

2022-2023
District Budget Advisory Committee (DBAC)

Meeting Agenda - June 20, 2023

Location: Via Zoom

<https://fhda-edu.zoom.us/j/91211550663?pwd=ZGYrNlFDcEtUenVZYUs5dExaaUdidz09>

Time: 1:30-3:00 p.m.

Note Taker: Trena O'Connor

	Agenda Topic	Discussion Leader
1:30-2:00	2023-24 Tentative Budget	Cheu/Puentes-Griffith
2:00-2:10	50% Law Restrictions	Cheu/Puentes-Griffith
2:10-2:20	How Restoration Works	Cheu/Puentes-Griffith
2:20-2:25	Meeting Dates for 2023-24	Cheu/Khanna
2:25-2:30	Charge of the Committee	Cheu
2:30-2:50	Reimagining Recap	Khanna
2:50-2:55	New & Returning Members	Cheu
2:55-3:00	Other	All
Handouts:	2023-24 Tentative Budget 2023-24 Meeting Dates Schedule	



FOOTHILL-DE ANZA
Community College District

2023-24

TENTATIVE BUDGET

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

Board of Trustees

Patrick Ahrens, President
Laura Casas, Vice President
Gilbert Wong
Pearl Cheng
Peter Landsberger

Nicole Nguyen, Foothill Student Trustee
Javier Gomez Tagle, De Anza Student Trustee

Chancellor

Judy C. Miner

Vice Chancellor, Business Services

Susan Cheu

Executive Director, Fiscal Services

Raquel Puentes-Griffith

Director, Budget Operations

Sirisha Pingali

**FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT
2023-2024 TENTATIVE BUDGET**

Contents

ANALYSIS

2023-24 Tentative Budget Overview.....	1
---	----------

DISTRICT FUNDS - Organizational Chart	5
--	----------

BUDGET TABLES

2023-24 Budget Summary

General Funds	6
All Funds	7
Inter- and Intra-Fund Transfers	8

UNRESTRICTED GENERAL FUND

General Purpose	9
22-23 Budget by Campus	10
Fiscal Year 2022-23 & 2023-24 Comparison	11

Self-Sustaining	12
22-23 Budget by Campus	13
Fiscal Year 2022-23 & 2023-24 Comparison	14

RESTRICTED GENERAL FUND

Restricted and Categorical	15
22-23 Budget by Campus	19
Fiscal Year 2022-23 & 2023-24 Comparison	20

Special Education	21
22-23 Budget by Campus	22
Fiscal Year 2022-23 & 2023-24 Comparison	23

Federal Work Study	24
22-23 Budget by Campus	25
Fiscal Year 2022-23 & 2023-24 Comparison	26

Parking	27
Fiscal Year 2022-23 & 2023-24 Comparison	28

Campus Center Use Fees.....	29
22-23 Budget by Campus	30
Fiscal Year 2022-23 & 2023-24 Comparison	31

OTHER FUNDS

Debt Service	32
Fiscal Year 2022-23 & 2023-24 Comparison	36
De Anza Dining Services	37
Fiscal Year 2022-23 & 2023-24 Comparison	38
Child Development	39
Fiscal Year 2022-23 & 2023-24 Comparison	40
Capital Projects	41
Fiscal Year 2022-23 & 2023-24 Comparison	44
Enterprise	45
Fiscal Year 2022-23 & 2023-24 Comparison	46
Internal Service	47
22-23 Active and Retired Employees	48
Fiscal Year 2022-23 & 2023-24 Comparison	49
Student Financial Aid	50
22-23 Budget by Campus	51
Fiscal Year 2022-23 & 2023-24 Comparison	52
Other Trust (OPEB)	53
Fiscal Year 2022-23 & 2023-24 Comparison	55
SUPPLEMENTAL INFORMATION	56
2022-23 Year-End Projected Actual Summary	
General Funds	57
All Funds	58
Inter- and Intra-Fund Transfers	59
Changes in Fund 114 Revenue & Expenses	60
Facts At a Glance	61
Gann Limit Worksheet	62
Glossary	63



2023-24 Tentative Budget

June 12, 2023

Susan Cheu, Vice Chancellor, Business Services
Raquel Puentes-Griffith, Executive Director, Fiscal Services
Sirisha Pingali, Director, Budget Operations

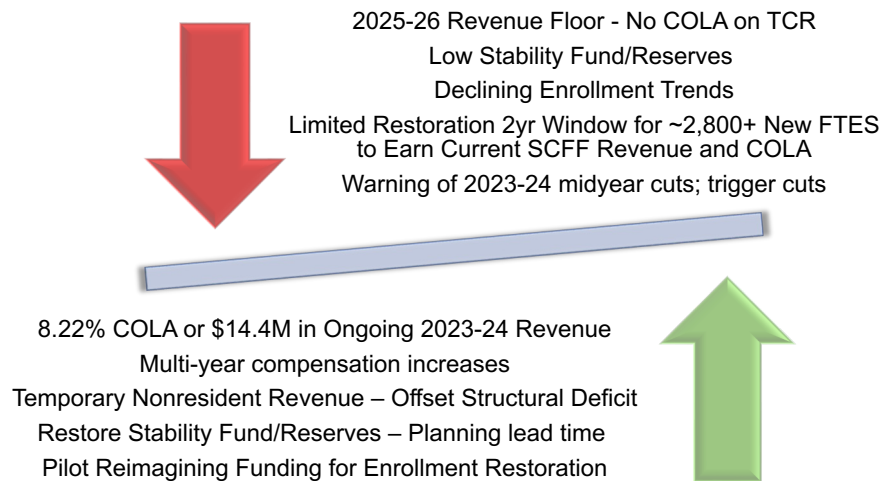
Overview

- May Revise, Risks/Opportunities for Three-Year Budget Strategy and Model
- Stability Fund and Projected 2022-23 Ending Fund Balance
- 2023-24 Assumptions, Changes in Revenues/Expenses and Fund Balance for 2023-24 Tentative Budget
- Nonresident, FTES Restoration under SCFF, and Basic Aid Status
- Future Fiscal Planning and Looking Ahead

May Revise Update

- ❑ Projected \$32 billion deficit for the overall State budget
 - ❑ Income tax returns for most California counties deferred to October 2024 adding to uncertainty
 - ❑ Legislative Analyst's Office (LAO) believes May Revise projections are too optimistic
- ❑ Proposed 8.22% COLA
- ❑ Cuts proposed to funding allocated in 2022-23 year
 - ❑ COVID Block Grant by over 50%
 - ❑ \$16.1 million to \$7.6 million
 - ❑ State Scheduled Maintenance by over 50%
 - ❑ \$17.7 million to \$8.0 million
- ❑ Risk of midyear cuts
 - ❑ Reduction of allocated funding or COLA
 - ❑ Use of state reserves to backfill deficit
 - ❑ Use of deferrals to push shortage into upcoming fiscal year

District Budget Risks and Opportunities Fundamental Shift in Funding



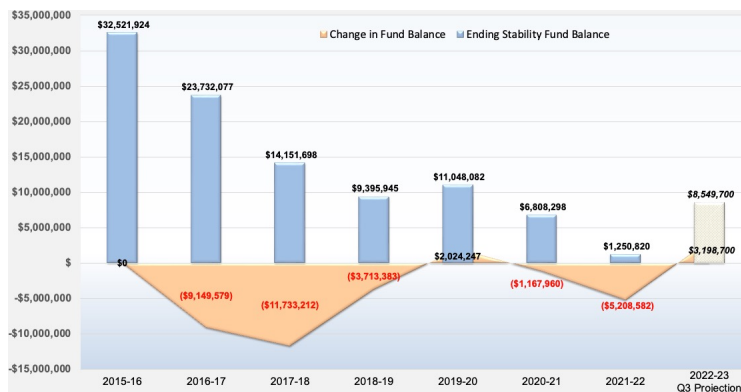
2023-24 to 2025-26 Three-Year Budget Strategy

1. Leverage Current Opportunities
 - Current Year COLA; Multi-year compensation increases and may include 2024-25 COLA, if state provides
 - Strategically apply Temporary Nonresident Revenues
 - Pilot Reimagining Plan for Enrollment Restoration - 2yrs remaining

2. Mitigate Risk
 - Measured expenditure increases
 - 2023-24 midyear trigger cuts/deferrals that may compound to next FY
 - Limited 2yr window to restore FTES to "earn" full revenue under SCFF

3. Restore Stability Fund/Reserves
 - Afford the time for evaluation and preparation for fundamental change and decisions in 2025-26
 - Targeted Stability Fund should cover 2-3 years of structural deficit
 - 2 years of notice and planning needed for possible reduction in force or program eliminations
 - Minimum \$34M to meet CCCC Fiscal Forward Reserve recommendation

Historical Facts - Stability Fund



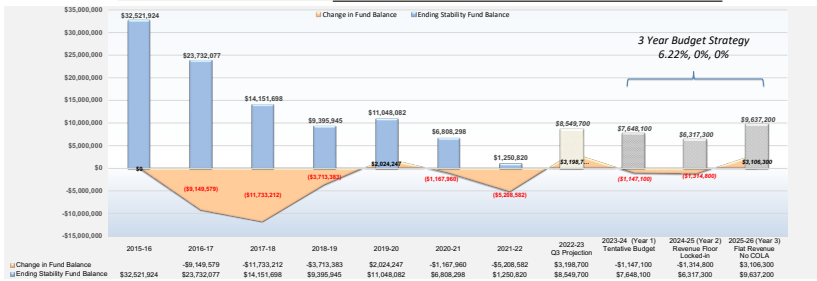
- ❑ The Stability Fund was at its highest at \$32.5M in 2015-16 and has been used to offset annual negative operating results since 2016-17.
- ❑ In 2021-22, it was the lowest in six years at \$1.2M.
- ❑ In those last six years, there were five years of operating deficits ranging from **-\$11.7M** to **-\$1.2M**.
- ❑ The district has only posted positive operating results once in the past six years, \$2M in 2019-20.

Restoring the Stability Fund

- ❑ Three Year Plan that strategically applies:
 - Delayed ongoing expenditures from 2023-24 COLA
 - Temporary revenue – nonresident
 - One-time sources – annual positive operating results
- ❑ Rebuild Stability Fund to prepare for:
 - No COLA increase and flat revenue in 2025-26
 - Offset future structural deficits or revenue shortfalls/midyear cuts
 - Time for planning for possible program eliminations & reduction in force
 - Comply with CCCC Fiscal Forward Reserve recommendation
- ❑ Apply 2023-24 COLA over 3yrs. Last two years, we provided most or all of state COLA and other salary/health benefit increases.
 - 2021-22 – 5.07% COLA Increase, One-time COVID pay, Class/Comp, 2.5% temp to ongoing, PEPM increase, and more
 - 2022-23 – 5.65% COLA increase, Class/Comp, PEPM, and more

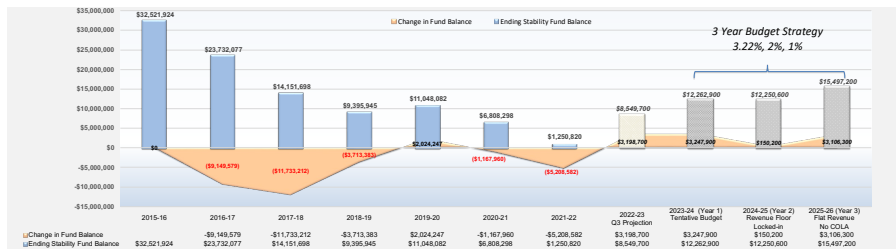
Scenario 1 - COLA 6.22%, 0%, 0%

Description	2023-24 Tentative Budget	2024-25 Projection	2025-26 Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	221,927,638	223,245,338	224,293,938
Structural Surplus/(Deficit)	(\$549,138)	(\$1,716,838)	(\$2,615,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	(\$1,147,138)	(\$1,314,838)	\$3,106,262
Beginning Fund Balance	32,251,621	31,104,482	29,789,644
Net Change in Fund Balance	(1,147,138)	(1,314,838)	3,106,262
Ending Fund Balance	\$31,104,482	\$29,789,644	\$32,895,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,456,400	23,472,300	23,258,700
FHDA Stability Fund Balance	\$7,648,082	\$6,317,344	\$9,637,205



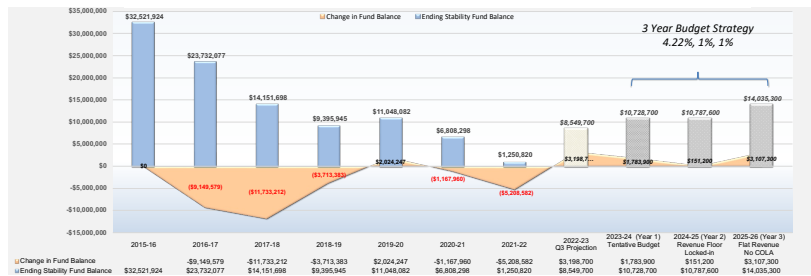
Scenario 2 - COLA 3.22%, 2%, 1%

Description	2023-24 Tentative Budget	2024-25 Projection	2025-26 Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	217,532,638	221,780,338	224,293,938
Structural Surplus/(Deficit)	\$3,845,862	(\$251,838)	(\$2,615,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	\$3,247,862	\$150,162	\$3,106,262
Beginning Fund Balance	32,251,621	35,499,482	35,649,644
Net Change in Fund Balance	3,247,862	150,162	3,106,262
Ending Fund Balance	\$35,499,482	\$35,649,644	\$38,755,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,236,600	23,399,000	23,258,700
FHDA Stability Fund Balance	\$12,262,882	\$12,250,644	\$15,497,205



Scenario 3 - COLA 4.22%, 1%, 1%

Description	2023-24 Tentative Budget	2024-25 Projection	2025-26 Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	218,996,638	221,779,338	224,292,938
Structural Surplus/(Deficit)	\$2,381,862	(\$250,838)	(\$2,614,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	\$1,783,862	\$151,162	\$3,107,262
Beginning Fund Balance	32,251,621	34,035,482	34,186,644
Net Change in Fund Balance	1,783,862	151,162	3,107,262
Ending Fund Balance	\$34,035,482	\$34,186,644	\$37,293,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,309,800	23,399,000	23,258,600
FHDA Stability Fund Balance	\$10,725,682	\$10,787,644	\$14,035,305



Projected 2022-23 Ending Fund Balance

\$32.2M 2022-23 Projected Fund Balance Allocation:

- \$9.6M – Colleges & Central Services “B” budget carryover
- \$2.5M – Districtwide carryover
- \$1.2M – Supplemental Retirement Program Reserve
- \$10.4M – Maintain district’s budgeted 5% reserve
- **\$8.5M – Projected Stability Fund Balance**

Please note: Stability Fund will fluctuate based on final year-end close figures and changes in carryforwards.



Major Revenue Assumptions – 3-Year Period Beginning 2023-24 for General Fund

- Year 1 – In 2023-24, COLA of 8.22% or \$14.4 million for the District
- Year 2 – In 2024-25, when the revenue floor is locked-in, the state may not provide a COLA to increase overall funding in 2024-25; no COLA was assumed
- Year 3 – In 2025-26, the first year of flat revenue, District will not be eligible for COLA to increase overall funding
- Nonresident Revenue Ongoing Base at \$14.4M
 - Assume units decline based on trends pre-2022-23 Budget
 - \$4.7M treated as temporary revenue and not applied to ongoing expenses
 - Mitigate risk on relying on volatile revenue source
 - Slowly shift more budget increases to temporary to strengthen cashflow position



Changes from 2022-23 Adopted to 2023-24 Tentative

	Revenue	Expenditures	Change
2022-23 Adopted Budget - Ongoing	\$ 208.10	\$ 208.90	
State Apportionment COLA - SCFF	7.40		
State Apportionment COLA – Hold Harmless	7.00		
Yr 1 COLA 4.22% - Filled & Vacant		6.20	
Salary and Benefits (includes STRS/PERS) Net Increase		2.80	
Operating (Insurance) and Transfers - DSPS & Parking		1.10	
2023-24 Tentative Budget - Ongoing	\$ 222.50	\$ 219.00	
Nonresident Tuition Risk Mitigation – <i>Temporary</i>	3.60		
District Enrollment Management Committee – <i>Pilot Temporary</i>		5.30	
Total 2023-24 Tentative Budget	\$ 226.10	\$ 224.30	\$ 1.80



2023-24 Projected Ending Fund Balance

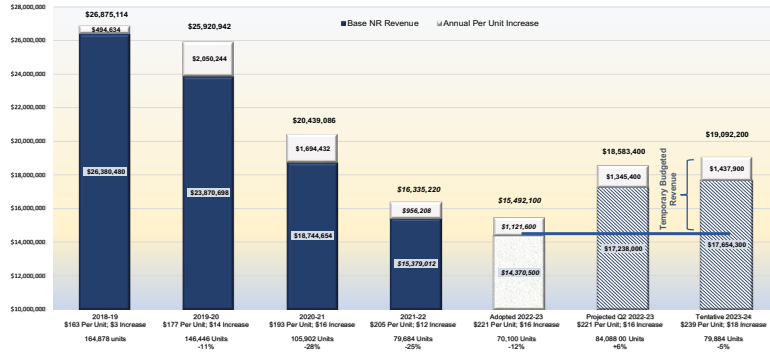
Projected Beginning Fund Balance, July 1, 2023	\$ 32.2M
Net Projected Change	<u>1.8M</u>
Projected Ending Fund Balance, June 30, 2024	\$ 34.0M

Fund Balance Allocation:

College & Central Services Carryforwards	\$ 9.6M
Districtwide Restricted Carryforwards	2.5M
Required 5% Budgeted Reserve	<u>11.2M</u>
Projected Stability Fund Balance, June 30, 2024	\$ 10.7M

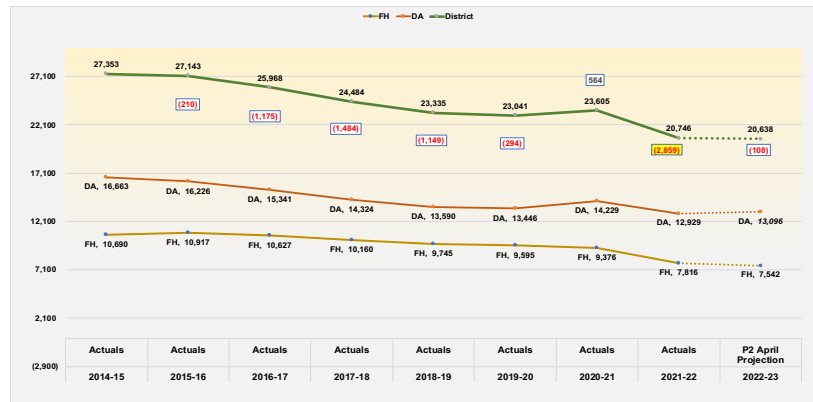


Nonresident Revenue – Ongoing Budget Uncertainty



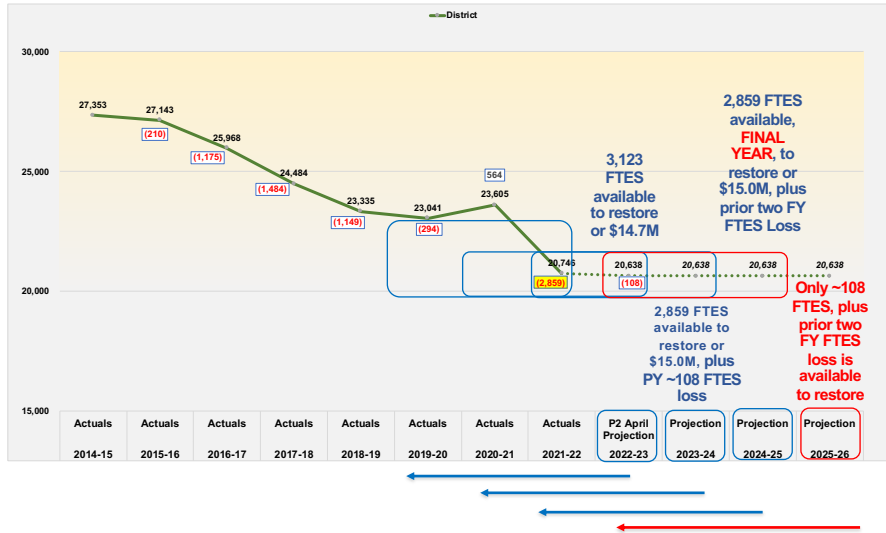
- During the period of 2018-19 to 2021-22, the cumulative ongoing revenue loss was \$10.5M which reflects the uncertain budget exposure from this volatile revenue source.
- However, 2022-23 is reflecting an unusual pattern with units increasing twice as much as FTES causing an increase in revenue by a projected \$2.75M over prior year.
- The 2023-24 ongoing budget base will be set at \$14.3M with \$4.7M identified as temporary due to multiple years of FTES and unit decline.

Resident FTES - District with Campus Detail Limited Restoration Window

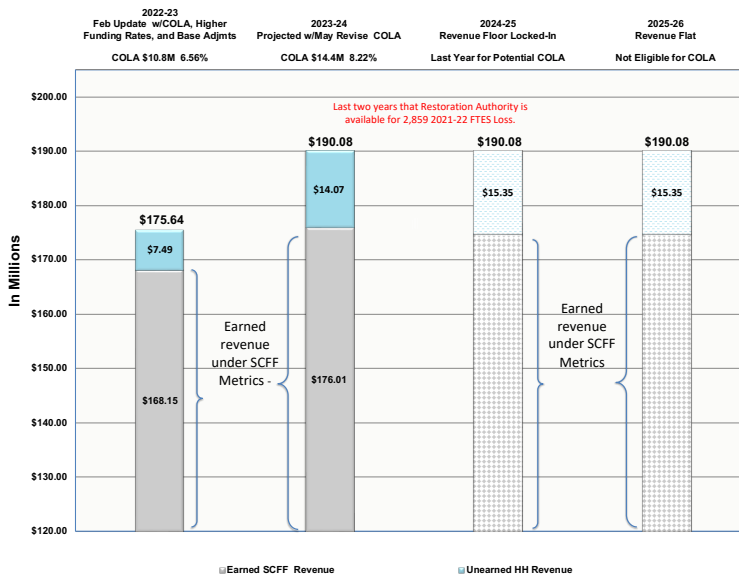


- District has the ability to restore FTES losses but only from a prior three-year span.
- The significant 2,859 FTES loss in 2021-22 will be available to restore until 2024-25, only two remaining years.
- In 2025-26, the District will have limited FTES restoration or growth opportunities.

Limited Three-Year Restoration Window An Illustration



SCFF Earned Revenue vs. Hold Harmless 2024-25 Funding Floor



- When 2024-25 SCFF Floor is set, the HH difference **must** first be earned within the SCFF metrics **before** new COLA revenue is applied on Total Revenue as in past years.

- Restoration Authority for significant amount of 2,859 FTEs is available only through 2024-25. Afterwards, only limited FTEs is available to restore.

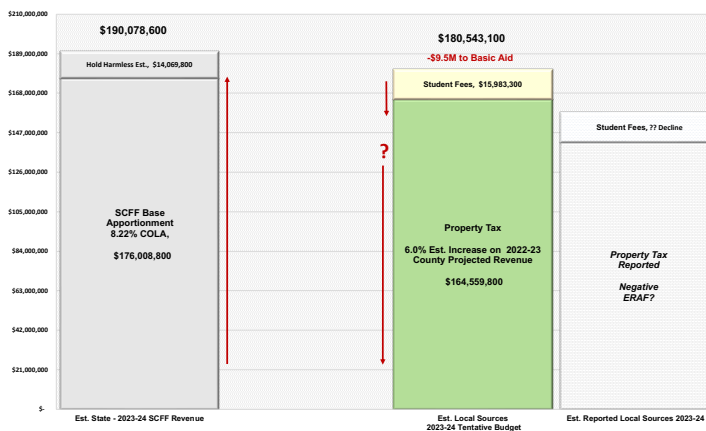
Basic Aid Evaluation 2023-24

- ❑ Reminder – basic aid/community supported status occurs when a district's local property tax and enrollment revenues exceed what it would receive from the state in apportionment.
- ❑ Very unlikely the District will change to basic aid/community supported status in the 2023-24 fiscal year
- ❑ Main economic indicators are mostly moving in the opposite direction
 - *Increasing* – State apportionment target is growing from cost-of-living-adjustment, raising the total computation revenue (TCR) amount from the state, which means a higher target for our local sources to reach. However, in two years in fiscal 2024-25 the shift to SCFF funding will freeze this floor.
 - *Decreasing* – Enrollment revenue is declining
 - *Increasing* – Property tax base showed a robust 8.6% growth in 2022-23
 - Projected 6% in previous modeling
 - Higher value moves the enrollment/property tax amount closer to the TCR total
 - ?? – Negative ERAF (Education Revenue Augmentation Fund)

2023-24 State vs. Local Sources (Negative ERAF) Impact on Basic Aid

In 2024-25, the static State Revenue Floor will shift the focus to those key factors which directly influence enrollment and property tax revenue.

