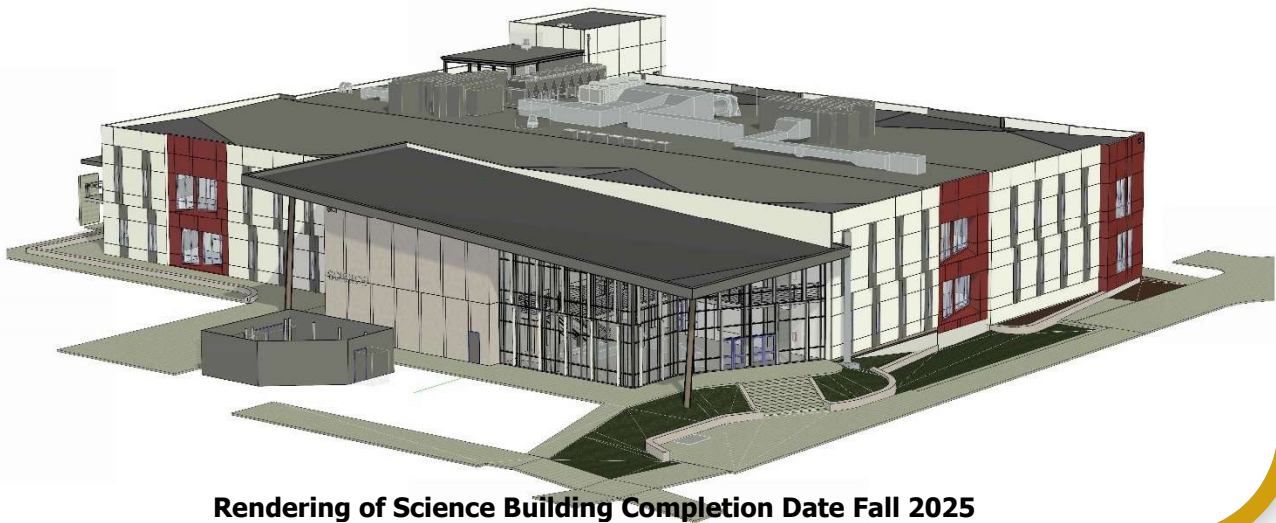




BUTTE COLLEGE

2023-24 TENTATIVE BUDGET

June 28, 2023



Rendering of Science Building Completion Date Fall 2025

BOARD OF TRUSTEES

Mr. Rick Krepelka, President
Mr. Eugene Massa, Vice President
Mr. Michael Boeger, Clerk
Mr. John Blacklock, Trustee
Mr. John Dahlmeier, Trustee
Mr. William McGinnis, Trustee
Mr. John Nock, Trustee
Mr. Liz Heaton, Student Trustee

Virginia Guleff, Superintendent/President
Andrew Suleski, Assistant Superintendent/Vice President
Jim Nicholas, Director for Business Services

TABLE OF CONTENTS

SUMMARY OF KEY POINTS.....	1
BUDGET CRITERIA 2023-24.....	4
2023-24 PLANNING PROCESS	6
A Vision for Success and a New Roadmap for the Future.....	6
The Governor's January Budget Proposal for 2023-24	7
Hold Harmless and Funding Floor Revenue Protections	7
May Revision Budget Proposal	8
Local Planning.....	8
Emergency Conditions Allowance	10
A Revised Five-Year Plan	10
Higher Education Emergency Relief Funds (HEERF I, HEERF II, and HEERF III).....	12
Additional Support for Auxiliary and Fee Based Programs.....	14
Strategic Initiatives and the Educational Plan	14
Investments to Restore Enrollment.....	16
REVENUE.....	18
State Revenue	18
Education Protection Account (EPA).....	18
California Community Colleges Funding.....	18
District Revenue and Full-time Equivalent Students (FTES)	19
Workload Efficiency.....	24
EXPENDITURES.....	25
Fixed Cost Increases.....	25
Full-time Faculty Obligation Number (FON)	27
Budget Reductions.....	28
Budget Augmentations (Ongoing and One-Time)	29
ONE-TIME FUNDS	32
Reserves and Carryover Funds	32
GANN LIMIT WORKSHEET	35
EDUCATION PROTECTION ACCOUNT	36
GENERAL FUND BUDGET.....	37
OTHER FUNDS BUDGETS.....	46
Special Purpose (Transportation, Health).....	46
Special Revenue (Child Development Center).....	49
Fiduciary Funds (ASB, Student Rep. Fee, Student Aid, Gov't Aid, Student Clubs)	50
Capital Projects.....	56
Measure J Construction (Series A, B, C).....	57
Debt Service (Measure A & J)	60
Other Special Revenue (Redevelopment Agency)	61
Internal Services (Retiree Benefits, Self-Insurance)	62
Irrevocable Other Post Employment Benefit (OPEB) Trust	64
Enterprise (Bookstore, Dining Services).....	65
Proprietary (Farm).....	68

SUMMARY OF KEY POINTS

The 2023-24 Tentative Budget:

Is based primarily on the May Revision of the Governor's budget proposal for 2023-24.

Includes Education Protection Account (EPA) funding from Proposition 30 tax revenue approved by the voters in November 2012 and extended by Proposition 55 in November 2016.

Includes a cost-of-living adjustment (COLA) to apportionment revenue of 8.22% as proposed in the May Revision.

Includes apportionment revenue allocations as calculated by the Student Centered Funding Formula (SCFF) using workload measures (FTES and student outcomes) based on 2017-18 data as agreed to per the "Emergency Conditions Allowance" (ECA hold-harmless) provision provided by the State Chancellor's Office due to the 2018 Camp Fire.

Includes ongoing stability funding and protection from sharp fiscal declines by the creation of a "funding floor" in 2024-25 as approved in the 2022-23 enacted state budget, a level of funding the District will not drop below.

Includes an 8.22% adjustment to all salary schedules to help maintain staff compensation at the 20-college average.

Does not account for any restoration or enrollment growth revenue in this budget as it is projected the District's apportionment revenue will be held harmless until workload measures return to pre-Camp Fire levels.

Does not include any significant unrestricted general fund budget cuts as was previously proposed in prior years.

Includes built-in savings of \$850K projected to be generated by salaries and benefits from vacant positions that go unfilled and from various other budget line items that potentially go unspent in 2023-24.

Does not include any increase to student enrollment fees from the current \$46 per credit unit.

Includes additional funding for Retention and Enrollment Outreach as proposed in the Governor's May Revision of \$1.29 million.

Includes a reduction in funding from prior year deferred maintenance and instructional equipment funding of -\$5.53 million.

Includes a reduction in funding from prior year COVID-19 Recovery Block Grant funding of -\$3.92 million. *(Currently, the legislature is proposing spending flexibility for (1) Retention and Enrollment Outreach, (2) Deferred Maintenance and Instructional Equipment, and (3) COVID-19 Recovery Block*

Grant funding. If approved, this flexibility would allow the district to use this funding for expenditures in any of these three programs.)

Includes a transfer from the OPEB Trust fund of up to \$2.2 million to cover the cost of retiree medical premium payments in the General Fund.

Includes indirect cost reimbursements from grants of approximately \$1.45 million.

Includes most, but not all, of the budgets for restricted categorical programs and grants. As federal and state categorical and grant funds are awarded and/or augmented, they will be included in the 2023-24 District budget.

Includes projected ongoing fixed cost increases of approximately \$6.1 million for salaries (net of attrition), contributions to medical insurance premiums, and employer pension costs for the Public Employees Retirement System (PERS) and the State Teachers Retirement System (STRS).

Includes new ongoing augmentations to address critical fixed cost needs like increases to leases, utilities, insurance, legal, and licenses of approximately \$1.07 million.

Includes other high priority ongoing augmentations for all areas of approximately \$1.75 million.

Projects the full-time faculty obligation number (FON) for 2023-24 to be 168.5. This Tentative Budget includes funding for approximately 193 full-time faculty.

Includes approximately \$4.89 million to fund one-time augmentation requests.

Includes carryover of approximately \$6.6 million of one-time federal Higher Education Emergency Relief Funds (HEERF) to help offset the impact of the COVID-19 pandemic on students and the college.

Establishes the Reserve for Contingencies at the Board-designated prudent level of at least 15% of budgeted unrestricted ongoing expenditures and total reserves in excess of the Board's goal of 25%.

Maintains a Budget Planning Reserve to assist in other budget and enrollment planning, and temporarily ease the impact of a delay, shortfall, or deferral in state apportionment revenue.

Transfers out \$7 million from the designated Reserve for Facilities to the Capital Fund in 2022-23, and designates an additional \$7.5 million to the Reserve for Facilities in 2023-24 to fund the construction of future needed District facilities. Approximately \$1 million from the Retiree Benefit Fund and \$5.7 million from the Redevelopment Fund are also proposed for transfer to the Capital Fund for District facilities;

Does not exceed the appropriations limit as calculated in the Gann Limit Worksheet;

Meets most, but not all of the Board's budget criteria. For example, this budget meets the following:

- Adjustments to state apportionment and other revenues have been made to better reflect reasonable and sound projections for all the District’s sources of revenue;
- Complies with the fifty percent law, i.e., at least 50% of the current expense of education is allocated to instructional salaries and benefits (51.6%)
- Investments in capital improvements, technology and instructional equipment in this proposed budget work to maintain technological currency and efficiency by updating and replacing equipment, as well as to provide adequate resources and support for high quality, innovative instructional programs and services to students;
- Achieves and maintains at least a fifteen percent (15%) contingency reserve in the General Fund;
- Reflects time-specific plans for the full funding of unfunded liabilities/obligations through specific reserve accounts via the District’s Other Post-Employment Benefits (OPEB) trust fund;
- Meets all statutory and legally mandated requirements for income and expenditures.
- Salaries and benefits do not exceed 87% of total unrestricted budgeted expenditures (85%).

However, some of the Board’s budget criteria may not have been met, for example:

- Classroom productivity has decreased as the number of FTES generated per full-time faculty decreased. (Classes have been permitted to “make” with lower enrollments in an attempt to increase FTES and help ensure students stay on a path to success and completion.)



President Guleff & Board of Trustees
 Groundbreaking for Science Building and Planetarium
 April 12, 2023

2023-24 BUDGET CRITERIA **(Approved by the Board of Trustees 11-16-22)**

The purposes of the District budget are to provide a) students a high quality, accessible learning-centered education; b) the resources and support needed to deliver effective instruction and services; c) the resources and support to facilitate the teaching-learning process; and d) the means to manage the district in an efficient and cost-effective way.

The criteria listed below are separated into categories that a) reflect philosophy; b) reflect legal, financial or statutory requirements; and c) act as procedural guides. Individual items are not listed in priority order either by category or within each category.

