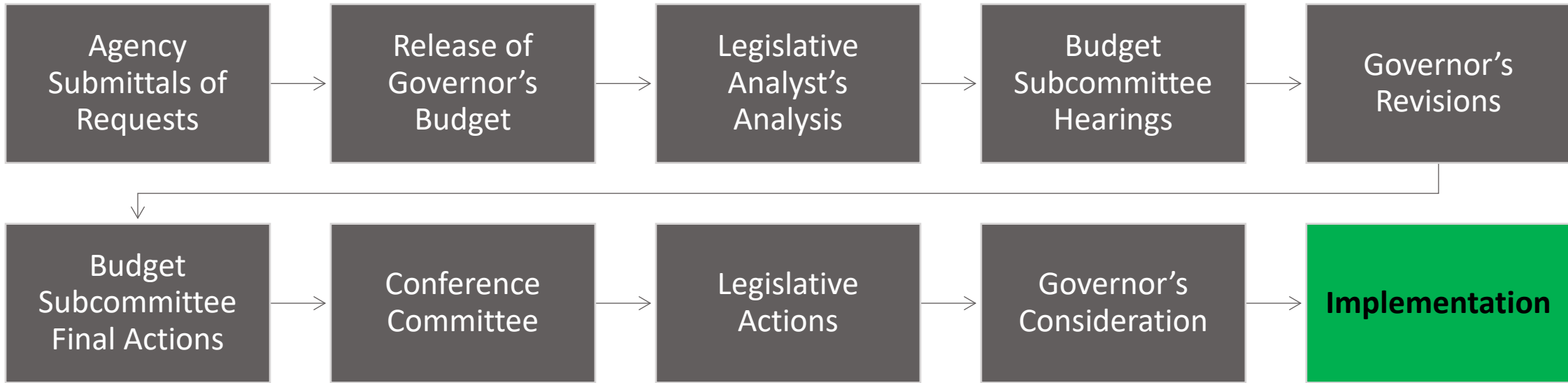


# **Enacted State Budget & MSJC's Adopted Budget FY 2024-25**

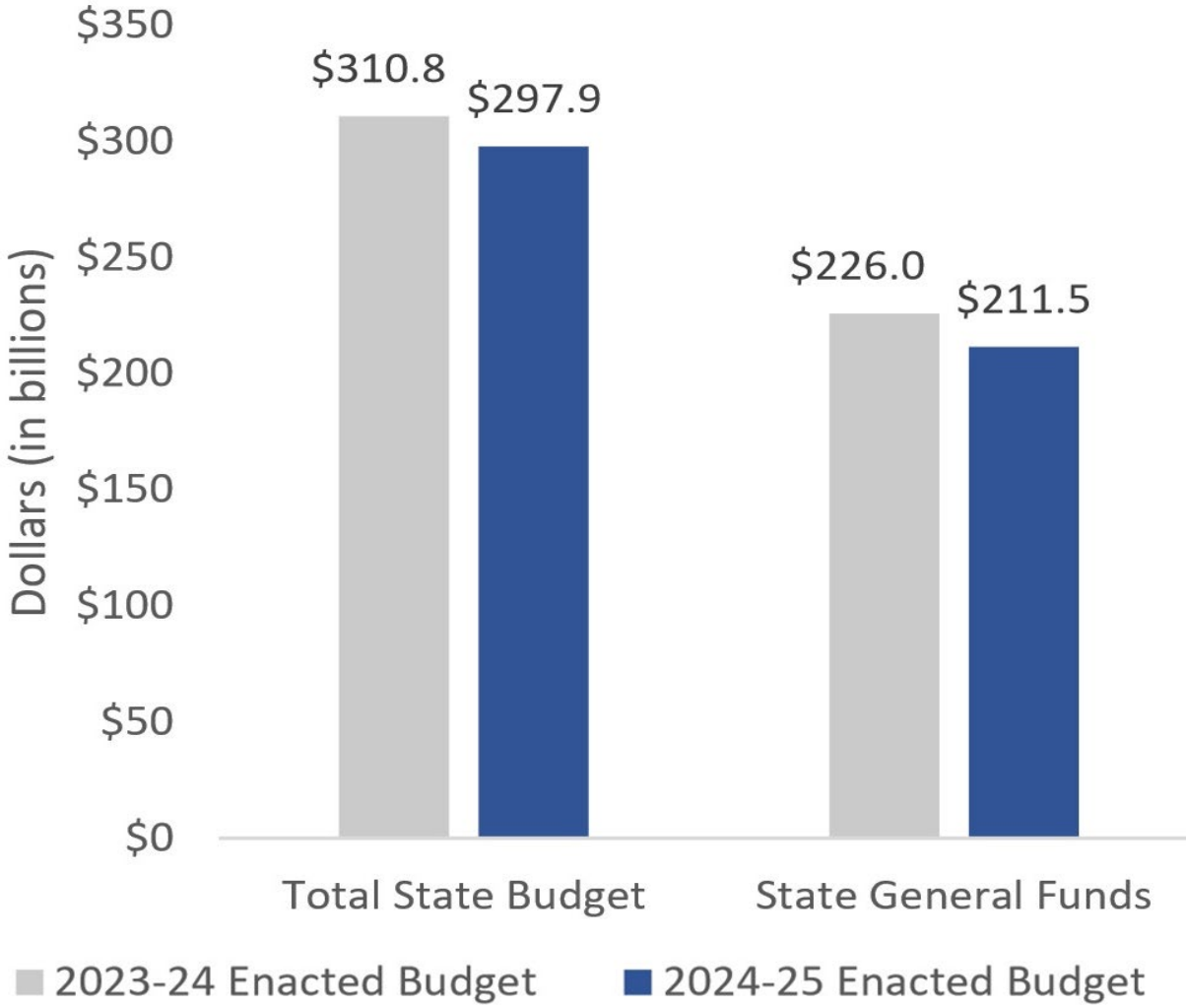
Board of Trustees Meeting  
September 12, 2024