- 1) SCFF/HH State Apportionment
- 2) Enrollment Fees
- 3) Property Tax Revenues
- 4) Negative ERAF



Planning in this Fiscal Environment

- A mixed but ultimately favorable state budget
 - 8.22% COLA proposed
 - Cuts to existing funding (COVID Recovery Block Grant and Scheduled Maintenance) proposed
 - Possible midyear cuts/deferrals due to delayed reporting of state revenue

- Basic Aid is not likely in 2023-24
 - Need to incorporate maximizing funding under the SCFF in the District reimagining; limited FTES restoration window
 - Rebuilding the Stability Fund to prepare for the likelihood of several years of flat revenue

- Monitoring of nonresident external and internal factors to determine impact on stability of revenue

- Potential recession, as well as effects of inflation, supply-chain issues and worldwide unrest



Looking Ahead – Schedule

Key Final Budget Dates:

- ✓ Revised budget due from the Legislature to the Governor by June 15, 2023

- ✓ Governor must finalize and sign budget by June 30, 2023

- ✓ 2022-23 ending fund balance will be finalized in August

- ✓ September 11, 2023 – Final Budget Adoption





2023-24 Tentative Budget Overview

The Tentative Budget for fiscal year 2023-24 reflects the latest information outlined in the Governor's May Revision released May 12, 2023. The proposed cost-of-living-adjustment (COLA) of 8.22%, would bring an additional \$14.4 million to the District. However, given the precarious economic outlook at the state level, namely the current state budget projection showing a \$32 billion deficit that is considered "optimistic" by the Legislative Analyst's Office (LAO), there is a strong possibility of midyear cuts or deferrals if revenues do not come in as anticipated. In addition, proposed cuts to existing 2022-23 allocations, specifically Scheduled Maintenance and the COVID Recovery Block Grant, show that there is vulnerability in existing revenues and future planning must be adjusted accordingly.

Though the state legislature appears to be committed to maintaining one of the highest COLAs in recent years, there are also indications that the upcoming 2024-25 COLA may not be as generous. Nonresident revenues have shown an increase after three years of consistent downturns. It is unclear if this uptick is a temporary or sustainable trend. Due to the likelihood of stagnant revenue when the District converts fully to the Student Centered Funding Formula (SCFF) in 2025-26, it is highly important that the 8.22% COLA is used wisely. In particular, for Tentative Budget preparation, it is being viewed from a multi-year perspective to position the District to be able to weather the anticipated years of flat revenue after COLA growth under the Hold Harmless provision ends.

2024-25 SCFF Funding Floor and 2025-26 Flat Revenue

Since the District is in Hold Harmless status, the COLA will substantially increase the revenue floor that will be in place when the Hold Harmless provision ends in fiscal year 2025-26 and the District moves to operate fully under the SCFF provisions. Under current legislation, beginning in 2025-26, each year the District would receive the greater of the three following calculated amounts:

1. SCFF Calculated Revenue;
2. Prior Year Total Computational Revenue (TCR) or stability funding; or
3. Minimum Revenue Commitment of 2024-25 TCR.

For the last five years, the District has benefited from increased annual COLA applied to its 2017-18 TCR under the Hold Harmless protection. As a result, revenue growth has been compounded despite the District posting lower SCFF metrics including significant enrollment

declines that did not support the level of revenue received. As a result, the 2024-25 TCR is estimated to be the highest calculated amount of the three options and will likely set the funding floor for 2025-26 moving forward.

Under this assumption, to achieve revenue growth, the District would need to either improve its SCFF metric performance or wait until COLA growth on its existing metrics is large enough to exceed the 2024-25 funding floor, both of which are expected to take at least a few years to achieve. In the interim, the District would need to operate without an additional ongoing revenue source to support mandated annual increases that have already been negotiated, as well as any new operational costs. Careful planning, such as building up the Stability Fund, will help the District manage this circumstance with minimal impact to our students.

FTES Restoration and Timing

The current SCFF funding formula includes provisions for restoration and growth. To restore the lost FTES, a district has three years to recover (see item 2 in the section above). For Foothill-De Anza, this means that we have two more fiscal years to recover the 2,800+ FTES losses that were incurred in the last three years. After 2024-25, other than any losses incurred in the most recent three-year window, the District would be limited to growth funded in each year's budget. Growth funding from the state has been extremely low in recent years. The state has allocated 0.2% - 0.5% in FTES growth funding which indicates a minute level of possible FTES growth that would be available to the District beyond restoration.

Considering all this information, the District's reimagining efforts related to enrollment will be another key component in preparing us for the anticipated revenue plateau years. The District Enrollment Management Committee (DEMC) is working on strategies to leverage additional resources to increase sustainable FTES growth. While earning back the full 2,800+ FTES would be very challenging in the next two years, recovering as much FTES as possible would situate us to work towards exceeding the SCFF plateau.

Revenues

The Tentative Budget plans for \$226.1 million in Unrestricted General Fund revenue, which is \$18 million higher than the prior year's Adopted Budget. The main increase of \$14.4 million stems from the proposed 8.22% COLA and the assumption that the District will continue to be funded under the Student Centered Funding Formula Hold Harmless provision. After applying the current proposed COLA, the state apportionment revenue is budgeted at \$190 million. The resident enrollment estimate from P2 was 20,638 FTES, 108 lower in Full-Time Equivalent Students (FTES) or 0.5% decline over the prior fiscal year.

All economic indicators, especially the large COLA increases to the total revenue from the State, coupled with the negative Educational Revenue Augmentation Fund (ERAF) applied to lower than reported local property taxes, make it increasingly unlikely for the District to transition into basic aid/community-supported status in the upcoming fiscal year.

Nonresident revenue is budgeted at \$19.1 million, using the 2023-24 tuition rate and a 5% lowered unit level from the projected 2022-23 units. The per-unit tuition fee increase was approved by the Board of Trustees on February 28, 2023, and was necessary to keep the District in compliance with Education Code requirements. Of the additional budgeted revenue in 2023-24, \$4.7 million has been identified as temporary with \$14.4 million included in the ongoing base budget.

Previous to the pandemic, the District relied on almost \$27 million of nonresident revenue to support its ongoing budget needs. In the past three years, reductions in nonresident FTES, unit declines and a corresponding \$10.4 million nonresident revenue decrease made it clear that depending on this very volatile revenue source for ongoing needs is problematic. We will continue to pursue a revenue strategy to reduce the ongoing dependency on nonresident revenue, thereby insulating the General Fund budget from revenue volatility that could lead to hasty budget cuts related to uncontrollable worldwide events and federal actions. Mitigating this risk is especially critical beginning in 2025-26 when the District is not eligible for state apportionment COLAs that increase total state apportionment revenue.

Expenditures

Our total estimated general fund expenditures and net transfers equal \$224.3 million with overall expenses increasing by \$15.4 million from the prior year's Adopted Budget. The net change of \$14.3 million was mainly the result of planned salary/benefit increases netted with some position eliminations, newly added positions, and other position changes. Significant salary and benefits increases include \$6.2 million for COLA increase to adjust filled and vacant positions. Though negotiations have not been completed with the various bargaining units, for purposes of this budget 4.22% in 2023-24, 1% in 2024-25 and 1% in 2025-26 were used as placeholders for salary expense planning. An additional temporary \$5.3 million for enrollment restoration was included to support part-time faculty guided under the District Enrollment Management Committee (DEMC), as well as an estimated \$900 thousand increase for STRS/PERS contribution rates. These changes plus the \$1.1 million increase in operating expenses and transfers constitute the main changes in expenditures.

Projected Operating Results, Fund Balance and Stability Fund

The Tentative Budget has a positive operating result of \$1.8 million and an ending fund balance of \$34 million. As was done in the recent past, the District's Stability Fund balance is critical for covering any actual revenue shortfalls, midyear state budget cuts, or structural deficits at the end of the year or planned in future years. The three-year COLA approach noted above has been suggested to deliberately restore the Stability Fund in anticipation of the period of stagnant revenue projected after 2024-25. The Stability Fund balance at June 30, 2024 is projected to be approximately \$10.7 million. Rebuilding this fund balance will help to position us to manage the challenges that will come as we navigate towards and through 2025-26.

As previously stated, District expects its funding to be flat in 2025-26 under the current SCFF formula. Until either its earned SCFF revenue or potential basic aid/community funding allows it to exceed the anticipated funding floor, the District would need to operate without a new ongoing revenue source to support mandated annual increases that have already been negotiated, as well as any new operational costs.

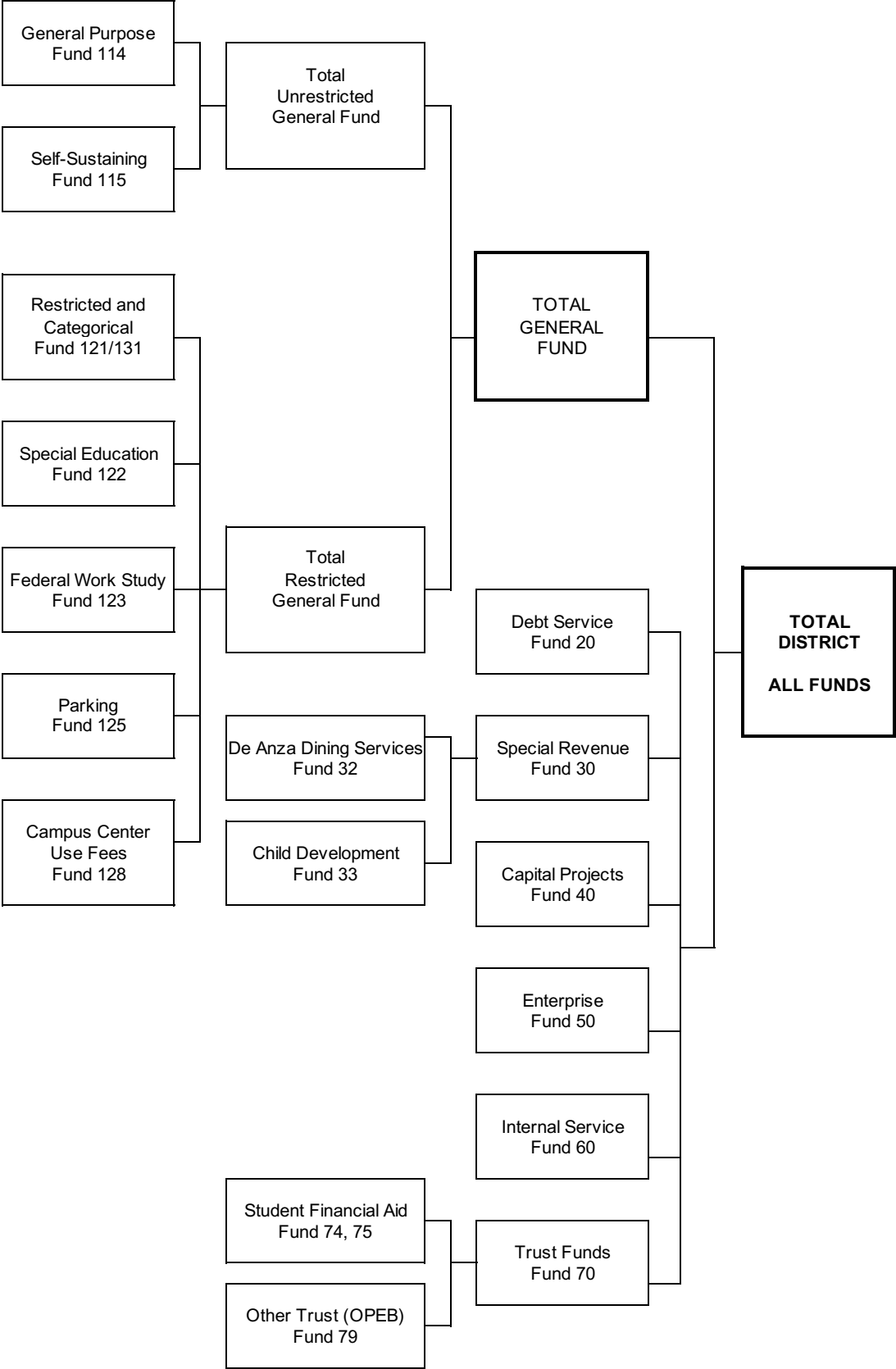
In addition to preparing the District for years with flat revenue, continuing to rebuild the Stability Fund also complies with the recently recommended State Chancellor's Office Fiscal Forward best practice for district fiscal health. A key recommendation from the new standard suggests two months of General Fund operational expenses and transfers as a reserve, which would equal approximately \$34 million for the District, at minimum, using only the Unrestricted General Fund as the basis.

Looking Beyond 2023-24

It is a year of mixed messages with a very healthy COLA being presented alongside potential cuts. In addition, the District is also aware that many outside circumstances, including worldwide unrest, supply-chain issues, and rapidly rising inflation, are warnings that the economic conditions may continue to be a challenge in future years. In light of the anticipated 2025-26 revenue plateau, it is critical that we intentionally and strategically plan to allocate our existing resources to place ourselves for a variety of potential outcomes. Working together to support our students in achieving their goals needs to be at the forefront of our planning as we move forward in these uncertain times.

As always, we will continue to update the Board of Trustees and Senior Management Teams on any significant changes that occur as the 2023-24 state budget moves through its regular process to formal approval at the end of June.

ALL FUNDS CHART



FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**2023-24
Tentative Budget Summary
for GENERAL FUNDS**

	General Fund 114	Self-Sustaining Fund 115	Total Unrestricted General Fund	Restricted & Categorical Fund 121/131	Special Education Fund 122	Federal Work Study Fund 123	Parking Fund 125	Campus Center Fund 128	Total Restricted General Fund	TOTAL GENERAL FUND
REVENUE										
Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 1,696,891	\$ 0	\$ 434,252	\$ 0	\$ 0	\$ 2,131,143	\$ 2,131,143
State Revenue	47,680,800	5,142,028	52,822,828	58,368,425	3,764,260	0	0	0	62,132,685	114,955,513
Local Revenue	178,419,400	6,357,724	184,777,124	2,484,177	0	0	0	1,535,000	4,019,177	188,796,301
TOTAL REVENUE	\$ 226,100,200	\$ 11,499,752	\$ 237,599,952	\$ 62,549,493	\$ 3,764,260	\$ 434,252	\$ 0	\$ 1,535,000	\$ 68,283,005	\$ 305,882,957
EXPENSES										
Certificated Salaries	\$ 91,882,188	\$ 815,876	\$ 92,698,064	\$ 8,050,851	\$ 3,206,130	\$ 0	\$ 0	\$ 80,918	\$ 11,337,899	\$ 104,035,963
Classified Salaries	43,937,593	2,447,432	46,385,025	13,682,488	2,717,362	579,003	770,446	744,105	18,493,404	64,878,429
Employee Benefits	57,921,751	1,293,894	59,215,645	8,821,588	2,233,425	0	309,263	418,439	11,782,715	70,998,360
Materials and Supplies	2,757,028	369,650	3,126,678	3,005,090	11,000	0	0	140,000	3,156,090	6,282,768
Operating Expenses	20,220,662	3,521,928	23,742,590	21,038,946	60,000	0	90,000	150,000	21,338,946	45,081,536
Capital Outlay	362,000	535,000	897,000	5,327,401	7,000	0	0	200,000	5,534,401	6,431,401
TOTAL EXPENSES	\$ 217,081,221	\$ 8,983,780	\$ 226,065,002	\$ 59,926,363	\$ 8,234,917	\$ 579,003	\$ 1,169,709	\$ 1,733,462	\$ 71,643,454	\$ 297,708,456
TRANSFERS AND OTHER										
Transfers-in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,470,657	\$ 144,751	\$ 1,169,709	\$ 0	\$ 5,785,117	\$ 5,785,117
Other Sources	0	0	0	0	0	0	0	0	0	0
Intrafund Transfers	50,000	(50,000)	0	0	0	0	0	0	0	0
Transfers-out	(7,285,117)	(245,569)	(7,530,686)	0	0	0	0	0	0	(7,530,686)
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	0	0	0	(3,572,102)	0	0	0	0	(3,572,102)	(3,572,102)
TOTAL TRANSFERS/OTHER SOURCES	\$ (7,235,117)	\$ (295,569)	\$ (7,530,686)	\$ (3,572,102)	\$ 4,470,657	\$ 144,751	\$ 1,169,709	\$ 0	\$ 2,213,015	\$ (5,317,670)
FUND BALANCE										
Net Change in Fund Balance	\$ 1,783,862	\$ 2,220,403	\$ 4,004,265	\$ (948,972)	\$ 0	\$ 0	\$ 0	\$ (198,462)	\$ (1,147,434)	\$ 2,856,831
Beginning Balance, July 1	32,251,620	15,971,694	48,223,314	28,444,207	0	0	0	807,301	29,251,508	77,474,822
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	\$ 34,035,481	\$ 18,192,097	\$ 52,227,579	\$ 27,495,235	\$ 0	\$ 0	\$ 0	\$ 608,839	\$ 28,104,074	\$ 80,331,653

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**2023-24
Tentative Budget Summary
for ALL FUNDS**

REVENUE	TOTAL GENERAL FUND	Debt Service Fund 20	De Anza Dining Services Fund 32	Child Development Fund 33	Capital Projects Fund 40	Enterprise Fund 50	Student Financial Aid Fund 74, 75	Other Trust (OPEB) Fund 79	TOTAL DISTRICT ALL FUNDS	Internal Service Fund 60
Federal Revenue	\$ 2,131,143	\$ 0	\$ 0	\$ 20,000	\$ 0	\$ 0	\$ 20,219,355	\$ 0	\$ 22,370,498	\$ 0
State Revenue	114,955,513	0	0	836,563	17,989,260	0	11,408,000	0	145,189,336	0
Local Revenue	188,796,301	68,932,035	882,478	1,919,705	770,000	24,000	1,171,000	0	262,495,519	73,478,000
TOTAL REVENUE	\$ 305,882,957	\$ 68,932,035	\$ 882,478	\$ 2,776,268	\$ 18,759,260	\$ 24,000	\$ 32,798,355	\$ 0	\$ 430,055,354	\$ 73,478,000
EXPENSES										
Certificated Salaries	\$ 104,035,963	\$ 0	\$ 0	\$ 468,562	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,504,525	\$ 0
Classified Salaries	64,878,429	0	835,554	1,378,166	1,369,432	0	0	0	68,461,581	0
Employee Benefits	70,998,360	0	318,000	784,540	652,474	0	0	0	72,753,374	73,478,000
Materials and Supplies	6,282,768	0	71,252	125,000	0	0	0	0	6,479,020	0
Operating Expenses	45,081,536	0	370,770	20,000	12,636,669	46,500	1,171,000	0	59,326,475	0
Capital Outlay	6,431,401	0	4,528	0	18,218,856	0	0	0	24,654,784	0
TOTAL EXPENSES	\$ 297,708,456	\$ 0	\$ 1,600,104	\$ 2,776,268	\$ 32,877,431	\$ 46,500	\$ 1,171,000	\$ 0	\$ 336,179,759	\$ 73,478,000
TRANSFERS AND OTHER										
Transfers-in	\$ 5,785,117	\$ 0	\$ 0	\$ 0	\$ 245,569	\$ 0	\$ 0	\$ 1,500,000	\$ 7,530,686	\$ 0
Other Sources	0	0	0	0	0	0	0	0	0	0
Intrafund Transfers	0	0	0	0	0	0	0	0	0	0
Transfers-out	(7,530,686)	0	0	0	0	0	0	0	(7,530,686)	0
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	(3,572,102)	(68,932,035)	0	0	0	0	(31,627,355)	0	(104,131,492)	0
TOTAL TRANSFERS/OTHER SOURCES	\$ (5,317,670)	\$ (68,932,035)	\$ 0	\$ 0	\$ 245,569	\$ 0	\$ (31,627,355)	\$ 1,500,000	\$ (104,131,492)	\$ 0
FUND BALANCE										
Net Change in Fund Balance	\$ 2,856,831	\$ 0	\$ (717,626)	\$ 0	\$ (13,872,602)	\$ (22,500)	\$ 0	\$ 1,500,000	\$ (10,255,897)	\$ 0
Beginning Balance, July 1	77,474,822	69,886,152	858,230	2,374,345	111,805,835	1,780,969	15,026	31,745,035	295,940,413	6,968,358
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	\$ 80,331,653	\$ 69,886,152	\$ 140,604	\$ 2,374,345	\$ 97,933,233	\$ 1,758,469	\$ 15,026	\$ 33,245,035	\$ 285,684,516	\$ 6,968,358

RECONCILIATION OF INTER- AND INTRA-FUND TRANSFERS FOR 2023-24

TO

Fund	Unrestricted General Funds		Restricted General Funds					All Other Funds								Total
	General 114	Self-Sustaining 115	Categorical 121/131	Special Education 122	Fed. Work Study 123	Parking 125	Campus Ctr Use Fees 128	Debt Service 20	De Anza Dining Svcs 32	Child Developmt 33	Capital Projects 40	Enterprise Fund 50	Internal Service 60	Financial Aid 74/75	Other Trust (OPEB) 79	
114				4,470,657	144,751	1,169,709									1,500,000	7,285,117
115	50,000										245,569					295,569
121/131																0
122																0
123																0
125																0
128																0
20																0
32																0
33																0
40																0
50																0
60																0
74/75																0
79																0
Total	50,000	0	0	4,470,657	144,751	1,169,709	0	0	0	0	245,569	0	0	0	1,500,000	7,580,686

F
R
O
M

Inter-Fund Transfers:

- Fund 114 to 122: 4,470,657 for Special Ed match
- Fund 114 to 123: 144,751 for FH Federal Work Study match
- Fund 114 to 125: 1,169,709 to offset Parking Fund operating deficit
- Fund 114 to 79: 1,500,000 for 2023-24 OPEB Liability
- Fund 115 to 40: 245,569 for District Office Building FF&E

Intra-Fund Transfers (Between Unrestricted General Funds):

- Fund 115 to 114: 50,000 for Foothill commencement

Intra-Fund Transfers (Between Restricted General Funds):

GENERAL PURPOSE FUND**Fund 114**

The General Purpose Fund is part of the unrestricted general fund. This fund accounts for the majority of the district's revenues and expenditures. Approximately 84% of this fund's revenue typically comes from base apportionment revenue, 8.5% from non-resident tuition, 1.7% from lottery proceeds, and 5.8% from other sources.

Base apportionment revenue is comprised of four revenue sources:

- Property Taxes 74.6%
- Student Enrollment Fees 8.4%
- State General Apportionment 1%
- EPA (Prop 30) Proceeds 16%

The state estimates the amount of property taxes and enrollment revenue that will be generated during the year and budgets general apportionment accordingly. When either property taxes or enrollment revenues are less than originally budgeted, the state general apportionment for community colleges is not increased to make up the deficit in base revenues, resulting in the imposition of a "deficit factor" on revenues.

General Purpose Fund expenses account for the majority of the district's operating expenses. Ongoing salaries and benefits comprise 86% of the total budgeted general fund expenses.