Philosophy

We seek to develop a budget that:

- allocates resources to achieve goals established in the District's strategic initiatives and strategic direction as approved by the Board, and the Community Colleges System's Vision for Success and Roadmap for the Future;
- provides resources to help the District better focus on enhancing a culture of equity and inclusion;
- maximizes state apportionment revenue via emergency conditions allowance funding or actual Student Centered Funding Formula (SCFF) total computational revenue (TCR);
- provides adequate resources for continued improvement of equitable student outcomes and success;
- provides adequate resources and support for high quality, innovative instructional programs and services to students at all district sites;
- makes reasonable and sound projections for all the District's sources of revenue and student access, equity & success data elements;
- allocates resources to maximize revenue by optimizing enrollment, supplemental funding and completion;
- improves classroom productivity, i.e., weekly student contact hours per full-time faculty equivalent, to make progress toward meeting the contractual goal of WSCH per FTEF;
- includes funding necessary to implement high priority District and system-wide goals and Board policies;
- increases and/or maintains sufficient levels of institutional effectiveness while becoming more efficient and cost effective;
- secures additional funding to supplement state apportionment and support student access, equity, success and completion;
- maximizes the employment of full-time faculty by exceeding the annual faculty obligation number to provide a robust curriculum and instructional guidance, support and interactions essential to student success and completion;
- makes every reasonable attempt to avoid layoffs and/or hold them to a minimum should layoffs ever be necessary to ensure the long-term viability of the institution;
- maintains technological currency and security by updating equipment, services, software, and staff training;
- funds District sustainability efforts such as recycling, solar power generation, landscaping, and mechanical system improvement to reduce the District's cost of utilities if the return on investment is reasonable;
- provides adequate resources to maintain existing and newly constructed buildings and grounds;

- provides resources to implement recommendations from the accrediting commission and make progress toward implementing accreditation planning agendas identified by the institution;
- maintains adequate District reserves in excess of 15% with a goal of approximately 25%;
- and provides flexibility to respond to emergency situations (e.g. Wildfires and 2019 COVID-19 pandemic).

Legal, Financial and Statutory Requirements

We will develop a budget that:

- achieves and maintains a fifteen percent (15%) unrestricted reserve sufficient to cover a minimum of 2 months General Fund operating expenditures;
- meets the fifty percent (50%) law, i.e., at least 50% of the current expense of education is allocated to instructional salary and benefits;
- provides for staffing levels required by the Board of Governors in relation to Title 5, Division 6, Chapter 4, Subchapter 3, Articles 1 and 2. This statute is designed to ensure that districts are making good faith attempts to achieve the long-term goal that seventy-five percent (75%) of instruction is provided by full-time faculty;
- includes reasonable provisions to cover all known or projected liabilities to the District (e.g., accumulated vacation, sick leave, retiree medical benefits, pension, etc.); and
- meets all statutory and legally mandated income/expenditure requirements.

Procedural Guides

We will develop a budget that:

- is balanced;
- is based upon planning that reflects both current and long-term District needs and system-wide goals;
- makes steady progress toward correcting structural budget issues (e.g. declining revenue, rising costs, lack of ongoing dollars to cover ongoing expenses, etc.) through budget and enrollment strategies, collective bargaining, and service levels commensurate with funding;
- has had campus community involvement and consideration during preparation;
- includes all contractually negotiated costs and expenses;
- includes all known and projected increases in fixed costs; including step, column and longevity salary increases, medical rate increases and STRS & PERS pension rate increases;
- includes salaries and benefits that do not exceed 87% of total unrestricted budgeted expenditures;
- plans to address significant but unfunded items not included in the budget;
- highlights unusual items and/or provides information on substantive changes from previous budgets;
- limits annual non-trust transfer-in allocations to the unrestricted general fund of less than 2% per year of the total unrestricted expenditure budget from non-general fund sources;
- limits annual debt service payments by the unrestricted general fund to 5% of the total unrestricted expenditure budget where such funds do not have a matching revenue stream to off-set such costs;
- and creates time specific plans for the full funding of unfunded liabilities/obligations through specific trust funds and reserve accounts

2023-24 PLANNING PROCESS

A Vision for Success and Roadmap for the Future

In 2017, the Board of Governors of the California Community Colleges accepted the document “Vision for Success – Strengthening the California Community Colleges to Meet California’s Needs”, setting ambitious goals for all of the state’s community colleges. This Vision for Success identified the North Star our system must follow if we are to meet the needs of our state. It makes the focus on student success, through completion and into the workforce, concrete. The Student Centered Funding Formula (SCFF) was implemented in 2018-19 and further revised in 2019-20 to help meet the goals contained in this Vision for Success.

“The success of California’s broader system of higher education and workforce development stands or falls with the CCCs. To meet California’s needs, the CCC system should strive to achieve the following goals by 2022:

- *Increase by at least 20 percent the number of CCC students annually who acquire associates degrees, credentials, certificates, or specific skill sets that prepare them for an in-demand job.*
- *Increase by 35 percent the number of CCC students transferring annually to a UC or CSU.*
- *Decrease the average number of units accumulated by CCC students earning associates degrees, from approximately 87 total units (the most recent system-wide average) to 79 total units—the average among the quintile of colleges showing the strongest performance on this measure.*
- *Increase the percent of exiting CTE students who report being employed in their field of study, from the most recent statewide average of 60 percent to an improved rate of 69 percent—the average among the quintile of colleges showing the strongest performance on this measure.*
- *Reduce equity gaps across all of the above measures through faster improvements among traditionally underrepresented student groups, with the goal of cutting achievement gaps by 40 percent within 5 years and fully closing those achievement gaps within 10 years.*
- *Reduce regional achievement gaps across all of the above measures through faster improvements among colleges located in regions with the lowest educational attainment of adults, with the ultimate goal of fully closing regional achievement gaps within 10 years.”*

The “Roadmap for the Future” was introduced in 2022-23 and is intended to build on the *Vision for Success* goals to advance equity, student success, and the system’s ability to prepare students for California’s future. The Roadmap is part of the Administration’s agenda to help the state reach a goal of having 70% of working age Californians possess a degree or credential by 2030. Budget investments across higher education aim to support students to improve educational outcomes, close equity gaps, address basic needs, and increase affordability. Key goals and expectations in the Roadmap include increased collaboration across segments and sectors to enhance timely transfers, improved completion rates, reduction in excess units, closure of equity gaps, and better alignment of the system with K12 and workforce needs. This budget proposal includes resources designed to support the successful accomplishment of these key goals and expectations.

The Governor’s January Budget Proposal for 2023-24

The Governor’s January budget proposal for the 2023-24 fiscal year reflected a revenue outlook that was substantially different than seen in the prior two years. Prior to accounting for spending solutions to the budget proposal, the Governor’s budget projected General Fund revenue that were \$29.5 billion lower than projected for the 2022-23 Enacted Budget. The state was facing an estimated budget deficit of \$22.5 billion for the 2023-24 fiscal year. Just one year prior, the administration was projecting a \$45.7 billion surplus for 2022-23, nearly matching the record \$47 billion surplus in the 2021-22 budget that resulted from a large increase in income among California’s wealthiest residents during the pandemic.

In spite of the lower than projected revenues, the Governor believed the state was in a strong position to withstand the dip in revenues while maintaining funding for critical programs and services. The proposal used several mechanisms to close the projected shortfall, including funding delays and reductions of one-time funds from the 2021-22 and 2022-23 budgets, fund shifts, and limited borrowing. Some reductions were included in a trigger that would restore the funds in January 2024 if sufficient General Fund revenues were available.

The January budget proposed to fully fund an estimated statutory COLA of 8.13%. It would take almost all of the new Proposition 98 funding to fund the ongoing COLA and 0.5% for enrollment growth. To help fund the COLA, the Governor proposed to reduce the 2022-23 Deferred Maintenance allocation (\$840 million) by \$213 million. Less than 1% of new Prop 98 funding was allocated as one-time.

The state’s efforts to build reserves over the last two years would also help to mitigate the impact of the projected budget deficit for 2023-24. The budget proposal reflected \$35.6 billion in reserves, including \$22.4 billion in the state’s Rainy Day Fund and \$8.5 billion in the Public School System Stabilization Account (PSSSA), or the K-14 reserve. However, no reserves were used in the Governor’s January budget proposal to balance the budget for 2023-24. The Legislative Analyst Office (LAO) called the Governor’s approach to the budget prudent but cautioned that additional cuts may be needed before approval in June.

Hold Harmless and Funding Floor Revenue Protections

The 2021 Budget Act extended the Student Centered Funding Formula’s (SCFF) hold harmless provision through 2024-25, under which districts would earn at least their 2017-18 total computational revenue (TCR) adjusted by COLA each year. To avoid sharp fiscal declines and provide support for a smooth transition to the SCFF formula over time, the 2022 Budget Act extended the revenue protections in modified form beginning in 2025-26, with a district’s 2024-25 TCR representing its new “funding floor”, a level of funding a district will not drop below. Starting in 2025-26, districts will be funded at the greater of their SCFF generated revenue, or their 2024-25 funding floor amount, whichever is greater. However, this modified hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time, as is the case with the provision in effect through 2024-25, so a district’s hold harmless amount will no longer grow after the 2024-25 fiscal year.

For Butte College, this SCFF funding floor provides additional protection from the sharp fiscal declines previously projected in 2025-26 when the college is scheduled to transition off the Emergency Conditions Allowance funding provided on account of the 2018 Camp Fire.

May Revision Budget Proposal

By the time the Governor released the May Revision, the budget shortfall had grown another \$9 billion from his January budget proposal. The projected deficit had increased from \$22.5 billion to \$31.5 billion due in part to the downturn in the technology sector and the corresponding downturn in the stock market. The delay in tax filings until October also caused more uncertainty in revenue projections in an already volatile revenue situation. Despite the \$31.5 billion projected shortfall, the \$306.5 billion state spending plan protects key investments in priorities the Governor feels Californians care most about; education, healthcare, housing and homelessness, public safety, and climate action.

Mechanisms to close the budget shortfall in the May Revision are similar to those included in the January proposal. Reserves increased from \$35.6 billion in January to \$37.2 billion. The state's Rainy Day Fund remained in excess of \$22 billion, and the Public School System Stabilization Account (K-14 reserve) increased to its constitutional limit of 10% of Proposition 98 funding, or \$10.7 billion. The May Revision uses half, or \$450 million, of the Safety Net reserve to maintain Medical and CalWorks benefits; no other reserves are proposed in the May Revision to cover the budget deficit. A recession could still bring more significant revenue declines in the future, and the need to use more reserves.

The May Revision proposes approximately \$891 million in new Prop 98 funding. Similar to his January proposal, most of the new Prop 98 funding is used to fund the updated statutory COLA of 8.22%. The Governor proposes another cut to the \$840 million 2022-23 Deferred Maintenance allocation for a total reduction of \$452 million, cutting the available funding for Deferred Maintenance to \$388 million. The 2022-23 State Budget package also included \$650 million in one-time funding for the COVID-19 Recovery Block Grant, however, the May Revision proposes a reduction of approximately \$345 million from this grant, bringing the block grant amount to \$305 million one-time.

