6M	$6M
Pathways for Low Income Workers Demonstration Projection (one-time funding carved from Strong Workforce)	--	$5M	$5M
Strong Workforce (General Allocation)	No Change	No Change	($65M)
Financial Aid Assistance for FAFSA Delays	--	--	$20M

State SCCF Revenue Deficits

Coast Colleges

- State SCCF revenue deficits occur when the statewide budget appropriation is insufficient to fully pay all districts their SCFF allocations. This generally occurs when local property taxes and/or Education Protection Account (EPA) revenues fall short of State projections, increasing the need for State funding
- Unanticipated shortfalls in state EPA revenues could have resulted in significant reductions to SCFF revenues:
    - In 2022-23, a 10.827% revenue deficit would have resulted in a loss of over $24 million
    - However, it was resolved by the reallocation of other unspent state funds in the 2023-24 State Enacted Budget

SCCF Revenue Deficits

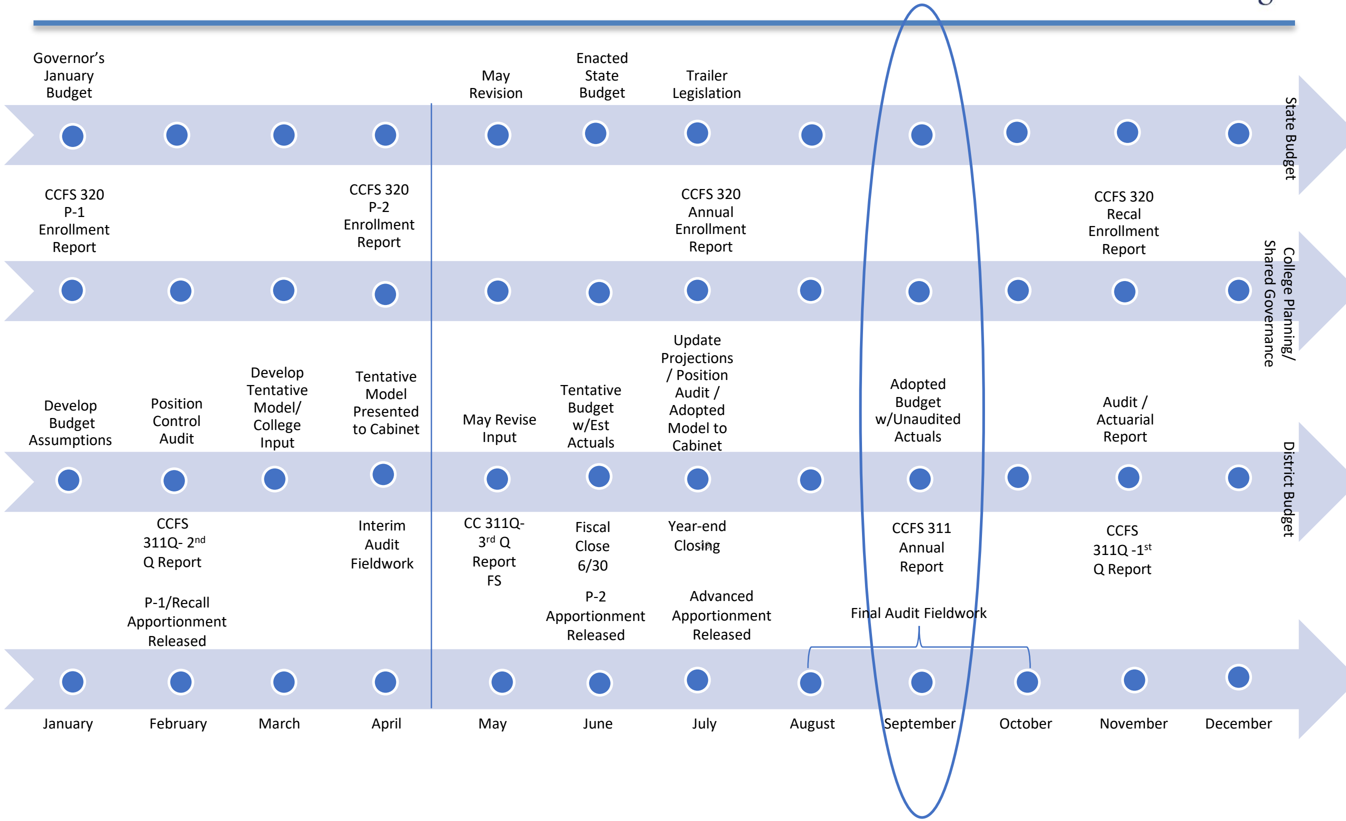
Coast Colleges

- For 2023-24, a 3.5512% revenue deficit would have resulted in a loss of over $7.4 million
- However, it is believed to be resolved by the reallocation of other unspent state funds in the 2024-25 State Enacted Budget but potential remains for some remaining revenue deficit.
- ***Recent (8/21/24) info from CCCCO indicates revenue deficit will grow to 7% but still anticipates it will be resolved.***
- District is budgeting 1% for the revenue deficit (District typically budgets 0.5%)

- Because available unspent funds have already been swept and reallocated, it is unknown what capacity the 2024-25 State Enacted Budget would have to resolve any similar shortfalls.

DISTRICT 2024-25 ADOPTED BUDGET

Budget Development Cycle



2024-25 Budget Assumptions

	July 2023 Enacted Budget	January 2024	May 2024	July 2024 Enacted Budget
Salary Increases				
Statutory COLA	8.22%	0.76%	1.07%	1.07%
(COLA is NOT Proposed for all Categorical Programs)				
Step/Column	✓	✓	✓	✓
Health & Welfare Composite Rate	$20,360	$22,300	$22,300	$21,400
Payroll Taxes	CalSTRS – 3.2%	CalSTRS – 3.2%	CalSTRS – 3.2%	CalSTRS – 3.2%
	CalPERS – 9.4%	CalPERS – 9.4%	CalPERS – 9.4%	CalPERS – 9.4%
Pension				
CalSTRS Employer Contribution	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Contribution	26.68%	26.68%	27.80%	27.05%
Vacancies				
Assumed filled/budgeted	✓	✓	✓	✓
Hiring Freeze (thru June 30, 2024)	✓	✓	✓	✓

2024-25 Budget Assumptions cont.

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California CPI (applied to non-labor cost)	3.55%	2.83%	2.83%	3.23%
Budget Formula				
Total Computational Revenue @ SCFF FY 24-25 Funding (HH - Hold Harmless)	Prior Year SCFF before HH + COLA	Prior Year SCFF before HH + COLA	HH + COLA	HH + COLA
Supplemental & Success (3-Year Average)	✓	✓	✓	✓
SCFF Deficit Factor	0.50%	0.50%	0.50%	0.50%
(FY 23-24 P1 Projected @ 3.5512%)				
New Funding Floor Based on FY 24-25, Effective FY 25-26	✓	✓	✓	✓
Enrollment				
Reported FTES	24,073.45 (@ P2)	24,894.39 (@ P1)	25,320.83 (@ P2)	25,258.08 (@ P2)
Funded FTES (3-Year Average)	27,181	26,213	26,362	26,362
Funded Growth (FY 23-24 State @ 0.5%)	Local 0%	Local 0%	Local 0%	Local 0%
Budget Basis	27,181 (3-Year Rolling Average)	26,213.09 (3-Year Rolling Average)	26,361.81 (3-Year Rolling Average)	26,728.27 (3-Year Rolling Average)
Non-Resident Tuition	$412	$439	$439	$439
($388 + $51 Capital Outlay)				
Lottery	$177	$177	$177	$191
Compliance				

HH = Hold Harmless Guarantee

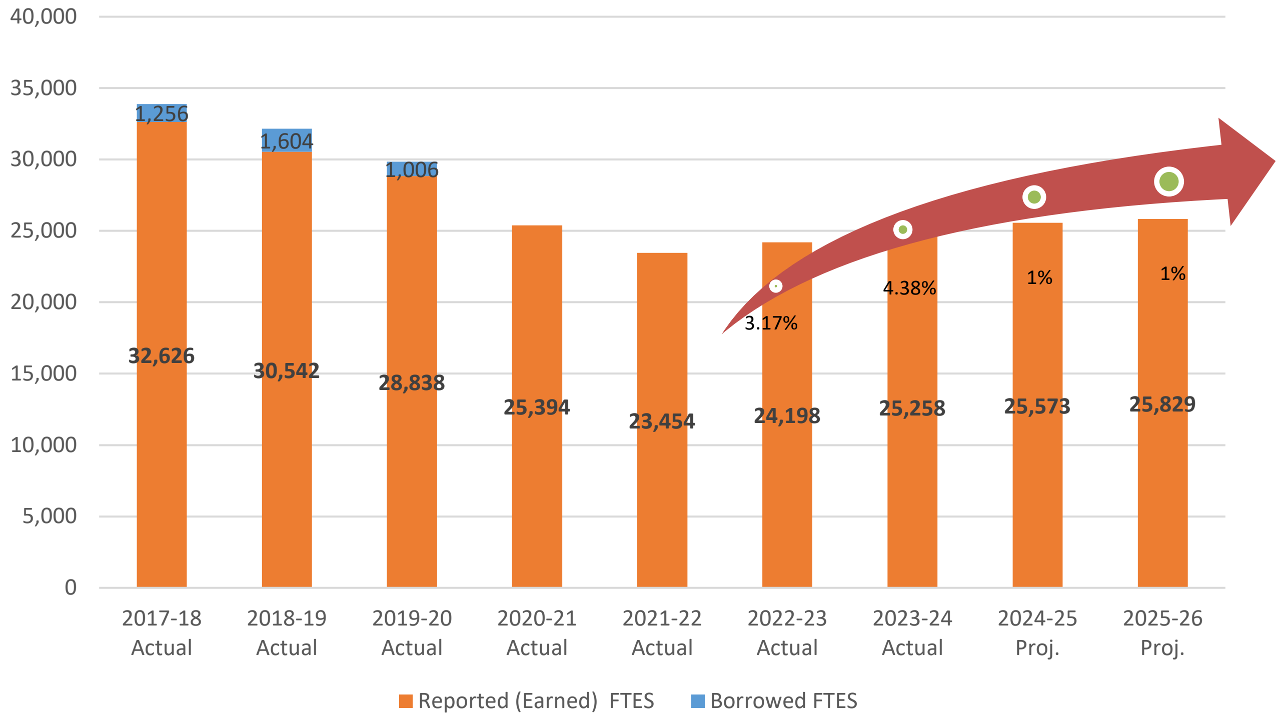
Categorical Funds Proposed to Receive COLA	COLA	No COLA
Adult Education Program	✓	
Student Equity and Achievement Program		✓
Strong Workforce Program		✓
Full-time faculty hiring		✓
Extended Opportunity Programs and Services	✓	
Disabled Students Programs and Services	✓	
Apprenticeship	✓	
CalWORKs student services	✓	
Cooperative Agencies Resources for Education (CARE)	✓	
Student mental health services		✓
Basic needs centers		✓
Institutional effectiveness initiative		✓
Part-time faculty compensation		✓

Coast Colleges

State Categorical Programs with COLA applied to Revenues

Federal programs do not receive a COLA increase.