**MSJC** | Mt. San Jacinto  
College

# State Budget Development Process



# 2024-25 vs. 2023-24 Enacted Budget



[2, p. 3]

# 2024-25 California State Budget Features

- **Proposes legislation requiring the state to set aside a portion of anticipated surplus funds to be allocated in a subsequent Budget Act so that state does not commit revenues until they have been realized** [1, p. 1]
- **Imposes Government Efficiency & Cost Saving Measures by reducing nearly all state departments' budgets beginning in 2024-25:** [1, pp. 101-102]
  - Vacant Position Funding Reduction & Elimination of Positions: \$1.5B savings in 2024-25 and the elimination of approximately 10,000 positions starting in 2025-26 and ongoing
  - State Operations Ongoing Reductions: 7.95% reduction across-the-board beginning in 2024-25
- **Solve a \$46.8B deficit through a mix of solutions:** [1, pp. 2-4]
  - Reductions: \$16B
  - Revenue/Internal Borrowing: \$13.6B
  - Reserves: \$6B
  - Fund Shifts: \$6B
  - Delays/Pauses: \$3.1B
  - Deferrals: \$2.1B

# Proposition 98 Funding by Source (In Millions)

Minimum Guarantee	2022-23	2023-24	2024-25	Change From 2023-24	Percent Change
General Fund	\$73,946	\$67,094	\$82,613	\$15,519	23%
Local property tax	29,774	31,389	32,670	1,281	4%
Totals <sup>a</sup>	\$103,720	\$98,484	\$115,283	\$16,800	17%

<sup>a</sup>Of the \$103.7 billion for 2022-23, the 2024 Budget Act accrues approximately \$6.2 billion of the state's general fund costs to the 2026-27 through 2035-36 fiscal years for budgetary and financial reporting purposes. [2, p. 7]

- Suspends Proposition 98 minimum guarantee for 2023-24 creating a maintenance factor obligation of approximately \$8.3B [1, p. 12]
- Depletes Public School System Stabilization Account by withdrawing \$8.4B to cover costs through 2023-24; projects contributions of approximately \$1.1B over the 2024-25 fiscal year [1, p. 12]

# CCC Student Centered Funding Formula (SCFF)

- **Statewide SCFF, \$9.57B** [2, p. 13]
  - 1.07% COLA, \$100.22M [1, p. 23][2, p. 8]
  - 0.5% Growth, \$28.1M [1, p. 23][2, p. 8]
- **Budget reflects deferrals to SCFF:** [1, p. 23][2, p. 7]
  - \$446.4M deferred from 2023-24 to 2024-25
  - **\$243.7M deferred from 2024-25 to 2025-26**