Local Planning

The Roadmap for the Future and the Vision for Success, described earlier in this document, provide the direction for community colleges to focus on specific goals, and the Student Centered Funding Formula is the mechanism that provides the financial incentives to accomplish those goals. The Student Centered Funding Formula allocates apportionment funding to the colleges based on full-time equivalent students (FTES), student demographics and student success. Apportionment revenue is the main funding source for the District's unrestricted general operating fund.

On September 30, 2022, the Planning and Budget Committee issued the 2023-24 Unit Planning Process and Guidance document to the college community. The document provided guidance for the development of the 2023-24 unit plans and a new budgeting process intended to make it easier to communicate the disposition of all resource requests and make the decision-making process more visible to requesters.

Unlike the previous two years, no budget cuts were requested be made by budget managers, nor were any specific targeted cuts proposed for the 2023-24 fiscal year. However, all departments and programs continue to examine the need for every vacant position, scheduling decision and funding request, and to identify opportunities for operational efficiencies and additional cost savings.

As the college continues to emerge from several years of natural disasters, pandemics, and enrollment declines, the approach to this year's planning cycle is with an eye toward reestablishing a firm base to support growth, a renewed mission, and emergent strategic directions focused on reimagining the college from the perspective of our increasingly diverse students.

To support this, the college utilized a modified unit planning process this year designed to help maintain focus on the basics as we invest our time and efforts on institutional restoration and maintenance by:

- continuing to integrate Diversity, Equity, Inclusion, Accessibility, and Anti-racism (DEIAA) principles, practices, and strategies into everything we do by implementing strategies from our institutional plans;
- focusing on enrollment growth, scheduling efficiency, and strategic enrollment management plans to ensure schedules are responsive to student needs, outreach and marketing are reaching our target populations, and that we are maximizing our resources to ensure access to our programs;
- improving supports and eliminating barriers that impede student progress toward their educational goals;
- institutionalizing guided pathways practices and principles that shift the college toward student-centered and student-ready structures, processes, and practices;
- balancing and augmenting resource allocations to address current fixed costs and long-term stability for programs to continue delivering high quality education and services to our students and community;
- ensuring a safe, healthy environment for our students in all of our facilities;
- and addressing findings from our accreditation report.

In coordination with the Board's revised Budget Criteria for 2023-24, the District will strive to abide by Budget Planning Guidelines developed by the President's Leadership Team and the Planning and Budget Committee. These guidelines include:

1. Maintain the full-time faculty obligation to a minimum of FON + 1;
2. Require the categorical programs and grants continue to be self-sustaining;
3. Ensure that ongoing revenue equals or exceeds ongoing expenses;
4. Continue to operate within our Collective Bargaining Agreements;
5. Budget for growth revenue only after an actual increase in workload measures is achieved;
6. Cover all fixed cost increases before funding any new ongoing augmentations;
7. Ensure the District's budget continues to be in compliance with the 50% Law after all new ongoing and one-time augmentations are made so that at least 50% for the current expense of education is allocated to instructional salaries and benefits;
8. Account for some projected budget savings in the budget, not to exceed \$1 million.

In addition to these guidelines, general District Budget, Financial and Enrollment Goals were established. These goals include:

- a. Work to correct any structural issues in the budget
- b. Reduce reliance on indirect cost reimbursements from grants

- c. Maintain General Fund reserves greater than 25% (or approximately 3 months of operating expenses) to help maintain a positive bond rating
- d. Set realistic and sustainable enrollment targets
- e. Reduce reliance on stability, hold harmless or emergency conditions allowance funding
- f. Protect and maintain the Other Post-Employment Benefit (OPEB) Trust asset to ensure investment earnings are sufficient to cover annual retiree medical premiums.

Emergency Conditions Allowance

Butte College is currently receiving Emergency Conditions Allowance (ECA) funding that was provided by the state Chancellor’s Office on September 23, 2019 following the November 2018 Camp Fire. This funding holds the District harmless to a funding level it would have received if not for the fire. Originally, this allowance was approved for four fiscal years (2018-19 through 2021-22) with a follow-up review to occur in the final fiscal year (2021-22) to determine the college’s status in terms of enrollment recovery and whether the allowance should be extended. Due to the onset of the COVID-19 pandemic, the District’s administration submitted a letter to the state Chancellor’s Office on September 10, 2020, requesting a three-year extension of the emergency conditions allowance. On November 24, 2020, the District received agreement from the Chancellor’s Office to extend the emergency conditions allowance for a period of three more fiscal years (2022-23, 2023-24 and 2024-25). All aspects of the original September 23, 2019, approval memo continued to be in effect.

The agreement stated that beginning in 2022-23, the Chancellor’s Office would annually review the District’s actual FTES to determine progress toward increasing enrollment back to the 2017-18 levels, prior to the fire. If it was determined that it is not feasible for the District to grow back to the prior enrollment levels, the Chancellor’s Office would implement a step-down configuration that would gradually reduce the allowance provided to the District each year. Under this agreement, beginning in 2025-26, the emergency conditions allowance would have been reduced over two years, with the allowance eliminated in 2026-27.

Fortunately, as described earlier in this document, the 2022 Enacted State Budget included a “funding floor” protection for all colleges that provides a level of funding a district will not drop below. For Butte College, this funding floor will be established in 2024-25 based on the District’s 2017-18 pre-Camp Fire workload measures, and increased by the 2024-25 funded COLA. This eliminates any step-down configuration where emergency conditional allowance funding would have been reduced over a two-year period, and eliminates any fiscal cliff originally projected. However, as described earlier, this level of funding will no longer include adjustments for future COLAs until such time the District’s actual total computation revenue exceeds its funding floor amount.

A Revised Five-Year Plan

Each year, and several times a year, the District’s five-year plan is updated to reflect changes in projected costs and estimated revenue. The economic expansion, the Camp Fire, and the health epidemic have all contributed to declines in enrollment, and the rising costs of salaries, benefits and pension continue to make it challenging for the District’s new ongoing revenues to keep pace with its increasing fixed costs.

The most recent version of the District's five-year plan includes being held-harmless to the enrollment declines (emergency conditions allowance) caused by the Camp Fire and the pandemic, and projects a methodical restoration of enrollment over a five-year period. Projected enrollment restoration, fixed cost increases, and estimated high priority augmentations are included in each of the five planning years from 2023-24 through 2027-28.

Revenue generated from the Student Centered Funding Formula using 2017-18 workload measures has been incorporated into the revised five-year plan and will offset the significant declines in enrollment experienced over the past several years. Apportionment revenue is increased by the projected COLAs in 2023-24 and 2024-25. Apportionment revenue is not projected to increase by any COLAs in 2025-26, 2026-27 or 2027-28 since it is not expected that the District's actual total computational revenue will exceed its funding floor amount. COLA increases will help raise the minimum funding floor through 2024-25 and provide additional fiscal stability for the college.

Per the District's current collective bargaining agreements, in years when the District receives funding from the statutory COLA, most of the funding is used to increase the various salary schedules to keep pace with inflation and the 20-school average.

The District has been successful in accumulating reserves in excess of the 25% of unrestricted general fund expenditures goal. These reserves will provide the District with the ability to fund one-time budget augmentation requests, invest in capital projects to better serve students, and can provide for additional time and flexibility if needed, so that other adjustments can be made to the budgets over time as the District restores its enrollment.

Modified enrollment targets have been set for each of the five years. It is customary for the District not to budget for any growth or restoration revenue until it is actually achieved. The District does not project that it will restore to, or grow past, the enrollment level achieved in 2017-18 during this five-year period.

Future revisions to this plan may require adjustments be made to the budget over the next five years to ensure ongoing expenditures remain in line with ongoing revenue.

Throughout the five-year plan, the District proposes to continue to transfer revenue generated from the OPEB Trust fund to cover the cost of retiree medical premiums. The amount included in this Tentative Budget proposal, and in each year of the plan, is \$2.2 million. This is the annual amount of earnings the trust fund is projected to generate, on average, to offset these costs. A separate funding plan is included in this Tentative Budget document to ensure the Trust remains fully funded and continues to generate sufficient earnings to cover the cost of retiree medical premiums in future years. (See Irrevocable Other Post-Employment Benefit Trust Fund.)

The District will generally achieve some salary savings from attrition every year. Attrition savings from the retirements and resignations of higher salaried employees that are replaced with lower salaried new hires are projected to be generated each year. Salary savings from attrition, and positions eliminated from the budget, will offset a portion of the costs of step/column/longevity increases in each of the five planning years.

Every year, the District's unit planning process is used to prioritize and fund the highest priority augmentation requests identified by the District. Departments develop these unit plans based on administrative and program reviews, strategic initiatives, various plans, unit planning guidance and the assessment of student learning. As in prior years, augmentation requests are prepared based on the needs of the departments, prioritized by the different areas, and then prioritized across the District, with the knowledge that only those new ongoing requests determined to be of highest priority for the District will be approved for funding. These lists include fixed cost increases, adjustments to faculty and staff positions, capital outlay, technology infrastructure and safety needs, and programs designed to manage and/or maintain student services and generate enrollment or student outcomes. Requests from prior years that were ongoing in nature but funded with one-time funds are brought back, reevaluated and prioritized for continued funding. Projections for funding new high-priority ongoing costs are included in each year of the five-year plan.

Higher Education Emergency Relief Funds (HEERF I, HEERF II, and HEERF III)

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was approved by the U.S. Congress and signed into law by the President on March 27, 2020. This \$2.2 trillion CARES Act represents federal coronavirus response legislation and includes funding for direct payments to Americans, loans to major industries and small businesses, and the creation of the Education Stabilization Fund. Included in the Education Stabilization Fund is \$13.9 billion designated for higher education (HEERF I). Ninety percent of these funds were distributed directly to institutions based on a formula primarily weighted toward full-time enrollment of PELL recipients. The remaining ten percent was distributed to minority-serving institutions and those with the greatest need. At least half of the funding received must be used to provide direct emergency aid to students. Institutions can use the remaining funds to defray institutional costs related to the delivery of remote instruction or to provide additional support to students.

Butte College received \$3.64 million to provide emergency aid to students and another \$3.64 million to defray institutional costs related to the delivery of remote instruction. Butte College also received an additional \$457.5K from the 10% of the CARES Act funds designated for minority-serving institutions (MSIs).

In December 2020, President Trump signed the \$900B Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Like CARES, higher education received funding (HEERF II) to be used for emergency relief grants to students and institutional relief to offset costs due to the impact of the pandemic. Unlike the HEERF I funds, these funds were distributed to institutions on a formula based on student headcount, rather than full-time enrollments. This change in the formula benefited the community college system since many of the students attending community college do so part-time. The institutional portion of these funds may be used to defray expenses associated with the coronavirus, but includes additional flexibility to include lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, payroll, and funding to carry out student support activities that address needs related to the coronavirus. The institutional share of these funds may also be used to make additional emergency aid grants to students.