Fixed expenses such as leases, utilities, debt payments, insurance premiums, bank and credit card fees, collective bargaining costs, district-wide software maintenance, and a transfer out to DSP&S (Disabled Student Programs and Services), Federal Work Student Program and Parking Fund comprise 10% of the total general fund expenses. The remaining 4% constitutes the campuses' and Central Services' discretionary B budget, approximately \$9 million.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 114
General Purpose**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Central Services	District-Wide	Total Fund 114
State					
Apportionment	\$ 0	\$ 0	\$ 0	\$ 2,723,700	\$ 2,723,700
EPA Proceeds	0	0	0	30,283,300	30,283,300
State Lottery	0	0	0	3,857,100	3,857,100
Mandated Cost Block Grant	0	0	0	730,000	730,000
STRS On-Behalf Payments	0	0	0	5,910,000	5,910,000
Full-Time Faculty Hiring	0	0	0	3,722,300	3,722,300
Other State	0	0	0	454,400	454,400
Total State Revenue	\$ 0	\$ 0	\$ 0	\$ 47,680,800	\$ 47,680,800
Local					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 141,320,400	\$ 141,320,400
Resident Enrollment (Gross)	339,700	206,700	0	15,983,300	16,529,700
Non-Resident Enrollment	0	0	0	19,092,200	19,092,200
Interest Income	0	0	0	1,000,000	1,000,000
Other Local	218,800	258,300	0	0	477,100
Total Local Revenue	\$ 558,500	\$ 465,000	\$ 0	\$ 177,395,900	\$ 178,419,400
TOTAL REVENUE	\$ 558,500	\$ 465,000	\$ 0	\$ 225,076,700	\$ 226,100,200
EXPENSES					
Contract Teachers	\$ 18,324,676	\$ 22,800,033	\$ 0	\$ 0	\$ 41,124,709
Contract Non-Teachers	5,450,961	7,777,138	1,155,952	0	14,384,051
Other Teachers	8,301,269	19,114,349	0	4,700,000	32,115,618
Other Non-Teachers	150,200	300,510	0	3,807,100	4,257,810
Total Certificated Salaries	\$ 32,227,106	\$ 49,992,030	\$ 1,155,952	\$ 8,507,100	\$ 91,882,188
Contract Non-Instructional	\$ 7,363,770	\$ 10,478,358	\$ 19,876,686	\$ 0	\$ 37,718,814
Contract Instructional Aides	405,763	2,109,137	0	0	2,514,900
Other Non-Instructional	296,802	592,000	176,217	2,638,860	3,703,879
Other Instructional Aides	0	0	0	0	0
Students	0	0	0	0	0
Total Classified Salaries	\$ 8,066,335	\$ 13,179,495	\$ 20,052,903	\$ 2,638,860	\$ 43,937,593
Total Salaries	\$ 40,293,441	\$ 63,171,525	\$ 21,208,855	\$ 11,145,960	\$ 135,819,781
Total Staff Benefits	\$ 12,887,451	\$ 19,239,199	\$ 10,256,661	\$ 15,538,440	\$ 57,921,751
Total Materials and Supplies	\$ 1,053,400	\$ 260,100	\$ 1,443,528	\$ 0	\$ 2,757,028
Contracted Services	\$ 0	\$ 0	\$ 0	\$ 173,100	\$ 173,100
Lease of Equipment & Facilities	0	0	0	96,200	96,200
Utilities	0	0	0	3,672,059	3,672,059
Other Operating	1,798,607	550,190	2,649,726	11,280,780	16,279,303
Total Operating	\$ 1,798,607	\$ 550,190	\$ 2,649,726	\$ 15,222,139	\$ 20,220,662
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0	0	0
Other Capital Outlay	227,000	48,000	87,000	0	362,000
Total Capital Outlay	\$ 227,000	\$ 48,000	\$ 87,000	\$ 0	\$ 362,000
TOTAL EXPENSES	\$ 56,259,899	\$ 83,269,014	\$ 35,645,770	\$ 41,906,539	\$ 217,081,221
Transfers-in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0	0	0
Intrafund Transfers	50,000	0	0	0	50,000
Transfers-out	0	0	0	(7,285,117)	(7,285,117)
Contingency	0	0	0	0	0
Other Outgo	0	0	0	0	0
TOTAL TRANS/OTHER SOURCES	\$ 50,000	\$ 0	\$ 0	\$ (7,285,117)	\$ (7,235,117)
Net Change in Fund Balance	\$ (55,651,399)	\$ (82,804,014)	\$ (35,645,770)	\$ 175,885,044	\$ 1,783,862
Beginning Balance, July 1	0	0	0	0	32,251,620
Adjustments to Beginning Balance	0	0	0	0	0
NET FUND BALANCE, June 30	\$ (55,651,399)	\$ (82,804,014)	\$ (35,645,770)	\$ 175,885,044	\$ 34,035,481

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 114
General Purpose**

REVENUE	TOTAL DISTRICT		
	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State			
Apportionment	\$ 2,583,700	\$ 2,583,700	\$ 2,723,700
EPA Proceeds	33,917,600	33,917,600	30,283,300
State Lottery	3,861,600	3,861,600	3,857,100
Mandated Cost Block Grant	677,200	677,200	730,000
STRS On-Behalf Payments	5,910,000	5,910,000	5,910,000
Full-Time Faculty Hiring	3,722,300	3,722,300	3,722,300
Other State	437,400	437,400	454,400
Total State Revenue	\$ 51,109,800	\$ 51,109,800	\$ 47,680,800
Local			
Property Taxes	\$ 123,317,600	\$ 123,317,600	\$ 141,320,400
Resident Enrollment (Gross)	16,664,182	16,664,182	16,529,700
Non-Resident Enrollment	15,492,100	18,242,100	19,092,200
Interest Income	1,000,000	1,000,000	1,000,000
Other Local	554,400	675,696	477,100
Total Local Revenue	\$ 157,028,282	\$ 159,899,578	\$ 178,419,400
TOTAL REVENUE	\$ 208,138,082	\$ 211,009,378	\$ 226,100,200
EXPENSES			
Contract Teachers	\$ 41,946,903	\$ 33,707,212	\$ 41,124,709
Contract Non-Teachers	13,782,201	17,439,524	14,384,051
Other Teachers	27,415,618	35,360,080	32,115,618
Other Non-Teachers	1,135,847	1,018,183	4,257,810
Total Certificated Salaries	\$ 84,280,570	\$ 87,525,000	\$ 91,882,188
Contract Non-Instructional	\$ 36,969,067	\$ 32,125,312	\$ 37,718,814
Contract Instructional Aides	2,443,952	2,210,159	2,514,900
Other Non-Instructional	1,221,970	3,089,132	3,703,879
Other Instructional Aides	0	0	0
Students	0	670,398	0
Total Classified Salaries	\$ 40,634,988	\$ 38,095,000	\$ 43,937,593
Total Salaries	\$ 124,915,558	\$ 125,620,000	\$ 135,819,781
Total Staff Benefits	\$ 54,566,536	\$ 55,300,000	\$ 57,921,751
Total Materials and Supplies	\$ 2,917,361	\$ 2,500,000	\$ 2,757,028
Contracted Services	\$ 173,100	\$ 173,100	\$ 173,100
Lease of Equipment & Facilities	96,200	96,200	96,200
Utilities	3,672,059	3,672,059	3,672,059
Other Operating	15,862,664	14,808,641	16,279,303
Total Operating	\$ 19,804,023	\$ 18,750,000	\$ 20,220,662
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	314,000	357,821	362,000
Total Capital Outlay	\$ 314,000	\$ 357,821	\$ 362,000
TOTAL EXPENSES	\$ 202,517,478	\$ 202,527,821	\$ 217,081,221
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	1,056,828	0
Intrafund Transfers	50,000	50,000	50,000
Transfers-out	(6,437,572)	(6,389,676)	(7,285,117)
Contingency	0	0	0
Other Outgo	0	0	0
TOTAL TRANS/OTHER SOURCES	\$ (6,387,572)	\$ (5,282,848)	\$ (7,235,117)
Net Change in Fund Balance	\$ (766,968)	\$ 3,198,709	\$ 1,783,862
Beginning Balance, July 1	29,052,911	29,052,911	32,251,620
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 28,285,943	\$ 32,251,620	\$ 34,035,481

SELF-SUSTAINING**Fund 115**

Self-Sustaining funds, as the name implies, counterbalance operating expenditures against the revenues generated from various instructional and non-instructional arrangements. Not all related costs are allocated to these programs but, for those expenses that are charged, the programs are expected to generate income or use accumulated balances to cover them. Although budgets are used as a means to forecast and control revenue and expenditure activity, spending is solely dependent upon their ability to generate sufficient revenue to adequately support such operations.

Most accounts within this group have residual funds, and excess revenues over expenditures are available for use at the respective college's discretion. The residual funds are regarded as *designated funds*, which mean that, although the district regards them as restricted, they are actually *unrestricted* and are reported to the state as such. The Board of Trustees has the discretion to use the funds for any lawful purpose.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 115
Self-Sustaining**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Central Services	Total Fund 115
State				
Apportionment	\$ 5,142,028	\$ 0	\$ 0	\$ 5,142,028
STRS On-Behalf Payments	0	0	0	0
Total State Revenue	\$ 5,142,028	\$ 0	\$ 0	\$ 5,142,028
Local				
Contract Services	\$ 0	\$ 0	\$ 0	\$ 0
Facilities Rental	485,000	795,000	0	1,280,000
Field Trip Revenue	116,390	0	0	116,390
Sales	0	146,300	0	146,300
Short Courses	78,000	44,000	0	122,000
Other Local	310,820	1,236,900	3,145,314	4,693,034
Total Local Revenue	\$ 990,210	\$ 2,222,200	\$ 3,145,314	\$ 6,357,724
TOTAL REVENUE	\$ 6,132,238	\$ 2,222,200	\$ 3,145,314	\$ 11,499,752
EXPENSES				
Contract Teachers	\$ 0	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	273,047	210,979	0	484,026
Other Teachers	320,800	0	0	320,800
Other Non-Teachers	4,550	6,500	0	11,050
Total Certificated Salaries	\$ 598,397	\$ 217,479	\$ 0	\$ 815,876
Contract Non-Instructional	\$ 777,600	\$ 1,317,332	\$ 0	\$ 2,094,932
Contract Instructional Aides	0	0	0	0
Other Non-Instructional	97,500	255,000	0	352,500
Other Instructional Aides	0	0	0	0
Students	0	0	0	0
Total Classified Salaries	\$ 875,100	\$ 1,572,332	\$ 0	\$ 2,447,432
Total Salaries	\$ 1,473,497	\$ 1,789,811	\$ 0	\$ 3,263,308
Total Staff Benefits	\$ 499,340	\$ 794,554	\$ 0	\$ 1,293,894
Total Materials and Supplies	\$ 32,650	\$ 337,000	\$ 0	\$ 369,650
Contracted Services	\$ 0	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0	0
Utilities	0	0	0	0
Other Operating	368,990	313,500	2,839,438	3,521,928
Total Operating	\$ 368,990	\$ 313,500	\$ 2,839,438	\$ 3,521,928
Buildings	\$ 0	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0	0
Other Capital Outlay	10,000	525,000	0	535,000
Total Capital Outlay	\$ 10,000	\$ 525,000	\$ 0	\$ 535,000
TOTAL EXPENSES	\$ 2,384,477	\$ 3,759,865	\$ 2,839,438	\$ 8,983,780
Transfers-in	\$ 0	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0	0
Intrafund Transfers	(36,838)	47,146	(60,307)	(50,000)
Transfers-out	0	0	(245,569)	(245,569)
Other Outgo	0	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ (36,838)	\$ 47,146	\$ (305,876)	\$ (295,569)
Net Change in Fund Balance	\$ 3,710,923	\$ (1,490,519)	\$ 0	\$ 2,220,403
Beginning Balance, July 1	0	0	0	15,971,694
Adjustments to Beginning Balance	0	0	0	0
NET FUND BALANCE, June 30	\$ 3,710,923	\$ (1,490,519)	\$ 0	\$ 18,192,097

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 115
Self-Sustaining**

TOTAL DISTRICT			
REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State			
Apportionment	\$ 4,011,660	\$ 5,325,722	\$ 5,142,028
STRS On-Behalf Payments	0	0	0
Total State Revenue	\$ 4,011,660	\$ 5,325,722	\$ 5,142,028
Local			
Contract Services	\$ 0	\$ 0	\$ 0
Facilities Rental	960,000	960,000	1,280,000
Field Trip Revenue	189,000	189,000	116,390
Sales	41,300	41,300	146,300
Short Courses	184,000	184,000	122,000
Other Local	3,829,269	3,859,269	4,693,034
Total Local Revenue	\$ 5,203,569	\$ 5,233,569	\$ 6,357,724
TOTAL REVENUE	\$ 9,215,229	\$ 10,559,291	\$ 11,499,752
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	443,892	443,892	484,026
Other Teachers	285,800	285,800	320,800
Other Non-Teachers	5,500	5,500	11,050
Total Certificated Salaries	\$ 735,192	\$ 735,192	\$ 815,876
Contract Non-Instructional	\$ 2,363,078	\$ 2,363,078	\$ 2,094,932
Contract Instructional Aides	0	0	0
Other Non-Instructional	443,300	443,300	352,500
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 2,806,378	\$ 2,806,378	\$ 2,447,432
Total Salaries	\$ 3,541,570	\$ 3,541,570	\$ 3,263,308
Total Staff Benefits	\$ 1,351,355	\$ 1,351,355	\$ 1,293,894
Total Materials and Supplies	\$ 564,020	\$ 564,020	\$ 369,650
Contracted Services	\$ 75,000	\$ 0	\$ 0
Lease of Equipment & Facilities	32,000	0	0
Utilities	0	0	0
Other Operating	2,184,300	3,573,252	3,521,928
Total Operating	\$ 2,291,300	\$ 3,573,252	\$ 3,521,928
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	30,000	0	0
Other Capital Outlay	10,000	102,110	535,000
Total Capital Outlay	\$ 40,000	\$ 102,110	\$ 535,000
TOTAL EXPENSES	\$ 7,788,245	\$ 9,132,307	\$ 8,983,780
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	2,002,770	0
Intrafund Transfers	(50,000)	(50,000)	(50,000)
Transfers-out	(240,169)	(240,169)	(245,569)
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ (290,169)	\$ 1,712,601	\$ (295,569)
Net Change in Fund Balance	\$ 1,136,815	\$ 3,139,584	\$ 2,220,403
Beginning Balance, July 1	12,832,110	12,832,110	15,971,694
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 13,968,924	\$ 15,971,694	\$ 18,192,097

**RESTRICTED and CATEGORICAL
Fund 121/131**

Restricted and Categorical Funds are those resources that come from federal, state, or local agencies. In general, funds received by categorical programs are restricted for a specific purpose. For fiscal year 2023-24, the district is budgeting \$1.7 million in federal, \$58.4 million in state, and \$2.5 million in local funding. The principal programs in the Restricted and Categorical Fund are as follows:

Perkins Career and Technical Education Act (CTEA): Federal funds administered by the state for technical education and improvement of career and technical programs.

Student Equity & Achievement (SSSP, Student Equity, & Basic Skills), Board Financial Assistance Program (BFAP), Staff Development, Staff Diversity, Extended Opportunity Programs and Services (EOPS), Cooperative Agencies Resources for Education (CARE), and CalWORKs: These programs target specific populations or services funded by the state.

Instructional Equipment and Library Materials (Block Grant): The District is budgeting \$6 million from carryforward in state funding to meet instructional equipment and library materials needs.

California Virtual Campus - Online Education Initiative (CVC-OEI) - formerly Online Education Initiative (OEI): The goal of the initiative is to increase the number of California students who obtain associate degrees and transfer to four-year universities by dramatically increasing the number of online classes available to community college students and providing those students with comprehensive support services to help them succeed. The original five-year OEI grant ended on June 30, 2018. The Chancellor's Office awarded the second five-year California Virtual Campus Online Education Initiative (CVC-OEI) grant to Foothill-De Anza Community College District in 2019. The CVC-OEI grant receives \$20 million per year for five years, ending June 30, 2023. While waiting for the State Chancellor's Office to approve the third contract, CVC-OEI is projecting a budget of \$12.3 million which includes \$1.5 million in 2022-23 projected carryforward.

Adult Education Block Grant: The Adult Education Block Grant Program provides adult education funding to county offices of education, school districts, and regional consortia to support Assembly Bill 86 specified programs. The intent of AB 86 is to expand and improve the provision of adult education with incremental investments beginning with fiscal year 2015-16.

Strong Workforce Program: At the recommendation of the California Community College Board of Governors, the Governor and Legislature approved the Strong Workforce Program, adding a new annual recurring investment of \$200 million to spur career technical education (CTE). This was included in the 2016 Budget Trailer Bill and chaptered into California Ed Code 88820-88826. The purpose is to develop more workforce opportunities to lift low-wage workers into living-wage jobs, with the goal of creating one million more middle-skill workers. This program is grouped into seven areas targeting student success, career pathways, workforce data and outcomes, curriculum, CTE faculty, regional coordination, and funding, and builds upon existing regional partnerships formed in conjunction with the federal Workforce Innovation and Opportunity Act, state Adult Education Block Grant and public school CTE programs.

Guided Pathways: The 2022-23 California State Budget provided \$47.5 million in one-time grants for California community colleges with the district receiving \$759K. The Guided Pathways framework creates a highly structured approach to student success that provides all students with a set of clear course-taking patterns that promote better enrollment decisions and prepare the students for future success.

Health Services Fees: Health Services fees are set by the state, and we are mandated to provide a fixed level of services. These fees are collected from students and are restricted for the provision of health services for students.

California College Promise (AB19): Provides funding to help increase the number of high school students enrolling into California community colleges, the number of students successfully completing a career education goal or transferring, reducing, and eliminating achievement gaps.

Mellon Scholars Grant: Funded by the Andrew W. Mellon Foundation. This grant was awarded to Foothill-De Anza in partnership with the University of San Francisco and was renewed for an additional four-year \$1.8 million grant from 2021 to 2024. These funds support selected underserved and underrepresented students, identified as Mellon Scholars, in the study of humanities with the ultimate goal of obtaining a four-year college degree.

Strengthening Institutions Programs (SIP): Awarded by the United States Department of Education under Title III. This \$2.25 million federal grant was awarded to De Anza College for five years from 2021 to 2026. The program helps eligible Institutions of Higher Education to become self-sufficient and expand their capacity to serve low-income students by providing funds to improve and strengthen the academic quality, institutional management, and fiscal stability of eligible institutions.

National Science Foundation: De Anza College's Design and Manufacturing Technologies Department (DMT) received \$525K of federal funding to be spent over a three-year period ending June 30, 2025. The Manufacturing Automation and Additive Design Excellence (MAADE) project builds on DMT's existing curriculum and industry partnerships to keep pace with technological advances and meet workforce demand for qualified CNC machinists, CAD designers, and additive manufacturing/3D printing technicians.

Basic Needs Center: This is ongoing state funding for the purpose of establishing an on-campus Basic Needs Center and designating at least one staff person as the Basic Needs Coordinator to provide holistic, comprehensive basic needs services and resources to students to support their successful matriculation through the California community colleges system and beyond.

Mental Health Program: Senate Bill 129 (Budget Act of 2021) includes \$30 million in ongoing local assistance funds to support expanding the availability of mental health services available to California community college students.

Retention and Enrollment Outreach: State funding to be used primarily to engage former community college students that may have withdrawn from college due to the impacts of COVID-19, as well as with current community college students that may be hesitant to remain in college and prospective students that may be hesitant to enroll in a community college due to COVID-19.

Dream Resource Liaisons Support Funds: Established to ensure that each California Community College has a staff person designated as a Dreamer Resource Liaison, or UndocuLiaison, who is knowledgeable in available financial aid, social services, state-funded immigration legal services, internships, externships, and academic opportunities for all students meeting the requirements set forth in Section 68130.5, including undocumented students.

COVID Recovery Block Grant: The 2022-23 Budget Act included \$650 million one-time for block grants to districts to address issues related to the COVID-19 pandemic, including the mitigation of learning loss, student support efforts, reengagement strategies, professional development opportunities, technology investments, and health and safety measures. Foothill-De Anza has been allocated \$16.1 million over 5 years. The Governor's May Revision for 2023-24 includes a reduction of \$305M to the COVID Recovery Block Grant reallocated among the California Community Colleges. We are making an adjustment in Tentative 2023-24 to show our anticipated allocation after the 53% reduction. This may be adjusted during Adopted Budget when more information becomes available.

Mathematics, Engineering, Science Achievement (MESA) Program: Established over 40 years ago, the California Community College Mathematics, Engineering, Science Achievement (MESA) Programs help underserved and underrepresented students majoring in calculus-based STEM (Science, Technology, Engineering and Mathematics) fields who seek to transfer to a four-year institution. Foothill-De Anza has been allocated \$3.2 million over 6 years, ending on July 31, 2027.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 121/131
Restricted and Categorical**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Central Services	Total Fund 121/131
WIA	\$ 0	\$ 10,000	\$ 0	\$ 10,000
Financial Aid Admin. Allowance	5,000	14,000	0	19,000
Perkins Career & Tech Ed Act (CTEA)	401,271	610,906	0	1,012,177
Higher Ed Emergency Relief Fund (HEERF)	0	0	0	0
National Science Foundation (NSF)	0	175,199	0	175,199
Other Federal	0	480,515	0	480,515
Total Federal Revenue	\$ 406,271	\$ 1,290,620	\$ 0	\$ 1,696,891
Student Equity & Achievement	\$ 4,944,388	\$ 5,583,740	\$ 0	\$ 10,528,128
Board Financial Assistance Program	357,728	561,712	0	919,440
Staff Development	0	0	0	0
Staff Diversity	5,675	5,675	246,983	258,333
EOPS (Parts A & B)	755,942	1,646,431	0	2,402,373
CARE	87,613	90,070	0	177,683
Instructional Equipment Block Grant	3,000,000	3,000,000	0	6,000,000
Online Education Initiative (OEI)	0	0	12,317,739	12,317,739
CalWORKs	0	318,616	0	318,616
STRS On-Behalf Payments	0	0	0	0
COVID Recovery Block Grant	0	0	7,568,318	7,568,318
Other State	7,967,256	9,442,504	468,035	17,877,795
Total State Revenue	\$ 17,118,602	\$ 20,648,748	\$ 20,601,075	\$ 58,368,425
Health Service Fees	\$ 650,000	\$ 1,065,551	\$ 0	\$ 1,715,551
Other Local	0	295,515	473,111	768,626
Total Local Revenue	\$ 650,000	\$ 1,361,066	\$ 473,111	\$ 2,484,177
TOTAL REVENUE	\$ 18,174,873	\$ 23,300,434	\$ 21,074,186	\$ 62,549,493
EXPENSES				
Contract Teachers	\$ 200,000	\$ 570,915	\$ 0	\$ 770,915
Contract Non-Teachers	3,029,638	3,307,085	205,791	6,542,514
Other Teachers	0	0	0	0
Other Non-Teachers	122,922	300,000	314,500	737,422
Total Certificated Salaries	\$ 3,352,560	\$ 4,177,999	\$ 520,291	\$ 8,050,851
Contract Non-Instructional	\$ 3,711,478	\$ 5,462,750	\$ 2,468,647	\$ 11,642,875
Contract Instructional Aides	7,706	86,296	0	94,002
Other Non-Instructional	239,163	1,706,448	0	1,945,611
Other Instructional Aides	0	0	0	0
Students	0	0	0	0
Total Classified Salaries	\$ 3,958,347	\$ 7,255,494	\$ 2,468,647	\$ 13,682,488
Total Salaries	\$ 7,310,907	\$ 11,433,493	\$ 2,988,938	\$ 21,733,339
Total Staff Benefits	\$ 3,269,303	\$ 4,417,632	\$ 1,134,654	\$ 8,821,588
Total Materials and Supplies	\$ 2,007,385	\$ 879,846	\$ 117,859	\$ 3,005,090
Contracted Services	\$ 1,322,076	\$ 800,291	\$ 9,233,431	\$ 11,355,798
Lease of Equipment & Facilities	0	0	0	0
Utilities	0	0	0	0
Other Operating	864,306	986,213	7,832,629	9,683,148
Total Operating	\$ 2,186,382	\$ 1,786,503	\$ 17,066,060	\$ 21,038,946
Buildings	\$ 0	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	2,186,712	3,135,688	5,000	5,327,401
Other Capital Outlay	0	0	0	0
Total Capital Outlay	\$ 2,186,712	\$ 3,135,688	\$ 5,000	\$ 5,327,401
TOTAL EXPENSES	\$ 16,960,690	\$ 21,653,162	\$ 21,312,511	\$ 59,926,363
Transfers-in	\$ 0	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0	0
Intrafund Transfers	0	0	0	0
Transfers-out	0	0	0	0
Other Outgo/Grants in Aid	(1,214,183)	(2,357,918)	0	(3,572,102)
TOTAL TRANSFERS/OTHER SOURCES	\$ (1,214,183)	\$ (2,357,918)	\$ 0	\$ (3,572,102)
Net Change in Fund Balance	\$ 0	\$ (710,647)	\$ (238,325)	\$ (948,972)
Beginning Balance, July 1	0	0	0	28,444,207
Adjustments to Beginning Balance	0	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ (710,647)	\$ (238,325)	\$ 27,495,235

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 121/131
Restricted and Categorical**

TOTAL DISTRICT			
REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
WIA	\$ 29,000	\$ 29,000	\$ 10,000
Financial Aid Admin. Allowance	19,000	19,000	19,000
Perkins Career & Tech Ed Act (CTEA)	933,134	933,134	1,012,177
Higher Ed Emergency Relief Fund (HEERF)	23,343,886	23,343,886	0
National Science Foundation (NSF)	199,390	199,390	175,199
Other Federal	483,905	483,905	480,515
Total Federal Revenue	\$ 25,008,315	\$ 25,008,315	\$ 1,696,891
Student Equity & Achievement	\$ 10,616,627	\$ 10,616,627	\$ 10,528,128
Board Financial Assistance Program	1,021,600	1,021,600	919,440
Staff Development	0	0	0
Staff Diversity	258,333	258,333	258,333
EOPS (Parts A & B)	2,669,303	2,669,303	2,402,373
CARE	197,426	197,426	177,683
Instructional Equipment Block Grant	4,500,000	4,500,000	6,000,000
Online Education Initiative (OEI)	25,110,150	25,110,150	12,317,739
CalWORKs	354,017	354,017	318,616
STRS On-Behalf Payments	0	0	0
COVID Recovery Block Grant	0	0	7,568,318
Other State	15,715,815	17,259,497	17,877,795
Total State Revenue	\$ 60,443,271	\$ 61,986,953	\$ 58,368,425
Health Service Fees	\$ 1,715,551	\$ 1,715,551	\$ 1,715,551
Other Local	772,016	772,016	768,626
Total Local Revenue	\$ 2,487,567	\$ 2,487,567	\$ 2,484,177
TOTAL REVENUE	\$ 87,939,153	\$ 89,482,835	\$ 62,549,493
EXPENSES			
Contract Teachers	\$ 482,146	\$ 482,146	\$ 770,915
Contract Non-Teachers	6,947,764	6,947,764	6,542,514
Other Teachers	0	0	0
Other Non-Teachers	861,232	861,232	737,422
Total Certificated Salaries	\$ 8,291,142	\$ 8,291,142	\$ 8,050,851
Contract Non-Instructional	\$ 14,951,105	\$ 14,951,105	\$ 11,642,875
Contract Instructional Aides	86,161	86,161	94,002
Other Non-Instructional	1,247,598	1,247,598	1,945,611
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 16,284,863	\$ 16,284,863	\$ 13,682,488
Total Salaries	\$ 24,576,005	\$ 24,576,005	\$ 21,733,339
Total Staff Benefits	\$ 9,495,611	\$ 9,495,611	\$ 8,821,588
Total Materials and Supplies	\$ 7,806,432	\$ 7,806,432	\$ 3,005,090
Contracted Services	\$ 22,569,934	\$ 6,467,128	\$ 11,355,798
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	5,254,639	6,658,322	9,683,148
Total Operating	\$ 27,824,573	\$ 13,125,450	\$ 21,038,946
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	10,161,822	10,161,822	5,327,401
Other Capital Outlay	0	0	0
Total Capital Outlay	\$ 10,161,822	\$ 10,161,822	\$ 5,327,401
TOTAL EXPENSES	\$ 79,864,444	\$ 65,165,321	\$ 59,926,363
Transfers-in	\$ 0	\$ 233,406	\$ 0
Other Sources	0	0	0
Intrafund Transfers	0	0	0
Transfers-out	0	(4,900)	0
Other Outgo/Grants in Aid	(7,892,085)	(7,892,085)	(3,572,102)
TOTAL TRANSFERS/OTHER SOURCES	\$ (7,892,085)	\$ (7,663,579)	\$ (3,572,102)
Net Change in Fund Balance	\$ 182,624	\$ 16,653,935	\$ (948,972)
Beginning Balance, July 1	11,790,272	11,790,272	28,444,207
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 11,972,896	\$ 28,444,207	\$ 27,495,235

SPECIAL EDUCATION**Fund 122**

Special Education is a program mandated by *Title V* and is partially funded by a restricted categorical state fund, with the remaining balance covered by a transfer in from the General Purpose Fund. It provides services for students who have physical, developmental, or learning disabilities. Services include special classes, interpreters, on-campus assistance, test-taking assistance, computer-aided labs, and priority registration.

