



MINUTES

Fiscal Advisory Committee
Wednesday, May 14, 2025 - 2:00 p.m.

Voting Members

ALG

Susan Wheet
Sandy Lamba (Academic Mgr)
Patrick Scott (Class. Mgr)

CTA (SCFA)

Erin Farmer

Academic Senate

Erica Beam
Ruth Fuller
Joshua Scott

Local 39

Jeff Lehfeldt

CSEA

Rei Leal

SCC Educational Foundation

Curt Johnston

Minority Coalition

Jessica Meekins

ASSC

Lorelai Collins

Advisory Members

David Williams
Lisa Neeley
Jon Cornelison
Edith Sanchez
Virgie Bender

Alternates

Shanan Danley (Minority Coalition)
LaNae Jaimez (Faculty)

ITEM

1. Opening actions - Meeting was called to order at 2:01pm

- **Roll call** – The above highlighted members were present, along with the following guests: Justin Howell
- **Approval of Agenda** – Motioned by Rei, Seconded by Sandy – all in favor
- **Approval of Minutes of April 2, 2025** – Motioned by Patrick, Seconded by Sandy – all in favor

2. Comments from the public - None

3. Draft General Fund Budget 2025-26 with summary of May revise (if available) – VP Wheet presented a draft of the general fund tentative budget and provided a summary of the May revise (see attached)

4. Requests for Future Meetings

- **September 3, 2025** – next regular meeting
- **Topics for Future Meetings** – Proposed Adopted Budget

7. Adjournment – Motioned by Sandy, Seconded by Josh. Meeting adjourned at 2:24pm

General Funds Unrestricted [11xx]

	Adopted Budget 2024-25	Estimated Year End 2024-25	Tentative/ TEMP Budget 2025-26	Notes from Adopted budget to Est Year-End
REVENUES:				
Base Allocation (FTES & Basic Alloc.)	\$ 48,637,369.00	\$ 44,026,341	\$ 48,300,775	
Supplemental Allocation	\$ 9,641,464.00	\$ 10,226,201	\$ 11,222,143	
Student Success Allocation	\$ 6,931,598.00	\$ 6,347,693	\$ 7,070,229	
Sub Total	\$ 65,210,431.00	\$ 60,600,235	\$ 66,593,147	
Other State Revenue	\$ 2,488,364.00	\$ 2,821,710	\$ 2,800,000	
GFU-Pell Admin & Interest	\$ 28,395.00	\$ 12,965	\$ 28,212	
BFAP 2%	\$ 414,391.00	\$ 176,707	\$ 308,191	
TOTAL REVENUES	\$ 68,141,581.00	\$ 63,611,617	\$ 69,729,550	approx 7% deficit factor for 2024-25
EXPENDITURES:				
Academic Salaries	\$ 26,284,083.00	\$ 26,839,980	\$ 28,579,000	
Classified Salaries	\$ 13,659,692.00	\$ 13,675,093	\$ 14,681,350	
Benefits	\$ 19,167,106.00	\$ 19,453,786	\$ 20,342,415	
Supplies and Materials	\$ 1,106,835.00	\$ 645,839	\$ 688,660	Less Supplies/materials ordered
Services and other Operating	\$ 10,314,836.00	\$ 11,469,687	\$ 11,243,113	Mostly additional utility costs (approx \$1.5M)
Capital Outlay	\$ 251,300.00	\$ 60,420	\$ 257,000	Little capital outlay (items over \$5k) purchased
Other Outgo	\$ 320,000.00	\$ -	\$ -	Due to deficit factor, not making contribution to OPEB
Contingency appropriation	\$ 250,000.00	\$ -	\$ 250,000	Contingency removed for actuals
GFU-Pell Admin	\$ 28,395.00	\$ 12,965	\$ 28,212	
BFAP 2%	\$ 414,391.00	\$ 176,707	\$ 308,191	
TOTAL EXPENDITURES	\$ 71,796,638.00	\$ 72,334,478	\$ 76,377,941	The total takes into consideration encumbrances, which may not be spent. Likely to be less of a deficit
NET FUND BALANCE INCREASE (DECREASE)	\$ (3,655,057.00)	\$ (8,722,861)	\$ (6,648,391)	
BEGINNING FUND BALANCE	\$ 32,713,070.00	\$ 35,577,135	\$ 26,854,274	
ENDING FUND BALANCE	\$ 29,058,013.00	\$ 26,854,274	\$ 20,205,883	
FUND BALANCE COMPOSITION/RATIO:				
Salary Improvements 2022-23 (taken from reserve over 5 years)	\$ 3,600,000.00	\$ 3,600,000	\$ 1,800,000	We have an option to decrease these reserves
Technology/ Non- Capitol Expense Reserve	\$ 869,212.00	\$ 869,212	\$ 869,212	
STRS/PERS Premium Reserve	\$ 4,525,000.00	\$ 4,525,000	\$ 4,525,000	
Designated Reserve: OPEB Liability	\$ 4,000,000.00	\$ 4,000,000	\$ 4,000,000	
Board Required Minimum 5% Reserve	\$ 3,589,831.00	\$ 3,616,724	\$ 3,818,897	
Stability Reserve	\$ 12,473,969.00	\$ 10,243,338	\$ 5,192,774	
ENDING FUND BALANCE	\$ 29,058,012.00	\$ 26,854,274	\$ 20,205,883	
Fund Balance / Reserve Ratio	40.5%	37.1%	26.5%	
Required + Stability Reserve Ratio	22.4%	19.2%	11.8%	
NOTE: Fund Balances subject to change.				