Butte College received \$3.64 million in HEERF II funds to provide emergency aid to students and \$10.5 million to defray institutional costs related to the pandemic. Butte College also received an additional \$764K designated for minority-serving institutions.

Then, in March 2021, President Biden provided additional federal relief to colleges as part of his \$1.9 trillion American Rescue Plan (HEERF III). These stimulus funds also provide emergency relief grants to students and institutional relief to help colleges mitigate the impacts of the virus, including lost revenue.

In total Butte College received approximately \$7.7 million from HEERF I, \$14.9 million from HEERF II, and \$25.3 million from HEERF III in federal relief. Nearly half of these funds will go directly to students in the form of emergency relief grants, and spending must be completed by June 2023. In addition to these funds, the college received another \$1 million from the state as part of the Governor’s January Early Action Package in 2021.

The District has applied to carryover any remaining HEERF funds that have been encumbered but not paid by June 30, 2023. Carryover budget allocations to fund costs related to the COVID-19 emergency, such as professional development for faculty, technology, outdoor seating and other facility costs associated with the pandemic, are included in this Tentative Budget.



Construction of new outdoor seating and gathering spaces
Left: Gym;
Right: Math Building;
Bottom: Campus Center Lawn

Support for Auxiliary and Fee Based Programs

HEERF funds have provided temporary revenue relief for several District programs like Student Transportation, the Student Health Center, the Child Development Center, the College Bookstore, and Campus Dining Services. These federal funds provide reimbursement to these programs for revenue lost because of the pandemic by backfilling revenue based on a three-year pre-pandemic revenue average. However, more recently, even with the reimbursement of lost revenue by HEERF, rising costs in these programs require the District's general fund reserves to provide additional financial support to maintain these services.

In this 2023-24 Tentative Budget proposal, it is projected that without any further support from HEERF, the District will need to provide approximately \$2.56 million in financial support for these auxiliary programs to maintain the critical services they provide for our students. Planning discussions are currently in progress to address ways to return these programs to be self-supporting and/or reduce the demand on the District's general fund reserves.

Strategic Initiatives and the Educational Plan

Throughout this document, you will note actions and the allocation of resources proposed by the District to implement the Strategic Initiatives included in the District's Educational Plan. These initiatives include:

1. Enhancing a Culture of Completion and Goal Achievement
2. Supporting Student, Faculty and Staff Success
3. Using Data-Informed Processes for Continuous Improvement
4. Maximizing Resources to Support Student Learning
5. Modeling Sustainability
6. Enhancing a Culture of Equity and Inclusiveness

On March 23 & 24, 2023, the President and members of College Council led a 2-day strategic planning session with the College to develop workplans designed to accomplish objectives identified by these Strategic Initiatives. A Strategic Plan has been drafted, and resources proposed in this Tentative Budget to implement specific action items within the timelines created in the Plan.

The following are examples of how the planning process for developing the Tentative Budget integrates with the Educational Plan and provides resources for accomplishing the District's strategic initiatives. The following examples are not intended to be an exhaustive list:

To enhance a culture of completion and goal achievement, the District has proposed investing ongoing and one-time funds for technology hardware, software and capital improvements, student support and financial aid services, and instructional materials and equipment. Investments in computer lab replacements, smart classrooms, online course software, library databases and library books will help support student success and completion. Significant resources are proposed to support the student transportation system, the student health center, bookstore services, and dining services, as well as for Roadrunner Hub services to help students with basic needs, and dual enrollment to help students transition from high school to college. Additionally, this proposed budget provides resources to strategically schedule courses when, where, and in the learning modality the students need them, and

provides funding for additional part-time faculty office hours and counseling hours, and the Butte College Promise Scholarship program. (Initiative #1)

This budget also allocates resources for new faculty and staff computers, online course development, and upgraded Wi-Fi access points which will help to support student, faculty, and staff success. A significant allocation for professional development is proposed in this budget to provide opportunities for employee development that improve student outcomes and strengthen professional currency. Ongoing resources are allocated for Title IX support services to help implement the District's initiative for staff and student success by focusing on employee and student wellness. (Initiative #2)

This budget was developed, and allocations are proposed using data-informed processes for continuous improvement. Budget allocations are based on predetermined budget criteria and priorities established through the unit planning process. This data-informed budget development process is assessed and refined annually to ensure continuous improvement. The college continues to refine this process to better integrate Student Learning Outcomes and standards for student achievement and to formalize the dialogue that occurs at each level of the prioritization process. Additional funding is proposed to support and train staff on accurate MIS Reporting to the Chancellor's Office, modernize technology infrastructure, and protect sensitive student data. A new enterprise content management system will be purchased to implement a more efficient and improved digital document management system and workflow that streamlines and automates how needed information is collected, process and distributed on campus. (Initiative #3)

In order to maximize resources to support student learning, the Enrollment Management Committee works with the Office of Instruction and the President's Leadership Team to maximize the District's growth potential for enrollment by offering classes that students need when the students want them, and in the modality that they require. Resources are dedicated in this budget to purchase and implement a new scheduling software system that will better align course schedules with the needs of the students based on student data and trends. Competitive grants have been obtained that align with college and program initiatives emphasizing short-term and high impact projects that support student learning. A significant investment is included in this budget proposal to designate and accumulate additional reserves for the purchase and/or construction of a new facility that will allow for program expansion and increase enrollment growth potential. (Initiative #4)

Butte College has positioned itself to be a leader in sustainability and with this budget, the college continues to model sustainability by leveraging Measure J Bond funds to remodel and construct high efficiency facilities. Funding is also provided for the Sustainability Program to maintain existing memberships, support educational events, faculty development, and conference travel regarding sustainability. (Initiative #5)

The District strives to create a campus climate that celebrates diversity and promotes an inclusive, respectful, and equitable environment. Funding is proposed in this budget through Equal Employment Opportunity funding and District reserves to provide diversity workshops and training, keynote speakers for Diversity Days, applicant travel reimbursements to help increase diversity in recruitment pools for hiring new employees, and relocation reimbursement for new hires. Ongoing and one-time funds are provided in this budget to support the Inclusion, Diversity, Equity and Anti-Racism (IDEA) Office to help the district address systemic inequities and enhance a culture of inclusion. Funds are proposed to

support and fund interpreters for the deaf and hard of hearing, and Title IX information, training and support. (Initiative #6)

The budget is a key component of a multi-faceted strategy used by the District to implement its priorities. In addition to the unrestricted general operating fund budget, the college uses other restricted funding sources such as the Innovation in Higher Education Award, Student Equity and Achievement (SEA) program funding, Career Pathways Trust grant, Guided Pathways funding, and Promise Program funding to partner more effectively with high schools (Initiative #1), automate high impact processes such as Student Educational Planning (Initiative #1), accelerate basic skills (Initiatives #1 and #2), provide professional development opportunities for faculty and staff (all Initiatives), communicate more effectively with students (Initiative #2 and #6), and improve access, success, persistence, completion, and transfer for special populations (Initiative #6).



Investments to Restore Enrollment

As described earlier in this document, the Student Centered Funding Formula funds colleges based on access and success by funding college workload measures that are based on full-time equivalent students (FTES), the number and size of colleges and centers, PELL and College Promise awards, and numerous indicators of success like degrees, certificates, transfers to 4-year universities, and specific career course completions. The key driver to apportionment revenue, however, is still full-time equivalent students (FTES). FTES alone still makes up

over 60% of apportionment funding; and the basic, supplemental and success allocations are all highly impacted and reliant on the number of FTES served by the college.

This budget strives to restore as many FTES as possible in the budget year by funding opportunities and making significant investments aimed at improving access for students, helping students meet their basic needs, and allocating resources designed to help students succeed. The Governor is also proposing more funding in 2023-24 to help recruit and reengage students impacted by the pandemic.

This Tentative Budget proposes nearly \$36.8 million to fund the following new initiatives in 2023-24 to help expand programs, recruit and restore enrollments, and improve student access and success:

- | | |
|---|-------------|
| - New Marketing Director | N/A (Reorg) |
| - New Marketing Coordinator | N/A (Reorg) |
| - Audit, restructure and redesign college’s website | \$300,000 |
| - Enrollment/Retention advertising campaigns | \$300,000 |
| - New marketing banners and professional photography | \$9,000 |
| - New Signage for Glenn County Center and Welding/Manufacturing | \$58,000 |
| - New Athletic Scoreboards/Signage | \$120,000 |
| - Strategic Planning Initiative start-up funding | \$100,000 |
| - Instructional Service Agreements | \$200,000 |

- MIS Data Integrity consultant services \$130,000
- Permanent Dual Enrollment Specialist (SWP) \$91,600
- Ongoing Dual Enrollment operating budget \$50,000
- New Director of Equitable Pathways and Achievement (GP) \$170,144
- Expanded operating budgets for Industrial Technology and Agriculture \$237,500
- Expanded operating budget for Athletics \$92,000
- New Athletic Trainer \$98,777
- Expand Automotive Lab Technician \$9,017
- New International Student Assistant and Peer Chat Platform \$18,000
- Permanent Financial Aid/Veterans Assistants (2) \$154,243
- Ongoing additional Part-time counseling hours \$122,425
- Permanent Special Student Programs support for Umoja and QRC (SEA) \$213,810
- Funding for the construction of a new instructional facility \$29.0 million
- Bond and Instructional Equipment funding to construct a Planetarium \$5.3 million

The District will continue to evaluate each new initiative annually to determine its impact on enrollment and student success. New initiatives may be funded as they arise if it can be determined to improve the District’s likelihood of restoring enrollment or improving student success.



Demolition and site work for Science building

REVENUE

State Revenue

Education Protection Account (EPA)

Voters approved Proposition 55 to extend Proposition 30 in November 2016. This measure supports extending the personal income tax increases on incomes over \$250,000 for 12 years in order to help fund education. Proposition 30, or The Schools and Local Public Safety Protection Act of 2012, takes funds away from state control and places them in special accounts exclusively dedicated to schools and local public safety. For schools and colleges, the act creates the Education Protection Account (EPA) within the state general fund. The EPA funds are appropriated to schools and college districts on a quarterly basis to provide general purpose funding for classroom expenses. Although the community colleges are given sole authority to determine how these general purpose funds received from the EPA are spent, certain requirements must be met each year. These requirements include:

1. A spending plan must be approved by the governing board during an open session of a public meeting. This plan will be approved by the Board at the time the District's annual budget is adopted each year and is included in this budget document.
2. EPA funds cannot be used for salaries or benefits of administrators or other administrative costs.
3. An accounting of the EPA revenue received and how it was spent must be published on the District's website.
4. As part of the District's annual financial audit, independent auditors must verify that the EPA funds were used as specified by Proposition 30.