For the 2023-24 tentative budget, we anticipate receiving approximately \$3.76 million in state revenues for Special Education. Expenses for the Special Education Fund are estimated at \$8.23 million. The district anticipates transferring in \$4.47 million from the General Purpose Fund as college effort and to balance the fund. The college effort funds are necessary to meet the state requirement for receiving state Disabled Student Programs and Services (DSP&S) revenues and serving students with special needs.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 122
Special Education**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Total Fund 122
State			
Special Education Apportionment	\$ 1,670,543	\$ 2,093,717	\$ 3,764,260
Department of Rehabilitation	0	0	0
STRS On-Behalf Payments	0	0	0
Total State Revenue	\$ 1,670,543	\$ 2,093,717	\$ 3,764,260
Local			
Other Local	\$ 0	\$ 0	\$ 0
Total Local Revenue	\$ 0	\$ 0	\$ 0
TOTAL REVENUE	\$ 1,670,543	\$ 2,093,717	\$ 3,764,260
EXPENSES			
Contract Teachers	\$ 289,487	\$ 557,198	\$ 846,685
Contract Non-Teachers	644,086	1,079,152	1,723,238
Other Teachers	402,500	233,707	636,207
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 1,336,073	\$ 1,870,057	\$ 3,206,130
Contract Non-Instructional	\$ 281,380	\$ 1,199,029	\$ 1,480,409
Contract Instructional Aides	0	1,090,357	1,090,357
Other Non-Instructional	70,207	76,389	146,596
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 351,587	\$ 2,365,775	\$ 2,717,362
Total Salaries	\$ 1,687,660	\$ 4,235,832	\$ 5,923,492
Total Staff Benefits	\$ 513,036	\$ 1,720,389	\$ 2,233,425
Total Materials and Supplies	\$ 5,000	\$ 6,000	\$ 11,000
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	15,000	45,000	60,000
Total Operating	\$ 15,000	\$ 45,000	\$ 60,000
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	5,000	2,000	7,000
Total Capital Outlay	\$ 5,000	\$ 2,000	\$ 7,000
TOTAL EXPENSES	\$ 2,225,696	\$ 6,009,221	\$ 8,234,917
Transfers-in	\$ 555,153	\$ 3,915,504	\$ 4,470,657
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 555,153	\$ 3,915,504	\$ 4,470,657
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	5,921	1,045	0
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 5,921	\$ 1,045	\$ 0

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 122
Special Education**

REVENUE	TOTAL DISTRICT		
	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State			
Special Education Apportionment	\$ 4,188,502	\$ 4,188,502	\$ 3,764,260
Department of Rehabilitation	0	0	0
STRS On-Behalf Payments	0	0	0
Total State Revenue	\$ 4,188,502	\$ 4,188,502	\$ 3,764,260
Local			
Other Local	\$ 0	\$ 0	\$ 0
Total Local Revenue	\$ 0	\$ 0	\$ 0
TOTAL REVENUE	\$ 4,188,502	\$ 4,188,502	\$ 3,764,260
EXPENSES			
Contract Teachers	\$ 839,711	\$ 839,711	\$ 846,685
Contract Non-Teachers	1,740,827	1,500,917	1,723,238
Other Teachers	636,222	636,222	636,207
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 3,216,760	\$ 2,976,850	\$ 3,206,130
Contract Non-Instructional	\$ 1,509,221	\$ 1,251,814	\$ 1,480,409
Contract Instructional Aides	990,473	990,473	1,090,357
Other Non-Instructional	146,596	146,596	146,596
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 2,646,290	\$ 2,388,883	\$ 2,717,362
Total Salaries	\$ 5,863,049	\$ 5,365,733	\$ 5,923,492
Total Staff Benefits	\$ 2,155,351	\$ 2,155,351	\$ 2,233,425
Total Materials and Supplies	\$ 11,602	\$ 40,000	\$ 11,000
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	292,045	260,056	60,000
Total Operating	\$ 292,045	\$ 260,056	\$ 60,000
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	7,443	18,000	7,000
Total Capital Outlay	\$ 7,443	\$ 18,000	\$ 7,000
TOTAL EXPENSES	\$ 8,329,490	\$ 7,839,140	\$ 8,234,917
Transfers-in	\$ 4,134,022	\$ 3,643,672	\$ 4,470,657
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 4,134,022	\$ 3,643,672	\$ 4,470,657
Net Change in Fund Balance	\$ (6,966)	\$ (6,966)	\$ 0
Beginning Balance, July 1	6,966	6,966	0
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ 0	\$ 0

FEDERAL WORK STUDY**Fund 123**

Federal Work Study is a federal program providing financial aid to students in the form of compensation for work performed for on-campus and off-campus work. The district is required to contribute 25% of the total funds compensated to work-study employees. Beginning with the 2000-01 year, institutions were required to spend at least 7% of the work-study allocation to pay students performing community service work.

For fiscal year 2023-24, the Department of Education has offered a waiver for the 25% District contribution. De Anza College has not determined if the waiver will be taken for the district match so the match has been included, while Foothill College continues making the district contributions as in past years.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 123
Federal Work Study**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Total Fund 123
Federal			
Federal Work Study	\$ 150,959	\$ 283,293	\$ 434,252
Other Federal	0	0	0
TOTAL REVENUE	\$ 150,959	\$ 283,293	\$ 434,252
EXPENSES			
Other Non-Teachers	\$ 0	\$ 0	\$ 0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Other Non-Instructional Students-FWS	\$ 0 201,279	\$ 0 377,724	\$ 0 579,003
Total Classified Salaries	\$ 201,279	\$ 377,724	\$ 579,003
Total Staff Benefits	\$ 0	\$ 0	\$ 0
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Total Operating	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 201,279	\$ 377,724	\$ 579,003
Transfers-in	\$ 50,320	\$ 94,431	\$ 144,751
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 50,320	\$ 94,431	\$ 144,751
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	0	0	0
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ 0	\$ 0

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 123
Federal Work Study**

TOTAL DISTRICT			
REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Federal			
Federal Work Study	\$ 448,514	\$ 448,514	\$ 434,252
Other Federal	0	0	0
TOTAL REVENUE	\$ 448,514	\$ 448,514	\$ 434,252
EXPENSES			
Other Non-Teachers	\$ 0	\$ 0	\$ 0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Other Non-Instructional Students-FWS	\$ 0 500,151	\$ 0 500,151	\$ 0 579,003
Total Classified Salaries	\$ 500,151	\$ 500,151	\$ 579,003
Total Staff Benefits	\$ 0	\$ 0	\$ 0
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Total Operating	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 500,151	\$ 500,151	\$ 579,003
Transfers-in	\$ 51,637	\$ 51,637	\$ 144,751
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 51,637	\$ 51,637	\$ 144,751
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	0	0	0
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ 0	\$ 0

PARKING**Fund 125**

Fees from parking permits are governed by the state Education Code section 76360. This fund collects all revenues and expenses associated with providing parking services at both campuses. Revenues are derived from sales of parking decals, daily permits, and fees from special events. Expenditures are restricted by state law to road and parking lot maintenance, parking security costs, related operating overhead and public transportation for students and staff. Unlike the health fee, the parking fee does not rise automatically with the Consumer Price Index. This results in continued reductions to security services for parking and virtually no dollars available for parking lot maintenance.

The district decided not to charge parking fees for fiscal year 2023-24. The excess of operating expenses over revenue of \$1.2 million will be covered by a transfer in from the General Purpose Fund to allow the Parking Fund to break even for the year.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 125
Parking**

2023-24 BUDGETS

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State			
Other State	\$ 0	\$ 0	\$ 0
Total State Revenue	\$ 0	\$ 0	\$ 0
Local			
Decals	\$ 204,313	\$ 0	\$ 0
Daily Permits	197,014	0	0
Special Events Parking	41,127	0	0
Other Local Revenue	0	0	0
Total Local Revenue	\$ 442,454	\$ 0	\$ 0
TOTAL REVENUE	\$ 442,454	\$ 0	\$ 0
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	0	0	0
Other Teachers	0	0	0
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Contract Non-Instructional	\$ 757,298	\$ 851,631	\$ 770,446
Contract Instructional Aides	0	0	0
Other Non-Instructional	0	0	0
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 757,298	\$ 851,631	\$ 770,446
Total Salaries	\$ 757,298	\$ 851,631	\$ 770,446
Total Staff Benefits	\$ 292,069	\$ 292,069	\$ 309,263
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	145,000	50,667	90,000
Total Operating	\$ 145,000	\$ 50,667	\$ 90,000
Site Improvement	\$ 0	\$ 0	\$ 0
Buildings	0	0	0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	0	0	0
Total Capital Outlay	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 1,194,367	\$ 1,194,367	\$ 1,169,709
Transfers-in	\$ 751,913	\$ 1,194,367	\$ 1,169,709
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 751,913	\$ 1,194,367	\$ 1,169,709
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	0	0	0
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ 0	\$ 0

CAMPUS CENTER USE FEES**Fund 128**

Revenues are generated by collecting a mandatory fee for use of the campus centers at each institution. The proceeds are isolated by campus and are restricted for repair and replacement of existing student campus center facilities, and personnel support of campus center operations.

For fiscal year 2023-24, the Campus Center Use Fees Fund is projected to receive \$1.5 million in local revenue. Expenses are estimated at \$1.7 million. The Campus Center Use Fees Fund is projecting a deficit of \$198K, leaving the fund balance at \$609K.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 128
Campus Center Use Fees**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Total Fund 128
State			
STRS On-Behalf Payments	\$ 0	\$ 0	\$ 0
Total State Revenue	\$ 0	\$ 0	\$ 0
Local			
Campus Center Use Fees	\$ 650,000	\$ 885,000	\$ 1,535,000
Interest Income	0	0	0
Other Local	0	0	0
Total Local Revenue	\$ 650,000	\$ 885,000	\$ 1,535,000
TOTAL REVENUE	\$ 650,000	\$ 885,000	\$ 1,535,000
EXPENSES			
Contract Non-Teachers	\$ 80,918	\$ 0	\$ 80,918
Total Certificated Salaries	\$ 80,918	\$ 0	\$ 80,918
Contract Non-Instructional	\$ 227,088	\$ 517,017	\$ 744,105
Contract Instructional Aides	0	0	0
Other Non-Instructional	0	0	0
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 227,088	\$ 517,017	\$ 744,105
Total Salaries	\$ 308,006	\$ 517,017	\$ 825,023
Total Staff Benefits	\$ 145,783	\$ 272,656	\$ 418,439
Total Materials and Supplies	\$ 50,000	\$ 90,000	\$ 140,000
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	50,000	100,000	150,000
Total Operating	\$ 50,000	\$ 100,000	\$ 150,000
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	100,000	100,000	200,000
Total Capital Outlay	\$ 100,000	\$ 100,000	\$ 200,000
TOTAL EXPENSES	\$ 653,789	\$ 1,079,673	\$ 1,733,462
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ (3,789)	\$ (194,673)	\$ (198,462)
Beginning Balance, July 1	265,098	542,203	807,301
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 261,309	\$ 347,530	\$ 608,839

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 128
Campus Center Use Fees**

TOTAL DISTRICT			
REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State			
STRS On-Behalf Payments	\$ 0	\$ 0	\$ 0
Total State Revenue	\$ 0	\$ 0	\$ 0
Local			
Campus Center Use Fees	\$ 1,600,000	\$ 1,600,000	\$ 1,535,000
Interest Income	0	0	0
Other Local	0	0	0
Total Local Revenue	\$ 1,600,000	\$ 1,600,000	\$ 1,535,000
TOTAL REVENUE	\$ 1,600,000	\$ 1,600,000	\$ 1,535,000
EXPENSES			
Contract Non-Teachers	\$ 97,927	\$ 97,927	\$ 80,918
Total Certificated Salaries	\$ 97,927	\$ 97,927	\$ 80,918
Contract Non-Instructional	\$ 694,667	\$ 694,667	\$ 744,105
Contract Instructional Aides	0	0	0
Other Non-Instructional	0	0	0
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 694,667	\$ 694,667	\$ 744,105
Total Salaries	\$ 792,594	\$ 792,594	\$ 825,023
Total Staff Benefits	\$ 385,629	\$ 385,629	\$ 418,439
Total Materials and Supplies	\$ 125,000	\$ 55,570	\$ 140,000
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	265,000	320,858	150,000
Total Operating	\$ 265,000	\$ 320,858	\$ 150,000
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	395,000	38,289	200,000
Total Capital Outlay	\$ 395,000	\$ 38,289	\$ 200,000
TOTAL EXPENSES	\$ 1,963,223	\$ 1,592,940	\$ 1,733,462
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	203,018	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 203,018	\$ 0
Net Change in Fund Balance	\$ (363,223)	\$ 210,078	\$ (198,462)
Beginning Balance, July 1	597,223	597,223	807,301
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 233,999	\$ 807,301	\$ 608,839

DEBT SERVICE**Fund 20**

This fund is for the repayment of current principal and interest due on the district's general long-term debt and lease arrangements (Certificates of Participation). Resources are generally transferred into this fund from the fund or account that initiated the original debt or lease. This fund also accounts for the legally required reserves mandated by the various debt or lease issuances.

The district has issued several major debt instruments in recent years to finance large capital purchases. The debt instruments are as follows:

- **May 2000:** The District issued \$99.9 million of the General Obligation Bond, Series A, with effective interest rates of 4.25% to 6.26%. Payments of principal and interest are made August 1 and February 1 of each year.
- **October 2003:** The District issued \$90.1 million of the General Obligation Bond, Series B, with effective interest rates of 2% to 5.79%. Payments of principal and interest are made August 1 and February 1 of each year.
- **April 2005:** The District entered into a capital lease agreement with CitiMortgage, Inc., since acquired by PNCEF, LLC, to finance the purchase and installation of Photovoltaic Solar Collecting Systems at Foothill College and De Anza College. The amount of the lease is \$3,188,626 with a repayment term of over fifteen years. Savings from the utility charges will be used to service the debt payment each year. This lease is no longer active. It was refinanced in December 2016.
- **October 2005:** The District refinanced a portion (\$22,165,000) of the General Obligation Bond, Series B (original value \$90,100,063) with effective interest rates of 3% to 5.25%. Payments of principal and interest are made August 1 and February 1 of each year.
- **October 2005:** The District issued \$57.9 million of the General Obligation Bond, Series C, with effective interest rates of 4.81% to 5.03%. Payments of principal and interest are made August 1 and February 1 of each year.
- **November 2006:** The District financed a Certificate of Participation for \$11.33 million, with effective interest rates of 3.5% to 5%. Payments of principal and interest are made on September 1 and March 1 of each year. The estimated annual payment is \$1,020,254. The financed amount of

the COP will be used for the renovation portion of the Foothill and De Anza Campus Center buildings and Foothill Bookstore Equipment, Furniture and Fixtures. This Certificate of Participation is no longer active. It was refinanced in December 2016.

- **May 2007:** The District issued \$149,995,250 of the Election of 2006 General Obligation Bond, Series A, with effective interest rates of 4% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.
- **May 2007:** The District issued \$99,996,686 of the Election of 2006 General Obligation Bond, Series B, with effective interest rates of 4% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.
- **June 2011:** The District issued \$184 million of the Election of 2006 General Obligation Bond, Series C, with an effective interest rate of 5%. Payments of principal and interest are made August 1 and February 1 of each year.
- **May 2012:** The District issued a General Obligation Refunding Bond in an aggregate principal amount of \$70,735,000 to pay for the current refunding of a portion of the District's outstanding 2002 General Obligation Refunding Bonds, the advance refunding of a portion of the District's outstanding Election of 1999 General Obligation Bonds, Series B, the advance refunding of a portion of the District's outstanding Election of 1999 General Obligation Bonds, Series C, with effective interest rates of 0.25% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.
- **August 2013:** The District entered into a capital lease agreement with Capital One Public Funding, LLC, to refinance the 2003 Certificate of Participation of \$18.2 million. The refinanced lease amount of \$7.58 million constitutes the remainder of the refinanced \$18.2 million COP with effective interest rates of 1.75% for a term of eight years. Payments of principal and interest are made on September 1 and March 1 of each year. The lease agreement is no longer active as it matured on September 1, 2020.
- **August 2014:** The District issued a General Obligation Refunding Bond in an aggregate principal amount of \$103,015,000, which will be used to refund portions of the district's outstanding Election of 1999 General Obligation Bonds, Series C, Election of 2006 General Obligation Bonds, Series A, and Election of 2006 General Obligation Bonds, Series B, with effective interest rates of 0.86% to 3.36%. Payments of principal and interest are made August 1 and February 1 of each year. The

1999 General Obligation Refunding, Series C was fully refinanced by the 2020 Election General Obligation Bonds.

- **August 2015:** The District issued a General Obligation Refunding Bond in an aggregate principal amount of \$83,100,000, which will be used to refund portions of the district's outstanding Election of 2006 General Obligation Bonds, Series A, and Election of 2006 General Obligation Bonds, Series B, with effective interest rates of 1% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.
- **October 2016:** The District issued the following 2006 Election General Obligation Bond: \$26 million of the General Obligation Bond, Series D, with effective interest rates of 3% to 5%, \$30.7 million of the General Obligation Bond, Series E (taxable), with effective interest rates of 2.4% to 3.2%, and 2006 General Obligation Refunding Bond in an aggregate principal amount of \$201.7 million, which was used to fully refund the District's outstanding Election of 2006 General Obligation Bonds, Series C, with effective interest rates of 2% to 5%. Payments of principal and interest on 2006 Election General Obligation, Series D and Series E, and 2006 General Obligation Refunding Bond are made August 1 and February 1 of each year.
- **December 2016:** The District refinanced a Certificate of Participation for \$27.76 million, with effective interest rates of 2% to 5%. Payments of principal and interest are made on October 1 and April 1 of each year. The estimated annual payment is \$1.7 million. This Certificate of Participation constitutes the remainder of the \$3.1 million lease with PNCEF, LLC (\$790,000), the remainder of the \$11.33 million COP (\$3.58 million), and \$23.4 million for the De Anza Flint Center Parking Garage Retrofit Project. This Certificate of Participation was refinanced in 2020 General Election Bond and is no longer active.
- **April 2020:** The District issued the following 2020 Election General Obligation Bond: \$20 million of the General Obligation Bond, Series A, with effective interest rates of 2.1% to 3%, and \$90 million of the General Obligation Bonds, Series B (taxable), with effective interest rates of 0.1% to 2.5%. The District also issued 2020 General Obligation Refunding Bonds in an aggregate principal amount of \$164 million, which were used to partially refund the District's outstanding 1999 Election of 2012 and 2014 General Obligation Refunding, and the outstanding 2006 Election of 2014 and 2016 General Obligation Refunding. Payments of principal and interest are made August 1 and February 1 of each year.

- **April 2021:** The District issued \$20 million of the Election of 2020 General Obligation Bond, Series A, with effective interest rates of 2.1% to 3%. Payments of principal and interest are made August 1 and February 1 of each year.
- **April 2021:** The District issued \$90 million of the Election of 2020 General Obligation Bond, Series B (taxable), with effective interest rates of 0.1% to 2.5%. Payments of principal and interest are made August 1 and February 1 of each year.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 20
Debt Service**

2023-24 BUDGETS

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Local			
Property Taxes	\$ 73,698,799	\$ 73,698,799	\$ 68,932,035
Interest Income	0	0	0
Other Local	0	0	0
TOTAL REVENUE	\$ 73,698,799	\$ 73,698,799	\$ 68,932,035
EXPENSES			
Other Operating	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 0	\$ 0	\$ 0
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	(73,698,799)	(73,698,799)	(68,932,035)
TOTAL TRANSFERS/OTHER SOURCES	\$ (73,698,799)	\$ (73,698,799)	\$ (68,932,035)
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	69,886,152	69,886,152	69,886,152
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 69,886,152	\$ 69,886,152	\$ 69,886,152

DE ANZA DINING SERVICES**Fund 32**

The De Anza Dining Services Special Revenue Fund was created in March 2022, as a result of transitioning the De Anza Dining Services financial operations from the Enterprise Fund. Under the new Special Revenue Fund structure, De Anza Dining Services will focus on providing dining services to the students, faculty, and staff of the college. The revenues obtained through retail services, catering, conference clients, and food vendors are intended to maintain a certain level of service, not fully recover the costs of providing such services. Since the objective is not cost recovery or profit, the college plans on subsidizing the operation through other sources as long as those funds are available.

In the fiscal year 2023-2024, we are budgeting \$882K in total revenue and \$1.60 million in total expenses which will contribute to a net loss of \$718K. The net loss is expected to be absorbed by the fund balance.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 32
De Anza Dining Services**

2023-24 BUDGETS

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Local	\$ 465,000	\$ 650,600	\$ 882,478
TOTAL REVENUE	\$ 465,000	\$ 650,600	\$ 882,478
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	0	0	0
Other Teachers	0	0	0
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Contract Non-Instructional	\$ 543,296	\$ 567,400	\$ 593,104
Contract Instructional Aides	0	0	0
Other Non-Instructional	30,000	0	0
Other Instructional Aides	0	0	0
Students	0	162,700	242,450
Total Classified Salaries	\$ 573,296	\$ 730,100	\$ 835,554
Total Salaries	\$ 573,296	\$ 730,100	\$ 835,554
Total Staff Benefits	\$ 274,067	\$ 331,600	\$ 318,000
Total Materials and Supplies	\$ 0	\$ 52,889	\$ 71,252
General Administration	\$ 0	\$ 0	\$ 0
Costs of Goods Sold	232,500	302,000	302,633
Depreciation	9,000	0	0
Utilities	37,876	0	0
Other Operating	0	41,111	68,137
Total Operating	\$ 279,376	\$ 343,111	\$ 370,770
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	10,000	4,529	4,528
Total Capital Outlay	\$ 10,000	\$ 4,529	\$ 4,528
TOTAL EXPENSES	\$ 1,136,739	\$ 1,462,229	\$ 1,600,104
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	992,380	0
Intrafund Transfers	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 992,380	\$ 0
Net Change in Fund Balance	\$ (671,739)	\$ 180,751	\$ (717,626)
Beginning Balance, July 1	677,479	677,479	858,230
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 5,740	\$ 858,230	\$ 140,604

CHILD DEVELOPMENT**Fund 33**

The Child Development Fund supports the costs associated with the Child Development Center located at De Anza College. The De Anza Child Development Center provides childcare to children between the ages of one and six years old. The center is also utilized as a facility for Early Childhood Education students to observe and train. In 1999-00, De Anza opened an infant-toddler center to support Foothill-De Anza students, including CalWORKs students, and for use by the community.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 33
Child Development**

2023-24 BUDGETS

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Federal			
Child Care Food Program	\$ 10,000	\$ 11,611	\$ 20,000
Other Federal	0	0	0
Total Federal Revenue	\$ 10,000	\$ 11,611	\$ 20,000
State			
Department of Education	\$ 658,705	\$ 658,705	\$ 336,850
Child Dev. Center Tax Bailout	499,413	499,413	499,413
Child Care Food Program	300	300	300
STRS On-Behalf Payments	0	0	0
Other State	0	0	0
Total State Revenue	\$ 1,158,418	\$ 1,158,418	\$ 836,563
Local			
Parent Fees	\$ 0	\$ 0	\$ 0
Parent Fees - Non Certified	1,626,221	1,626,221	1,919,705
Other Local	0	0	0
Interest Income	0	0	0
Total Local Revenue	\$ 1,626,221	\$ 1,626,221	\$ 1,919,705
TOTAL REVENUE	\$ 2,794,639	\$ 2,796,250	\$ 2,776,268
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	319,984	319,984	378,562
Other Teachers	0	0	0
Other Non-Teachers	100,000	100,000	90,000
Total Certificated Salaries	\$ 419,984	\$ 419,984	\$ 468,562
Contract Non-Instructional	\$ 1,285,839	\$ 1,285,839	\$ 1,258,166
Contract Instructional Aides	0	0	0
Other Non-Instructional	130,733	130,733	100,000
Other Instructional Aides	0	0	0
Students	20,000	20,000	20,000
Total Classified Salaries	\$ 1,436,572	\$ 1,436,572	\$ 1,378,166
Total Salaries	\$ 1,856,556	\$ 1,856,556	\$ 1,846,728
Total Staff Benefits	\$ 728,618	\$ 728,618	\$ 784,540
Total Materials and Supplies	\$ 163,456	\$ 165,067	\$ 125,000
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	44,329	27,772	20,000
Total Operating	\$ 44,329	\$ 27,772	\$ 20,000
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	1,680	18,236	0
Total Capital Outlay	\$ 1,680	\$ 18,236	\$ 0
TOTAL EXPENSES	\$ 2,794,639	\$ 2,796,250	\$ 2,776,268
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	2,374,345	2,374,345	2,374,345
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 2,374,345	\$ 2,374,345	\$ 2,374,345

CAPITAL PROJECTS

Fund 40

Each account in this fund represents a specific capital project objective of sufficient importance to warrant separate accounting from the General Purpose Fund. Project budgets, budget transfers, and actual project expenditures are periodically submitted for review to the Board of Trustees and, if necessary, state agencies. Bond funded project activity is also periodically reviewed by the Board's Audit and Finance subcommittee and the Citizens' Bond Oversight Committee.