# CCC Other Ongoing Statewide Policy Adjustments

- **1.07% COLA for Adult Ed., EOPS, DSPS, Apprenticeship, CalWORKS, Mandates Block Grant, CARE, Childcare Tax Bailout [1, p. 23][2, p. 8]**
- **\$1.93M for Financial Aid Administration Adjustments [2, p. 8]**



# CCC One-Time Statewide Policy Adjustments

- **Strong Workforce Program Reprogramming**
  - **General Allocation: (\$65M)** [2, p. 8]
  - **Nursing Infrastructure Grant: \$60M** [1, p. 24][2, p. 8]
  - **Pathways for Low-Income Workers: \$5M** [1, p. 24][2, p. 8]
- **\$20M to Support Campus Financial Aid Offices** [1, p. 24][2, p. 8]
- **\$12M to Support E-Transcript California Development & Integration** [1, p. 24][2, p. 8]
- **\$6M for Mapping Pathways for Credit for Prior Learning** [1, p. 24][2, p. 8]



# MSJC 2024-25 Adopted Budget Overview



Fund	Description	
11	General -- Unrestricted	\$ 182,874,976
11	BOT Special Reserve	\$ 29,188,278
12	General -- Restricted	\$ 57,173,018
12	Parking	\$ 1,366,219
12	Health Center	\$ 1,928,675
12	Instructional Equipment Block Grant	\$ 2,573,810
32	Cafeteria	\$ 4,000,201
33	Child Development	\$ 2,178,459
41	Capital Outlay Projects	\$ 47,029,783
43	Bond Projects	\$ 20,840,943
61	Self-Insurance	\$ 6,832,150
71	Student Government Association	\$ 789,065
72	Student Representation Fee	\$ 161,039
74	Student Financial Aid	\$ 43,022,517
79	Foundation	\$ 8,678,611
<b>TL</b>	<b>Total</b>	<b>\$ 408,637,744</b>

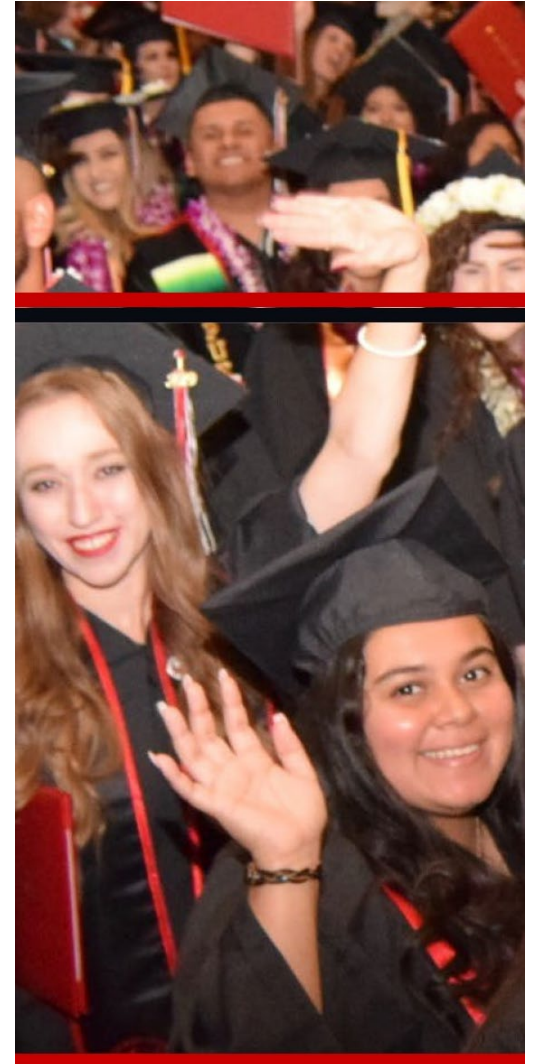
# Features of 2024-25 MSJC Adopted Budget