California Community Colleges Funding

On May 12, 2023, the Governor released the May Revision to his 2023-24 State Budget proposal. The Governor's May spending plan attempts to reach a balance of protecting existing investments while anticipating continued economic uncertainties. Presented as one of the riskiest state budget proposals in decades, the May Revision relies on an estimated \$42 billion in anticipated revenue due to come in the fall because of the delay in tax filings for personal income and corporate tax revenues until mid-October. Despite the uncertainty, education falls into the category of an investment to protect, as reflected by the proposal to fund the historically large cost-of-living adjustment (COLA) for K-14 education. The Governor proposes \$678 million to fund the 8.22% COLA for apportionments and a one-time investment of \$503 million to support Student Centered Funding Formula (SCFF) costs in 2023-24. However, doing so comes at the expense of the reduction of current year one-time funds. The Governor also proposes \$26.4 million to fund student enrollment growth of 0.5%, a decrease of \$2.4 million from his January budget proposal.

As described earlier in this document the 2022 State Budget Act included \$840 million in one-time funds for districts to address the backlog of deferred maintenance and energy projects in the current 2022-23 fiscal year. However, the Governor proposed to cut these funds in his January Budget proposal by \$213 million, and proposed an additional decrease of \$239 million in his May Revision. This total reduction of \$452 million leaves districts with \$388 million for deferred maintenance and instructional equipment projects that many districts have already started or even fully completed, and for which the funds have already been spent.

The 2022-23 State Budget package also included \$650 million in one-time funding for the COVID-19 Recovery Block Grant. The May Revision proposes to decrease this grant by approximately \$345 million, bringing the block grant amount to \$305 million one-time.

In his January State Budget proposal, the Governor proposed \$200 million in one-time funding to support community college efforts to increase student retention rates and enrollment. This proposal would build upon the \$120 million in one-time dollars in 2021-22 and the \$150 million in one-time dollars in 2022-23. The May Revision proposes to decrease this allocation by \$100 million.

The most significant changes to California community college funding are summarized as follows for the May Revision budget proposal:

Ongoing Allocations:	May Revision
SCFF COLA 8.22%	\$678 million
SCFF Growth 0.5%	\$26.4 million
Student Success Completion Grants Reduction	-\$50 million
COLA for Adult Education and select categorical programs	\$95.5 million
One-time Allocations:	May Revision
Deferred Maintenance & Instructional Equipment Cut	-\$452 million
COVID-19 Recovery Block Grant Cut	-\$345 million
Retention and reenrollment strategies	\$100 million
One-time SCFF Support	\$503 million
Non-Prop 98 Support:	May Revision
Higher Education Student Housing Grants	\$450 million

District Revenue and Full-time Equivalent Students (FTES)

Apportionment funding is the District’s primary source of unrestricted general fund revenue. The Student Centered Funding Formula (SCFF) represents funding per full-time equivalent student (FTES) the District receives from enrollment, as well as supplemental funding to support low-income students served by the district, and incentive funding for student success outcomes.

For this Tentative Budget, the District has built a schedule that targets to serve approximately 7,900 FTES in 2023-24. This is fewer than the number of FTES reported in 2017-18 (10,383), but greater than the FTES the District is reporting to have served in 2022-23 (approximately 7,578). Although additional FTES is targeted and planned to be restored in 2023-24, no restoration funds are included in this Tentative Budget.

This budget continues to include Emergency Conditions Allowance (hold-harmless) revenue protection. This temporary emergency relief funding is equivalent to the funding the District would have received had it not been for enrollments lost due to the 2018 Camp Fire and the current pandemic. As described earlier in this document, the state Chancellor’s Office has agreed to extend this relief by funding the

SCFF workload measures reported in 2017-18 through the end of the 2024-25 fiscal year or until our actual workload measures exceed those reported in that year.

The funding floor protection included in the 2022-23 State Budget Act further protects the District's revenue by creating a level of funding in 2024-25 the District will not drop below. If funded, the District will receive COLA on apportionment in 2024-25. However, the District will not receive any future COLAs on apportionment after that year unless it fully restores to this funding floor amount.

The Student Centered Funding Formula (SCFF) provides a basic allocation for single college districts with FTES greater than 10,000, and approved centers with FTES greater than 1,000 FTES. These funds are included in this Tentative Budget and will continue to be included during our hold-harmless period even as our FTES remain below the 10,000 and 1,000 FTES levels.

When the statutory COLA for apportionments is funded in the State Budget, the SCFF funding rates are increased by the COLA percentage. When increased by the 8.22% COLA, the revised 2023-24 funding rates for the SCFF are as follows:

<u>FTES:</u>	<u>RATE</u>
Base Credit FTES	\$5,238
Incarcerated FTES	\$7,346
Special Admit FTES	\$7,346
CDCP FTES	\$7,346
Noncredit FTES	\$4,417

<u>SUPPLEMENTAL:</u>	<u>RATE</u>
AB540 Students	\$1,239
Pell Grant Students	\$1,239
Promise Grant Students	\$1,239

<u>SUCCESS:</u>	<u>Points</u>	<u>RATE</u>
All Students (Point value \$730):		
Associate Degrees for Transfer	4	\$2,920
Associate Degrees	3	\$2,190
Baccalaureate Degrees	3	\$2,190
Credit Certificates	2	\$1,460
Transfer Level Math and English	2	\$1,460
Transfer to a 4-year University	1.5	\$1,095
Nine of More CTE Units	1	\$730
Regional Living Wage	1	\$730

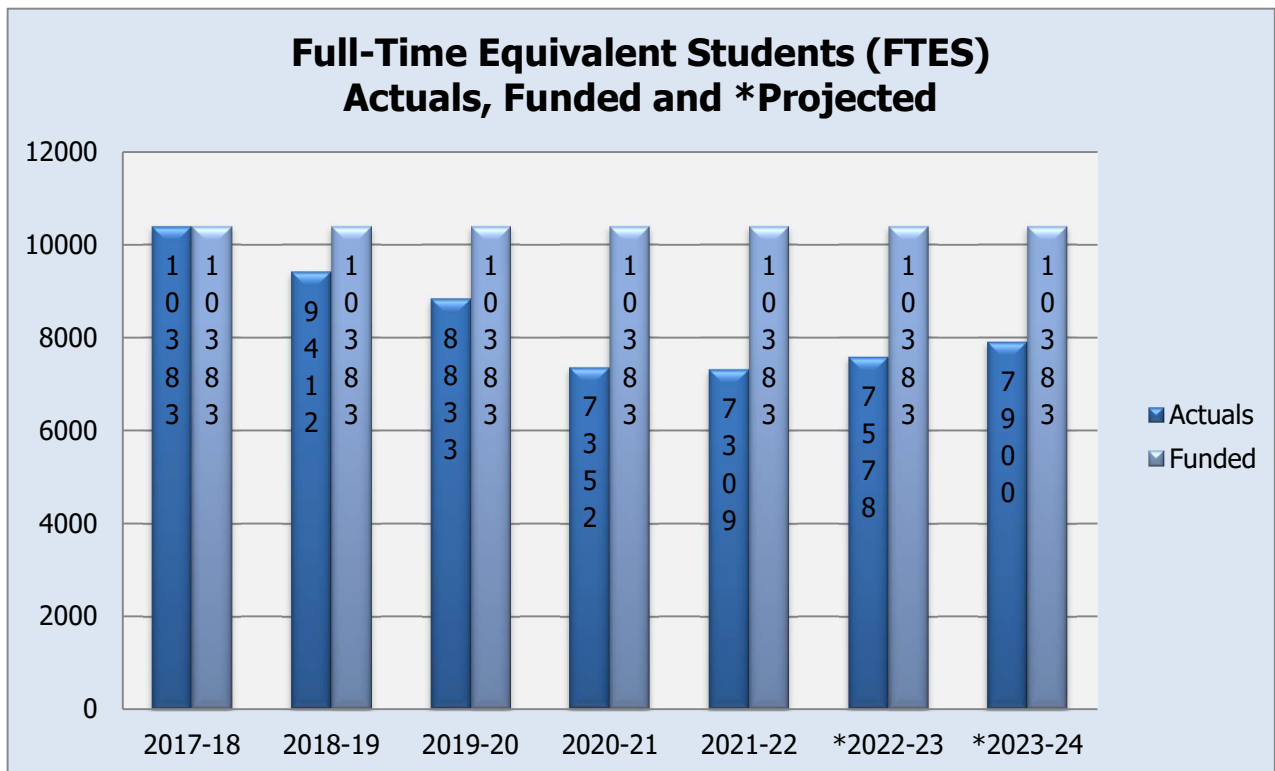
<u>Pell Grant Recipients (Point value \$184):</u>	<u>Points</u>	<u>RATE</u>
Associate Degrees for Transfer	6	\$1,104
Associate Degrees	4.5	\$828
Baccalaureate Degrees	4.5	\$828
Credit Certificates	3	\$552
Transfer Level Math and English	3	\$552

Transfer to a 4-year University	2.25	\$414
Nine of More CTE Units	1.5	\$276
Regional Living Wage	1.5	\$276

Promise Grant Recipients (Point Value \$184):	<u>Points</u>	<u>RATE</u>
Associate Degrees for Transfer	4	\$736
Associate Degrees	3	\$552
Baccalaureate Degrees	3	\$552
Credit Certificates	2	\$368
Transfer Level Math and English	2	\$368
Transfer to a 4-year University	1.5	\$276
Nine of More CTE Units	1	\$184
Regional Living Wage	1	\$184

Single College District	\$8,586,065
State Approved Center	\$2,146,516

The following graph shows the District’s historical number of full-time equivalent students served and funded. In 2018-19, the graph reflects the significant decline in students served (9,412) due to the Camp Fire, but also reflects being held harmless to the prior year’s 2017-18 FTES. From 2019-20 to 2021-22, the graph reflects additional declines in FTES mainly as a result of the coronavirus pandemic. Currently, the District is reporting some restoration of lost FTES in the 2022-23 academic year. The District does not expect to completely restore the FTES lost in prior years in the 2023-24 budget year, but projects to be held harmless to the FTES and other workload measures achieved in 2017-18.



Plans will continue in 2023-24 to grow the summer’s course schedule, strategically add class sections to the Fall and Spring schedules and continue the Winter session via both remote and face-to-face formats. The District will continue to expand dual enrollment with local high schools, distance education and implement guided pathways. Planning will continue for the expansion of math, science and Career Technical programs like Welding, Nursing and Cosmetology with the help of Strong Workforce and Perkins funding and District reserves. Additionally, plans have been made to expand science and nursing programs at the new Glenn County Center and increase evening and Friday class offerings at the Chico Center. By implementing these enrollment strategies, the District is targeting to methodically restore some of the enrollment lost over the past several years. Restoration or growth funding will be included in future year’s budgets only after the FTES and other SCFF workload measures are achieved, and the funding received exceeds the hold harmless funding. For the next two years, the District will include emergency conditions allowance funding to help bridge the decline period, and will continue to work to restore enrollment to eventually exceed the funding floor amount that will be established in 2024-25.