Budgets are reported on a project basis against expenditures incurred over the years the project is active which is referred to as project-to-date expenditures. Actual revenues and expenditures are also reported and accounted for on a fiscal year basis. Funding may come from either outside sources, such as state sources, General Obligation Bonds, or from transferring resources from internal funds to fund projects that meet the capitalization threshold and requirements for the assets being created. Facilities and Operations assumes fiscal responsibility for most of these financial accounts and reconciles these accounts with the project cost accounting system. The district currently has a number of major capital outlay projects, clean energy projects, scheduled maintenance, and bond funded projects either under construction or in various planning stages.

This fund is presented in four distinct schedules to report financial activity for the fiscal year. A comprehensive Capital Projects financial statement that encompasses all project activity and funding sources is followed by three separate financial statements by funding source that are described below. Information of activity by project/campus and project-to-date expenditures are located at the end of this report in the Capital Projects Summary followed by the Bond Quarterly Reports.

Capital Outlay (Unrestricted and Restricted): Project activity reported in the Capital Outlay financial statement consists of projects that are fully or partially funded by unrestricted sources that are typically transferred from the General Fund. Restricted state funding such as scheduled maintenance is also reported in this financial statement. The Governor's May Revision for 2023-24 includes a decrease of approximately \$239 million one-time Proposition 98 General Fund for deferred maintenance needs, for a total reduction of \$452 million one-time Proposition 98 General Fund when combined with the reduction proposed in the Governor's Budget. These adjustments reflect revised estimates of available Proposition 98 resources. This reduced allocation for deferred maintenance will be budgeted for in the Adopted Budget when more information becomes available.

Measure C Bond: On June 6, 2006, voters in the district's service area approved by a 65.69% margin a \$490.8 million General Obligation Bond (Measure C). In May 2007, the district issued Series

A bonds of \$149.9 million and Series B bonds of \$99.9 million. In June 2011, the district issued Measure C, Series C bonds for \$184 million. In October 2016, the district issued Measure C, Series D (tax-exempt) bonds for \$26 million and Series E (taxable) bonds of \$30.76 million. The bond measure will enable the district to upgrade electrical, heating, and ventilation systems; upgrade fire/seismic safety; repair leaky roofs, improve disabled access, repair/expand classrooms for nurses/paramedics; upgrade technology; and repair, construct, acquire, and equip buildings, classrooms, libraries, sites, and science/computer labs. All bond expenditure activity is deemed to be in support of education.

Measure G Bond: On March 3, 2020, voters in the district's service area approved by a 58.88% margin an \$898 million General Obligation Bond (Measure G). The bond measure will enable Foothill-De Anza Community College to repair or replace aging plumbing systems to prevent flooding and water damage, improve water conservation and install systems that will help manage future droughts; improve deteriorating gas, electrical, sewer and plumbing lines and systems; replace aging internet and electrical wiring; improve earthquake safety; upgrade, repair, and maintain classrooms and labs for science, technology, engineering, math-related fields, and career preparation fields like healthcare and early childhood education, as well as improve vocational classrooms and labs for auto repair and technology training programs; construct new permanent buildings; and to improve access to college facilities for students with disabilities.

In January 2021, the Board of Trustees approved the initial version of the Measure G Bond projects and high-level budget allocations. Since then, some of these projects have been updated through Board approved bond list revisions to refine the scope, budget, update the name, and assign the project number consistent with the district's accounting system. The district issued the first two series of bonds totaling \$110 million from the \$898 million voter-approved authorization in April 2021. Series A represented \$20 million tax-exempt bonds and Series B consisted of \$90 million taxable bonds.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 40
Capital Projects**

2023-24 BUDGETS

REVENUE	Capital Outlay	Measure C Bond Program	Measure G Bond Program	Total Fund 40
State	\$ 17,989,260	\$ 0	\$ 0	\$ 17,989,260
Local	0	70,000	700,000	770,000
TOTAL REVENUE	\$ 17,989,260	\$ 70,000	\$ 700,000	\$ 18,759,260
EXPENSES				
Contract Teachers	\$ 0	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	0	0	0	0
Other Teachers	0	0	0	0
Other Non-Teachers	0	0	0	0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Contract Non-Instructional	\$ 0	\$ 70,948	\$ 1,298,485	\$ 1,369,432
Contract Instructional Aides	0	0	0	0
Other Non-Instructional	0	0	0	0
Other Instructional Aides	0	0	0	0
Students	0	0	0	0
Total Classified Salaries	\$ 0	\$ 70,948	\$ 1,298,485	\$ 1,369,432
Total Salaries	\$ 0	\$ 70,948	\$ 1,298,485	\$ 1,369,432
Total Staff Benefits	\$ 0	\$ 37,482	\$ 614,992	\$ 652,474
Total Materials and Supplies	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	\$ 299,491	\$ 367,159	\$ 2,103,114	\$ 2,769,764
Lease of Equipment & Facilities	0	0	0	0
Utilities	0	0	0	0
Other Operating	2,131,639	1,872,555	5,862,711	9,866,905
Total Operating	\$ 2,431,130	\$ 2,239,714	\$ 7,965,825	\$ 12,636,669
Site Improvement	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	11,520,186	1,000,000	0	12,520,186
Equipment-New & Replacement	698,670	1,500,000	3,500,000	5,698,670
Other Capital Outlay	0	0	0	0
Total Capital Outlay	\$ 12,218,856	\$ 2,500,000	\$ 3,500,000	\$ 18,218,856
TOTAL EXPENSES	\$ 14,649,986	\$ 4,848,144	\$ 13,379,301	\$ 32,877,431
Transfers-in	\$ 245,569	\$ 0	\$ 0	\$ 245,569
Other Sources	0	0	0	0
Intrafund Transfers	0	0	0	0
Transfers-out	0	0	0	0
Other Outgo	0	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 245,569	\$ 0	\$ 0	\$ 245,569
Net Change in Fund Balance	\$ 3,584,843	\$ (4,778,144)	\$ (12,679,301)	\$ (13,872,602)
Beginning Balance, July 1	32,012,687	10,020,863	69,772,285	111,805,835
Adjustments to Beginning Balance	0	0	0	0
NET FUND BALANCE, June 30	\$ 35,597,530	\$ 5,242,719	\$ 57,092,984	\$ 97,933,233

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 40
Capital Projects**

TOTAL DISTRICT			
REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
State	\$ 26,455,449	\$ 20,455,449	\$ 17,989,260
Local	335,000	1,117,334	770,000
TOTAL REVENUE	\$ 26,790,449	\$ 21,572,783	\$ 18,759,260
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	0	0	0
Other Teachers	0	0	0
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Contract Non-Instructional	\$ 1,374,777	\$ 1,396,029	\$ 1,369,432
Contract Instructional Aides	0	0	0
Other Non-Instructional	0	0	0
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 1,374,777	\$ 1,396,029	\$ 1,369,432
Total Salaries	\$ 1,374,777	\$ 1,396,029	\$ 1,369,432
Total Staff Benefits	\$ 645,909	\$ 647,379	\$ 652,474
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Contracted Services	\$ 2,952,712	\$ 935,652	\$ 2,769,764
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	5,430,269	4,277,444	9,866,905
Total Operating	\$ 8,382,981	\$ 5,213,097	\$ 12,636,669
Site Improvement	\$ 0	\$ 0	\$ 0
Buildings	2,500,000	1,214,667	12,520,186
Equipment-New & Replacement	3,840,374	8,272,870	5,698,670
Other Capital Outlay	0	0	0
Total Capital Outlay	\$ 6,340,374	\$ 9,487,537	\$ 18,218,856
TOTAL EXPENSES	\$ 16,744,041	\$ 16,744,041	\$ 32,877,431
Transfers-in	\$ 240,169	\$ 240,169	\$ 245,569
Other Sources	0	0	0
Intrafund Transfers	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 240,169	\$ 240,169	\$ 245,569
Net Change in Fund Balance	\$ 10,286,577	\$ 5,068,911	\$ (13,872,602)
Beginning Balance, July 1	106,736,923	106,736,923	111,805,835
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 117,023,501	\$ 111,805,835	\$ 97,933,233

ENTERPRISE FUND
Fund 50
De Anza Event Center

The Board of Trustees permanently closed the Flint Center in Spring 2019 with the intention to replace the existing facility with one that would better benefit the students and community. The district is continuing the process of soliciting input for a new facility and has identified the De Anza Event Center as one of its anticipated Measure G funded projects.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Enterprise Fund
Fund 50
De Anza Event Center**

2023-24 BUDGETS

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Local			
Event	\$ 0	\$ 0	\$ 0
Theatre Services	0	0	0
Box Office	0	0	0
Concession	0	0	0
Interest Income	12,000	23,440	24,000
Other Local	0	0	0
TOTAL REVENUE	\$ 12,000	\$ 23,440	\$ 24,000
EXPENSES			
Contract Teachers	\$ 0	\$ 0	\$ 0
Contract Non-Teachers	0	0	0
Other Teachers	0	0	0
Other Non-Teachers	0	0	0
Total Certificated Salaries	\$ 0	\$ 0	\$ 0
Contract Non-Instructional	\$ 23,044	\$ 0	\$ 0
Contract Instructional Aides	0	0	0
Other Non-Instructional	0	0	0
Other Instructional Aides	0	0	0
Students	0	0	0
Total Classified Salaries	\$ 23,044	\$ 0	\$ 0
Total Salaries	\$ 23,044	\$ 0	\$ 0
Total Staff Benefits	\$ 11,651	\$ 0	\$ 0
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Contracted Services	\$ 0	\$ 0	\$ 0
Lease of Equipment & Facilities	0	0	0
Utilities	0	0	0
Other Operating	45,000	45,000	46,500
Total Operating	\$ 45,000	\$ 45,000	\$ 46,500
Buildings	\$ 0	\$ 0	\$ 0
Equipment-New & Replacement	0	0	0
Other Capital Outlay	0	0	0
Total Capital Outlay	\$ 0	\$ 0	\$ 0
TOTAL EXPENSES	\$ 79,695	\$ 45,000	\$ 46,500
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ (67,695)	\$ (21,560)	\$ (22,500)
Beginning Balance, July 1	1,802,529	1,802,529	1,780,969
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 1,734,833	\$ 1,780,969	\$ 1,758,469

INTERNAL SERVICE**Fund 60**

The purpose of this fund is to separately account for particular services provided on a District-wide basis. Costs associated with providing health benefits, workers' compensation, extended sick leave, and post-retirement benefits are to be accounted for in the Internal Service Fund, and an appropriate service rate is charged to each of the other funds.

In the past, this fund was used almost exclusively as an accounting convenience to charge benefits in one fund and then distribute them to all other funds. Certain positive or negative ending balances are closed to the Unrestricted General Purpose Fund at year-end. Benefits accounting analysis continues to improve on the various benefit types, requirements, costs, and funding. As more information becomes available, changes to improve reporting and accounting efficiency have been implemented. As an example, activities are monitored separately with performance measured in accordance to specific objectives and timelines which has an effect on the Rate Stabilization Fund (RSF).

The Rate Stabilization Fund (RSF) is accounted for within the Internal Service Fund. It is used to offset costs and stabilize the variable benefit rate increases so that increasing costs can be "smoothed out" more gradually, allowing time to adjust the plan and/or rates in an informed manner through the Joint Labor Management Benefit Committee (JLMBC). The RSF activity is reported on a calendar year basis to align with the benefit plan year. Final RSF benefit plan year balances are reported in the second quarter report after plan year contributions and expenses are closed out in December.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 60
Internal Service**

2023-24 BUDGETS

REVENUE	Active Employees	Retirees	Total Fund 60
Contributions - Active Benefits	\$ 60,978,000	\$ 0	\$ 60,978,000
Contributions - Retiree Benefits	0	7,400,000	7,400,000
Employee Contributions	5,100,000	0	5,100,000
State - PTF Health Reimbursement	0	0	0
TOTAL REVENUE	\$ 66,078,000	\$ 7,400,000	\$ 73,478,000
EXPENSES			
Medical/Prescription/Dental/Vision	\$ 24,133,000	\$ 7,400,000	\$ 31,533,000
Retirement	37,500,000	0	37,500,000
Workers' Comp/Ext Sk Lv/Vac Pay	2,100,000	0	2,100,000
Unemployment Insurance	970,000	0	970,000
Other	1,375,000	0	1,375,000
TOTAL EXPENSES	\$ 66,078,000	\$ 7,400,000	\$ 73,478,000
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	0	0	6,968,358
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 0	\$ 0	\$ 6,968,358

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 60
Internal Service**

ACTIVE EMPLOYEES AND RETIREES

REVENUE	Adopted Budget	Projected Actual	Budget
	22-23	22-23	23-24
Contributions - Active Benefits	\$ 58,184,575	\$ 58,184,575	\$ 60,978,000
Contributions - Retiree Benefits	7,400,000	7,400,000	7,400,000
Employee Contributions	5,100,000	5,100,000	5,100,000
State - PTF Health Reimbursement	0	3,184	0
TOTAL REVENUE	\$ 70,684,575	\$ 70,687,759	\$ 73,478,000
EXPENSES			
Medical/Prescription/Dental/Vision	\$ 30,005,375	\$ 30,008,559	\$ 31,533,000
Retirement	36,214,000	36,214,000	37,500,000
Workers' Comp/Ext Sk Lv/Vac Pay	2,078,200	2,078,200	2,100,000
Unemployment Insurance	1,012,000	1,012,000	970,000
Other	1,375,000	1,375,000	1,375,000
TOTAL EXPENSES	\$ 70,684,575	\$ 70,687,759	\$ 73,478,000
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	6,968,358	6,968,358	6,968,358
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 6,968,358	\$ 6,968,358	\$ 6,968,358

STUDENT FINANCIAL AID**Fund 74, 75**

These funds are used for federal, state, and local financial aid programs. The federal programs include Pell Grants, Supplemental Educational Opportunity Grants (SEOG), and AmeriCorps community service initiative grants. In the 2023-24 fiscal year, the district is expected to receive \$20.2 million in federal funds for student financial aid.

The state programs include Cal Grants, the Student Success Completion Grant (SSCG) and one-time funding from the Emergency Financial Assistance for California Community College Students. Local programs include a variety of scholarships.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 74, 75
Student Financial Aid**

2023-24 BUDGETS

REVENUE	Foothill College	De Anza College	Total Fund 700
Federal			
Pell Grants	\$ 5,100,000	\$ 14,600,000	\$ 19,700,000
SEOG	151,049	337,306	488,355
Higher Ed Emergency Relief Fund (HEERF)	0	0	0
Other Federal	5,000	26,000	31,000
Total Federal Revenue	\$ 5,256,049	\$ 14,963,306	\$ 20,219,355
State			
EOPS	\$ 0	\$ 0	\$ 0
Cal Grant	708,000	1,600,000	2,308,000
Other State	3,200,000	5,900,000	9,100,000
Total State Revenue	\$ 3,908,000	\$ 7,500,000	\$ 11,408,000
Local			
Interest Income	\$ 0	\$ 0	\$ 0
Other Local	500,000	671,000	1,171,000
Total Local Revenue	\$ 500,000	\$ 671,000	\$ 1,171,000
TOTAL REVENUE	\$ 9,664,049	\$ 23,134,306	\$ 32,798,355
EXPENSES			
Total Materials and Supplies	\$ 0	\$ 0	\$ 0
Operating Expenses	\$ 500,000	\$ 671,000	\$ 1,171,000
TOTAL EXPENSES	\$ 500,000	\$ 671,000	\$ 1,171,000
Transfers-in	\$ 0	\$ 0	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo/Grants in Aid	(9,164,049)	(22,463,306)	(31,627,355)
TOTAL TRANSFERS/OTHER SOURCES	\$ (9,164,049)	\$ (22,463,306)	\$ (31,627,355)
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	9,942	5,084	15,026
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 9,942	\$ 5,084	\$ 15,026

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 74, 75
Student Financial Aid**

TOTAL DISTRICT

REVENUE	Adopted Budget	Projected Actual	Budget
	22-23	22-23	23-24
Federal			
Pell Grants	\$ 17,000,000	\$ 17,000,000	\$ 19,700,000
SEOG	541,223	541,223	488,355
Higher Ed Emergency Relief Fund (HEERF)	8,737,010	8,737,010	0
Other Federal	25,000	25,000	31,000
Total Federal Revenue	\$ 26,303,233	\$ 26,303,233	\$ 20,219,355
State			
EOPS	\$ 0	\$ 0	\$ 0
Cal Grant	1,900,000	1,900,000	2,308,000
Other State	11,214,972	11,823,062	9,100,000
Total State Revenue	\$ 13,114,972	\$ 13,723,062	\$ 11,408,000
Local			
Interest Income	\$ 0	\$ 0	\$ 0
Other Local	600,000	600,000	1,171,000
Total Local Revenue	\$ 600,000	\$ 600,000	\$ 1,171,000
TOTAL REVENUE	\$ 40,018,205	\$ 40,626,295	\$ 32,798,355
EXPENSES			
Total Materials and Supplies	\$ 0	\$ 3,411	\$ 0
Operating Expenses	\$ 600,000	\$ 601,489	\$ 1,171,000
TOTAL EXPENSES	\$ 600,000	\$ 604,900	\$ 1,171,000
Transfers-in	\$ 0	\$ 4,900	\$ 0
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo/Grants in Aid	(39,418,205)	(40,026,295)	(31,627,355)
TOTAL TRANSFERS/OTHER SOURCES	\$ (39,418,205)	\$ (40,021,395)	\$ (31,627,355)
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0
Beginning Balance, July 1	15,026	15,026	15,026
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 15,026	\$ 15,026	\$ 15,026

OTHER TRUST (OPEB)**Fund 79**

This fund reports on assets that are set aside in an irrevocable trust to help address the district's unfunded liability related to Other Post-Employee Retirement Benefits (OPEB). In accordance with Governmental Accounting Standards (GASB) and other state government codes, the funds are invested in an IRS Section 115 trust fund, California Employers' Retiree Benefit Trust Fund (CERBT) under CalPERS. The actuarial study and funding plan were prepared in accordance with GASB 75. This does not affect the reporting of Fund 79 within the quarterly financials, which only presents the budget and income statement activity during the fiscal year.

Annually, this fund incurs minimal activity consisting of the district's annual contribution, income and fees. This is typically recorded in the second quarter, with investment income and administrative fees recorded in the fourth quarter of the fiscal year with the projected new-year balance reflected in the Adopted Budget.

For the 2023-24 fiscal year, we will recommend a transfer of \$1.5 million from the General Purpose Fund to contribute to the California Employers' Retiree Benefits Trust (CERBT) for Other Post-Employment Benefits (OPEB) liability. The following table is a historical summary of the irrevocable trust's activity which reflects an estimated balance of \$33,245,035 for fiscal year 2023-24.

	Contribution	Investment Income	Administrative Expense	Investment Expense	Investment Loss	Balance
Balance						\$ 4,724,776
2010-11	\$ 400,000	\$ 1,187,227	\$ (7,001)	\$ -	\$ -	6,305,002
2011-12	250,000	17,217	(7,348)	-	-	6,564,871
2012-13	500,000	764,116	(10,916)	-	-	7,818,071
2013-14	1,500,000	1,551,327	(12,568)	-	-	10,856,830
2014-15	1,500,000	35,123	(11,948)	-	-	12,380,005
2015-16	1,500,000	119,591	(5,912)	(4,323)	-	13,989,362
2016-17	1,500,000	1,474,081	(7,242)	(5,295)	-	16,950,906
2017-18	1,500,000	1,358,140	(9,213)	(6,736)	-	19,793,097
2018-19	1,500,000	1,322,259	(10,276)	(7,513)	-	22,597,567
2019-20	1,500,000	834,102	(11,753)	(8,593)	-	24,911,322
2020-21	1,500,000	7,113,648	(14,543)	(10,640)	-	33,499,788
2021-22	1,500,000	-	(16,703)	(12,213)	(4,725,837)	30,245,035
2022-23*	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 31,745,035
2023-24*	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 33,245,035

Source: CERBT Annual Statements

* Projected

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**Fund 79
Other Trust (OPEB)**

TOTAL DISTRICT

REVENUE	Adopted Budget 22-23	Projected Actual 22-23	Budget 23-24
Investment Revenue	\$ 0	\$ 0	\$ 0
TOTAL REVENUE	\$ 0	\$ 0	\$ 0
EXPENSES			
Administrative Expenses	\$ 0	\$ 0	\$ 0
Investment Expenses	0	0	0
TOTAL EXPENSES	\$ 0	\$ 0	\$ 0
Transfers-in	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Other Sources	0	0	0
Transfers-out	0	0	0
Other Outgo/Other Uses	0	0	0
TOTAL TRANSFERS/OTHER SOURCES	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Net Change in Fund Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Beginning Balance, July 1	30,245,035	30,245,035	31,745,035
Adjustments to Beginning Balance	0	0	0
NET FUND BALANCE, June 30	\$ 31,745,035	\$ 31,745,035	\$ 33,245,035

SUPPLEMENTAL INFORMATION

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**2022-23
Projected Actual Summary
For GENERAL FUNDS**

	General Fund 114	Self-Sustaining Fund 115	Total Unrestricted General Fund	Restricted & Categorical Fund 121/131	Special Educ. Fund 122	Federal Work Study Fund 123	Parking Fund 125	Campus Center Fund 128	Total Restricted General Fund	TOTAL GENERAL FUND
REVENUE										
Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 25,008,315	\$ 0	\$ 448,514	\$ 0	\$ 0	\$ 25,456,829	\$ 25,456,829
State Revenue	51,109,800	5,325,722	56,435,522	61,986,953	4,188,502	0	0	0	66,175,455	122,610,977
Local Revenue	159,899,578	5,233,569	165,133,147	2,487,567	0	0	0	1,600,000	4,087,567	169,220,714
TOTAL REVENUE	\$ 211,009,378	\$ 10,559,291	\$ 221,568,669	\$ 89,482,835	\$ 4,188,502	\$ 448,514	\$ 0	\$ 1,600,000	\$ 95,719,851	\$ 317,288,520
EXPENSES										
Certificated Salaries	\$ 87,525,000	\$ 735,192	\$ 88,260,192	\$ 8,291,142	\$ 2,976,850	\$ 0	\$ 0	\$ 97,927	\$ 11,365,919	\$ 99,626,112
Classified Salaries	38,095,000	2,806,378	40,901,378	16,284,863	2,388,883	500,038	851,631	694,667	20,720,082	61,621,460
Employee Benefits	55,300,000	1,351,355	56,651,355	9,495,611	2,155,351	113	292,069	385,629	12,328,773	68,980,128
Materials and Supplies	2,500,000	564,020	3,064,020	7,806,432	40,000	0	0	55,570	7,902,002	10,966,022
Operating Expenses	18,750,000	3,573,252	22,323,252	13,125,450	260,056	0	50,667	320,858	13,757,031	36,080,282
Capital Outlay	357,821	102,110	459,931	10,161,822	18,000	0	0	38,289	10,218,111	10,678,043
TOTAL EXPENSES	\$ 202,527,821	\$ 9,132,307	\$ 211,660,129	\$ 65,165,321	\$ 7,839,140	\$ 500,151	\$ 1,194,367	\$ 1,592,940	\$ 76,291,918	\$ 287,952,047
TRANSFERS AND OTHER										
Transfers-in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,643,672	\$ 51,637	\$ 1,194,367	\$ 0	\$ 4,889,676	\$ 4,889,676
Other Sources	1,056,828	2,002,770	3,059,598	233,406	0	0	0	203,018	436,424	3,496,022
Intrafund Transfers	50,000	(50,000)	0	0	0	0	0	0	0	0
Transfers-out	(6,389,676)	(240,169)	(6,629,845)	(4,900)	0	0	0	0	(4,900)	(6,634,745)
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	0	0	0	(7,892,085)	0	0	0	0	(7,892,085)	(7,892,085)
TOTAL TRANSFERS/OTHER SOURCES	\$ (5,282,848)	\$ 1,712,601	\$ (3,570,247)	\$ (7,663,579)	\$ 3,643,672	\$ 51,637	\$ 1,194,367	\$ 203,018	\$ (2,570,885)	\$ (6,141,132)
FUND BALANCE										
Net Change in Fund Balance	\$ 3,198,709	\$ 3,139,584	\$ 6,338,294	\$ 16,653,935	\$ (6,966)	\$ 0	\$ 0	\$ 210,078	\$ 16,857,048	\$ 23,195,342
Beginning Balance, July 1	29,052,911	12,832,110	41,885,021	11,790,272	6,966	0	0	597,223	12,394,461	54,279,482
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	\$ 32,251,620	\$ 15,971,694	\$ 48,223,315	\$ 28,444,207	\$ 0	\$ 0	\$ 0	\$ 807,301	\$ 29,251,509	\$ 77,474,823