## Revenue

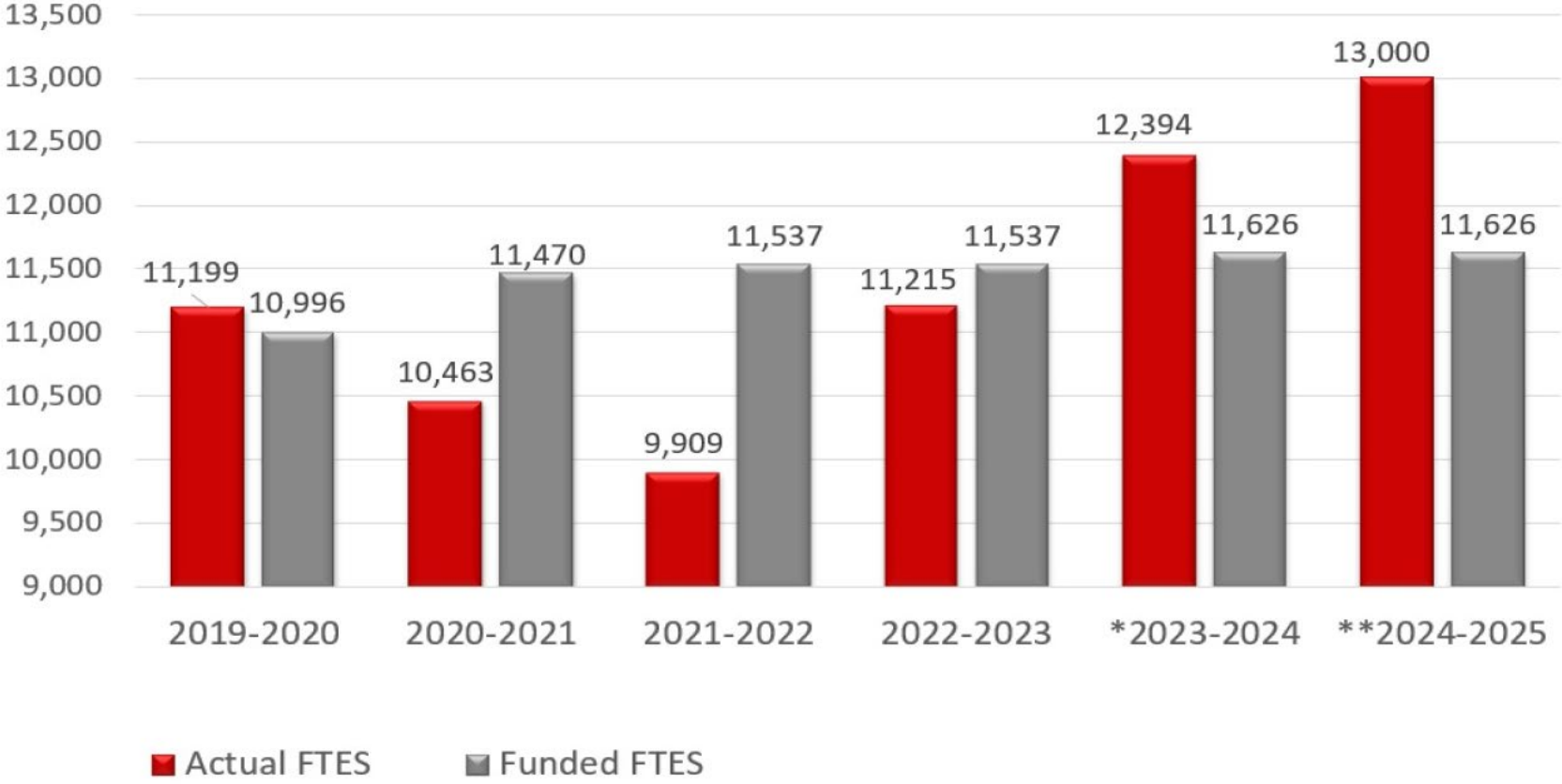
- 1.07 % COLA on apportionment
- 3% deficit applied to general fund revenue
- \$5.8M SCFF one-time

## Expense

- Step & column raises
- PERS & STRS employer contribution increases
- Health & welfare benefit cost increases
- Discretionary accounts reduced by 5%
- Funding for MVC & SJC STEM buildings, secondary effects, access controls, HVAC projects, & wayfinding



# 2024-25 Adopted Budget FTES v. Historical Trends



*\*Based on the Chancellor's Office 2023-24 P2 report released on 6/19/24*  
*\*\*FY 2024-2025; actuals based on projected FTES, funded based on budgeted FTES*