Resident FTES Trend and Projection



EMERGENCY CONDITION ALLOWANCE (ECA) EXTENSION

APPLICABLE 2020-21 THROUGH 2022-23

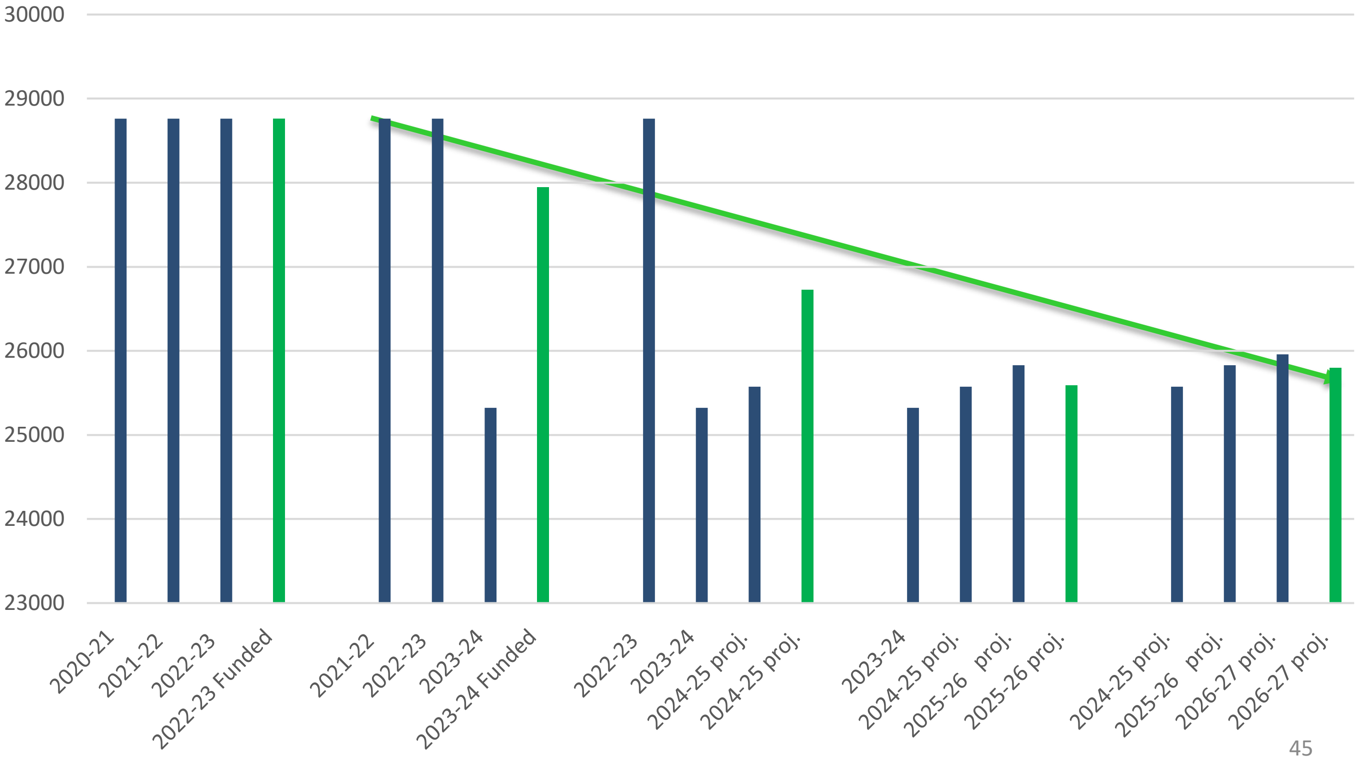
ALLOWS SCFF TO BE BASED ON GREATER OF 2019-20 OR REPORTED FTES

BECAUSE THE SCFF IS LARGELY BASED ON A 3-YEAR AVERAGE OF FTES, THE IMPACT OF THE ECA AFFECTS THE SCFF THROUGH 2025-26

Updates to the District's SCFF Projections

Coast Colleges

Updated for the Governor's January Proposal of the 2024-25 Budget and Updated Metrics as of 7/26/2024.



Student Centered Funding Formula
Funding Guarantees

Coast Colleges

EACH YEAR, RECEIVE THE GREATER OF:

A. THE CALCULATED SCFF
B. STABILITY ADJUSTMENT
C. HOLD HARMLESS/FUNDING FLOOR

STABILITY ADJUSTMENT

- Prior year calculated SCFF + COLA
- ONE-YEAR Protection against declining enrollment
- Ongoing

HOLD HARMLESS

- 2017-18 Funding + COLA each year
- Expires 2024-25 and is replaced by the Funding Floor

FUNDING FLOOR

- 2024-25 Funding with no COLA – ***Never Increases***
- Begins 2025-26 and replaced the Hold Harmless

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Student Centered Funding Formula Revenues

- Due to the reversion to the Hold Harmless guarantee in 2024-25, the SCFF declines by 1.01% rather than increasing by the 1.07% COLA

- Due to the expiration of the Hold Harmless and the implementation of the Funding Floor in 2025-26, the SCFF remains unchanged, and the **District does not receive the projected 2.93% COLA**

Updates to District's SCFF Projections

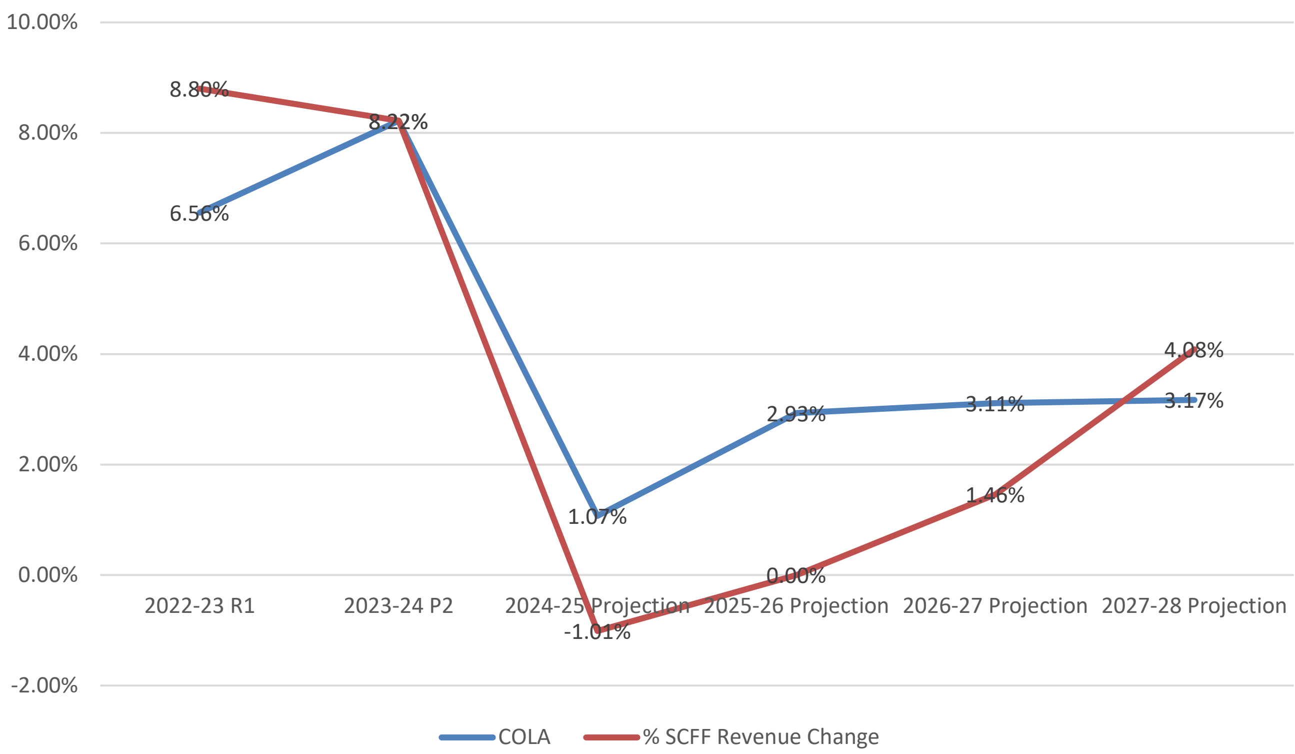
Coast Colleges

Multi-year SCFF Projections Updated for the Enacted State Budget

1	**TCR**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**
2	***COLA* [1]**	***6.56%***	***8.22%***	***1.07%***	***~~2.93%~~***	***3.08%***
3	***Growth* [2]**	***3.17%***	***4.38%***	***1.00%***	***1.00%***	***0.50%***
4	**Base Allocation**	$159,344,401	$169,967,580	$165,357,842	$164,038,371	$170,273,529
5	**Supplemental Allocation**	$34,545,763	$35,871,723	$37,933,826	$39,435,782	$40,935,845
6	**Student Success Allocation**	$29,541,266	$29,904,012	$29,240,968	$29,835,936	$31,630,081
7	**A. SCFF Calculated Revenue**	$223,431,429	$235,743,315	$232,532,636	$233,310,090	$242,839,455
8	**B. Stability Adjustment (PY SCFF Calculated Revenue + COLA**	$208,960,420	$241,797,493	$238,265,769	$239,345,842	$240,496,040
9	**C. Hold Harmless/Funding Floor Revenue**	$218,829,579	$236,817,371	$239,351,317	$239,351,317	$239,351,317
10	**Stability Protection Adjustment**	$0	$6,054,177	$0	$0	$0
11	**Hold Harmless/Funding Floor Adjustment**	$0	$0	$6,818,681	$6,041,227	$0
12	**CY TCR (Max A, B, or C)**	**$223,431,429**	**$241,797,493**	**$239,351,317**	**$239,351,317**	**$242,839,455**
13	**Revenue Deficit % (projection reflect 0.5%)**	-	1.0%	0.5%	0.5%	0.5%
14	**Revenue Deficit $**	$0	($2,417,975)	($1,196,757)	($1,196,757)	($1,214,197)
15	**Available Revenue**	**$223,431,429**	**$239,379,518**	**$238,154,560**	**$238,154,560**	**$241,625,258**
16	**Annual Increase of Undeficited Amount**	**8.80%**	**8.22%**	**-1.01%**	**0.00%**	**1.46%**
17	**Difference from COLA**	**2.24%**	**0.00%**	**-2.08%**	**-2.93%**	**-1.62%**

COLA Compared to Actual SCFF Revenue Change

Coast Colleges



Increases in Salaries and Benefits

- Baseline costs for salaries and benefits increase annually. For 2024-25:
  - Salary schedule for represented employees: 1.07%
    - Managers received no salary schedule increase
  - Health Benefits: Final renewal rate at 4.6% increase at Adopted Budget.
  - STRS/PERS and other statutory benefits
    - Additional PERS increase in the employer contribution rate of 0.37%
  - Step and Column: Typically, 1.0% - 2.0%

Increases in Salaries and Benefits

Coast Colleges

- These costs are supported by the annual increase the District receives from the SCFF.
  - 2024-25 SCFF actually declines by 1.01%
  - 2025-26 SCFF remain the same, with zero COLA, as in 2024-25
- The shortfall in the ability of the SCFF increase to cover the increase in salaries and benefits results in deficit spending.

District-wide Impact of the Fiscal Stability Plan in 2024-25 and MYP

Coast Colleges

- Phase II
  - Projected Increase in Revenues of $3.10 million
  - Projected Decrease in Expenditures of $2.9 million revised to exclude the salary savings not included in the Adopted Budget
  - Net Increase to Reserves of $4.46 million
  - Reduced Projected Deficit Spending to $1.68 million
  - Colleges also identified additional salary savings that could be anticipated based on historical trends of salary savings.
    - These total $2.2M
- Without the additional salary savings, significant deficit spending remains for 2024-25 and ongoing

Multi-Year Unrestricted General Fund Projections

Through FY 2027-28

Coast Colleges

	2021/22 Audited Actuals	2022/23 Audited Actuals	2023/24 Unauditd Actuals	2024/25 Adopted Budget & FSP	2025/26 Projection	2026/27 Projection	2027/28 Projection
COLA	**5.07%**	**6.56%**	**8.22%**	**1.07%**	**~~2.93%~~**	**3.08%**	**3.30%**
Beginning Balance	35,775,828	44,914,000	59,337,450	68,126,206	66,449,185	64,507,994	55,642,164
Audit Adjustment	0	0	0	0	0	0	0
Revenue							
Adjusted SCFF TCR (Max A, B, or C)	$205,358,089	$223,431,430	$241,797,493	$239,351,317	$239,351,317	$242,839,455	$252,754,494
Deficit Factor 0.5%	$0	($2,234,314)	($2,417,975)	($1,196,757)	($1,196,757)	($1,214,197)	($1,263,772)
Other State Revenue	$19,445,048	$20,557,399	$20,855,568	$19,177,198	$19,234,890	$19,297,312	$19,366,252
Local Revenue	$5,312,220	$4,490,060	$6,701,601	$5,430,400	$5,485,000	$5,485,000	$5,485,000
Local Dedicated Revenue	$15,789,611	$21,693,099	$19,301,148	$19,268,230	$20,208,293	$20,208,293	$20,208,293
Actual Revenue	$245,904,968	$267,937,674	$286,237,835	$282,030,388	$283,082,743	$286,615,862	$296,550,268
Expenses	$236,766,796	$253,514,224	$277,449,079	$283,707,409	$285,023,933	$295,481,692	$306,587,155
Salaries & Benefits as a % of Total Expenses & Other Outgo	90.00%	90.02%	89.24%	88.12%	88.55%	88.75%	89.07%
Surplus / (Deficit)	$9,138,172	$14,423,450	$8,788,756	($1,677,021)	($1,941,191)	($8,865,830)	($10,036,887)
Ending Balance	44,913,999	59,337,450	68,126,206	66,449,185	64,507,994	55,642,164	45,605,277
Board Reserve Requirement	10.00%	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%
Ending Balance as a % of Total Expenses less Other Outgo	19.19%	23.64%	24.94%	23.64%	22.67%	18.87%	14.90%
Adjusted for Fiscal Stability Plan Phase II not incorporated in 2024-25 Adopted Budget							
Potential Salay & Benefit Savings				1,754,314	1,873,187	1,873,187	1,873,187
Potential Savings from Non-Salary & Benefits				450,000	-	-	-
Adjusted Ending Balance				68,653,499	68,585,495	61,592,852	53,429,152
Ending Balance as a % of Total Expenses less Other Outgo				24.48%	24.26%	21.02%	17.57%

Notes:

For 2024-25, due to the reversion to the Hold Harmless guarantee in 2024-25, the SCFF declines by 1.01% rather than increasing by the 1.07% COLA
For 2025-26, the "Funding Floor" replaces the "Hold Harmless in 2025-26 and does not increase by the COLA. As a result, SCFF revenue for 2025-26 does not increase by the COLA. Salaries have not been increased by the COLA.