Based on funding proposed in the 2023-24 state budget proposal, the District projects the following additional funds in this Tentative Budget:

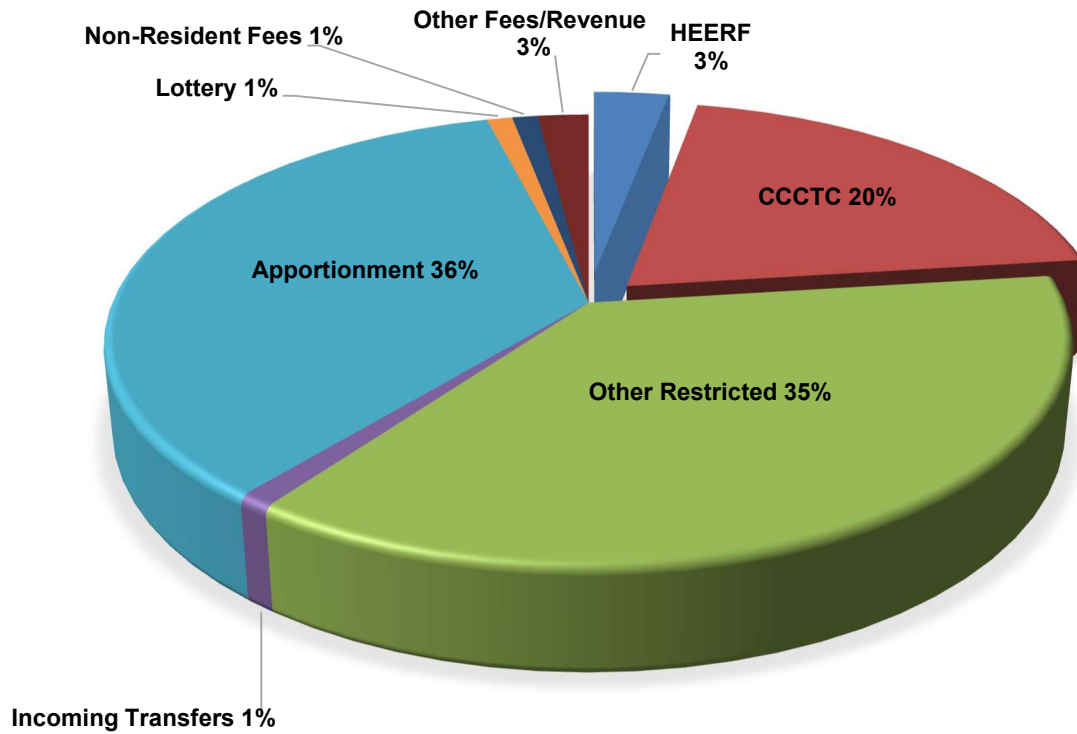
UNRESTRICTED

- \$6.87 million in new ongoing SCFF apportionment revenue from SCFF funding rates increased by the 8.22% COLA.
- Although not considered “additional revenue” from the State Budget in 2023-24, the District will have approximately \$12.1M in apportionment revenue (emergency relief) that was not committed to ongoing expenditures in 2022-23.

RESTRICTED

- The estimated remaining unspent HEERF funds are proposed to be carried-over and are included in this Tentative Budget proposal in the amount of \$6.6 million (Fund 12). These funds are allocated to cover technology improvements, facility enhancements, retention and reenrollment, and other services to help address the impact of the COVID-19 pandemic.
- COLA funding is included for certain categorical programs, as well as other categorical adjustments included in the state budget.
- Approximately \$5.53 million is reduced for deferred maintenance and instructional equipment. This reduction is reflected in this document in the 2022-23 fiscal year.
- Approximately \$3.92 million is reduced for the COVID-19 Recovery Block grant. This reduction is reflected in this document in the 2022-23 fiscal year.
- As new restricted funds are allocated to colleges from the 2023-24 State Budget Act, they will be included in the District’s budget throughout the year.

TOTAL GENERAL FUND REVENUE



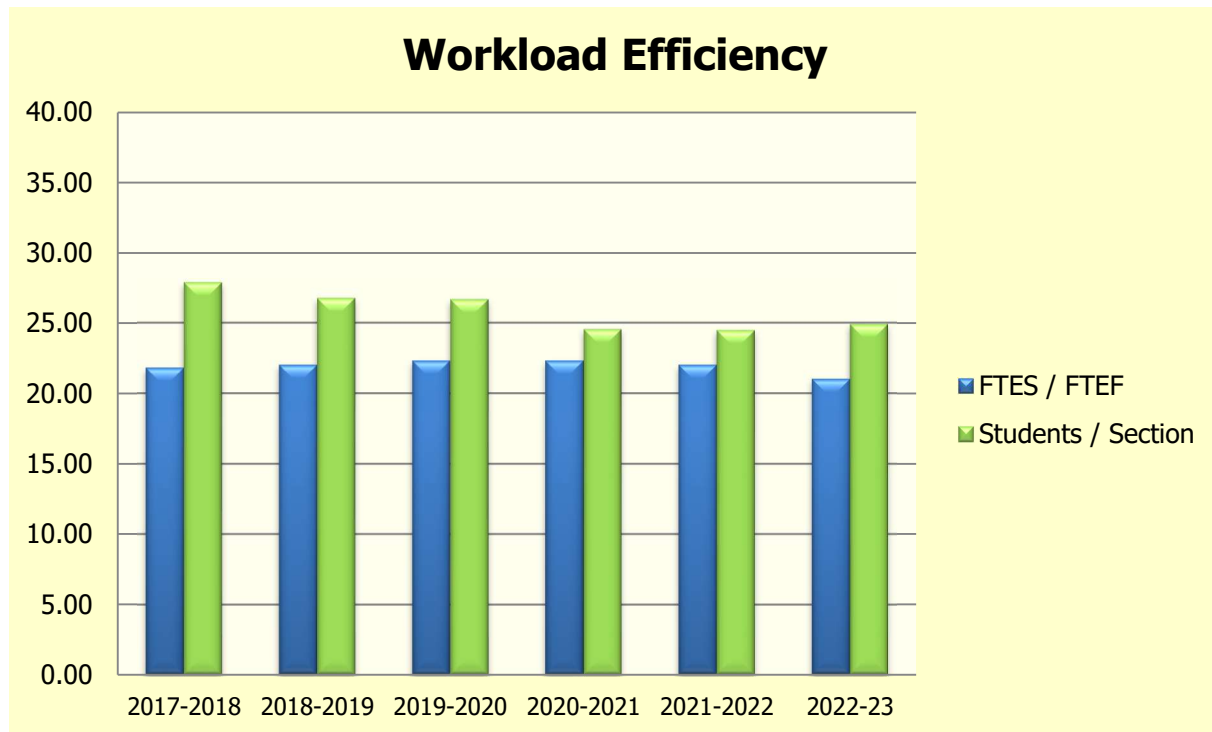
The District’s total general fund revenue projection for 2023-24 is approximately \$253.0 million, 60% of which is for restricted programs and incoming transfers to pay for retiree medical premiums and backfill excess costs for student transportation and the student health center due to the pandemic. Approximately 36% of the District’s total revenue is directly from apportionment. The remaining 4% is from other sources, many of which are also based on student enrollment. For example, non-resident tuition is revenue the District receives from out-of-state and international students. Lottery revenue is allocated to the colleges based on the number of both resident and nonresident students it serves and provides supplemental funding to all levels of public education.

Rendering of Science Building and Planetarium



Workload Efficiency

In 2022-23, the District is reporting to serve 7,578 full-time equivalent students (FTES). As the District experiences a decline in enrollment, its workload efficiency suffers. Classes have been allowed to “make” with lower enrollments in order to make progress towards restoring the District’s FTES and to help students stay on their paths to completion and success. The number of students per section shows a decline from an average high of 27.85 students per section in 2017-18 to a projected average of 24.90 students per section in 2022-23. This is also reflected by a corresponding decrease in the number of full-time equivalent students (FTES) served (21.0) per full-time equivalent faculty (FTEF).

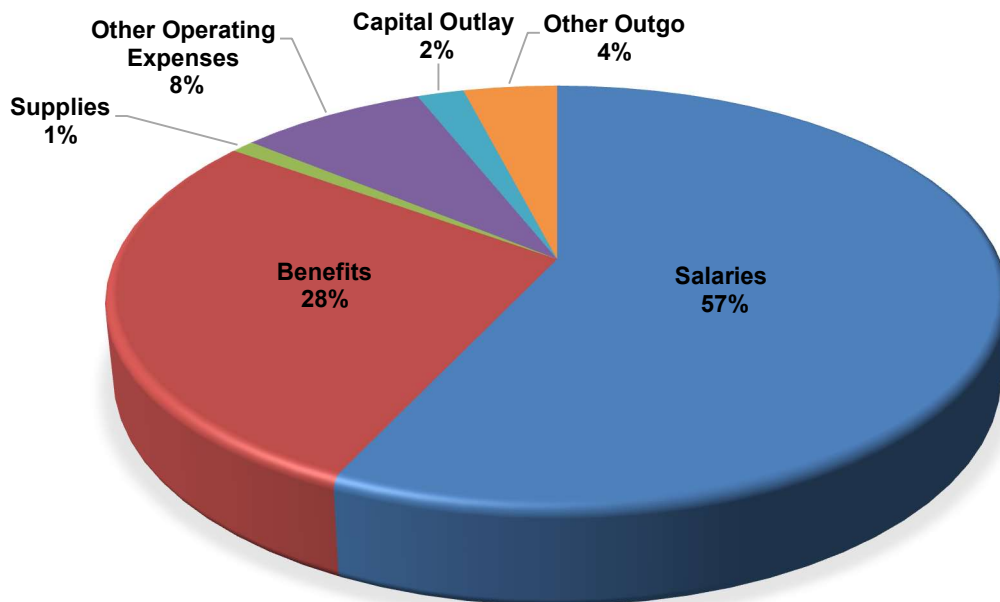


EXPENDITURES

Building the 2023-24 expenditure budget involves six major components:

1. Identifying all fixed cost increases;
2. Determining the number of full-time faculty hires needed to cover the class schedule and to meet/exceed the Full-Time Faculty Obligation Number (FON);
3. Identifying areas for reductions that can be implemented with minimal impact on enrollment or services;
4. Identifying critical areas for augmentation using one-time funds;
5. Identifying critical areas for augmentation using ongoing funds; and
6. Closing the budget gap between ongoing revenue and ongoing costs.

TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES



Fixed Cost Increases

Fixed cost increases represent the largest increase to the expenditure budget. These cost increases are generated by collective bargaining agreements, retirement pension systems, retiree health benefits, utilities, service contracts, and insurance rate increases.