# 2024-25 Adopted Budget Allocation Model

	Ongoing	One-Time	Combined
<b>Unrestricted Revenues &amp; Beginning Fund Balance</b>			
<b>Unaudited Beginning Balance</b>	\$ -	\$ 55,416,233	\$ 55,416,233
<b>FY 2024-2025 Projected Revenue</b>			
Apportionment Entitlement	110,800,365	6,003,730	116,804,095
Less 3% Apportionment Deficit Factor	(3,324,011)	(180,112)	(3,504,123)
Other Revenue	14,498,770	-	14,498,770
	<b>121,975,124</b>	<b>5,823,619</b>	<b>127,798,743</b>
<b>Less BOT Required Intrafund Transfer</b>			
17% of Projected Revenue	(21,725,786)	-	(21,725,786)
BOT Required Reserve Unaudited Beginning Balance	22,281,926	-	22,281,926
	-	-	-
<b>Less Other Intrafund Transfers</b>			
Instructional Block Grant	(340,000)	-	(340,000)
	<b>(340,000)</b>	-	<b>(340,000)</b>
<b>Total Unrestricted Revenues &amp; Beginning Fund Balance</b>	<b>\$ 121,635,124</b>	<b>\$ 61,239,852</b>	<b>\$ 182,874,976</b>



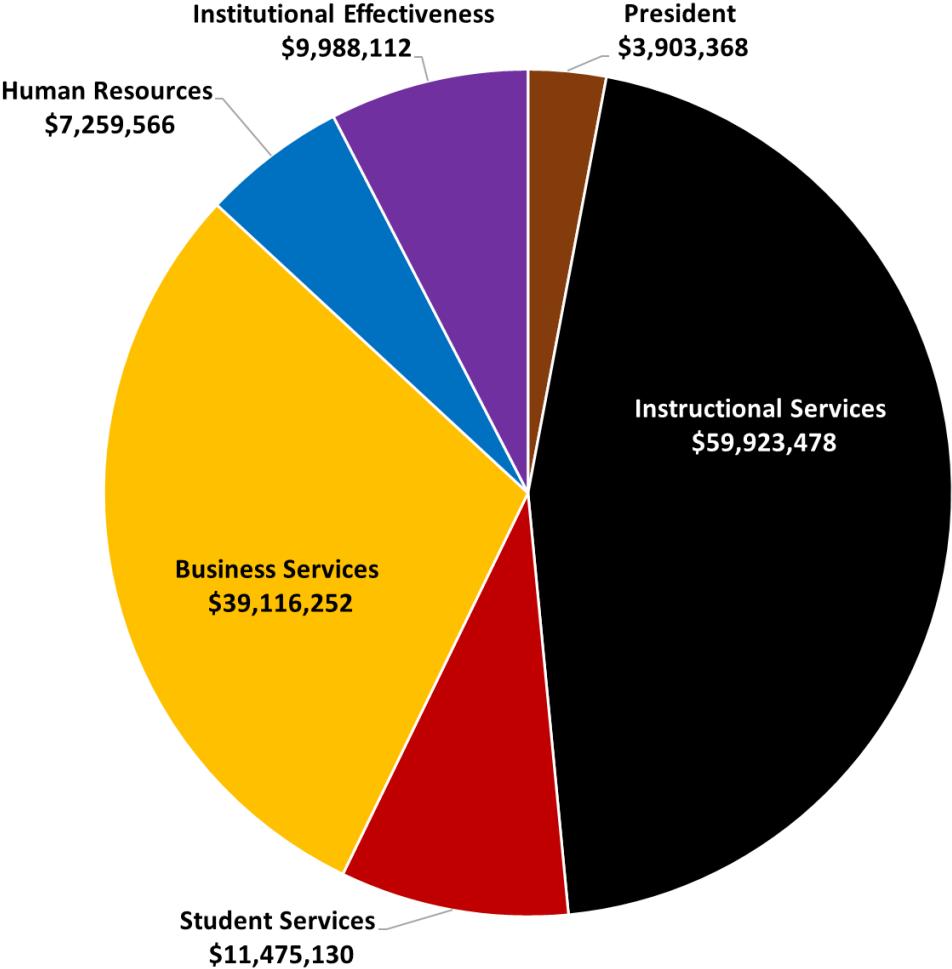
# 2024-25 Adopted Budget Allocation Model