Components of the Fund Balance

DISTRICTWIDE ENDING BALANCE (WITHOUT CAMPUS BALANCES)		
DISTRIBUTION OF ENDING BALANCE		
COMMITTED		
RESERVE FOR CONTINGENCIES (8.35%)	$ 22,559,621	
REVERSE FOR ANCILLARY (8.35%)	$ 22,559,621	
ASSIGNED		
BOARD ELECTION	$ 250,000	
CONTRACTUAL CARRY OVER	$ 906,357	
CURRICULUM PROTECTION ACCOUNT	$ 1,245,000	
ADULT EDUCATION Carryover	$ 56,939	
DISTRICTWIDE MARKETING OUTREACH Carryover	$ 573,130	
INDIRECT COSTS (ED Services) Carryover	$ 162,439	
CANVAS SUPPORT Carry Over	$ 713,142	
Wellness Carry Over per Health Benefits Advisory Committee Request	$ 20,000	
HOLD DEFICIT FACTOR for Anticipated Deficit Spending FY 24/25 & FY 25/26	$ 7,027,865	
		$ 56,074,114
UNASSIGNED		
UNDESIGNATED (TBD)		**$ 324,281**
DESIGNATED		
ENTITY BALANCES		**$ 11,727,811**
TOTAL BEGINNING BALANCE		**$ 68,126,206**

FISCAL STABILITY PLAN

Fiscal Stability Plan (FSP)

- Goal: Preserve the District's positive fiscal condition through the alignment of ongoing expenditures with ongoing revenues to eliminate projected deficit spending and ensure the unrestricted general fund reserve level requirement is met.
- Multi-year implementation
- Plans developed by colleges and the District Office

District-wide Impact of the Fiscal Stability Plan in 2023-24

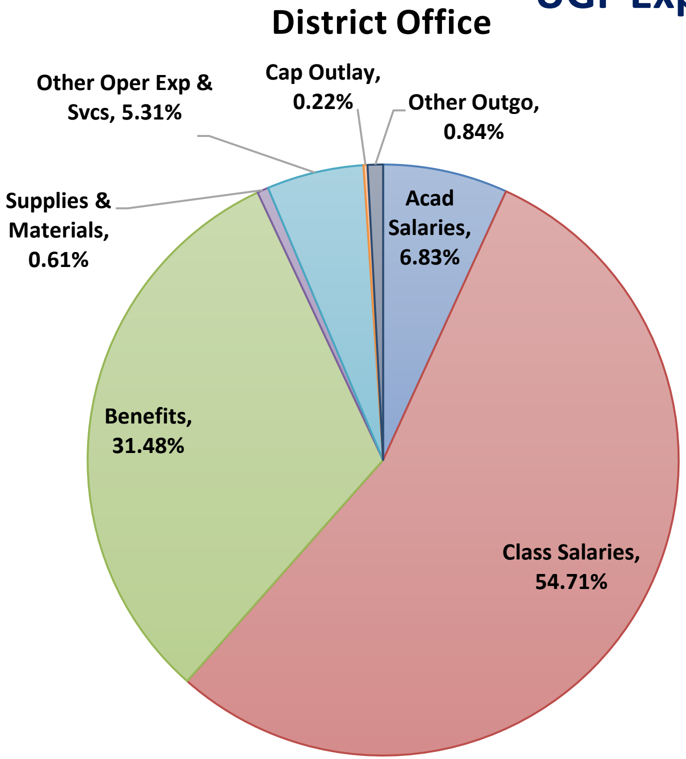
Coast Colleges

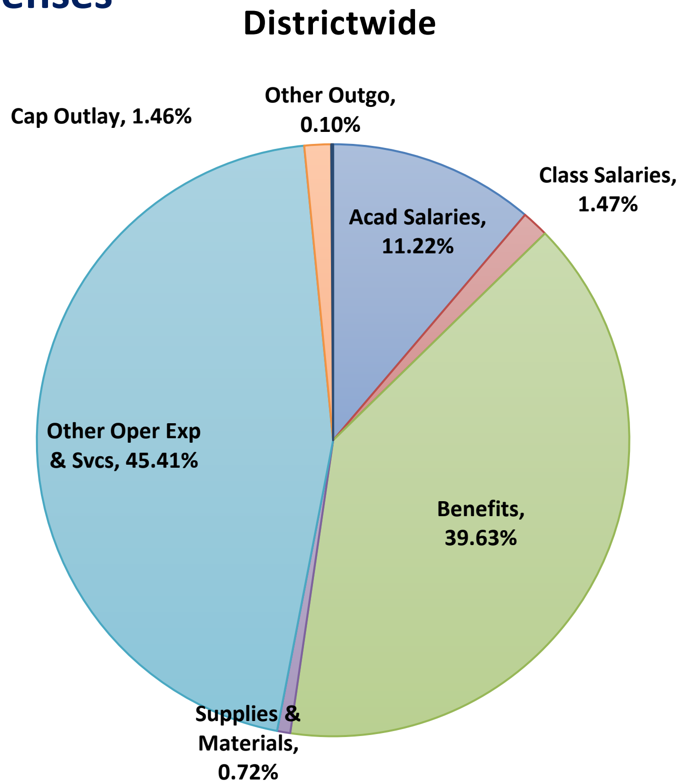
- Phase I
  - Projected Increase in Revenues of $1.26 million
  - Projected Decrease in Expenditures of $4.43 million
    - $3.3 million ongoing and reflected in 2024-25 and Multi-year Projection
  - Net Increase to Reserves of $5.69 million
  - Eliminated Projected Deficit Spending of $3.88 million in 2023-24
- Phase II
  - Projected Increase in Revenues of $3.10 million
  - Projected Decrease in Expenditures of $5.18 million
  - Net Increase to Reserves of $4.46 million
  - Reduced Projected Deficit Spending to $1.68 million in 2023-24
- *Significant deficit spending remains for 2024-25 and ongoing*
  - Additional salary savings of $3.8 million could be achieved based on historical trends of salary savings, eliminated the deficit in the current year.

Coast Community College District
District Office & Districtwide
Fiscal Stability Plan FY 2024-25

2024-25 Budget Snapshot

UGF Expenses





District Services

Impact of Fiscal Stabilization Plan on 2023-24

	2023/2024			2024/2025			2025/26		
	2023/24 Adopted Budget	Changes	Actuals	2024/25 Projected	Changes	Revised	2025/26 Projected	Changes	Revised
State COLA	8.22%			1.07%			2.93%		
Assessment	$29,494,489	$491,930	$29,986,419	$29,952,574		$29,952,574	$29,668,241		$29,668,241
Deficit Factor (0.50%)	($155,162)		($155,162)	($154,122)		($154,122)	($158,093)		($158,093)
SRP Payment	($255,529)		($255,529)	($255,529)		($255,529)	$0		$0
Net Assessment	$29,083,798		$29,575,728	$29,542,923		$29,542,923	$29,510,148		$29,510,148
Miscellaneous Local Income	$10,000	$50,489	$60,489	$10,000		$10,000	$10,000		$10,000
Total Local Revenue	$10,000	$50,489	$60,489	$10,000	$0	$10,000	$10,000	$0	$10,000
Total Unrestricted Revenue	$29,093,798	$50,489	$29,636,217	$29,552,923	$0	$29,552,923	$29,520,148	$0	$29,520,148
Total Expenditures	$29,083,798	($167,412)	$28,916,386	$29,542,923	($228,329)	$29,314,594	$29,510,148	$0	$29,510,148
Surplus / (Deficit)	$10,000		$719,831	$10,000		$238,329	$10,000		$10,000

Districtwide Services

Impact of Fiscal Stabilization Plan on 2023-24

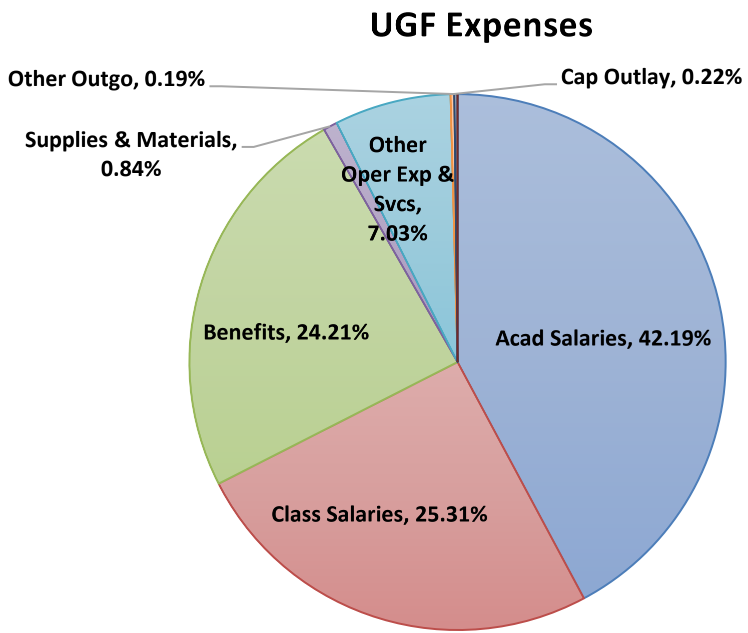
Coast Colleges

	2023/2024			2024/2025			2025/26		
	2023/24 Adopted Budget	Changes	Revised	2024/25 Projected	Changes	Revised	2025/26 Projected	Changes	Revised
State COLA	8.22%			1.07%			2.93%		
Assessment	$25,442,095	$707,512	$26,149,607	$ 24,103,805	$ -	$ 24,103,805	$ 25,579,082	$ -	$ 25,579,082
SRP Payment	$1,311,693	$0	$1,311,693	$ 1,870,416	$ -	$ 1,870,416	$ -	$ -	$ -
Net Assessment	$26,753,788	$7,981,485	$34,735,273	$ 25,974,221	$ 7,273,973	$ 33,248,194	$ 25,579,082	$ 7,273,973	$ 32,853,055
Miscellaneous Local Income	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Local Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Unrestricted Revenue	$26,753,788	$7,981,485	$34,735,273	$25,974,221	$7,273,973	$33,248,194	$25,579,082	$7,273,973	$32,853,055
Total Expenditures	$26,753,788	$5,528,195	$32,281,983	$25,974,221	$7,634,278	$33,608,499	$25,579,082	$7,273,973	$32,853,055
Surplus / (Deficit)	$0		$2,453,290	$ -		$ (360,305)	$ -		$ -