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

**2022-23
Projected Actual Summary
For ALL FUNDS**

REVENUE	TOTAL GENERAL FUND	Debt Service Fund 20	De Anza Dining Services Fund 32	Child Development Fund 33	Capital Projects Fund 40	Enterprise Fund 50	Student Financial Aid Fund 74, 75	Other Trust (OPEB) Fund 79	TOTAL DISTRICT ALL FUNDS	Internal Service Fund 60
Federal Revenue	\$ 25,456,829	\$ 0	\$ 0	\$ 11,611	\$ 0	\$ 0	\$ 26,303,233	\$ 0	\$ 51,771,673	\$ 0
State Revenue	122,610,977	0	0	1,158,418	20,455,449	0	13,723,062	0	157,947,907	0
Local Revenue	169,220,714	73,698,799	650,600	1,626,221	1,117,334	23,440	600,000	0	246,937,107	70,687,759
TOTAL REVENUE	\$ 317,288,520	\$ 73,698,799	\$ 650,600	\$ 2,796,250	\$ 21,572,783	\$ 23,440	\$ 40,626,295	\$ 0	\$ 456,656,687	\$ 70,687,759
EXPENSES										
Certificated Salaries	\$ 99,626,112	\$ 0	\$ 0	\$ 419,984	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,046,096	\$ 0
Classified Salaries	61,621,460	0	730,100	1,436,572	1,396,029	0	0	0	65,184,160	0
Employee Benefits	68,980,128	0	331,600	728,618	647,379	0	0	0	70,687,725	70,687,759
Materials and Supplies	10,966,022	0	52,889	165,067	0	0	3,411	0	11,187,389	0
Operating Expenses	36,080,282	0	343,111	27,772	5,213,097	45,000	601,489	0	42,310,752	0
Capital Outlay	10,678,043	0	4,529	18,236	9,487,537	0	0	0	20,188,345	0
TOTAL EXPENSES	\$ 287,952,047	\$ 0	\$ 1,462,229	\$ 2,796,250	\$ 16,744,041	\$ 45,000	\$ 604,900	\$ 0	\$ 309,604,467	\$ 70,687,759
TRANSFERS AND OTHER										
Transfers-in	\$ 4,889,676	\$ 0	\$ 0	\$ 0	\$ 240,169	\$ 0	\$ 4,900	\$ 1,500,000	\$ 6,634,745	\$ 0
Other Sources	3,496,022	0	992,380	0	0	0	0	0	4,488,402	0
Intrafund Transfers	0	0	0	0	0	0	0	0	0	0
Transfers-out	(6,634,745)	0	0	0	0	0	0	0	(6,634,745)	0
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	(7,892,085)	(73,698,799)	0	0	0	0	(40,026,295)	0	(121,617,179)	0
TOTAL TRANSFERS/OTHER SOURCES	\$ (6,141,132)	\$ (73,698,799)	\$ 992,380	\$ 0	\$ 240,169	\$ 0	\$ (40,021,395)	\$ 1,500,000	\$(117,128,777)	\$ 0
FUND BALANCE										
Net Change in Fund Balance	\$ 23,195,342	\$ 0	\$ 180,751	\$ 0	\$ 5,068,911	\$ (21,560)	\$ 0	\$ 1,500,000	\$ 29,923,444	\$ 0
Beginning Balance, July 1	54,279,482	69,886,152	677,479	2,374,345	106,736,923	1,802,529	15,026	30,245,035	266,016,970	6,968,358
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	\$ 77,474,823	\$ 69,886,152	\$ 858,230	\$ 2,374,345	\$ 111,805,835	\$ 1,780,969	\$ 15,026	\$ 31,745,035	\$ 295,940,414	\$ 6,968,358

RECONCILIATION OF INTER- AND INTRA-FUND TRANSFERS PROJECTED FOR 6-30-23

TO

Fund	Unrestricted General Funds		Restricted General Funds					All Other Funds								Total
	General 114	Self-Sustaining 115	Categorical 121/131	Special Education 122	Fed. Work Study 123	Parking 125	Campus Ctr Use Fees 128	Debt Service 20	De Anza Dining Svcs 32	Child Developmt 33	Capital Projects 40	Enterprise Funds	Internal Service 60	Financial Aid 74/75	Other Trust (OPEB) 79	
114				3,643,672	51,637	1,194,367									1,500,000	6,389,676
115	50,000										240,169					290,169
121/131														4,900		4,900
122																0
123																0
125																0
128																0
20																0
32																0
33																0
40																0
Enterprise																0
60																0
74/75																0
79																0
Total	50,000	0	0	3,643,672	51,637	1,194,367	0	0	0	0	240,169	0	0	4,900	1,500,000	6,684,745

Inter-Fund Transfers:

- Fund 114 to 122: 3,643,672 for Special Ed match
- Fund 114 to 123: 51,637 for Federal Work Study match
- Fund 114 to 125: 1,194,367 to offset Parking Fund operating deficit
- Fund 114 to 79: 1,500,000 for 2022-2023 OPEB Liability
- Fund 115 to 40: 240,169 for District Office Building FF&E
- Fund 121/131 to 74/75: 4,900 Scholarship

Intra-Fund Transfers (Between Unrestricted General Funds):

- Fund 115 to 114: 50,000 for Foothill commencement

Intra-Fund Transfers (Between Restricted General Funds):

Changes in Fund 114 Revenue and Expenses

	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projections	23-24 Budget	%
Revenues											
Base Revenue	136,739,187	146,354,376	147,014,090	148,029,453	152,040,367	155,385,593	156,665,835	165,840,938	175,640,900	190,078,600	84.07%
Prior Year Apportionment	2,285,969	837,068	651,317	178,382	13	(118,173)	79,760	(52,243)	0	0	0.00%
Other Apportionment - BOG	447,324	205,439	406,787	286,341	266,235	227,254	227,869	208,252	214,300	214,300	0.09%
State Lottery	4,140,710	4,803,722	4,606,325	4,579,233	4,557,137	3,998,911	4,339,744	4,397,772	3,861,600	3,857,100	1.71%
Nonresident Tuition	28,373,396	28,115,878	26,887,735	26,812,845	26,452,344	26,014,023	20,502,660	16,396,848	18,242,100	19,092,200	8.44%
State Mandated Costs	760,480	764,710	758,565	738,662	715,110	743,180	709,877	729,802	677,200	730,000	0.32%
Mandated Cost Obligation (One Time)	1,199,398	15,119,132	2,494,848	725,411							0.00%
STRS On-Behalf Payments		4,252,952	3,664,118	4,758,023	9,496,333	5,147,235	5,606,928	5,591,316	5,910,000	5,910,000	2.61%
Other Revenues											
PT Faculty Funding	702,925	565,177	562,072	542,904	546,220	482,291	501,763	430,282	486,900	472,200	0.21%
Full-Time Faculty Hiring					1,087,522	1,087,522	1,087,522	3,722,295	3,722,300	3,722,300	1.65%
2% Resident Enrollment Fees	739,843	751,855	716,043	393,588	424,342	417,742	397,487	328,282	328,382	326,200	0.14%
Interest Income	546,418	806,943	1,092,530	1,486,815	2,417,700	2,569,918	1,137,027	959,673	1,000,000	1,000,000	0.44%
Campus Generated Revenues	1,832,289	2,060,365	1,978,247	1,660,948	1,747,123	1,573,866	1,058,539	986,314	804,400	697,300	0.31%
Other Revenues	350,029	464,341	64,620	123,105	2,939,206	109,080	51,921	103,436	121,296	0	0.06%
Total Revenues	178,117,970	205,101,957	190,897,297	190,315,709	202,689,651	197,638,441	192,366,933	199,642,966	211,009,378	226,100,200	100.06%
Expenses											
Salaries	111,552,914	122,724,377	127,400,588	124,668,404	121,209,888	116,881,733	115,995,246	124,499,486	125,620,000	135,819,781	60.55%
Benefits	33,932,178	41,085,595	44,425,597	47,377,502	56,166,424	49,191,678	49,111,785	52,293,337	55,300,000	57,921,751	25.82%
Materials and Supplies	2,536,465	2,860,283	2,781,777	2,746,812	2,218,072	2,045,546	1,356,881	2,257,465	2,500,000	2,757,028	1.23%
Operating Expenses	15,774,850	16,992,610	18,032,253	18,749,601	16,732,813	16,188,897	17,776,783	18,337,173	18,750,000	20,220,662	9.01%
Capital Outlay	537,321	304,852	634,793	476,025	323,655	293,351	250,281	257,812	357,821	362,000	0.16%
Transfers (net)	9,186,082	11,684,627	6,771,867	8,030,577	9,752,183	11,012,989	9,043,917	7,206,276	5,282,848	7,235,117	3.23%
Total Expenses	173,519,810	195,652,343	200,046,876	202,048,921	206,403,034	195,614,195	193,534,893	204,851,548	207,810,669	224,316,339	100.00%
Net Surplus/(Deficit)	4,598,159	9,449,615	(9,149,579)	(11,733,212)	(3,713,383)	2,024,246	(1,167,960)	(5,208,582)	3,198,709	1,783,861	(a)
Beginning Fund Balance	43,953,606	48,551,766	58,001,381	48,851,802	37,118,590	33,405,207	35,429,453	34,261,493	29,052,911	32,251,620	(b)
Ending Fund Balance	48,551,766	58,001,381	48,851,802	37,118,590	33,405,207	35,429,453	34,261,493	29,052,911	32,251,620	34,035,481	(a+b)
Designated Carryforwards (see below)	16,642,395	15,619,457	15,117,381	12,864,446	13,689,110	14,600,663	17,776,451	17,559,515	13,311,384	12,094,000	(c)
5% Reserve	8,680,000	9,860,000	10,002,344	10,102,446	10,320,152	9,780,710	9,676,745	10,242,577	10,390,533	11,215,817	(d)
Stability Fund Balance	23,229,370	32,521,924	23,732,077	14,151,698	9,395,945	11,048,081	6,808,298	1,250,818	8,549,702	10,725,664	(a+b)-c-d
Notes											
Designated Carryforwards (CF):	2022-23 Projected										
FH,DA,CS Carryforward	9,606,000										
Districtwide Carryforward	388,000										
Encumbrance & Reservations CF	2,100,000										
SRP Carryforward	1,217,384										
Total:	<u>13,311,384</u>										

Facts at a Glance

Revenues and Expenditures, Unrestricted General Fund (General Purpose Fund 114 & Self-Sustaining Fund 115)										
	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Budget
Revenues	190,596,966	219,047,010	205,052,448	204,645,122	214,723,032	209,090,577	199,703,524	207,604,743	221,568,669	237,599,952
Salaries	114,103,955	125,547,736	129,929,069	127,347,400	124,265,680	119,995,129	118,745,137	127,751,992	129,161,570	139,083,089
Benefits	34,567,929	41,744,197	45,044,304	48,005,734	54,036,139	50,099,895	50,044,495	53,420,231	56,651,355	59,215,645
Other	39,014,136	41,415,409	38,190,006	39,324,686	39,326,727	37,349,027	33,316,207	29,381,467	29,417,450	35,296,954
Total Expenses/Transfers	187,686,020	208,707,342	213,163,378	214,677,820	217,628,545	207,444,051	202,105,839	210,553,690	215,230,376	233,595,687
Ending Fund Balance	56,299,232	66,638,899	58,527,969	48,495,270	45,589,757	47,236,283	44,833,968	41,885,021	48,223,315	52,227,579
Salary Expenditures, Fund 114 (General Purpose Fund Only)										
	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Budget
Contract Faculty	40,722,794	42,099,238	43,960,431	42,383,003	43,329,667	39,331,494	38,914,471	40,958,941	42,192,795	49,770,319
Part-Time Faculty	36,082,017	39,859,039	40,614,029	38,618,094	34,476,167	35,831,391	35,093,618	37,006,036	36,379,019	34,071,099
Management	8,934,139	10,346,469	10,565,627	11,360,173	11,246,547	11,376,655	11,430,280	12,649,514	13,272,864	14,051,185
Classified	23,764,513	28,708,506	30,041,887	30,441,124	30,419,447	28,746,485	29,159,872	32,133,575	30,746,390	36,666,159
Students & Casuals	2,049,452	1,711,125	2,218,615	1,866,011	1,738,060	1,595,709	1,397,005	1,751,419	3,028,932	1,261,019
Total	111,552,914	122,724,377	127,400,588	124,668,404	121,209,888	116,881,733	115,995,246	124,499,486	125,620,000	135,819,781
Productivity										
	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Budget
WSCH per Teaching FTE	522	514	489	486	512	510	511	474	483	-
FTES										
	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Budget
Resident	27,353	27,143	25,968	24,484	23,335	23,042	23,605	20,745	20,638	20,638
Non-Resident	4,804	4,803	4,614	4,441	4,087	3,628	2,616	1,991	2,051	2,051
Total FTES	32,157	31,946	30,582	28,925	27,422	26,669	26,221	22,736	22,689	22,689
Revenues and Expenditures, Restricted General Fund (Categorical, Special Ed, Federal Work Study, Parking & Campus Center Use Fee Funds)										
	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	22-23 Projected	23-24 Budget
Revenues & Transfers In	35,129,150	42,513,322	58,750,845	66,545,781	59,320,469	79,048,556	86,343,467	79,689,955	117,148,756	74,551,206
Expenditures & Transfers Out	34,880,467	43,267,189	58,373,203	66,099,600	58,891,795	77,926,675	85,486,215	78,318,952	100,291,708	75,698,639
Fund Balance	8,545,696	7,791,828	8,169,470	8,615,650	9,044,324	10,166,205	11,023,457	12,394,460	29,251,509	28,104,075

**California Community Colleges
Gann Limit Worksheet
Budget Year 2023-24**

DISTRICT: FOOTHILL-DEANZA
DATE: June 1, 2023

I. Appropriations Limit:			
A. Appropriations Limit			\$ 166,600,708
B. Price Factor:		<u>1.0444</u>	
C. Population factor:			
1 2021-22	Second Period Actual FTES	<u>21,229.9900</u>	
2 2022-23	Second Period Actual FTES	<u>20,637.6300</u>	
	Population Change Factor	<u>0.9721</u>	
	(C.2. divided by C.1.)		
D. Limit adjusted by inflation and population factors	(line A multiplied by line B and line C.3.)		\$ 169,143,241
E. Adjustments to increase limit:			
1 Transfers in of financial responsibility			
2 Temporary voter approved increases			
3 Total adjustments - increase			-
F. Adjustments to decrease limit:			
1 Transfers out of financial responsibility			
2 Temporary voter approved increases			
3 Total adjustments - decrease			-
G. Appropriations Limit			\$ 169,143,241
II. Appropriations Subject to Limit			
A. State Aid ¹			\$ 41,657,028
B. State Subventions ²			454,400
C. Local Property taxes			141,320,400
D. Estimated excess Debt Service taxes			
E. Estimated Parcel taxes, Square Foot taxes, etc.			
F. Interest on proceeds of taxes			
G. Less: Costs for Unreimbursed Mandates ³			455,684
H. Appropriations Subject to Limit			\$ 182,976,144

Please contact Jubilee Smallwood, jsmallwood@cccco.edu, for any instructions regarding the Gann Limit.

¹ Includes Unrestricted General Apportionment, Apprenticeship Allowance, Prop 55 Education Protection Account tax revenue, Full-Time Faculty, Part-Time Faculty Compensation, Part-Time Health Benefits, Part-Time Faculty Office Hours

² Home Owners Property Tax Relief, Timber Yield Tax, etc...

³ Local Appropriations for Unreimbursed State, Court, and Federal Mandates. This may include amounts of district money spent for unreimbursed mandates such as the federally-required Medicare payments and Social Security contributions for hourly, temporary, part-time, and student employees not covered by PERS or STRS.

GLOSSARY

Abatements: The cancellation of part or all of a receipt or expense previously recorded.

Accounts Payable: Amounts due and owing to persons, business firms, governmental units or others for goods or services purchased and received but unpaid as of June 30. This is different from an *encumbrance*, which is goods or services purchased but not received or paid by June 30.

Accounts Receivable: Amounts due and owing from persons, business firms, governmental units or others for goods or services provided but uncollected prior to June 30.

Appropriations: Funds set aside or budgeted for a specific time period and specific purpose. The state legislature sets the appropriations for community colleges and other agencies through the Budget Act each year. The deadline for the Budget Act to be passed is July 1 but the legislature and governor rarely adhere to this deadline. The Board of Trustees sets the appropriations limits for the district when it approves the budget. The tentative budget must be approved prior to July 1, and the final budget must be approved prior to September 15. The trustees must approve revisions and changes to the appropriations limits by resolution.

Appropriation for Contingency: An official budget category established by the state for schools to budget contingency funds. Expenditures are not to be made from this category. Rather, transfers are made as required to the appropriate expenditure categories.

Appropriations Limitation: See Gann Limitation.

Assessed Valuation: A value of land, residential or business property set by the county assessor for property tax purposes. The value is the cost of any newly built or purchased property, or the value on March 1, 1975, of continuously owned property plus an annual increase of 2% (see Proposition 13). The assessed value is not equivalent to the market value, due to limitations of annual increase.

Associated Students Funds: These funds are designated to account for monies held in trust by the district for organized student body associations established pursuant to Chapter 1, Division 7, Part 47, of the Education Code (commencing with Section 76060). The governing board must provide for the supervision of all monies raised by any student body or student organization using the name of the college (ECS 76065).

Audit: An examination of documents, records and accounts for the purpose of determining (1) that all present fairly the financial position of the district; (2) that they are in conformity with prescribed accounting procedures; and (3) that they are consistent with the preceding year.

Balance Sheet: A statement that shows assets, liabilities, reserves and fund balance or fund deficit of the community college district as of a specified date. It exhibits the financial condition of a district. Balance sheets are provided in the "311" report and in the district's external auditor's report.

Basic Aid District: A community college or K-12 district that does not receive state funds because its revenues from local property taxes and student enrollment fees provide more than it would receive under the Student Centered Funding Formula (SCFF).

Board Financial Assistance Program – Student Financial Aid Administrative Allowance (BFAP-SFAA): Funds are solely dedicated to cover the cost of the delivery of student financial aid. Some of the costs allowed are for financial aid professional, technical, clerical or temporary help (including student help) who report in a direct line to the Financial Aid Director, staff training, software and hardware, development of outreach materials...etc.

Bonded Debt Limit: The maximum amount of bonded debt for which a community college district may legally obligate itself. The total amount of bonds issued cannot exceed a stipulated percent of the assessed

valuation of the district. General Obligation Bond issues require a 55% vote of the electorate. These are known as Prop 39 Bonds, replacing the law that lowered the approval limit from 66-2/3 to 55%.

Measure E Bond was passed in November 1999 for a maximum authorization of \$248,000,000.

Measure C Bond was passed in June 2006 for a maximum authorization of \$490,800,000.

Measure G Bond was passed in March 2020 for a maximum authorization of \$898,000,000.

Bonded Indebtedness: A district's debt obligation incurred by the sale of bonds.

California College Promise – AB 19: California College Promise provides direct assistance to eligible California residents to cover the cost of fees, books, supplies...etc.

College Promise Grants (formally known as Board of Governors Fee Waivers): The California College Promise Grant, formerly known as the Board of Governors Enrollment Fee Waiver (BOGW), waives enrollment fees for qualified students.

Capital Outlay: Capital outlay expenditures are those that result in the acquisition of, or addition to, fixed assets. They are expenditures for land or existing buildings, improvement of sites, construction of buildings, additions to buildings, remodeling of buildings, or initial or additional equipment.

Capital Project Funds: Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of capital outlay items.

Categorical Funds: Categorical Funds are those resources that come from federal and state government agencies. In general, funds received by categorical programs such as Student Equity & Achievement, Strong Workforce, EOPS, CARE, BFAP, PERKINS...etc. are restricted for a specific purpose. These funds must comply with the requirements of the program and are governed by additional laws and regulations, fiscal management, special reporting, audit...etc.

Child Development Fund: The Child Development Fund is the fund designated to account for all revenues for or from the operation of childcare and development services under Chapter 2, Division 1, Part 5, of the Education Code (commencing with Section 8200).

Consumer Price Index (CPI): A measure of change in the cost of living compiled by the United States Bureau of Labor Statistics. Consumer price indices are calculated regularly for the United States, California, some regions within California, and selected cities. (See Gann Limit.)

COP: Certificates of Participation are used to finance the lease/purchase of capital projects. Essentially, they are the issuance of shares in the lease for a specified term.

Current Assets: Assets that are available to meet the cost of operations or to pay current liabilities.

Current Expense of Education: Usually regarded as expenses other than capital outlay, community services, and selected categorical funds.

Current Liabilities: Amounts due and payable for goods and services received prior to the end of the fiscal year.

Debt Service Funds: Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt, principal and interest.

Disabled Student Programs & Services (DSP&S): The purpose of these special programs and services is to integrate disabled students into the general college population; to provide educational intervention

leading to vocational preparation, transfer or general education; to increase independence; or to refer students to the community resources most appropriate to their needs.

Education Protection Account (EPA): The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Proposition 30, the Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. The EPA funding is a component of an LEA's total revenue limit, community college total computational revenue, or charter school general purpose entitlement.

Employee Benefits: Examples are (1) group health or life insurance payments; (2) contributions to employee retirement (STRS-State Teachers Retirement System or PERS-Public Employees Retirement System); (3) OASDI (Social Security) and Medicare taxes; (4) workers' compensation payments; and (5) unemployment insurance.

Encumbrances: Obligations in the form of purchases, contracts, and other commitments that have been ordered but not yet received. At year-end, there are often many such orders. For year-end encumbrances, the budgets are carried over to the next fiscal year to cover the expenses that are recorded when the items have been received or services rendered. Year-end encumbrances tend to distort both the year-end balance of the just-completed fiscal year and the new year's expense budget. When reviewing year-end reports and new budgets, one must be especially careful regarding encumbrances so as not to misinterpret the true financial condition of the district.

Enrollment Fees: Enrollment Fees is authorized by the Education Code 76300 and 76140(k) and California Code of Regulations Section 58500 et seq. The fee amount is set by legislative statute as a mandatory fee charged on a per unit basis for semester or quarter.

EOPS: Extended Opportunity Programs and Services. Amounts apportioned for the purpose of providing allowable supplemental services through EOPS to encourage enrollment of students challenged by language, social and/or economic disadvantages.

Fifty Percent Law: Section 84362 of the Education Code, commonly known as the Fifty Percent Law, requires each community college district to spend at least half of its "current expense of education" each fiscal year on the "salaries of classroom instructors." Salaries include benefits and the salaries of instructional aides.

Fiscal Year: Twelve calendar months; in California, it is the period beginning July 1 and ending June 30. Some special projects use a fiscal year beginning October 1 and ending September 30, which is consistent with the federal government's fiscal year.

Fixed Assets: Property of a permanent nature having continuing value; e.g. land, buildings and equipment.

Full-time Equivalent Student (FTES): The number of students in attendance as determined by actual count for each class hour of attendance or by prescribed census periods. Every 525 hours of actual attendance counts as one FTES. The number 525 is derived from the fact that 175 days of instruction are required each year, and students attending classes three hours per day for 175 days will be in attendance for 525 hours. That is, three times 175 equals 525. FTES has replaced ADA. Districts complete Apportionment Attendance Reports (CCFS-320) and Apprenticeship Attendance Reports (CCFS-321) to report attendance. These are carefully reviewed by auditors. The importance of these reviews lies in the fact that the two reports serve as the basis for allocating state general apportionment to community college districts.

Funds, Restricted: Restricted funds are monies designated by law or a donor agency for specific purposes. Some restricted fund monies which are unspent may be carried over to the next fiscal year. The use of the carryover funds is usually limited by law to the specified purpose(s) for which the funds were originally collected.

Funds, Unrestricted: Unrestricted funds are monies not designated by law or a donor agency for a specific purpose. Unrestricted funds may need to be accounted for separately or may have been designated by the Board for a specific purpose, but they are still legally regarded as unrestricted since the designation may be changed at the Board's discretion.

Gann Limitation: A ceiling on each year's appropriations supported by tax dollars. The limit applies to all governmental entities, including school districts. The base year was 1978-79. The amount is adjusted each year, based on a price index and the growth of the student population.

General Ledger: A basic group of accounts in which all transactions of a fund are recorded.

General Purpose Tax Rate: The district's tax rate, determined by statute as interpreted by the county controller. Base rate was established in 1978, after the passage of Proposition 13, and changes have occurred based on a complex formula using tax rate areas.

Governmental Funds: These are accounting segregations of financial resources for attaining institutional objectives. Expendable assets are assigned to the various governmental funds according to the purposes for which they may, or must, be used. Governmental accounting measurements focus on determining financial flow of operating revenues and expenditures, rather than net income.

Hold Harmless: The temporary Hold Harmless provision under Student Centered Funding Formula, allows the college/district to continue to receive state funds based on 2017-18 funding adjusted for cost-of-living adjustments (COLAs). This funding is above what the district would have generated under the SCFF metrics. Currently, the Hold Harmless provision has been extended through 2023-24.

Homeowners Property Tax Relief Revenue: Local tax revenue for reimbursement of lost revenue due to homeowners' property tax exemptions pursuant to GC 16120.

LEA: Local Educational Agency.

Mandated Costs: School district expenses which occur because of federal or state laws, decisions of federal or state courts, federal or state administrative regulations, or initiative measures (See SB 90, 1977).

Non-Resident Tuition: A student who is not a resident of California is required, under the uniform student residency requirements, to pay a tuition fee as prescribed by ECS 76140. The nonresident tuition fee rate is required to be established annually by March 1st for the subsequent academic year. Education Code Section 76140 provides the parameters including a minimum and maximum to set a district's nonresident tuition rate based on recent standardized financial data adjusted for inflation. Education Code Section 76141 also allows for an optional additional capital outlay fee to offset costs associated with capital, maintenance and equipment costs as outlined in statute.