## Unrestricted Expenditures & Ending Fund Balance

	Ongoing	One-Time	Combined
<b>Expenditure Budget</b>			
PY Base Expenditure Budget (FY 2023-2024)	\$ 111,618,905	\$ 1,208,723	\$ 112,827,628
FY 2024-2025 Budget Adjustments	9,931,219	8,907,059	18,838,278
	<b>121,550,124</b>	<b>10,115,782</b>	<b>131,665,906</b>
<b>Interfund Transfers</b>			
Childcare	-	56,261	56,261
Self Insurance	-	5,135,617	5,135,617
Capital Outlay	-	10,000,000	10,000,000
	-	<b>15,191,878</b>	<b>15,191,878</b>
<b>Other Outgo</b>			
Student Financial Services	85,000	-	85,000
	<b>85,000</b>	-	<b>85,000</b>
<b>Contingencies &amp; Reserves</b>			
One-time Economic Reserve	-	5,841,988	5,841,988
Unrestricted Reserve	-	30,090,204	30,090,204
	-	<b>35,932,192</b>	<b>35,932,192</b>
<b>Total Unrestricted Expenditures &amp; Ending Fund Balance</b>	<b>\$ 121,635,124</b>	<b>\$ 61,239,852</b>	<b>\$ 182,874,976</b>

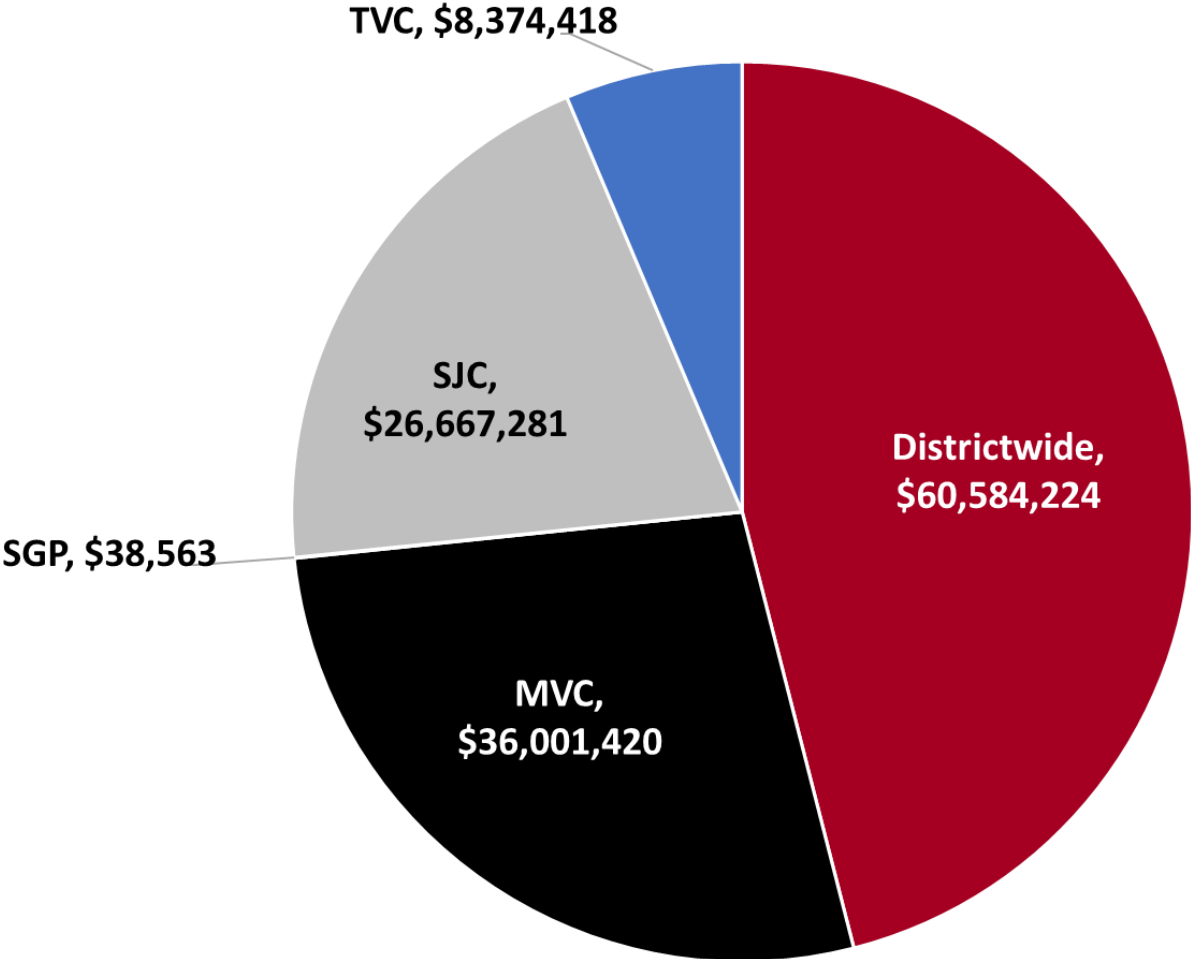
# 2024-25 MSJC Adopted Budget Expenditures by Division