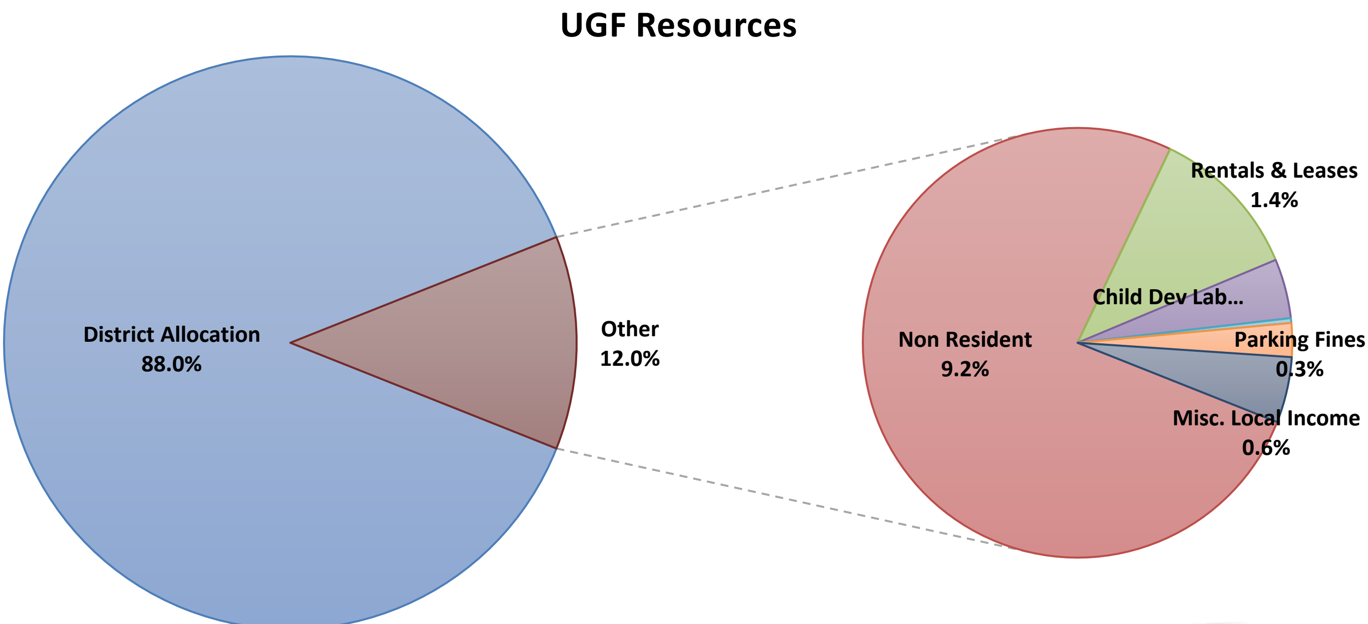
ORANGE COAST COLLEGE
FY 2024/25 ADOPTED BUDGET
FISCAL STABILITY PLAN

PRESENTATION TO CCCD BOARD

College 2024-25 Budget Snapshot



College 2024-25 Budget Snapshot



FY 2023-25 FSP Phase I & II Recap

Expense Reduction

- Ongoing savings from vacant positions closed in FY23/24 @ $2.2M
- New savings from vacant positions closed in FY24/25 @ $1.9M
- Salary Savings due to timing in recruitment/hiring & attrition.
- Prior Year SRP & completed reorganizations (35) @ $1.84M
- Ongoing Hiring Frost (with exemptions for critical positions)
- Continue to improve instructional efficiencies

Maximize Alternative Sources of Funding

- Maximize use of restricted/categorical funds (Reduce reliance on UGF @ $500K)
- Utilize Ancillary revenue to support college one-time expenses

Revenue Enhancement Opportunities

- Entrepreneurial Efforts (e.g., Planetarium, Catering, Student Housing, Swap Meet, Facility Rentals, Recycling Center, M &O Chargebacks etc.)
- Leverage partnerships with community organizations (Food Pantry, Healthcare agencies, etc.
- Leverage Technology to increase operational efficiencies
  - T2 Parking, Slate, OneCard, Work Order System, OCC Tickets/AudienceView

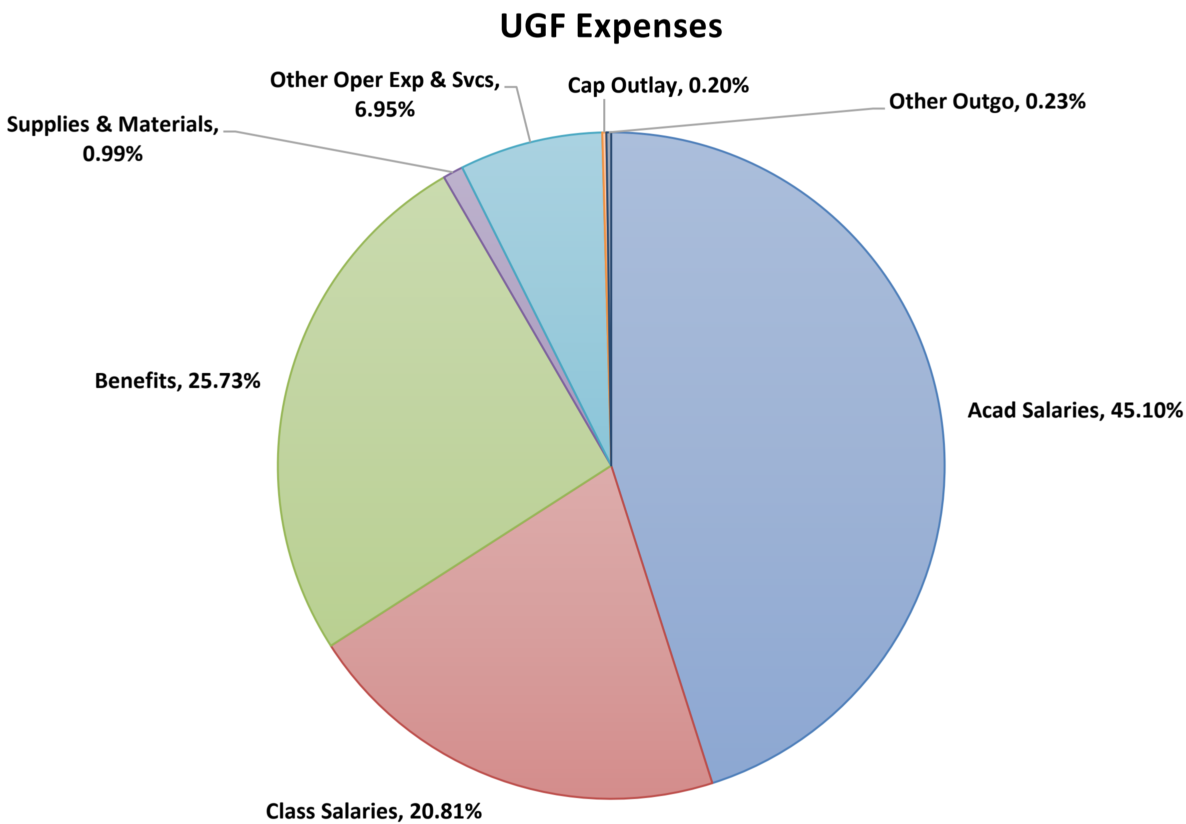
Areas to Watch

- Increase in Cost of Utilities
- Self-supporting units (Children's Center, Student Health Center, Public Safety, Food Services)

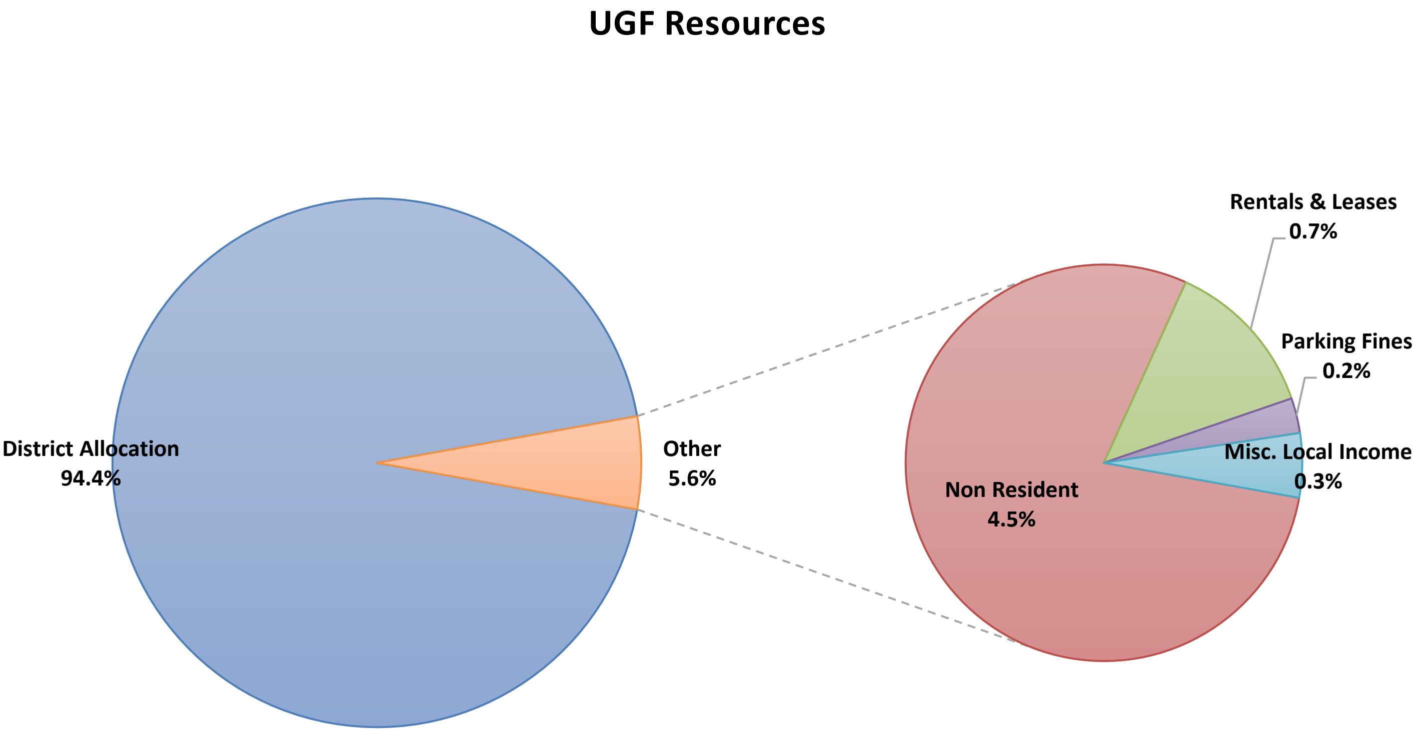
	2023/2024			2024/2025			2025/26		
	2023/24 Adopted Budget	Changes	Revised	2024/25 Projected	Changes	2024/25 Adopted Budget	2025/26 Projected	Changes	Revised
State COLA	8.22%			1.07%			2.93%		
Revenue Allocation Model:									
Apportionment Revenue	124,688,029	-	124,688,029	123,378,935	-	123,378,935	123,283,757	-	123,283,757
Other State Revenue	3,847,095	236,918	4,084,013	3,810,118	256,448	4,066,566	3,838,877	-	3,838,877
District Wide Local Revenue	1,008,328	-	1,008,328	2,569,231	258,301	2,827,532	2,344,950	-	2,344,950
Deficit Factor (0.5%)	(528,491)	-	(528,491)	(523,145)	-	(523,145)	(523,145)	-	(523,145)
SRP Annual Debt Service Payment	(693,643)	-	(693,643)	(693,643)	-	(693,643)	-	-	-
District Assessments	(28,627,454)	-	(28,627,454)	(28,491,877)	323,097	(28,168,780)	(28,299,846)	-	(28,299,846)
Net Allocation	99,693,864	236,918	99,930,782	100,049,619	837,846	100,887,465	100,644,593	-	100,644,593
Local Revenue	12,500,000	(431,390)	12,068,610	12,500,000	1,300,000	13,800,000	14,112,000	575,000	14,687,000
Incr Non-Resident				1,300,000	(1,300,000)	-			
Total Unrestricted Revenue	112,193,864	(194,472)	111,999,392	113,849,619	2,137,846	114,687,465	114,756,593	575,000	115,331,593
Total Expenditures	113,096,948	1,495,055	114,592,003	117,356,520	(2,669,055)	114,687,465	114,752,257	579,336	115,331,593
Potential Salary & Benefit Savings (Vacant/Closed Positions)		(2,599,538)	(2,599,538)	-	(1,873,187)				
Potential Savings from Non-Salary		-	-	-	(795,868)				
Surplus/(Deficit)	(903,084)	(1,298,955)	6,927	(3,506,901)	(3,200,264)	0	4,336	(4,336)	0
Beginning Balance	903,084		903,084	910,011					
Ending Balance	-		910,011	(2,596,890)		0			

Golden West College
Fiscal Stability Plan 2024-25

College 2024-25 Budget Snapshot



College 2024-25 Budget Snapshot



2023-24 FSP Phase I Recap

- Transitioned positions onto Grants/Categoricals
- 1 FT Faculty, 1 Classified Position remained vacant for ½ FY
- Closed historically vacant positions
- Invested GWC Swap Meet funds in Int'l Program
- Increased revenues for OOS/Int'l Students
- STRS/PERS Refund
- Maximized the use of Restricted Lottery Funds
- Increase in Parking Permits and Fines
- Improved efficiencies in course scheduling