NOTE: THIS IS A **PRELIMINARY DRAFT**. THIS MAY CHANGE ONCE THE MAY REVISE IS EVALUATED.

CALIFORNIA COMMUNITY COLLEGES

The California Community Colleges (CCCs) are the largest system of higher education in the country, serving roughly one out of every four of the nation's community college students, or approximately 2.1 million students. The CCCs provide basic skills, vocational, and undergraduate-transfer education with 73 districts, 116 campuses, and 78 educational centers. In 2023-24, the CCCs awarded over 139,000 certificates and 199,000 degrees and transferred over 97,000 students to four-year institutions.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Student Centered Funding Formula (SCFF) Base Adjustment**—One-time increase of \$210.2 million to fully fund the SCFF in 2024-25 and an ongoing increase of \$104.7 million to fully fund the SCFF in 2025-26.
- **SCFF Growth Adjustment**—An ongoing increase of \$109.5 million to fund 2.35-percent enrollment growth in the SCFF in 2025-26, which is an increase from the Governor's Budget proposal of 0.5 percent.
- **SCFF and Categorical Programs Cost-of-Living Adjustment**—To reflect a change in the cost-of-living adjustment from 2.43 percent to 2.3 percent, the May Revision includes an ongoing decrease of \$12.9 million Proposition 98 General Fund for the SCFF and an ongoing decrease of \$122,000 Proposition 98 General Fund for select categorical programs and the Adult Education Program.
- **Local Property Tax Adjustments**—An ongoing increase of \$89.6 million Proposition 98 General Fund as a result of decreased offsetting local property tax revenues.
- **Fire-Related Property Tax Backfill**—A one-time fire-related property tax backfill of \$3.8 million in 2024-25 and \$8.1 million in 2025-26 for impacted community colleges.

ADDRESSING THE BUDGET PROBLEM

To align community college expenditures with available Proposition 98 resources, the May Revision adopts several budget solutions, including reducing or withdrawing some Governor's Budget proposals.

- **SCFF Deferral**—To fully fund the SCFF and maintain the level of 2025-26 apportionments, the May Revision proposes deferring \$531.6 million in SCFF funding from 2025-26 to 2026-27. Budgetary deferrals of \$243.7 million for the CCCs from the 2024 Budget Act are fully repaid in the three-year budget window.

- **Proposition 98 Rainy Day Fund**—To fully fund the SCFF, the May Revision uses \$59 million from the Proposition 98 Rainy Day Fund to support SCFF costs in 2025-26.
- **Collaborative Enterprise Resource Planning (ERP) Project**—Withdrawal of a one-time investment of \$168 million one-time Proposition 98 General Fund for the Collaborative ERP Project, which would have funded the procurement of an ERP platform to upgrade outdated systems that aimed to standardize student and staff experience throughout the CCC system.
- **Common Cloud Data Platform**—A \$150.5 million reduction to a one-time investment of \$162.5 million, of which \$29 million was ongoing, for the Common Cloud Data Platform, which will leverage existing local districts' student data systems to provide near real-time data reporting. When accounting for this reduction, the May Revision provides \$12 million one-time Proposition 98 General Fund for this initiative.
- **Career Passport and Credit for Prior Learning**—The May Revision reduces the Career Passport proposal from \$50 million to \$25 million one-time and the Credit for Prior Learning proposal from \$50 million to \$15 million one-time and from \$7 million to \$5 million ongoing. These proposals are part of the Administration's investments in the Master Plan for Career Education. See the Labor and Workforce Development and General Government and Statewide Issues Chapters for more information on investments in the Master Plan for Career Education.
- **Rising Scholars**—The May Revision reduces the proposed \$30 million ongoing augmentation for the Rising Scholars Network to \$10 million ongoing.

PROPOSITION 98 FUNDING SPLIT

The May Revision includes a shift in how TK expansion funds were distributed between TK-12 schools and community colleges. Specifically, the May Revision shifts the full amount of funding for TK expansion to the TK-12 education side of the Proposition 98 budget, reducing resources for community colleges by \$492.4 million over the three-year budget window. For more information about the Proposition 98 funding split and TK expansion, see the TK-12 Education Chapter.