*Unrestricted General Fund – Expenditure Budget*



# 2024-25 MSJC Adopted Budget Expenditures by Location

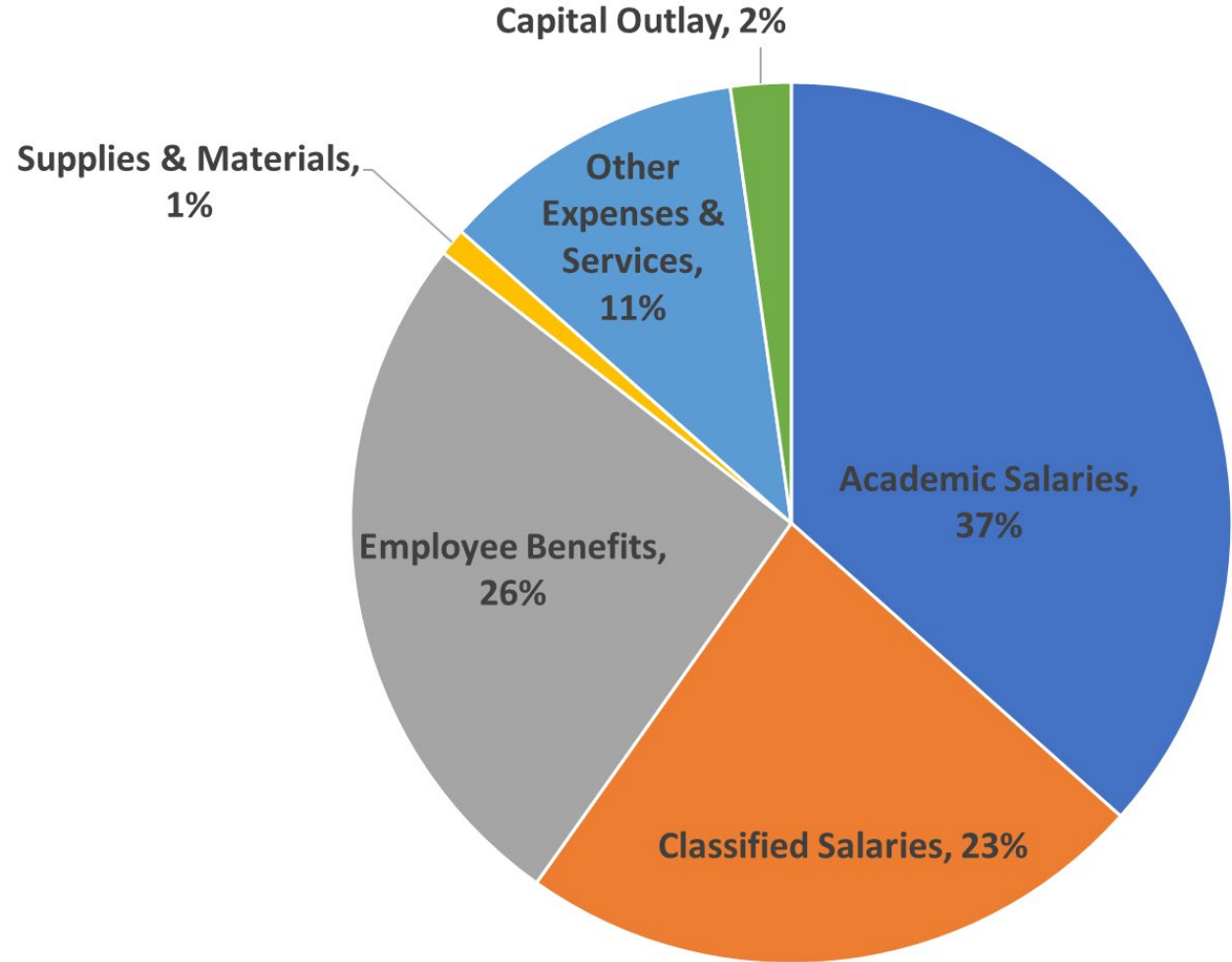
*Unrestricted General Fund – Expenditure Budget*