Fixed costs fluctuate each year depending on the statutory COLA funded for apportionment by the state and the corresponding percentage increase to the salary schedules and medical benefit contributions made by the District, as well as the increases to employer contribution rates for both the PERS and STRS pension plans. For 2023-24, fixed costs are estimated to increase by approximately \$7.18M.

The largest components include:

- Step/column/longevity (less attrition and vacant positions)	\$ 188,196
- 8.22% cost of living increase to all salary schedules	\$ 5,140,633
- Employee and retiree health benefit increases	\$ 657,300
- PERS pension rate increase	\$ 245,455
- STRS pension rate increase	\$ 0
- Leases, utilities, service contracts	\$ 1,066,316
- Unemployment insurance rate reduction	\$ -161,007
- Workers compensation insurance	\$ 39,227

Step, column and longevity salary increases are included in this Tentative Budget and tend to represent approximately 1.5% - 2% of regular salaries each year. This cost is projected to be offset by attrition and the elimination of certain vacant positions. Attrition occurs as more seasoned employees retire that are higher on the salary schedule and newer employees are hired at a lower step and/or column on the salary schedule. This will result in a savings in 2023-24 that will be used to offset the cost of step, column and longevity salary increases.

For the 2023-24 fiscal year, all salary schedules will be increased by the funded statutory COLA. The state budget proposes to fund the statutory COLA of 8.22% for 2023-24. The cost to increase the salary schedules by the funded COLA is approximately \$5.14M.

The District's contribution to medical benefits is capped to increase by the greater of 2% or the funded statutory COLA in the budget year and provides benefits for medical, dental, vision and life insurance to active employees. For retirees, the District covers the medical plan only, however, there is no cap for retiree premiums. The cost to increase both of these premium contributions by the 8.22% statutory COLA in 2023-24 is approximately \$657.3K. Actual medical premiums are projected to increase between 5% and 8%. There were no increases to dental, vision or life insurance. The cost increases to health benefits are managed by cost containment measures, employee contributions made to active medical plans, and a Medicare supplement plan for retirees over the age of 65. In 2017-18, the District's medical Joint Powers Authority (BSSP JPA) joined a larger JPA (SISC) to further help lower and stabilize its costs. SISC is the largest public school purchaser of health care in the United States.

The employer rate for CalSTRS will remain at 19.1% of salaries in 2023-24. The CalPERS employer contribution rate increased from 25.37% of salaries in 2022-23 to 26.68% of salaries in 2023-24. This rate increase will result in a cost of approximately \$245.4K.

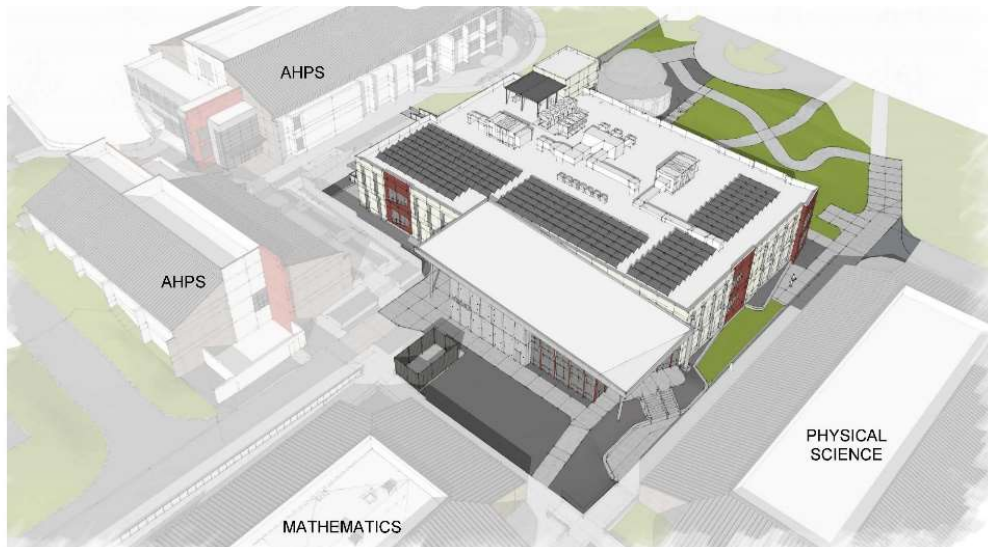
A reduction in the unemployment rate for 2023-24 will save approximately \$161K, and an increase in the workers compensation insurance rate will cost approximately \$39.2K.

Prior to the construction of the District's solar arrays, the District generally spent approximately 2.13% of its unrestricted General Fund budget on energy costs. Once constructed, the electricity portion of the budget was redirected from utilities to cover the financing costs of solar energy generation projects. The solar energy loans for Phases I and II have since been paid off leaving only the Phase III solar energy loan outstanding. Since then, Proposition 39 funds have been used to add solar arrays to the Skyway Center, additional solar arrays have been constructed to service the Welding and Manufacturing building

using Measure J bond funds and district reserves, and solar arrays were constructed for Orland’s Glenn County Center in 2022 using District reserves. The energy generated by the solar arrays helps the District mitigate the impact of significant electricity rate increases and will save the District millions of dollars over the life of the solar panels.

Despite the protection the solar arrays provide against electricity rate hikes, the District will still see an increase in utility costs in 2023-24 of approximately \$304K for natural gas and electricity. Other fixed costs like property and liability insurance, legal expenses, leases, contract services, and software licenses will increase another \$762K in the budget year.

In addition to fixed cost increases, expenditure augmentations proposed for funding in this budget are based on high priority requests through the unit planning process. Those budget augmentations are described in more detail later in this document. Most of the \$7.18M in fixed cost increases added to this budget are related to salaries and benefits which equal approximately 85% of the unrestricted General Fund expenditure budget. The remaining 15% includes supplies, operating expenses, capital outlay purchases, and other outgoing expenses like debt retirement and transfers to other funds.



Arial Rendering of the Science Building

Full-time Faculty Obligation Number (FON)

By statute, when a district’s credit FTES grows by a certain percentage, the District is required to increase its obligation to the number of full-time faculty by the same percentage. The opposite holds true as the number of credit FTES declines. The full-time faculty obligation number (FON) will also increase when the state provides additional funding in the budget to hire more full-time faculty. This obligation will decrease when the state applies a deficit to reduce apportionment funding.

Each year the District is required to meet its FON. Per the Budget Planning Guidelines developed by the college, the District strives to exceed the full-time faculty obligation by at least one full-time equivalent faculty (FTEF), more as funding permits.

For Fall 2023, the District's full-time faculty obligation number will be 168.5. The District's FON is still based primarily on the credit FTES served in 2017-18 and is currently being funded by the emergency conditions allowance funding. This obligation number increased by eleven (11) due to the additional full-time faculty funding provided in 2021-22. The Tentative Budget includes enough funding for approximately 193 full-time faculty, however, due to vacancies, possible late retirements, delayed recruitments and/or failed searches, the amount reported this fall may be less.

Budget Reductions

As described earlier in this document, the September 30, 2022 Unit Planning Guidance for the 2023-24 fiscal year did not request any percent of budget cuts be made by the various programs and departments as was requested in the 2021-22 budget year, nor were any specific targeted cuts proposed to be made. However, certain positions have been eliminated to fund other higher priority positions as part of a reorganization in Institutional Effectiveness, Marketing, Public Relations, and the Foundation. Other savings are realized via a rate reduction in the unemployment rate and through employee attrition as described earlier.

Additional budget reductions are reflected in this Tentative Budget proposal to account for the cuts proposed by the Governor in the May Revision for Deferred Maintenance and Instructional Equipment and the COVID-19 Recovery Block grant. If approved as proposed, the District will need to propose other funding sources to cover Deferred Maintenance and Instructional Equipment projects already planned. Currently, the Legislature is proposing spending flexibility for (1) Retention and Enrollment Outreach, (2) Deferred Maintenance and Instructional Equipment and (3) Covid-19 Recovery Block Grant Funding. If approved, this flexibility would allow the District to use this funding for expenditures in any of these three programs.

Budget Augmentations (Ongoing and One-Time)

High priority budget augmentations for 2023-24 were requested from areas through the unit-planning process. These unit plans included augmentation requests for ongoing items, as well as one-time augmentation requests for items of a one-time and/or critical nature. Items funded in 2022-23 with one-time dollars were considered for ongoing funding, or for one-time funding again, in 2023-24. When new ongoing funds are available, the budget will propose to include these items for ongoing funding that are of an imperative nature needed to (1) maintain/improve current operations, (2) are a health, safety or compliance issue, and/or (3) are intended to improve services or enrollment for specific programs.

The 2023-24 Tentative Budget proposal reflects a "re-benching" of the operating budgets for Instruction, Student Services and Administration. In prior years, as the District prepared for the step-down in ECA funding that loomed in the 2025-26 fiscal year, operating budgets were reduced and new augmentations were generally limited to one-time funding. With the additional funding protection provided by the creation of a funding floor in 2024-25, the step-down, and the fiscal cliff, were in effect, eliminated. This Tentative Budget proposal includes bringing back some of the budget cuts made by programs in 2021-22, and converts certain high priority one-time augmentations, to ongoing. Numerous operational budgets have either been restored, or augmented to effectively meet the needs of programs and the

students they serve, and additional resources are proposed to help implement objectives and action items in the draft Strategic Plan.

Ongoing Augmentations

In addition to the fixed cost increases (\$7.18 million) describe previously, the following augmentation requests (approximately \$1.75M) are proposed for ongoing funding from the unrestricted general fund in this budget:

President's Office:

- Institutional Effectiveness/PR/Marketing/Foundation Reorganization - \$38
- Employee ID card software maintenance \$2,000
- HACU annual institutional membership \$7,700
- Grant writing department operating budget \$5,000

Administration:

- Gym floor maintenance \$1,850
- Custodial support for events \$21,905
- Maintenance Technician II for offsite centers \$88,566
- Custodial supplies \$4,538
- Human Resources clerk/receptionist \$76,990
- Athletic field maintenance \$10,365
- Solar generation tracking software \$10,000
- Exterior window cleaning \$22,000
- Auxiliary services account clerk senior \$30,395
- Remote access software for Apple hardware \$2,731

Instruction:

- Industrial Technology and Agriculture faculty \$150,617
- Industrial Technology and Agriculture operating budget \$92,500
- Industrial Technology administrative secretarial support \$99,533
- Athletics operating budget \$82,000
- New athletic trainer position \$98,777
- Instructional service agreements \$100,000
- Arts/Design/Humanities operating budget \$16,000
- STEM operating budget \$9,600
- Social/Behavioral Science supplies \$2,000
- Cosmetology expanded management support \$3,324
- Glenn County Center expanded student support \$49,041
- Chico Center part-time student support \$49,767
- Automotive expanded lab technician \$9,017
- Dual enrollment operating budget \$50,000
- Portable AED maintenance \$300

Student Services:

- Increased commencement and diploma costs \$15,000
- College Source – TES \$11,000
- Lexipol/Clery Act services \$3,600
- Financial Aid/Veterans Assistants I and II \$154,243

- Community Service Officer, Glenn County Center	\$89,868
- Deans operating budgets (3)	\$15,000
- Support Center software	\$2,256
- Associate faculty counseling hours	\$122,425
- Expand Student Life supervisor	\$39,821
- Deaf/Hard of Hearing match	\$42,500
- DSPS College Effort	\$100,000
- Title IX marketing and training	\$14,500
- Title IX case management system and support	\$27,000
- College police AED maintenance	\$1,000
- College private security cost increase	\$13,600

One-time Augmentations

The unit planning process for 2023-24 also included numerous requests for one-time funding. The District proposes to continue to backfill auxiliary and enterprise functions like Student Transportation, the Bookstore, Dining Services, and the Student Health Center, that rely heavily on sales revenue and fees charged for the services they provide. The pandemic has had, and continues to have, a direct and significant impact on the number of students using these services and a corresponding negative impact on the revenues that support these programs. The District used Higher Education Emergency Relief Funds (HEERF) and District reserves, to cover the revenue lost and backfill rising costs for these programs in 2022-23. For the 2023-24 budget, HEERF funds will no longer be available to use for this purpose. District reserves are proposed to cover lost revenue and backfill rising costs for these auxiliary programs in the budget year. The cost to the District’s reserves to provide backfill support for these programs is estimated to be approximately \$2.56 million in the budget year. Other one-time requests made through the unit planning process of approximately \$2.33 million have been prioritized for one-time funding and are included in this Tentative Budget.