2024-25 FSP Phase II

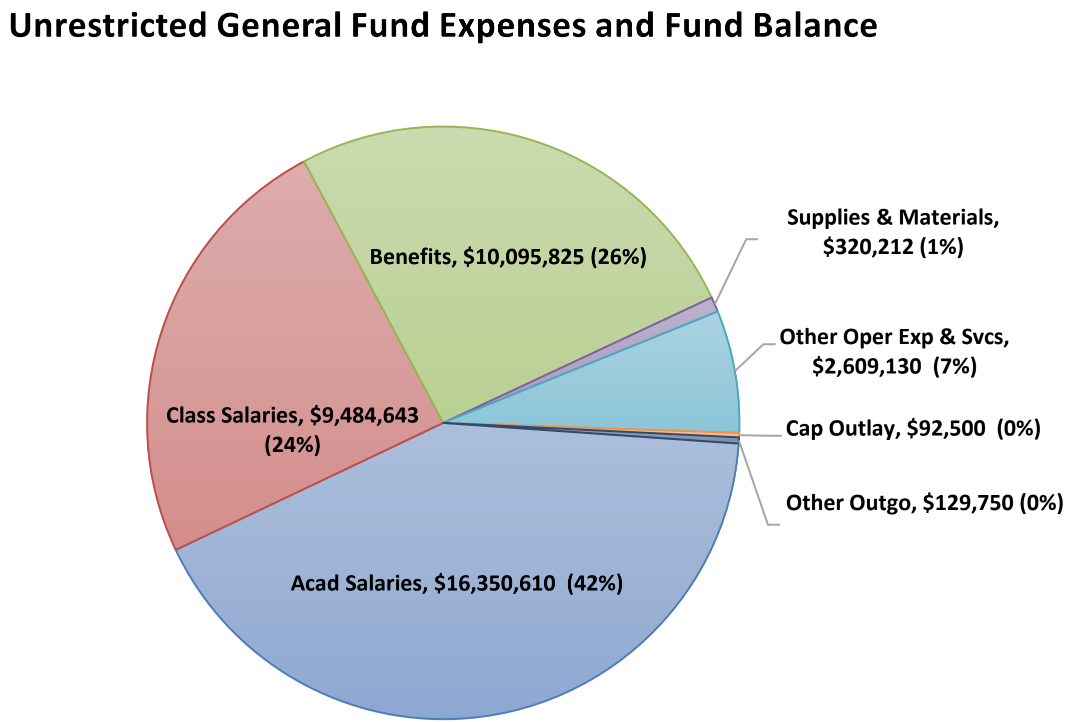
- Anticipate moving an additional $1.5M in positions onto Grant/Categoricals
- Maximize Revenue Potential of Facility/Space Rentals by Increasing Rates
- Strategically Expand Facility Rentals; Growth Targets
- Grow Parking Revenues by $50,000 per FY
- Continue to invest GWC Swap Meet funds to increase Local Revenues
- Increase Non-Resident & International Outreach and Fees
- Continue to reorganize to achieve salary savings

2023-24 FSP Phase II

	2023/2024			2024/2025			2025/26	
	Adopted	Changes	Final	Projected	Changes	Adopted	Projected	Changes
State COLA	8.22%			1.07%			~~2.93%~~	
Revenues								
Revenue Allocation Model:								
Apportionment Revenue	$ 75,535,563	$ -	$ 75,535,563	$ 74,791,956	$ (1)	$ 74,791,955	$ 74,799,492	$ -
Other State Revenue	$ 2,268,332	$ 379,580	$ 2,647,912	$ 2,233,524	$ 140,279	$ 2,373,803	$ 2,381,432	$ -
District Wide Local Revenue	$ 590,369		$ 590,369	$ 1,504,265	$ 152,550	$ 1,656,815	$ 1,372,950	$ -
Deficit Factor (0.5%)	$ (324,788)		$ (324,788)	$ (319,523)	$ (1,199)	$ (320,722)	$ (319,523)	$ -
SRP Annual Debt Service Payment	$ -		$ -	$ -	$ (558,723)	$ (558,723)	$ -	$ -
District Assessments	$ (16,761,152)	$ -	$ (16,761,152)	$ (16,569,339)	$ 76,737	$ (16,492,602)	$ (17,044,928)	$ -
Net Allocation	$ 61,308,325	$ 379,580	$ 61,687,905	$ 61,640,883	$ (190,357)	$ 61,450,526	$ 61,189,423	$ -
Local Revenue	$ 3,282,000	$ 803,609	$ 4,085,609	$ 3,419,000	$ 360,000	$ 3,779,000	$ 3,779,000	$ 384,000
Total Other Financing Sources	$ -	$ 205,919	$ 205,919	$ -	$ -	$ -	$ -	$ -
Total Unrestricted Revenue	$ 64,590,325	$ 1,389,108	$ 65,979,432	$ 65,059,883	$ 169,643	$ 65,229,526	$ 64,968,423	$ 384,000
Total Expenditures	$ 66,695,913	$ (1,465,613)	$ 65,230,300	$ 67,356,087	$ (85,383)	$ 67,270,704	$ 67,887,157	$ -
Surplus / (Deficit)	$ (2,105,588)		$ 749,132	$ (2,296,204)	255,026	$ (2,041,178)	$ (2,918,734)	384,000
Potential Salary & Benefit Savings (Vacant Positions)					$ 1,529,314			$ 1,829,314
Potential Savings from Non-Salary					$ 150,000			$ 165,000
Revised Surplus/ (Deficit)						$ (361,864)		
Beginning Balance	$ 3,807,690		$ 3,807,690	$ 4,556,822		$ 4,556,822	$ 4,194,958	

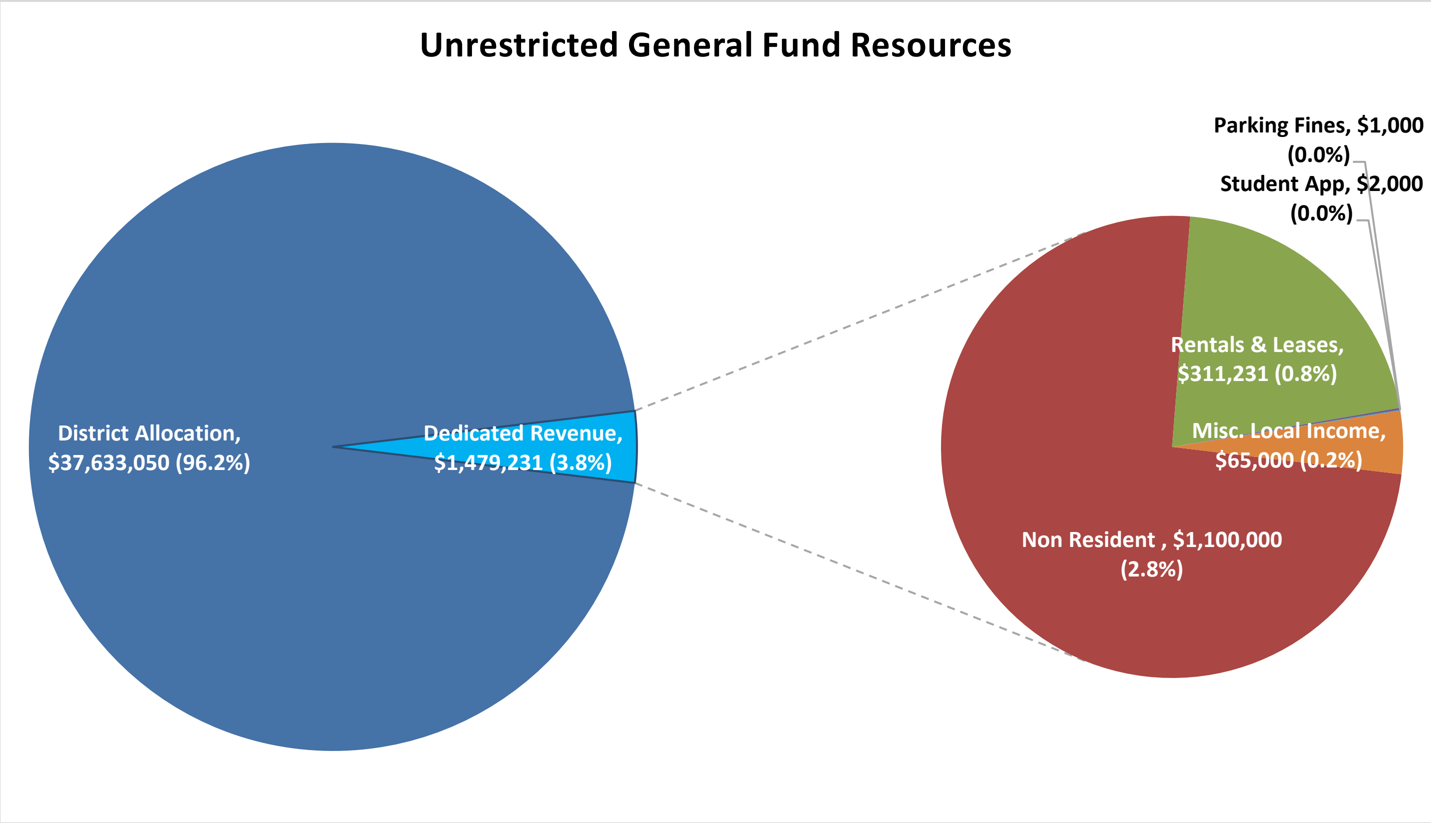
Coastline Community College Fiscal Stability Plan 2024-25

College 2024-25 Budget Snapshot



*College's Fund Balance $6,269,298 or 16% of FY 24-25 Adopted Budget

College 2024-25 Budget Snapshot



2023-24 FSP Phase I Recap

1. Increase Revenue

- Dedicated Revenue
  - Non-Resident Tuition
  - Facility Rental Income:
    - Pacifica Christian HS Parking Lease (2023 – 2033 for $1,032,959)
    - College Center Annex Building (Estimated Income of $500,000/year, effective FY 25/26).

2. Reduce Expenditures

- Maximize Use of One Time Funds
  - State Block Grant: $2.2M
  - Scheduled Maintenance Projects (SMP): $422K
  - State Funded Equipment (SFE): $30K
  - Measure M Endowment/Facilities: $1.1M distribution through FY25-26 ($3.58M remaining to be distributed by 2036)
  - Measure M Endowment/Technology: $2.4M distribution through FY25-26 ($5.2M remaining to be distributed by 2036)

- Cost Savings in FY23-24
  - Ongoing Non-Salary Reductions: $605K
  - One Time Non-Salary Savings: $130K
  - Ongoing Closed Positions: $185K
  - One Time Vacant Positions: $823K

2024-25 FSP Phase II

1. Increase Revenue

➢ Dedicated Revenue

- Non-Resident Tuition
- Facility Rental Income:
  - College Center Annex Building (Estimated Income of $500,000/year, effective FY 25/26).
  - Retired College Center Annex Building Debt Service of $4.6M by Oct 2026, recapture income of annual debt service payment of $454K

2. Reduce Expenditures

➢ Maximize Use of One Time Funds

- State Block Grant: $1.4M
- Scheduled Maintenance Projects (SMP): $883K
- State Funded Equipment (SFE): $90K
- Measure M Endowment/Facilities: $1.1M distribution through FY25-26 ($3.58M remaining to be distributed by 2036)
- Measure M Endowment/Technology: $2.4M distribution through FY25-26 ($5.2M remaining to be distributed by 2036)