Objects of Expenditure: Objects of expenditure are articles purchased or services obtained by a school district, such as:

Certificated Salaries (account series 1000)

Includes expenditures for full-time, part-time and prorated portions of salaries for all certificated personnel.

Classified Salaries (account series 2000)

Includes expenditures for full-time, part-time and prorated portions of salaries for all classified personnel.

Employee Benefits (account series 3000)

Includes all expenditures for employers' contributions to retirement plans, and for health and welfare benefits for employees or their dependents, retired employees and Board members.

Books, Supplies & Misc. (account series 4000)

Includes expenditures for books, supplies, materials, and miscellaneous.

Operating Expenses (account series 5000)

Includes expenditures for consultants, travel, conferences, membership dues, insurance, utilities, rentals, leases, elections, audits, repair and maintenance contracts, and other contracted services.

Capital Outlay (account series 6000)

Includes expenditures for sites, improvement of buildings, books and media for libraries, and new equipment.

Other Outgo (account series 7000)

Includes expenditures for retirement of debt, interfund transfers, other transfers, appropriations for contingencies, and student financial aid.

PERKINS V: Federal funds established to improve career-technical education programs, integrate academic and career-technical instruction, serve special populations, and meet gender equity needs. These allocations are a part of the state's Vocational Education Basic Grant Award from the U.S. Department of Education under the Strengthening Career and Technical Education for the 21st Century Act (Perkins V), previously known as the Carl D. Perkins Career and Technical Education Improvement Act of 2006 (Perkins IV).

PERS: Public Employees' Retirement System. State law requires school district classified employees, school districts and the state to contribute to the fund for full-time classified employees.

Prior Years Taxes: Amounts provided from tax levies of prior years and adjustments to taxes reported in prior years. These include delinquent secured and unsecured tax receipts, applicable penalties and any tax sale proceeds of prior years.

Proceeds of Taxes: Defined in the Gann Amendment as revenues from taxes plus regulatory licenses, user charges and user fees, to the extent that such proceeds exceed the costs reasonably borne in providing the regulation, product or service.

Productivity: The efficiency with which we use our resources. The ideal faculty productivity is measured by WSCH/FTES. WSCH is Weekly Student Contact Hours and FTES is Full-Time Equivalent Students.

Proposition 13 (1978): An initiative amendment passed in June 1978, which added Article XIII A to the California Constitution. Tax rates on secured property are restricted to no more than 1% of full cash value. The measure also defines assessed value and the voting requirements to levy new taxes.

Proposition 98 (1988): An amendment to the California Constitution establishing minimum funding levels for K-14 education and changing some of the provisions of Proposition 4 (Gann limit).

Redevelopment Agency (RDA): Effective October 1, 2011, ABX1 26 dissolved all redevelopment agencies and community development agencies, hereinafter referred to as RDAs. Upon dissolution, any property tax revenues that would have been allocated to the RDAs are to be made available to cities, counties, special districts, and school and community college districts. RDA property tax revenue due to community college districts is allocated to the Prop 98 state funding formula for K-14 districts.

Reserves: Funds set aside to provide for estimated future expenditures, offset planned operating deficits, unexpected revenue shortfalls, or for other purposes. Districts that have less than a 5% reserve are subject to a fiscal 'watch' to monitor their financial condition.

Revenue: Addition to assets not accompanied by an obligation to perform services or deliver products. This is in contrast to *income*, which is accompanied by an obligation to perform services or deliver products. General apportionment is generally regarded as revenue while categorical funds are treated as income.

Proceeds, on the other hand, are cash receipts recorded appropriately as revenue or income. The three terms are often treated, albeit incorrectly, as interchangeable terms.

Revolving Fund: The district is authorized (ECS 85400-85405) to establish a revolving cash account for the use of the chief business official in securing or purchasing services or materials.

Secured Property Tax Revenue: Local tax revenue generated from assessed real property value such as homes and business buildings (business property that is leased is unsecured property). Secured taxes are assessed against secured property.

Senate Bill 90 (1977), Chapter 1135/77: A law passed by the California legislature in 1977 that allowed districts to submit claims to the state for reimbursement for increased costs resulting from increased services mandated by the state or by executive orders. Mandated cost provisions were added to the California Constitution upon the passage of Proposition 4 in 1979.

State General Apportionments: The state general apportionment is the main source of unrestricted general fund revenue for most community college districts. It is calculated under the Student Centered Funding Formula to arrive at a district's Total Computational Revenue or TCR. The TCR is funded by various sources that include local property taxes, student fees, and other state funds. There are other types of apportionments for programs such as special education, apprenticeship, and EOPS.

Strong Workforce Program (SWP): The SWP helps to develop and create more workforce opportunities to lift low-wage workers into living-wage jobs, with the goal of creating one million more middle-skill workers. The district receives funding through apportionment.

STRS: State Teachers' Retirement System. State law requires school district employees, school districts, and the state to contribute to the fund for full-time certificated employees.

STRS On-Behalf: Recent GASB Statements have required that school districts recognize on their financial statements the contributions made by the State of California to CalSTRS on behalf of school districts for their employees. This reporting change became necessary with the implementation of GASB Statements 68 and 71 in the 2014-15 fiscal year. The contributions made by the state are based on rates defined in Education Code Sections 22955.1 and 22954 and vary from year to year.

Student Financial Aid Funds: Funds designated to account for the deposit and direct payment of government-funded student financial aid.

Federal Aid:

- Pell Grants
- SEOG (Supplemental Educational Opportunity Grant)
- Perkins
- Higher Education Emergency Relief Fund I (CARES Student)
- Higher Education Emergency Relief Fund II (CRRSSA Student)
- Higher Education Emergency Relief Fund III (ARP Student)

State Aid:

- EOPS (Extended Opportunity Programs & Services)
- CAL Grants
- California College Promise
- Disaster Relief Emergency Student Financial Aid
- Early Action Emergency Financial Aid (SB85)
- Student Success Completion

Student Centered Funding Formula (SCFF): The Student Centered Funding Formula (SCFF) implemented in 2018-19 allocates funding to community college districts to meet the goals and commitments set forth in the California Community College's Vision for Success to close the achievement

gaps and to boost key student success outcomes. The SCFF supports access to funding through enrollment-based funding, as well as student equity. The SCFF targets funds to districts that serve low-income students and student success equitably by providing districts with additional resources for successful student outcomes. The SCFF includes the following three allocations: Base Allocation, Supplemental Allocation and Student Success Allocation. There is also a temporary Hold Harmless provision category effective through 2023-24.

Student Equity and Achievement Program (SEA): The Student Equity and Achievement (SEA) Program was established in Education Code (EC) 78222 with the intent of supporting Guided Pathways and the system wide goal to eliminate achievement gaps. In 2018, the SEA Program merged funding from three initiatives: The Student Success and Support Program; the Basic Skills Initiative; and Student Equity.

Supplemental Property Tax Revenue: Local property tax revenue generated from the supplemental roll since the last secured roll was issued due to reassessments of base year property value for supplement events such as change in ownership or completion of new construction.

TOP: Taxonomy of Program. This was formerly called the Classification of Instructional Disciplines. Districts are required for state purposes to report expenditures by categories identified in the “311.” The major categories are:

- Instructional
- Instructional Administration
- Instructional Support Services
- Admissions and Records
- Counseling and Guidance
- Other Student Services
- Operations and Maintenance
- Planning and Policymaking
- General Institutional Support
- Community Services
- Ancillary Services
- Property Acquisitions
- Long-term Debt
- Transfers
- Appropriation for Contingencies

TRANS: Tax Revenue Anticipation Notes. These are issued to finance short-term cash flow needs. The notes are paid off within a 13-month period using the proceeds of current fiscal year taxes.

Unsecured Property Tax Revenue: Local property tax revenue generated for the district’s share of the one percent ad valorem property tax on the unsecured roll for moveable property such as boats, airplanes, furniture, and equipment in a business.

Warrant: A written order drawn to pay a specified amount to a designated payee. For example, the district issues payroll warrants to employees each month. Payroll warrants are commonly referred to as “A” warrants, while warrants for goods and services are referred to as “B” warrants. When there aren’t enough funds to back warrants, they may be *registered*. That means they act as IOUs. In July of 1992, for example, the state issued registered warrants until it had enough cash to pay for them.



2023-24 Tentative Budget

June 12, 2023

Susan Cheu, Vice Chancellor, Business Services
Raquel Puentes-Griffith, Executive Director, Fiscal Services
Sirisha Pingali, Director, Budget Operations

Overview

- May Revise, Risks/Opportunities for Three-Year Budget Strategy and Model
- Stability Fund and Projected 2022-23 Ending Fund Balance
- 2023-24 Assumptions, Changes in Revenues/Expenses and Fund Balance for 2023-24 Tentative Budget
- Nonresident, FTES Restoration under SCFF, and Basic Aid Status
- Future Fiscal Planning and Looking Ahead



May Revise Update

- ❑ Projected \$32 billion deficit for the overall State budget
 - ❑ Income tax returns for most California counties deferred to October 2024 adding to uncertainty
 - ❑ Legislative Analyst's Office (LAO) believes May Revise projections are too optimistic

- ❑ Proposed 8.22% COLA

- ❑ Cuts proposed to funding allocated in 2022-23 year
 - ❑ COVID Block Grant by over 50%
 - ❑ \$16.1 million to \$7.6 million
 - ❑ State Scheduled Maintenance by over 50%
 - ❑ \$17.7 million to \$8.0 million

- ❑ Risk of midyear cuts
 - ❑ Reduction of allocated funding or COLA
 - ❑ Use of state reserves to backfill deficit
 - ❑ Use of deferrals to push shortage into upcoming fiscal year

District Budget Risks and Opportunities

Fundamental Shift in Funding



2025-26 Revenue Floor - No COLA on TCR
Low Stability Fund/Reserves
Declining Enrollment Trends
Limited Restoration 2yr Window for ~2,800+ New FTES
to Earn Current SCFF Revenue and COLA
Warning of 2023-24 midyear cuts; trigger cuts



8.22% COLA or \$14.4M in Ongoing 2023-24 Revenue
Multi-year compensation increases
Temporary Nonresident Revenue – Offset Structural Deficit
Restore Stability Fund/Reserves – Planning lead time
Pilot Reimagining Funding for Enrollment Restoration

2023-24 to 2025-26

Three-Year Budget Strategy

1. Leverage Current Opportunities

- Current Year COLA; Multi-year compensation increases and may include 2024-25 COLA, if state provides
- Strategically apply Temporary Nonresident Revenues
- Pilot Reimagining Plan for Enrollment Restoration - 2yrs remaining

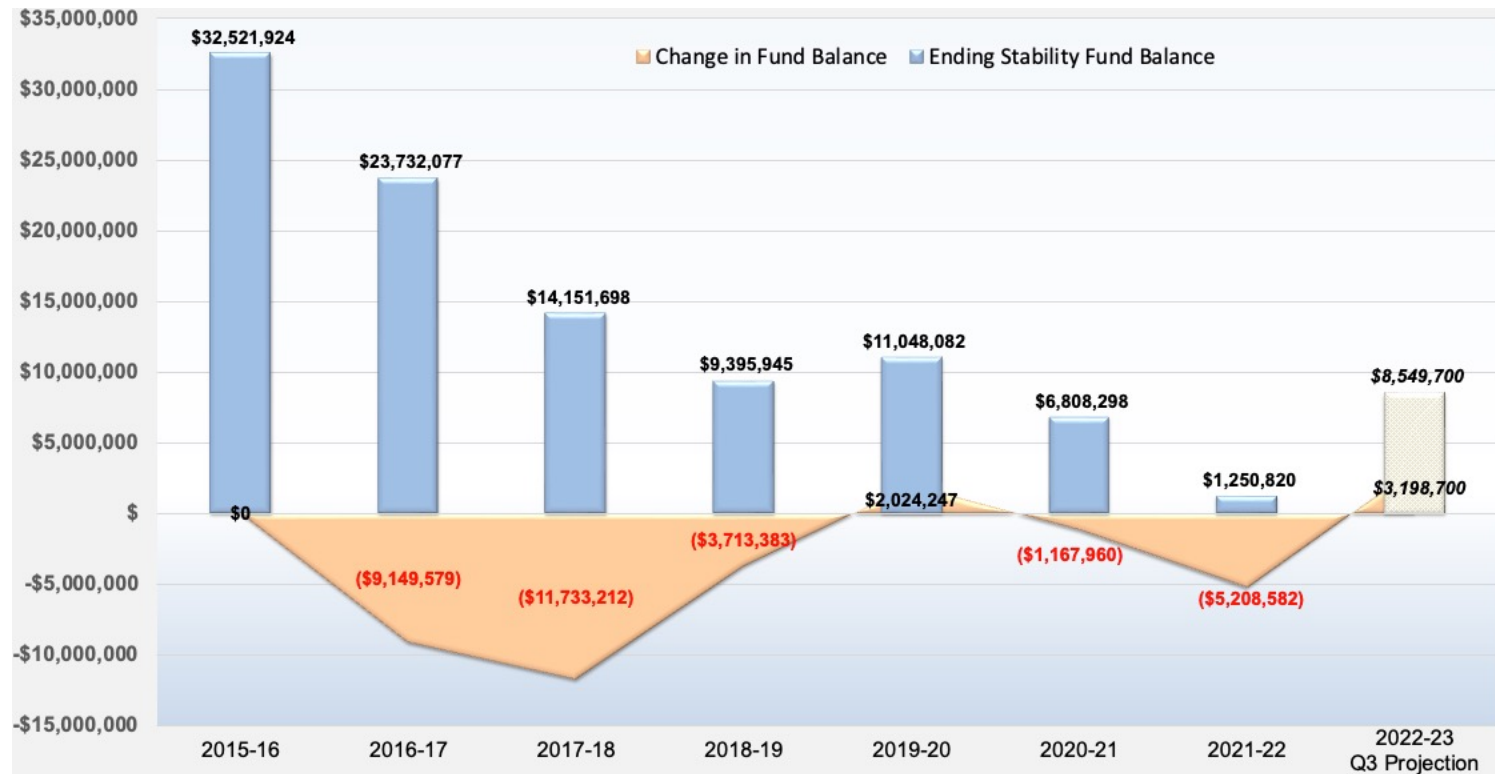
2. Mitigate Risk

- Measured expenditure increases
- 2023-24 midyear trigger cuts/deferrals that may compound to next FY
- Limited 2yr window to restore FTES to "earn" full revenue under SCFF

3. Restore Stability Fund/Reserves

- Afford the time for evaluation and preparation for fundamental change and decisions in 2025-26
- Targeted Stability Fund should cover 2-3 years of structural deficit
- 2 years of notice and planning needed for possible reduction in force or program eliminations
- Minimum \$34M to meet CCCCO Fiscal Forward Reserve recommendation

Historical Facts - Stability Fund



- ❑ The Stability Fund was at its highest at \$32.5M in 2015-16 and has been used to offset annual negative operating results since 2016-17.
- ❑ In 2021-22, it was the lowest in six years at \$1.2M.
- ❑ In those last six years, there were five years of operating deficits ranging from **-\$11.7M** to **-\$1.2M**.
- ❑ The district has only posted positive operating results once in the past six years, \$2M in 2019-20.

Restoring the Stability Fund

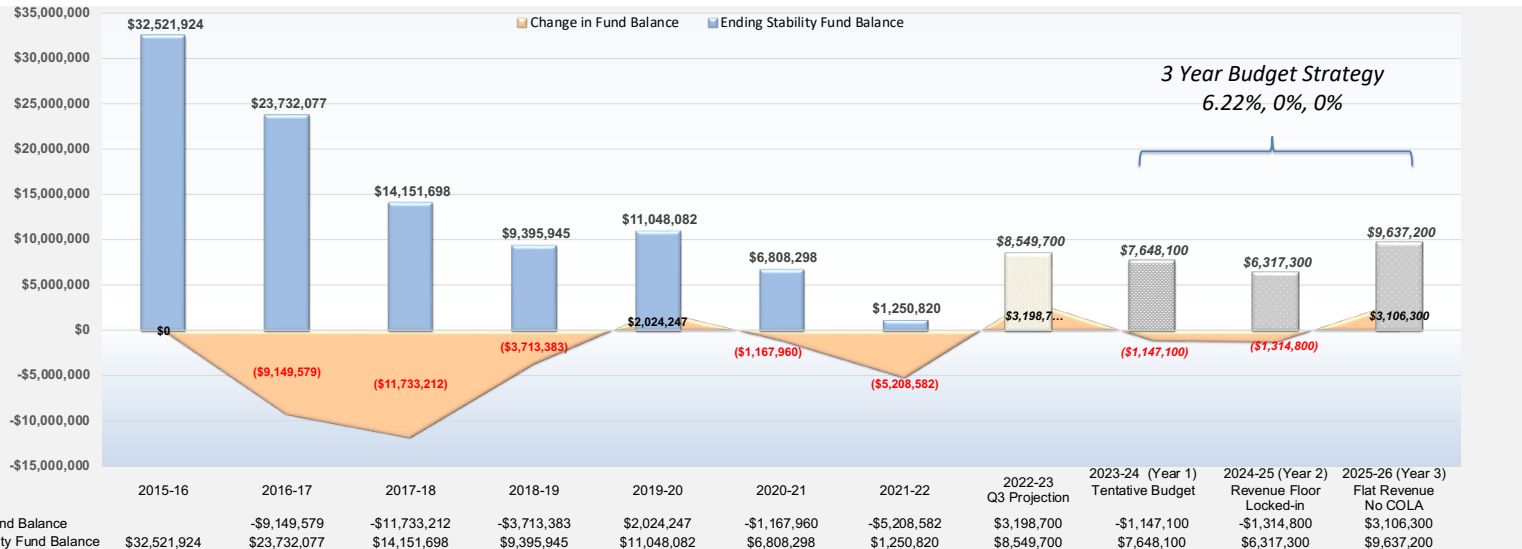
- ❑ Three Year Plan that strategically applies:
 - Delayed ongoing expenditures from 2023-24 COLA
 - Temporary revenue – nonresident
 - One-time sources – annual positive operating results

- ❑ Rebuild Stability Fund to prepare for:
 - No COLA increase and flat revenue in 2025-26
 - Offset future structural deficits or revenue shortfalls/midyear cuts
 - Time for planning for possible program eliminations & reduction in force
 - Comply with CCCCO Fiscal Forward Reserve recommendation

- ❑ Apply 2023-24 COLA over 3yrs. Last two years, we provided most or all of state COLA and other salary/health benefit increases.
 - 2021-22 – 5.07% COLA Increase, One-time COVID pay, Class/Comp, 2.5% temp to ongoing, PEPM increase, and more
 - 2022-23 – 5.65% COLA increase, Class/Comp, PEPM, and more

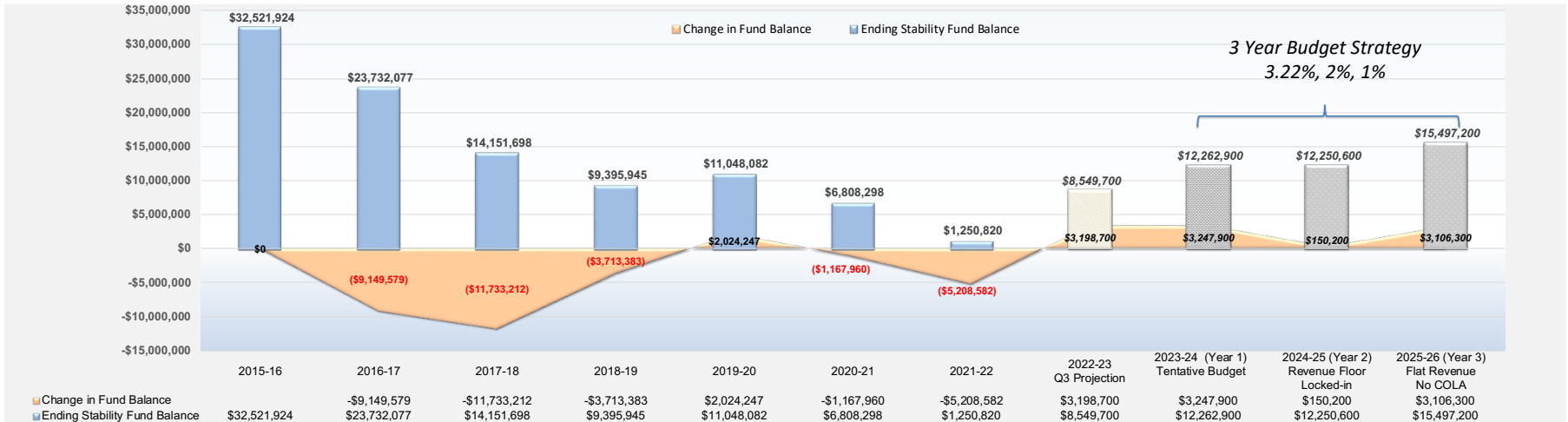
Scenario 1 - COLA 6.22%, 0%, 0%

Description	2023-24	2024-25	2025-26
	Tentative Budget	Projection	Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	221,927,638	223,245,338	224,293,938
Structural Surplus/(Deficit)	(\$549,138)	(\$1,716,838)	(\$2,615,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	(\$1,147,138)	(\$1,314,838)	\$3,106,262
<i>Beginning Fund Balance</i>	32,251,621	31,104,482	29,789,644
<i>Net Change in Fund Balance</i>	<i>(1,147,138)</i>	<i>(1,314,838)</i>	<i>3,106,262</i>
Ending Fund Balance	\$31,104,482	\$29,789,644	\$32,895,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,456,400	23,472,300	23,258,700
FHDA Stability Fund Balance	\$7,648,082	\$6,317,344	\$9,637,205



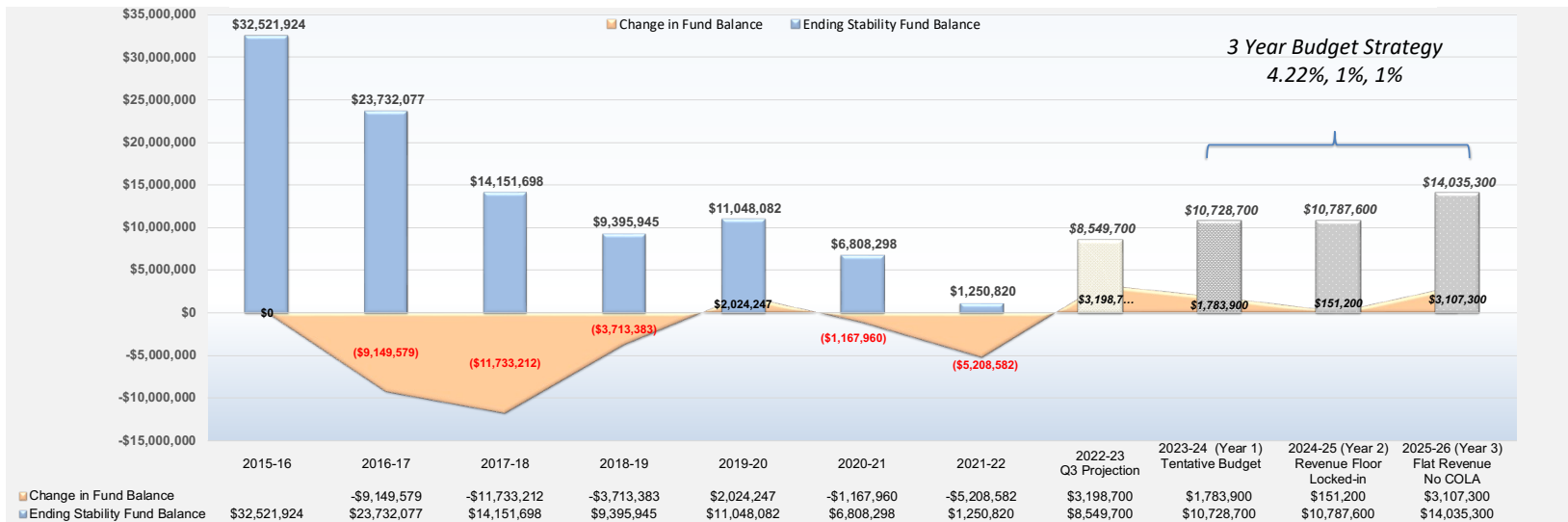
Scenario 2 - COLA 3.22%, 2%, 1%

Description	2023-24 Tentative Budget	2024-25 Projection	2025-26 Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	217,532,638	221,780,338	224,293,938
Structural Surplus/(Deficit)	\$3,845,862	(\$251,838)	(\$2,615,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	\$3,247,862	\$150,162	\$3,106,262
Beginning Fund Balance	32,251,621	35,499,482	35,649,644
Net Change in Fund Balance	3,247,862	150,162	3,106,262
Ending Fund Balance	\$35,499,482	\$35,649,644	\$38,755,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,236,600	23,399,000	23,258,700
FHDA Stability Fund Balance	\$12,262,882	\$12,250,644	\$15,497,205



Scenario 3 - COLA 4.22%, 1%, 1%

Description	2023-24 Tentative Budget	2024-25 Projection	2025-26 Projection
Ongoing Revenues	\$221,378,500	\$221,528,500	\$221,678,500
Ongoing Exp & Net Transfers Out*	218,996,638	221,779,338	224,292,938
Structural Surplus/(Deficit)	\$2,381,862	(\$250,838)	(\$2,614,438)
One-Time and Temporary Revenue	4,721,700	4,721,700	4,721,700
One-Time Expenditures & Transfers; Expenditure Savings	(5,319,700)	(4,319,700)	1,000,000
Net Change in Fund Balance	\$1,783,862	\$151,162	\$3,107,262
Beginning Fund Balance	32,251,621	34,035,482	34,186,644
Net Change in Fund Balance	1,783,862	151,162	3,107,262
Ending Fund Balance	\$34,035,482	\$34,186,644	\$37,293,905
Less: Carryforwards/Restricted			
Colleges/CS/DW Carryforwards, 5% Reserves	23,309,800	23,399,000	23,258,600
FHDA Stability Fund Balance	\$10,725,682	\$10,787,644	\$14,035,305