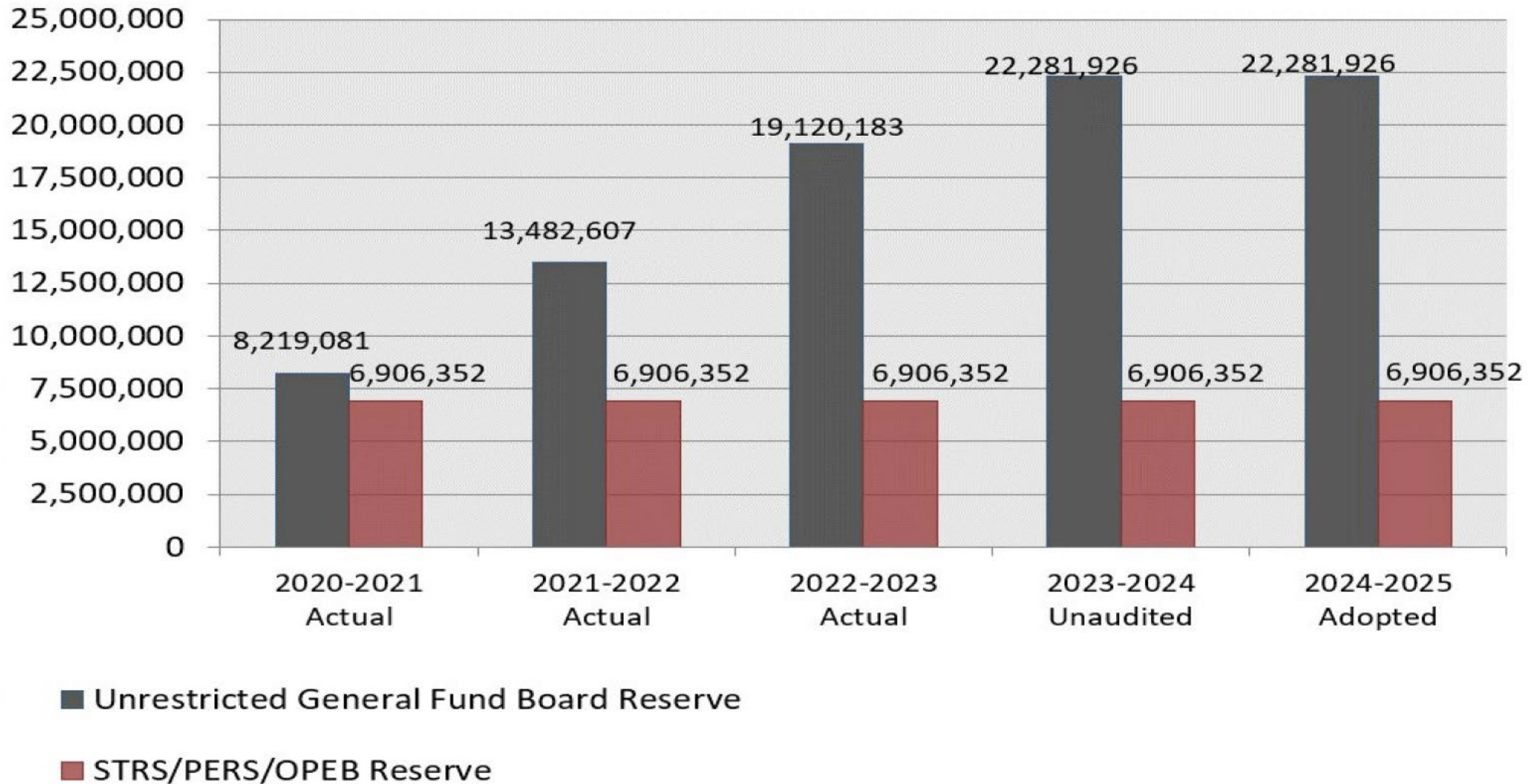


# 2024-25 MSJC Adopted Budget Expenditures by Percent

*Unrestricted General Fund Expenditure Budget – 86% Salary/Benefits*



# Board of Trustees Special Reserve Fund



# Questions?

# Sources

- [1] Newsom, Gavin; Governor. California State Budget: 2024-25  
<https://ebudget.ca.gov/2024-25/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf>
  
- [2] CCC, ACBO, ACCCA, CCLC Joint Analysis – Enacted 2024-25 Budget  
<https://www.cccco.edu/-/media/CCCCO-Website/docs/report/2024-joint-analysis-enacted-budget.pdf?la=en&hash=4A1CA096375140CDBF5AABA48A6AA946D3808391>