➢ Cost Savings in FY24-25

- Ongoing Closed Positions: $190K
- One Time Vacant Positions: $250K

2024-25 FSP Phase II

	2023/2024			2024/2025			2025/26		
	Adopted Budget	Changes	Actuals	Projected Budget	Changes	Adopted Budget	Projected	Changes	Adjusted
State COLA	8.22%			0.76%		1.07%	~~2.93%~~		
Revenues									
Revenue Allocation Model:									
Apportionment Revenue	$ 45,650,734	-	$ 45,650,734	$ 45,277,146	(19,886)	$ 45,257,260	$ 45,344,899	-	$ 45,344,899
Other State Revenue	$ 1,333,023	216,228	$ 1,549,251	$ 1,333,047	52,977	$ 1,386,024	$ 1,336,437	-	$ 1,336,437
District Wide Local Revenue	$ 336,303	-	$ 336,303	$ 336,303	607,501	$ 943,804	$ 782,100	-	$ 782,100
Deficit Factor (0.5%)	$ (198,707)	-	$ (198,707)	$ (196,834)	316	$ (196,518)	$ (195,996)	-	$ (195,996)
SRP Annual Debt Service Payment	$ (362,521)	-	$ (362,521)	$ (362,521)	-	$ (362,521)	$ -	-	$ -
District Assessments	$ (9,547,978)	$ -	$ (9,547,978)	$ (9,636,024)	$ 241,025	$ (9,394,999)	$ (9,438,713)	$ -	$ (9,438,713)
Net Allocation	$ 37,210,854	$ 216,228	$ 37,427,082	$ 36,751,117	$ 881,933	$ 37,633,050	$ 37,828,727	$ -	$ 37,828,727
Local Revenue	$ 684,500	$ 1,350,013	$ 2,034,513	$ 1,584,041	$ (104,810)	$ 1,479,231	$ 1,732,293	$ -	$ 1,732,293
Total Other Financing Sources	$ -	$ 99,289	$ 99,289	$ -	$ -	$ -	$ -	$ -	$ -
Total Unrestricted Revenue	$ 37,895,354	$ 1,665,530	$ 39,560,883	$ 38,335,158	$ 777,123	$ 39,112,281	$ 39,561,020	$ -	$ 39,561,020
Total Expenditures	$ (38,888,314)	$ 1,721,427	$ (37,166,887)	$ (39,578,974)	$ 496,304	$ (39,082,670)	$ (39,441,981)	$ -	$ (39,441,981)
Surplus / (Deficit)	$ (992,960)		$ 2,393,996	$ (1,243,816)		$ 29,611	$ 119,039		$ 119,039
Beginning Balance	$ 3,875,302		$ 3,875,302	$ 6,269,298		$ 6,269,298	$ 6,548,456		$ 6,548,456
Potential Salary & Benefit Savings (Vacant Positions)					$ 249,547	$ 249,547			
Ending Balance	$ 2,882,342		$ 6,269,298	$ 5,025,482		$ 6,548,456	$ 6,667,495		$ 6,667,495

EDUCATION PROTECTION ACCOUNT

CALIFORNIA COMMUNITY COLLEGES

Annual Financial and Budget Report

SUPPLEMENTAL DATA

Schools and Local Public Safety Protection Act

Prop 30 EPA Expenditure Report

Budget Year: 2024-2025

District ID: 830

Name: Coast Community College District

Activity Classification	Activity Code			Unrestricted	
EPA Proceeds:	8630				$ 21,922,260
Activity Classification	Activity Code	Salaries and Benefits (1000 - 3000)	Operating Expenses (4000 - 5000)	Capital Outlay (6000)	Total
Instructional Activities	0100-5900	$ 21,922,260			$21,922,260
Other Support Activities (list below)	6XXX				
Total Expenditures for EPA*		$21,922,260	$0	$0	$21,922,260
Revenues less Expenditures					**$0**

***Total Expenditures for EPA may not include Administrator Salaries and Benefits or other administrative costs.**

CONCLUSION

Looking Ahead

Coast Colleges

- Economic concerns including declining state revenues, increasing state deficits, and state budget reliance on spending reserves, Proposition 98 manipulations, sweeping all available unspent funds, and other one-time solutions signal challenging times ahead.
- The transition from Hold Harmless to the Funding Floor in 2025-26 FY, with the associated loss of COLA, result in the District receiving no COLA. This "fiscal plateau" is the new fiscal reality where there is no new funding to support increases in operational costs.
- The District will continue to work in collaboration with constituency groups to inform and be informed by the District's community.
- The continued development of the FSP will help to align the District's spending plan with revenues in a zero COLA environment. However, the current structure of the treatment of the State COLA on salary schedules contributes to deficit spending.
- A long-term solution is needed to align ongoing expenditures to ongoing revenues.

Recommended Board Action

Next Steps

- The Final Budget for the FY 2024-25 is scheduled for presentation and adoption to the Board of Trustees on September 4, 2024. This will include a presentation of the FSP for each college and the District Office.

- Informational copies of the Final Budget will be forwarded to the County Office of Education by September 30.

- The annual Financial and Budget Report (CCFS 311) will be sent to the CCCCO on or before October 10.

- The Fiscal Stability Plan will be further developed in coordination with the DCC Budget Committee including consideration and calculation of budget "drill" options and impacts of potential enrollment growth

QUESTIONS?

APPENDICES

Appendices

2024-25 Final Health Benefit Renewal

	Line of Coverage	Current	Initial Renewal	$Δ	%Δ	Negotiated Renewal	$Δ	%Δ
1.	**United Healthcare/HealthNow Medical/Rx - Self Funded[1,2]**	$ 20,309,350	$ 21,390,010	$1,080,661	5.3%	$21,390,010	$1,080,660	5.3%
2.	**Blue Shield Full HMO - Fully Insured**	$ 7,709,144	$ 8,739,291	$1,030,147	13.4%	$8,210,223	$501,079	6.5%
3.	**Blue Shield Trio HMO - Fully Insured**	$ 2,266,648	$ 2,569,538	$302,890	13.4%	$2,413,981	$147,333	6.5%
4.	**Kaiser HMO - Fully Insured**	$ 8,096,961	$ 8,315,058	$218,097	2.7%	$8,315,058	$218,097	2.7%
5.	**Kaiser Senior Advantage - Fully Insured**	$ 246,676	$ 285,658	$38,982	15.8%	$285,658	$38,982	15.8%
6.	**Delta Dental - Self Funded[1]**	$ 2,828,881	$ 2,795,476	-$33,405	-1.2%	$2,795,476	-$33,405	-1.2%
7.	**VSP Vision - Self Funded[1]**	$ 339,862	$ 339,862	$0	0.0%	$339,862	$0	0.0%
8.	**VOYA (ING) Life/AD&D - Fully Insured**	$ 676,300	$ 676,300	$0	0.0%	$676,300	$0	0.0%
9.	**VOYA (ING) Long Term Disability - Fully Insured**	$ 277,042	$ 277,042	$0	0.0%	$277,042	$0	0.0%
10.	**VOYA (ING) Short Term Disability - Self Funded**	$ 23,511	$ 23,511	$0	0.0%	$23,511	$0	0.0%
11.	**REACH EAP**	$ 52,290	$ 52,290	$0	0.0%	$52,290	$0	0.0%
12.	**TOTAL ANNUAL PREMIUM INCREASE FROM CURRENT [4]**	$ 42,826,665	$ 45,464,036	$ 2,637,371	6.2%	$44,779,412	$ 1,952,746	4.6%

[1] Self-Funded plan increases are based on data through April 2024 from Alliant's presentation to HBAC 5/21/24

[2] The following increases were applied during the underwriting of CCCD's Self Funded Medical Plan:
- 3% Margin (IBNR and Claims Fluctuation)
- 7.3% Annual Medical Trend / 8.8% Annual Rx Trend
- 20% Stop Loss Estimated Increase
- 4.7% Claims Administration Increase
- 3.2% Network Access Fee Increase

[3] Segal Trend Forecast: Estimated for illustrative purposes only, renewal has yet to be released

[4] Figures do not capture employee and retiree contributions

Composite Health Benefit Rates

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actua	2023-24 Actual	2024-25 Projected
PEPY Cost	$15,215	$15,706	$16,985	$16,902	$17,225	$18,295	$18,123	$19,258	$20,937	$21,400

Employer Pension Match

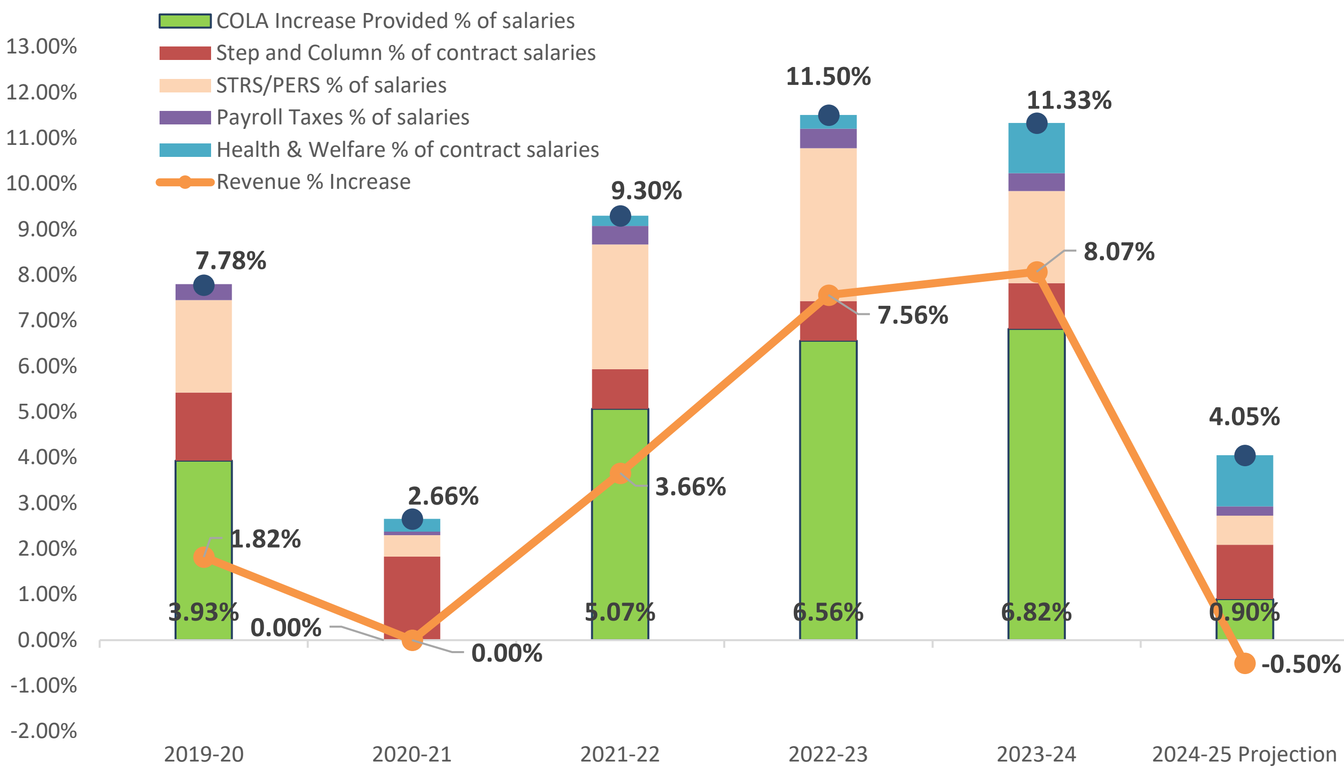
Effective Date	STRS Employer Match	STRS Amount	PERS Employer Match	PERS Amount	Cumulative Total
July 1, 2015	10.73%	$1,340,002	11.847%	$44,922	$1,384,924
July 1, 2016	12.58%	$1,438,984	13.89%	$1,273,463	$2,712,447
July 1, 2017	14.43%	$1,445,164	15.53%	$1,152,345	$2,597,509
July 1, 2018	16.28%	$1,592,094	18.06%	$1,839,351	$3,431,445
July 1, 2019	17.10%	$687,242	19.72%	$1,276,751	$1,963,993
July 1, 2020	16.15%	**-$764,428**	20.70%	$678,823	**-$85,605**
July 1, 2021	16.92%	$648,635	22.91%	$1,584,628	$2,233,263
July 1, 2022	19.10%	$1,960,827	25.37%	$1,870,744	$3,831,571
July 1, 2023	19.10%	$0	26.68%	$1,077,657	$1,077,657
July 1, 2024	19.10%	$0	**27.05%**	$307,633	$307,633
July 1, 2025	19.10%	$0	**27.60%**	$470,691	$470,691
July 1, 2026	19.10%	$0	**28.00%**	$352,864	$352,864
July 1, 2027	19.10%	$0	**29.20%**	$1,093,527	$1,093,527
Subtotal		**$8,348,520**		**$13,023,400**	**$21,371,920**

NOTE:

1. FY 2024-25 Adopted Budget PERS increase of 0.37% (A change from FY 2023-24 Adopted Budget projected rate of 1.02% resulting in a decrease of $564,875 in projected increase from prior year Adopted to current year Adopted)
2. CalSTRS Classic and PEPRA employee contribution rates are at 10.250% and 10.205%, respectively for FY 2024-25.
3. CalPERS Classic and PEPRA employee contribution rates are at 7.00% and 8.00%, respectively for FY 2024-25.

Source: FY 2024-25 Enacted State Budget SCC Dartboard 7/23/2024

Comparison of Budgeted Salaries/Benefits and Revenue Percentage (%) Increases



Note:

For 2023-24 and 2024-25, management salaries were not increased by the full COLA resulting in an overall COLA % Increase to Salaries less than the State COLA.