Projected 2022-23 Ending Fund Balance

☐ **\$32.2M 2022-23 Projected Fund Balance Allocation:**

- \$9.6M – Colleges & Central Services “B” budget carryover
- \$2.5M – Districtwide carryover
- \$1.2M – Supplemental Retirement Program Reserve
- \$10.4M – Maintain district’s budgeted 5% reserve
- **\$8.5M – Projected Stability Fund Balance**

Please note: *Stability Fund will fluctuate based on final year-end close figures and changes in carryforwards.*



Major Revenue Assumptions – 3-Year Period Beginning 2023-24 for General Fund

- ❑ Year 1 – In 2023-24, COLA of 8.22% or \$14.4 million for the District
- ❑ Year 2 – In 2024-25, when the revenue floor is locked-in, the state may not provide a COLA to increase overall funding in 2024-25; no COLA was assumed
- ❑ Year 3 – In 2025-26, the first year of flat revenue, District will not be eligible for COLA to increase overall funding
- ❑ Nonresident Revenue Ongoing Base at \$14.4M
 - ❑ Assume units decline based on trends pre-2022-23 Budget
 - ❑ \$4.7M treated as temporary revenue and not applied to ongoing expenses
 - ❑ Mitigate risk on relying on volatile revenue source
 - ❑ Slowly shift more budget increases to temporary to strengthen cashflow position

Changes from 2022-23 Adopted to 2023-24 Tentative

	Revenue	Expenditures	Change
2022-23 Adopted Budget - Ongoing	\$ 208.10	\$ 208.90	
State Apportionment COLA - SCFF	7.40		
State Apportionment COLA – Hold Harmless	7.00		
Yr 1 COLA 4.22% - Filled & Vacant		6.20	
Salary and Benefits (includes STRS/PERS) Net Increase		2.80	
Operating (Insurance) and Transfers - DSPS & Parking		1.10	
2023-24 Tentative Budget - Ongoing	\$ 222.50	\$ 219.00	
Nonresident Tuition Risk Mitigation – <i>Temporary</i>	3.60		
District Enrollment Management Committee – <i>Pilot Temporary</i>		5.30	
Total 2023-24 Tentative Budget	\$ 226.10	\$ 224.30	\$ 1.80



2023-24 Projected

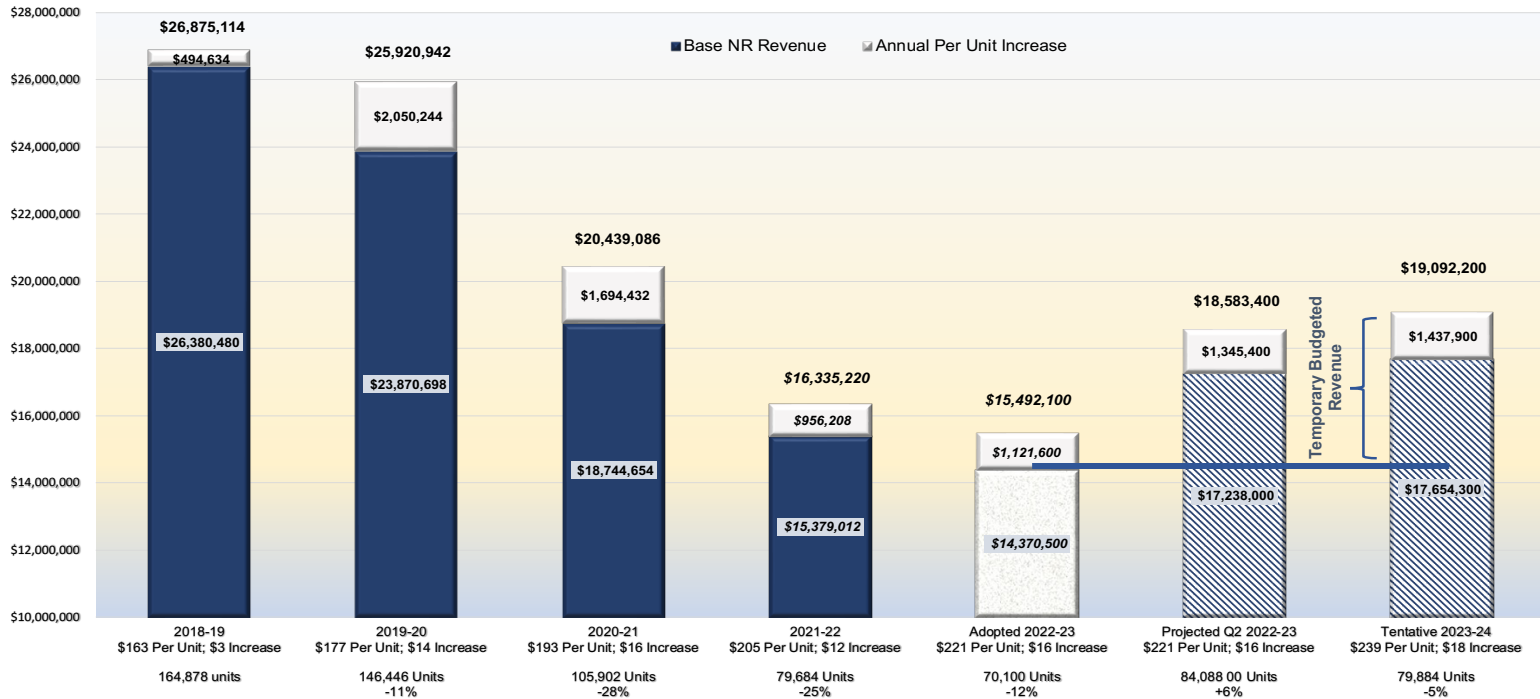
Ending Fund Balance

Projected Beginning Fund Balance, July 1, 2023	\$ 32.2M
Net Projected Change	<u>1.8M</u>
Projected Ending Fund Balance, June 30, 2024	\$ 34.0M

Fund Balance Allocation:

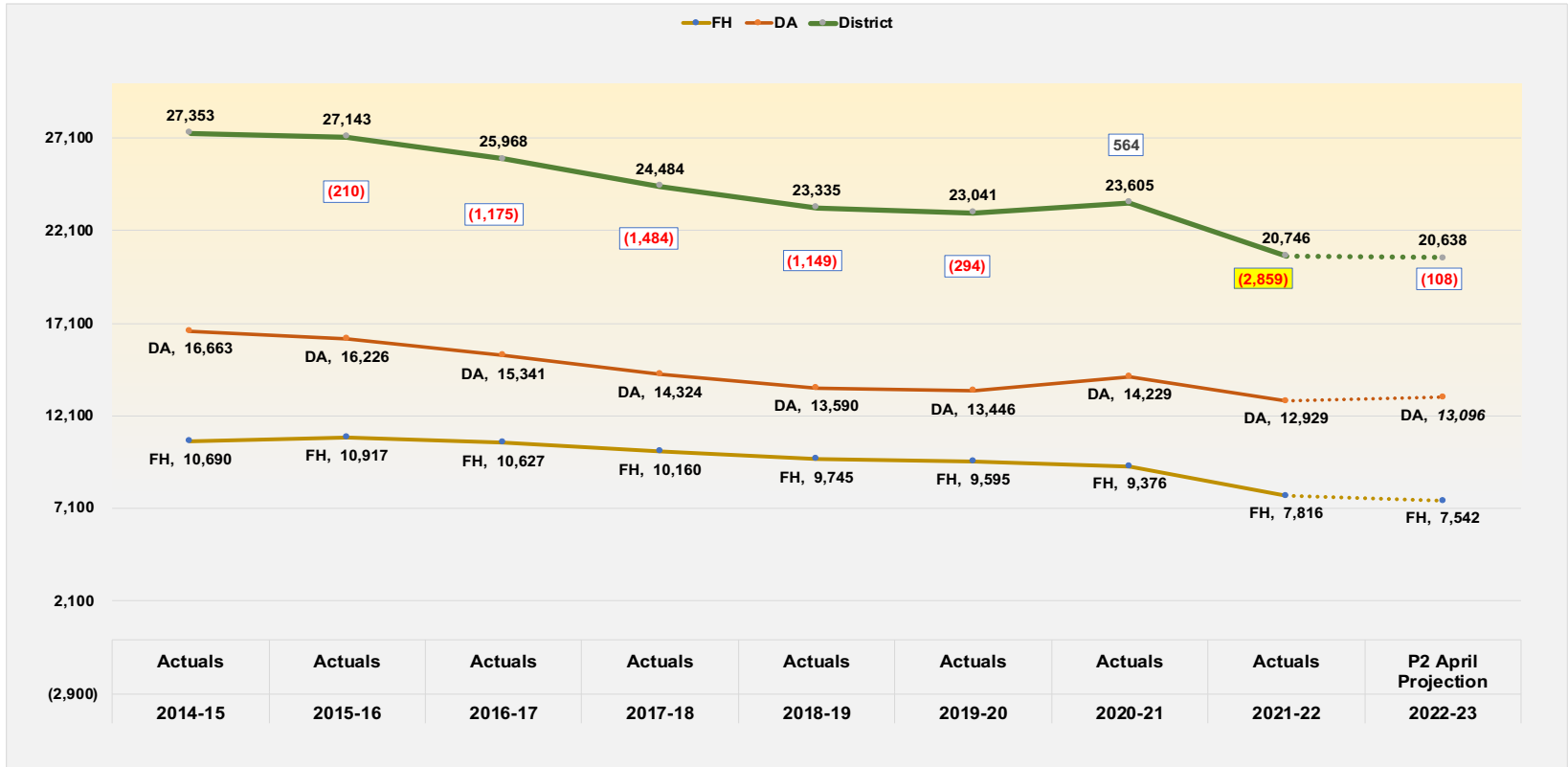
College & Central Services Carryforwards	\$ 9.6M
Districtwide Restricted Carryforwards	2.5M
Required 5% Budgeted Reserve	<u>11.2M</u>
Projected Stability Fund Balance, June 30, 2024	\$ 10.7M

Nonresident Revenue – Ongoing Budget Uncertainty



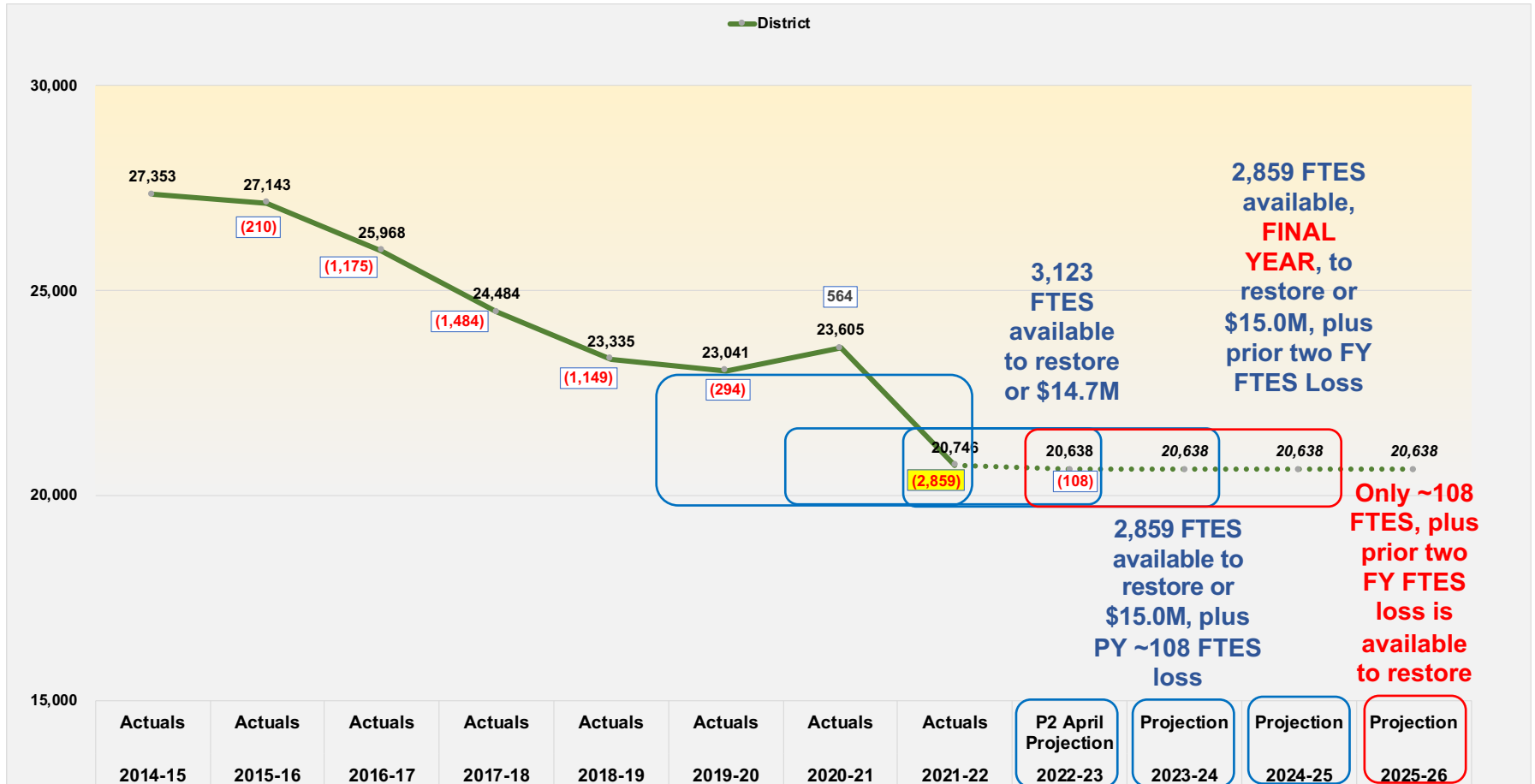
- During the period of 2018-19 to 2021-22, the cumulative ongoing revenue loss was \$10.5M which reflects the uncertain budget exposure from this volatile revenue source.
- However, 2022-23 is reflecting an unusual pattern with units increasing twice as much as FTES causing an increase in revenue by a projected \$2.75M over prior year.
- The 2023-24 ongoing budget base will be set at \$14.3M with \$4.7M identified as temporary due to multiple years of FTES and unit decline.

Resident FTES - District with Campus Detail Limited Restoration Window

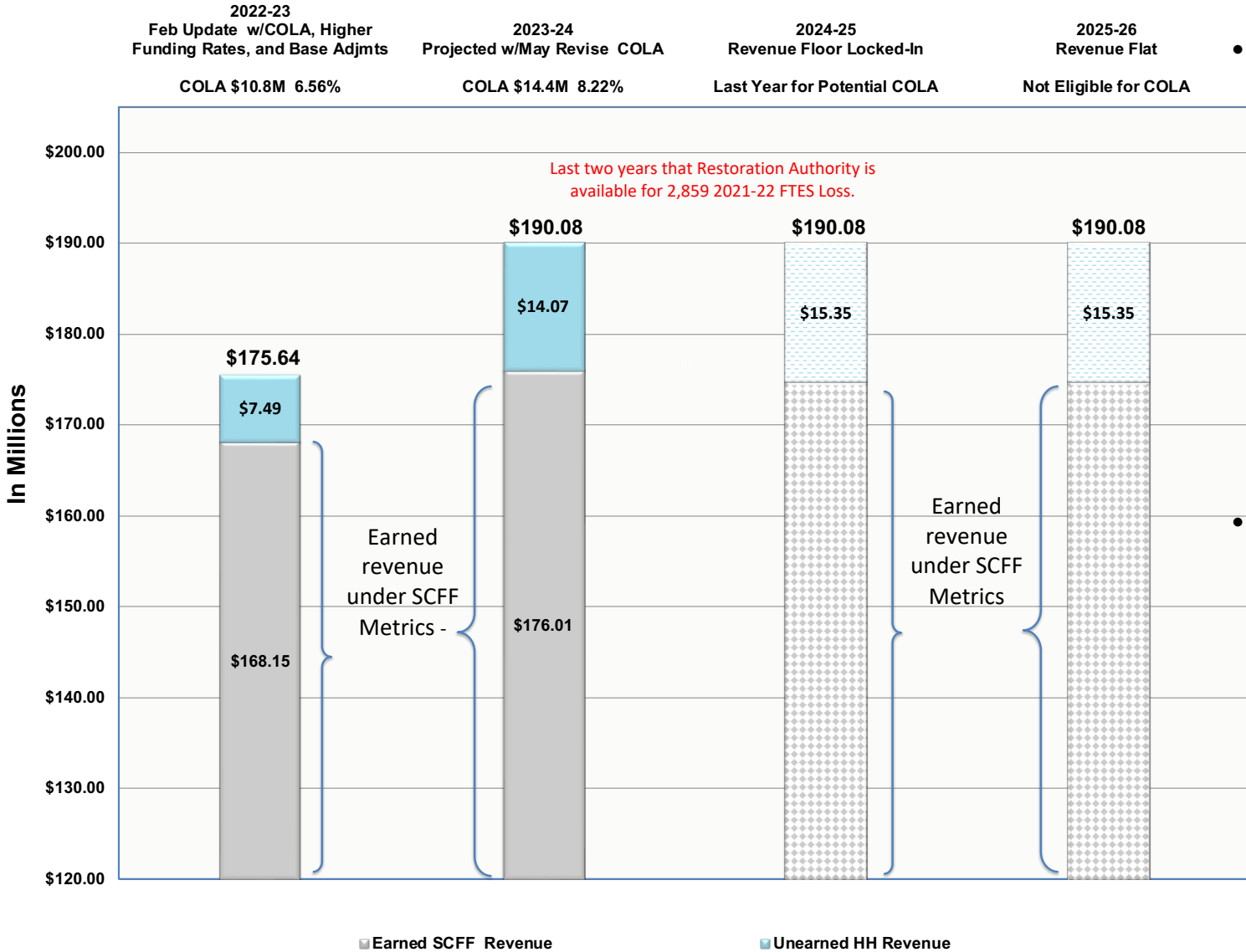


- District has the ability to restore FTES losses but only from a prior three-year span.
- The significant 2,859 FTES loss in 2021-22 will be available to restore until 2024-25, only two remaining years.
- In 2025-26, the District will have limited FTES restoration or growth opportunities.

Limited Three-Year Restoration Window An Illustration



SCFF Earned Revenue vs. Hold Harmless 2024-25 Funding Floor



- When 2024-25 SCFF Floor is set, the HH difference **must** first be earned within the SCFF metrics **before** new COLA revenue is applied on Total Revenue as in past years.
- Restoration Authority for significant amount of 2,859 FTES is available only through 2024-25. Afterwards, only limited FTES is available to restore.

Basic Aid Evaluation

2023-24

- ❑ Reminder – basic aid/community supported status occurs when a district’s local property tax and enrollment revenues exceed what it would receive from the state in apportionment.

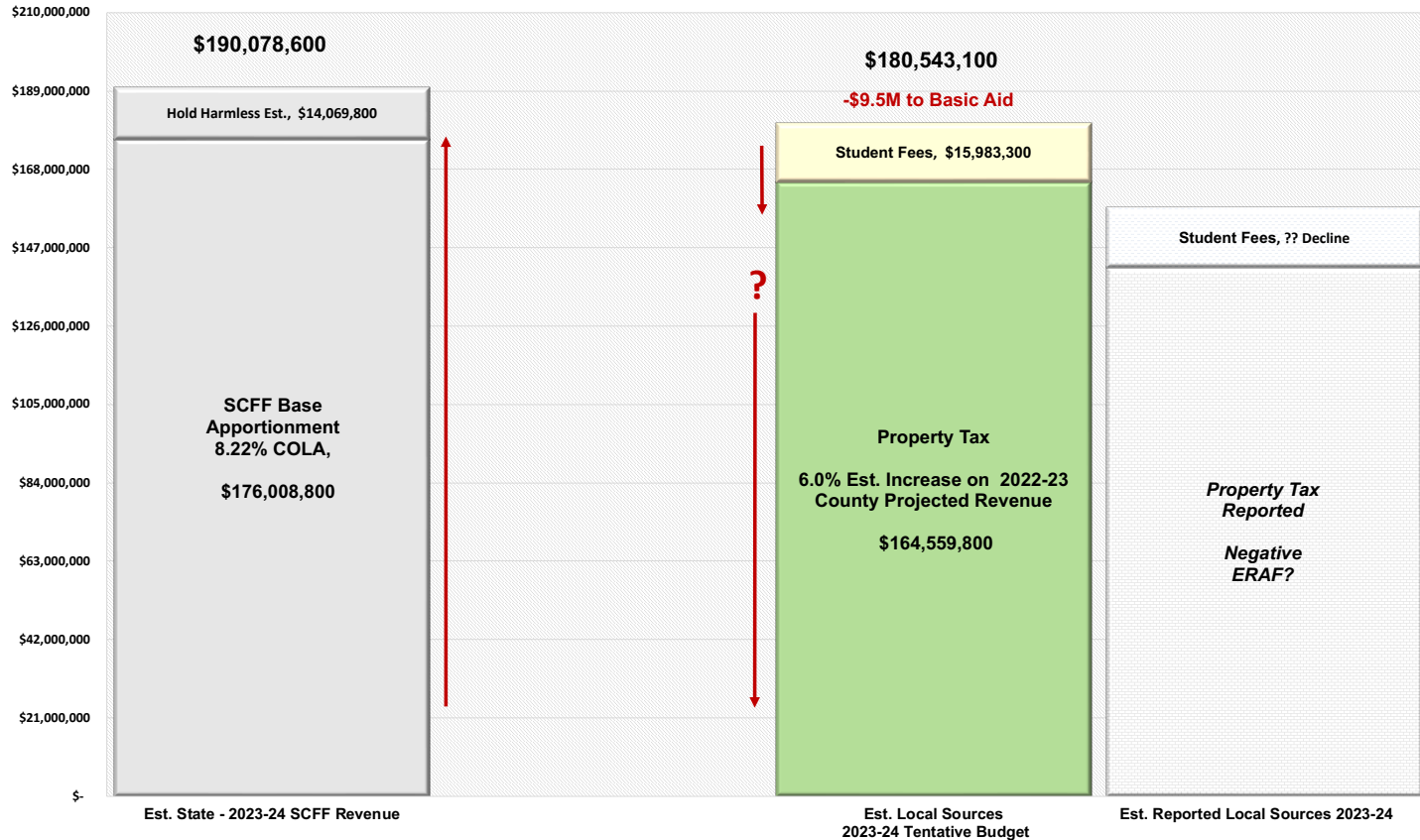
- ❑ Very unlikely the District will change to basic aid/community supported status in the 2023-24 fiscal year

- ❑ Main economic indicators are mostly moving in the opposite direction
 - *Increasing* – State apportionment target is growing from cost-of-living-adjustment, raising the total computation revenue (TCR) amount from the state, which means a higher target for our local sources to reach. However, in two years in fiscal 2024-25 the shift to SCFF funding will freeze this floor.
 - *Decreasing* – Enrollment revenue is declining
 - *Increasing* – Property tax base showed a robust 8.6% growth in 2022-23
 - Projected 6% in previous modeling
 - Higher value moves the enrollment/property tax amount closer to the TCR total
 - ?? – Negative ERAF (Education Revenue Augmentation Fund)

2023-24 State vs. Local Sources (Negative ERAF) Impact on Basic Aid

In 2024-25, the static State Revenue Floor will shift the focus to those key factors which directly influence enrollment and property tax revenue.

- 1) SCFF/HH State Apportionment
- 2) Enrollment Fees
- 3) Property Tax Revenues
- 4) Negative ERAF



Planning in this Fiscal Environment

- ❑ A mixed but ultimately favorable state budget
 - ❑ 8.22% COLA proposed
 - ❑ Cuts to existing funding (COVID Recovery Block Grant and Scheduled Maintenance) proposed
 - ❑ Possible midyear cuts/deferrals due to delayed reporting of state revenue

- ❑ Basic Aid is not likely in 2023-24
 - ❑ Need to incorporate maximizing funding under the SCFF in the District reimagining; limited FTES restoration window
 - ❑ Rebuilding the Stability Fund to prepare for the likelihood of several years of flat revenue

- ❑ Monitoring of nonresident external and internal factors to determine impact on stability of revenue

- ❑ Potential recession, as well as effects of inflation, supply-chain issues and worldwide unrest

Looking Ahead – Schedule

Key Final Budget Dates:

- ✓ Revised budget due from the Legislature to the Governor by June 15, 2023
- ✓ Governor must finalize and sign budget by June 30, 2023
- ✓ 2022-23 ending fund balance will be finalized in August
- ✓ September 11, 2023 – Final Budget Adoption



Questions?



2023-2024
District Budget Advisory Committee (DBAC)
1:30 PM – 3:00 PM

Meeting Schedule

09/19/2023 – Third Tuesday

10/17/2023 – Third Tuesday

11/28/2023 – Fourth Tuesday
(Due to Thanksgiving Holiday)

December 2023 – No meeting

01/23/2024 – Fourth Tuesday
(Due to Governor’s Budget Workshop)

02/20/2024 – Third Tuesday

03/19/2024 – Third Tuesday

04/16/2024 – Third Tuesday

05/28/2024 – Fourth Tuesday
(Due to Spring ACBO Conference)

06/18/2024 – Third Tuesday