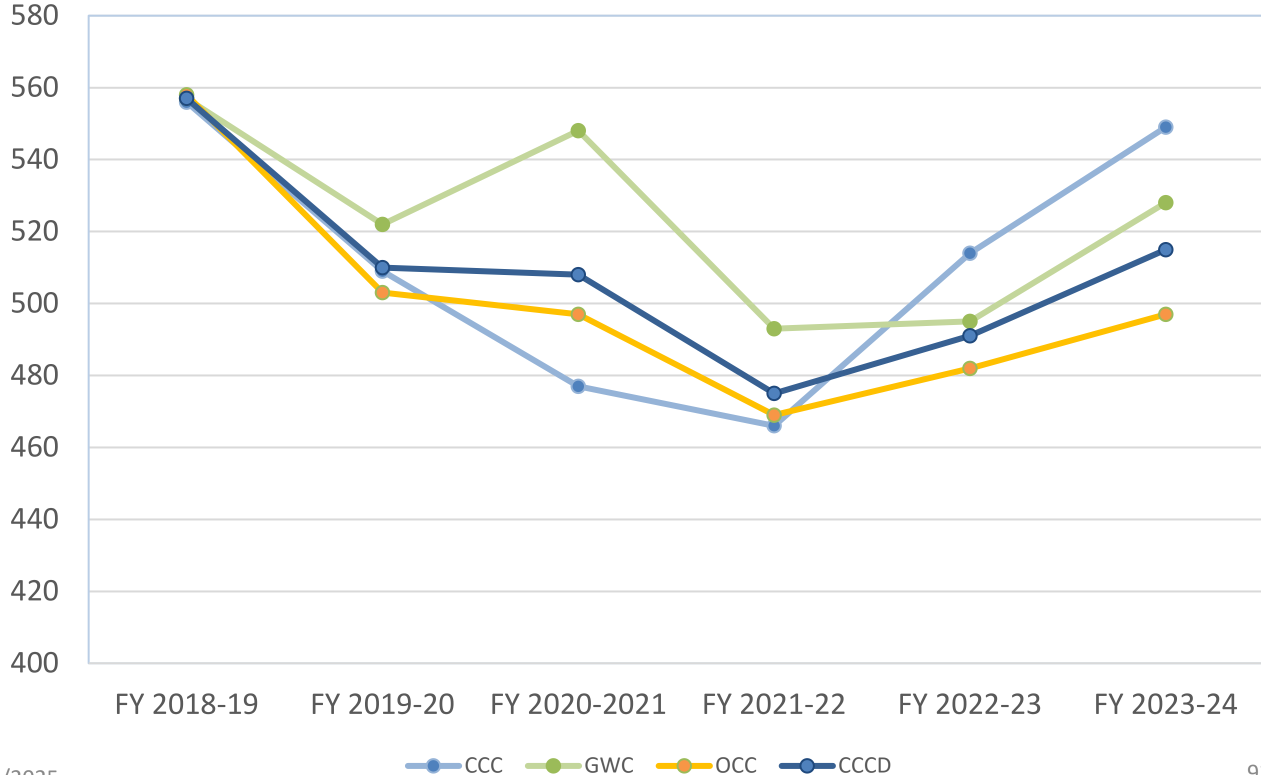
Budgeted Salaries/Benefits

	2020-21	2021-22	2022-23	2023-24	2024-25 Projection
COLA Increase	$0	$6,574,961	$9,049,859	$14,900,831	$1,087,817
Step/Column/Reclass/Reorgn	$1,640,870	$831,007	$1,199,876	$1,360,593	$1,443,590
STRS/PERS	$167,424	$3,092,896	$4,625,781	$3,871,130	$775,031
Payroll Taxes	$74,898	$433,204	$588,052	$806,998	$237,952
Health & Welfare	$306,636	$221,544	$409,690	$2,443,870	$1,352,480
Total S/B Increase	$2,189,828	$11,153,612	$15,873,257	$23,383,422	$4,896,870
SCFF Revenue Increase	$0	$7,397,869	$ 15,839,108	$ 18,182,403	$ (1,224,959)
Difference	($2,189,828)	($3,755,743)	($34,149)	($5,201,019)	($6,121,829)

** 2024-25 Revenue projection based SCFF rates from the P2 calculation*

District-Wide Weekly Student Contact Hours to Full-time Equivalent Faculty Ratio

(WSCH/FTEF)



Registration Productivity Measures

by Term, by College
Summer
1 of 4

Summer		2019	2020	2021	2022	2023
Coastline	Fill-Rates	77.0%	80.1%	66.9%	71.9%	76.1%
	WSCH/FTEF	505	529	510	518	550
	Avg Class Size	31.0	33.4	27.8	29.9	36.2
Golden West	Fill-Rates	76.9%	81.7%	78.4%	76.5%	88.6%
	WSCH/FTEF	578	613	547	538	578
	Avg Class Size	38.2	41.9	39.3	37.8	44.8
Orange Coast	Fill-Rates	77.8%	86.8%	85.3%	80.4%	84.4%
	WSCH/FTEF	471	545	521	480	482
	Avg Class Size	26.8	34.5	28.7	25.5	30.2
District-Wide	Fill-Rates	77.2%	83.0%	76.6%	76.3%	83.1%
	WSCH/FTEF	513	562	526	512	536
	Avg Class Size	31.1	36.4	31.3	30.6	36.5

Registration Productivity Measures

by Term, by College
Fall
2 of 4

Fall		2019	2020	2021	2022	2023
Coastline	Fill-Rates	70.7%	66.1%	60.9%	68.5%	68.7%
	WSCH/FTEF	512	494	430	506	546
	Avg Class Size	29.4	28.1	23.6	28.4	34.6
Golden West	Fill-Rates	84.2%	82.9%	76.0%	79.6%	83.8%
	WSCH/FTEF	546	569	500	485	523
	Avg Class Size	31.2	31.0	29.8	28.0	34.4
Orange Coast	Fill-Rates	89.1%	89.5%	87.4%	93.5%	91.2%
	WSCH/FTEF	547	507	482	492	511
	Avg Class Size	28.5	27.2	28.0	28.4	34.4
District-Wide	Fill-Rates	83.7%	82.9%	79.0%	84.3%	85.0%
	WSCH/FTEF	541	523	479	492	519
	Avg Class Size	29.4	28.4	27.8	28.3	34.4

Registration Productivity Measures

by Term, by College
Spring
3 of 4

Spring		2020	2021	2022	2023	2024
Coastline	Fill-Rates	73.1%	69.4%	67.3%	65.2%	71.0%
	WSCH/FTEF	504	482	481	514	567
	Avg Class Size	29.5	29.5	26.0	32.4	36.9
Golden West	Fill-Rates	77.6%	73.0%	80.1%	76.7%	80.7%
	WSCH/FTEF	529	452	554	493	508
	Avg Class Size	30.5	28.7	30.6	32.3	33.9
Orange Coast	Fill-Rates	84.9%	78.7%	84.6%	83.2%	86.0%
	WSCH/FTEF	523	423	471	471	485
	Avg Class Size	27.2	24.5	25.6	31.5	32.2
District-Wide	Fill-Rates	80.1%	75.0%	79.7%	78.1%	81.8%
	WSCH/FTEF	521	442	494	484	504
	Avg Class Size	28.5	26.5	27.0	31.9	33.4

Registration Productivity Measures

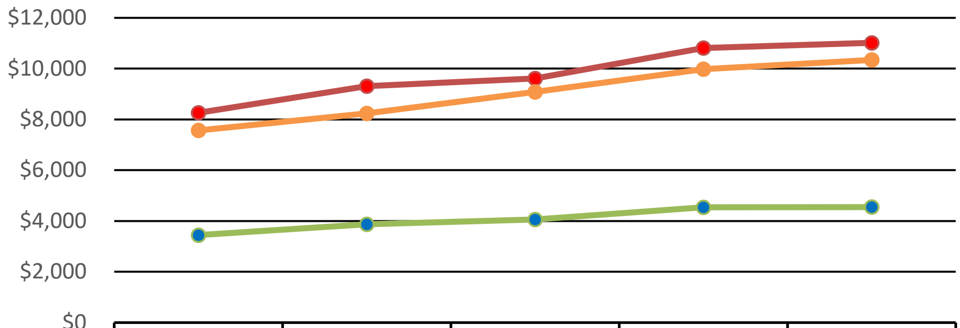
by Term, by College
Academic Year
4 of 4

Academic Year		2019-20	2020-21	2021-22	2022-23	2023-24
Coastline	Fill-Rates	68.7%	66.8%	63.3%	72.2%	71.2%
	WSCH/FTEF	509	477	465	556	549
	Avg Class Size	29.6	28.0	25.8	32.7	35.2
Golden West	Fill-Rates	76.6%	82.0%	74.3%	82.8%	83.0%
	WSCH/FTEF	522	548	491	523	528
	Avg Class Size	30.7	31.9	29.6	32.9	35.3
Orange Coast	Fill-Rates	79.2%	86.7%	83.1%	88.1%	88.3%
	WSCH/FTEF	503	497	467	495	497
	Avg Class Size	26.5	26.9	26.8	31.8	33.1
District-Wide	Fill-Rates	76.0%	81.2%	76.3%	83.4%	83.4%
	WSCH/FTEF	510	508	474	482	515
	Avg Class Size	28.2	28.4	27.4	32.2	34.0

Cost and SCFF Revenue per FTES

Coast Colleges

5-Year % Change	
Total SCFF Revenue per FTES	36.7%
Direct Instruction Costs per FTES	32.0%
Total Costs per FTES	33.3%



	20/21 Actual	21/22 Actual	22/23 Actual	23/24 Unaudited Actual	24/25 Projection
Total Cost per FTES	$8,262	$9,310	$9,615	$10,813	$11,017
Direct Instruction Cost per FTES	$3,446	$3,867	$4,067	$4,542	$4,548
Total Revenue per FTES	$7,567	$8,239	$9,080	$9,982	$10,342

- Total SCFF Revenue per FTES: Total Unrestricted General Fund Revenue/Total FTES
- Direct Instruction Costs per FTES: Unrestricted General Fund Direct Instruction Costs (50% Law Calculation)/Total FTES
- Total SCFF Cost per FTES: Unrestricted General Fund Expenditures less Other Outgo/Total FTES

Adopted Budget Model 2024-25 FY

Coast Colleges

	Rate	ORANGE COAST	GOLDEN WEST	COASTLINE	TOTAL	*Notes*
Allocation Framework		52.11%	30.51%	17.38%	100.00%	
Basic Allocation		$ 7,593,194	$ 6,508,448	$ 6,508,448	$ 20,610,090	*Not allocated by model %*
Base Allocation						
Traditional Credit 3-YR Avg	$ 5,294	$ 68,132,943	$ 39,794,908	$ 22,625,321	$ 130,553,172	
FTES		**13,094.44**	**7,666.69**	**4,367.33**	**25,128.46**	
Special Admin Credit	$ 7,425	$ 3,922,567	$ 2,296,633	$ 1,308,275	$ 7,527,475	
FTES		**528.38**	**309.36**	**176.23**	**1,013.97**	
Non Credit	$ 4,465	$ 122,781	$ 71,887	$ 40,951	$ 235,619	
FTES		**27.50**	**16.10**	**9.17**	**52.77**	
Non Credit CDCP	$ 7,425	$ 2,062,187	$ 1,207,394	$ 687,792	$ 3,957,373	
FTES		**277.78**	**162.64**	**92.65**	**533.07**	
TOTAL BASE ALLOCATION		$ 81,833,672	$ 49,879,270	$ 31,170,787	$ 162,883,729	*Reflects 2023-24 P2, 3 yr avg*
Supplemental Allocation						
PELL Grant Recipients	$ 1,252	$ 5,892,856	$ 3,450,222	$ 1,965,418	$ 11,308,496	
AB520 Students	$ 1,252	$ 473,722	$ 277,360	$ 157,998	$ 909,080	
California Promise Grant Recipients	$ 1,252	$ 13,400,738	$ 7,846,028	$ 4,469,484	$ 25,716,250	
TOTAL SUPPLEMENTAL ALLOCATION		$ 19,767,316	$ 11,573,610	$ 6,592,900	$ 37,933,826	*Reflects 2023-24 P2*
Student Success Allocation						
All Students		$ 11,692,689	$ 6,845,978	$ 3,899,807	$ 22,438,474	
Pell Grant Recipients Bonus		$ 1,789,464	$ 1,047,717	$ 596,831	$ 3,434,013	
California Promise Grant Recipients Bonus		$ 1,755,315	$ 1,027,724	$ 585,442	$ 3,368,481	*Reflects 2023-24 P2, 3 yr avg*
TOTAL STUDENT SUCCESS ALLOCATION		$ 15,237,468	$ 8,921,419	$ 5,082,080	$ 29,240,968	
Full-Time Faculty Hiring 2015-2016		$ 1,187,574	$ 791,716	$ 494,823	$ 2,474,113	*Based on faculty allocation 12,8,5*
TOTAL COMPUTATIONAL REVENUE (A)		**$ 118,026,030**	**$ 71,166,015**	**$ 43,340,590**	**$ 232,532,636**	*Total Computational Revenue*
Prior Year SCFF before HH + COLA (B)		$ 120,911,882	$ 72,952,060	$ 44,401,827	$ 238,265,769	*Prior Year SCFF before HH + COLA*
FY 2017-18 TCR adjusted by COLA (C)		$ 121,477,561	$ 73,283,260	$ 44,590,496	$ 239,351,317	*FY 2017-18 Hold Harmless + COLA*
Adjusted Total Computational Revenue (Max A, B, or C)		**$ 121,477,561**	**$ 73,283,260**	**$ 44,590,496**	**$ 239,351,317**	
Additional Funding due to Hold Harmless		$ 3,451,528	$ 2,117,244	$ 1,249,909	$ 6,818,681	
ADJUSTED SCFF APPORTIONMENT REVENUE		**$ 121,477,558**	**$ 73,283,259**	**$ 44,590,500**	**$ 239,351,317**	
Full-Time Faculty Hiring 2018-2019		$ 762,726	$ 457,635	$ 228,818	$ 1,449,179	*Based on faculty allocation 10,6,3*
Full-Time Faculty Hiring 2021-2022		$ 1,138,649	$ 1,051,061	$ 437,942	$ 2,627,652	*Based on faculty allocation 13,12,5*
TOTAL APPORTIONMENT REVENUE		**$ 123,378,933**	**$ 74,791,955**	**$ 45,257,260**	**$ 243,428,148**	

Adopted Budget Model 2024-25 FY

Coast Colleges

	ORANGE COAST	GOLDEN WEST	COASTLINE	TOTAL	
Allocation Framework	52.11%	30.51%	17.38%	100.00%	
OTHER STATE REVENUE					
Lottery	$ 3,052,290	$ 1,787,091	$ 1,018,016	$ 5,857,397	*Based FY 24 Est. Payment $191 per ADA FTES*
College Promise Grants (BOG Fee Waivers Admin)	$ 138,511	$ 96,472	$ 59,657	$ 294,640	*Based on College Promise grant allocation*
Part-Time Faculty Parity	$ 356,756	$ 186,364	$ 135,248	$ 678,368	*PT Faculty Parity $ allocated in arrears based on actuals.*
State Mandated Costs	$ 519,009	$ 303,876	$ 173,103	$ 995,988	*2024 Budget Act Est $35.64 FTES @ P2 320*
TOTAL OTHER STATE REVENUE	$ 4,066,566	$ 2,373,803	$ 1,386,024	$ 7,826,393	
TOTAL STATE REVENUE	$ 127,445,499	$ 77,165,758	$ 46,643,284	$ 251,254,541	
District Wide Local Revenue	$ 2,829,781	$ 1,656,815	$ 943,804	$ 5,430,400	*Interest, Joint Use Development, La Habra Rentals, and KOCE Payments*
TOTAL REVENUE FOR DISTRIBUTION THROUGH THE MODEL	**$ 130,275,280**	**$ 78,822,573**	**$ 47,587,088**	**$ 256,684,941**	
DEFICIT FACTOR @ 0.5%				**$ (1,196,757)**	*Projection at 0.5% based on surrounding district survey*
SRP ANNUAL DEBT SERVICE PAYMENT				**$ (1,870,416)**	Year 5 of 5 year payment agreement
ADJUSTED REVENUE				**$ 253,617,768**	
LESS ASSESSMENTS					
District Services	$ 15,608,287	$ 9,138,531	$ 5,205,758	$ 29,952,575	*Diff COLA 1.07%, Step/Column, Benefits*
District Wide Expense	$ 12,560,493	$ 7,354,071	$ 4,189,241	$ 24,103,805	*Diff COLA 1.07%, MOU#19-4, Insurance 15% incr, Ellucian contract*
TOTAL ASSESSMENTS	$ 28,168,780	$ 16,492,602	$ 9,394,999	$ 54,056,380	
NET REVENUE FROM ALLOCATION MODEL 2024-2025	$ 102,106,502	$ 62,329,971	$ 38,192,089	$ 202,628,561	
NET REVENUE FROM ALLOCATION MODEL 2023-2024	$ 100,916,000	$ 61,633,112	$ 37,772,081	$ 200,321,193	

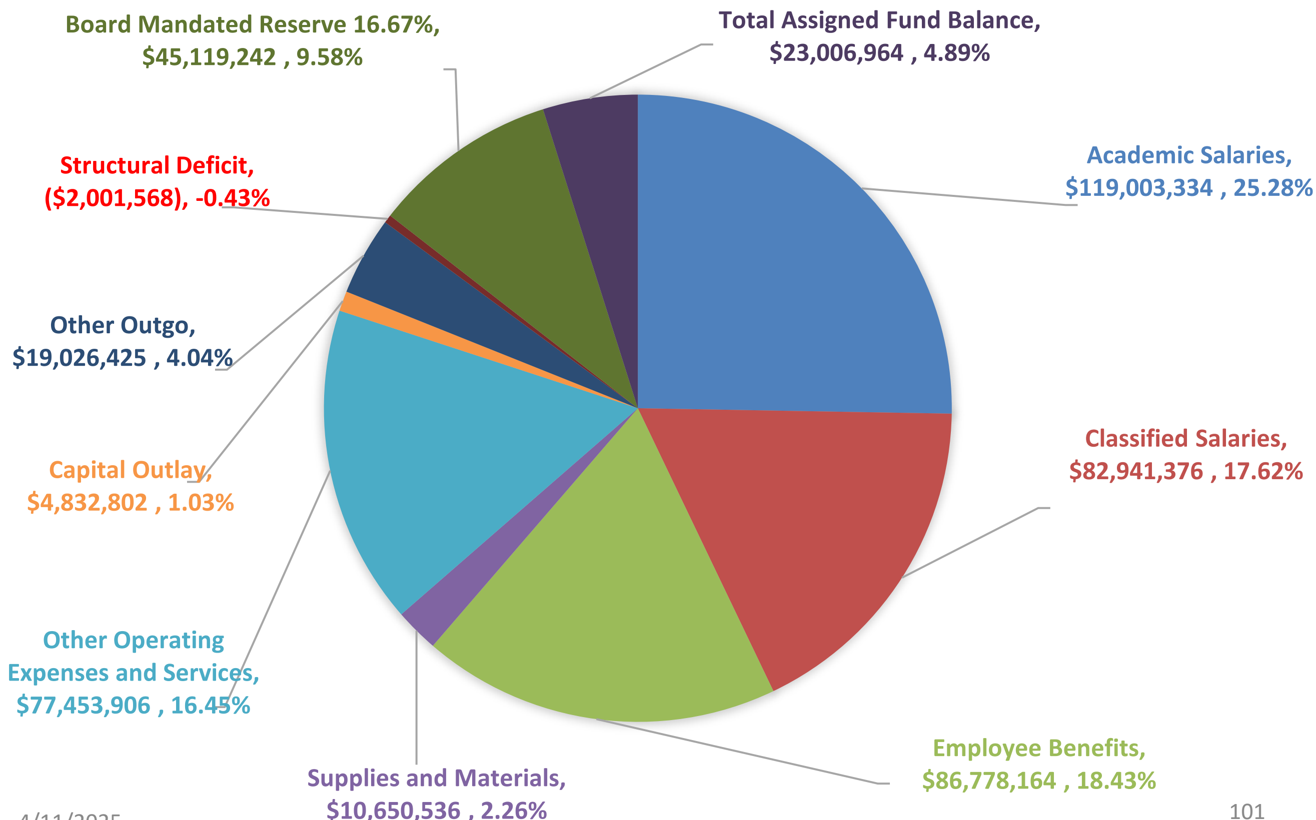
REVENUE ADJUSTED FOR 0.5% DEFICIT FACTOR AND SRP PAYMENT

	FY 2024-2025	*%*	*Deficit Factor 0.5%*	*SRP Payment*	*FY 2024-2025 ALLOCATION*
ORANGE COAST	$ 102,106,502	40%	$ (525,394)	$ (693,643)	$ 100,887,465
GOLDEN WEST	$ 62,329,971	24%	$ (320,722)	$ (558,723)	$ 61,450,526
COASTLINE	$ 38,192,089	15%	$ (196,518)	$ (362,521)	$ 37,633,050
DISTRICT SERVICES	$ 29,952,575	12%	$ (154,123)	$ (255,529)	$ 29,542,923
DISTRICT WIDE EXPENSES	$ 24,103,805	9%	$ -	$ -	$ 24,103,805
TOTAL	*$ 256,684,943*	*100%*	*$ (1,196,757)*	*$ (1,870,416)*	*$ 253,617,770*

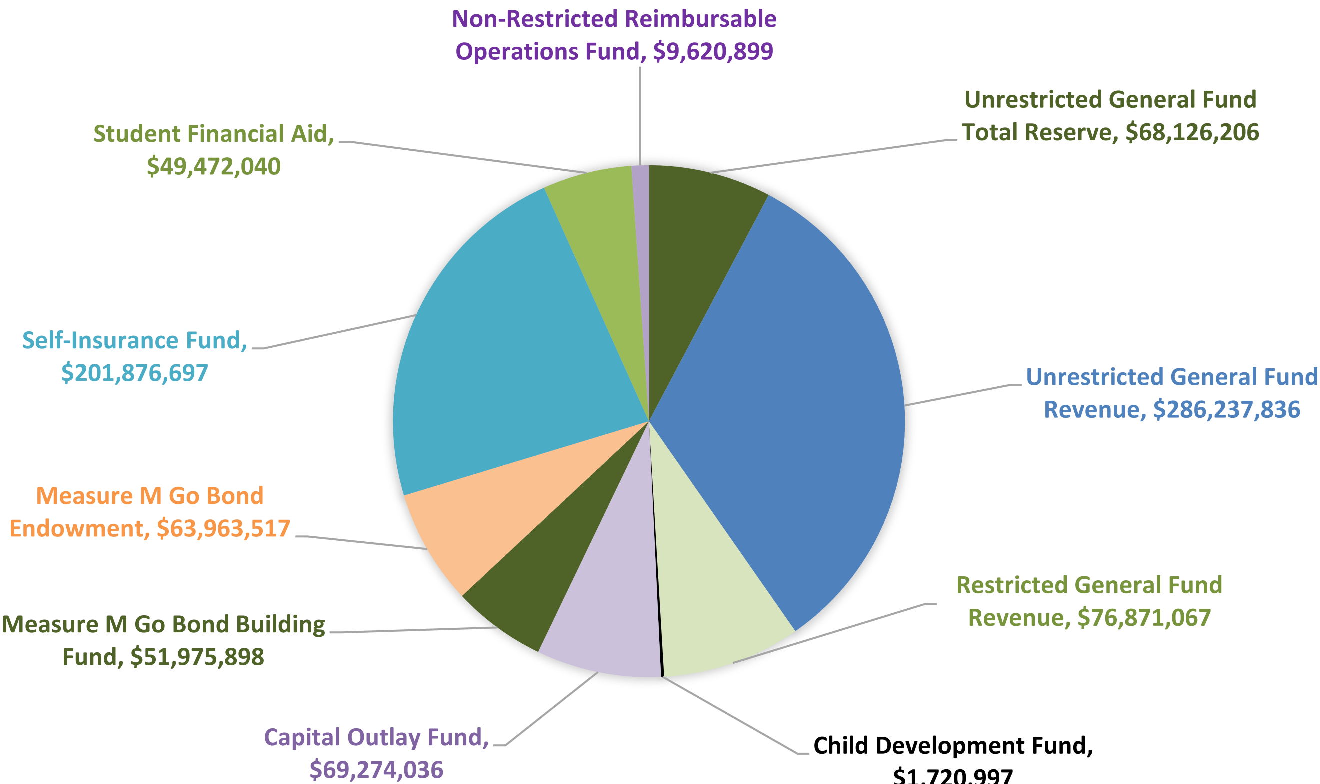
Note: Additional $3.9 M (12.8%) needed to meet Board Policy Reserve of 16.67% from District Assessment savings.

Total General Fund
2024-25 Adopted Budget

Coast Colleges



All Funding Sources
2023-24 Unaudited Actuals



Statewide Unrestricted General Fund 2022-23 Reserves Ending Balance