Approximately \$360.6K in one-time augmentations for the President’s Office are proposed for funding. The major items/projects include:

- Advertising campaigns	\$150,000
- DEIA speakers	\$25,000
- Consulting and VP recruitment services	\$69,120
- VP applicant travel reimbursements	\$15,000
- Strategic Planning Initiatives start-up	\$100,000
- Marketing/PR camera equipment	\$1,500

Approximately \$616.2K in one-time augmentations for Instruction are proposed for funding. The major items/projects include:

- Institutional Research staff travel/training	\$9,000
- Institutional Research consulting services	\$130,000
- Athletics equipment	\$10,000
- Instructional Service Agreements and other operating	\$182,000

- Arts/Design/Humanities equipment	\$18,000
- Repaint Automotive floors	\$37,000
- Welding inert gas fittings	\$12,000
- Child Development Center landscape repair	\$5,700
- Gym wall repair	\$7,500
- Athletics scoreboards	\$120,000
- Chico Center lactation room	\$75,000
- Art Gallery lighting system	\$10,000

Approximately \$19.8K in one-time augmentations for Student Services are proposed for funding. The major items/projects include:

- Commencement registration system – Invite Rite	\$4,000
- Title IX information material	\$1,000
- Career Center pilot – Handshake license	\$5,850
- Institutional commitment/match – TRIO	\$5,000
- LAEP costs not covered	\$3,500

Approximately \$730.2K in one-time augmentations for Administration are proposed for funding. The major items/projects include:

- Actuarial report cost increase	\$2,189
- Position Control and Evaluation software	\$100,000
- SAS building phone system replacement	\$85,000
- Information Technology professional development	\$25,000
- Citrix thin client servers	\$73,000
- Glenn County Center and Welding/Manufacturing signage	\$58,000
- Replace Information Technology district vehicle	\$45,000
- Articulating lift and trailer	\$50,000
- Maintenance vehicle for offsite centers	\$32,000
- Computer refresh/replacements	\$260,000

Approximately \$3.16M in one-time district-wide augmentations for are proposed for funding. The major items/projects include:

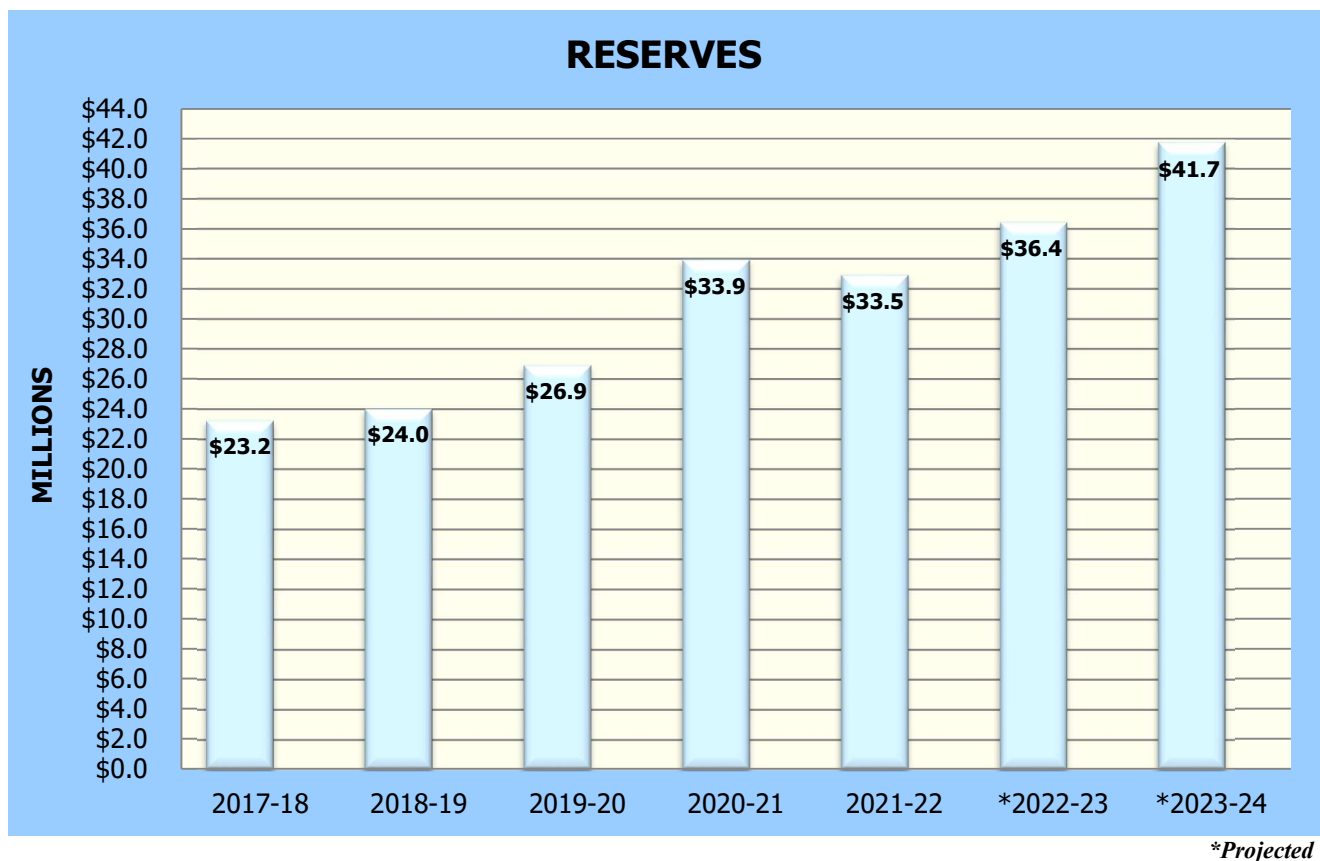
- Auxiliary services backfill support for Student Transportation	\$1,034,666
- Auxiliary services backfill support for Student Health Center	\$180,531
- Auxiliary services backfill support for College Bookstore	\$771,133
- Auxiliary services backfill support for Dining Services	\$572,439
- Professional Development	\$300,000
- Leadership discretionary allocation	\$120,000
- Complete classification study	\$108,000
- Sabbatical leaves	\$42,849
- Classified subs and reclasses	\$32,858
- Phi Theta Kappa	\$2,000

ONE-TIME FUNDS

Reserves and Carry-over Funds

High priority one-time augmentation requests are generally funded with General Fund reserves. Approximately \$4.89 million is proposed for funding from the General Fund reserves in this Tentative Budget to fund the high priority one-time augmentation requests described previously.

The following graph shows a partial history of the ending reserve balances, and the projected ending reserve balances for 2022-23 and 2023-24.



The ending reserve balance for 2022-23 was originally budgeted to increase by approximately \$7 million in the 2022-23 Final Budget. The above graph reflects a revision to the projected ending reserve balance in 2022-23 after the transfer out of \$7 million from the designated Reserve for Facilities to the Capital Fund to help fund the construction of future needed District facilities. Reserves are then budgeted to increase by \$5.3 million by the end of the 2023-24 budget year.

The State Chancellor's Office performs an ongoing fiscal health analysis that includes the review of key financial indicators, results of annual audit reports, and other factors. A primary financial health indicator is a district's unrestricted reserve balance. The Chancellor's Office recommends that districts

adopt policies to maintain sufficient unrestricted reserves with a suggested minimum of two months of general fund operating expenditures or revenues, consistent with Budgeting Best Practices published by the Government Finance Officers Association. The Board of Trustees have approved Budget Criteria for 2023-24 to “achieve and maintain a 15% unrestricted reserve sufficient to cover a minimum of two months General Fund operating expenditures” and seeks to develop a budget that “maintains adequate reserves in excess of 15% with a goal of approximately 25%”.

The reserve balances at end of fiscal years 2022-23 and 2023-24 represent approximately 39.9% and 45.6% of the 2023-24 Unrestricted General Fund’s ongoing expenditure budget respectively. A 42% reserve will provide enough funding for approximately 5 months of operations.

The Reserve for Contingencies is maintained at no less than 15% of the Unrestricted General Fund’s ongoing expenditures as required by the Board’s Budget Criteria and total reserves will exceed the Board’s goal of 25% of unrestricted expenditures.

A separate designated Reserve for Facilities of \$7 million was established in 2022-23 for transfer to the Capital Fund to accumulate funds for the purchase and/or construction of a facility that will help meet the needs of instruction, the students and the local community. This budget reflects the \$7 million transfer to the Capital Fund in 2022-23 and proposes to designate an additional \$7.5 million in 2023-24 to this reserve for future transfer.

The Reserve for Budget Planning has been reestablished for planning in 2023-24 in the amount of approximately \$20.5 million.

Other unrestricted reserves are also available in the Capital Fund, the Redevelopment Fund, the Retiree Benefits Fund and the Self-Insurance Fund. These funds are available to fund high priority augmentation requests, generally of a capital outlay nature, or to cover unfunded liabilities and/or uninsured losses. Funds remaining in the Retiree Benefits Fund of approximately \$1 million are proposed for transfer to the Capital Fund in 2023-24 for the purchase and/or construction of a new District facility. Funds remaining in the Redevelopment Fund of approximately \$5.7 million are also proposed for transfer to the Capital Fund in 2023-24 for this purpose. Details of these funds are provided later in this document.

The District generally expects a “carryover” (one-time funds from either excess revenue received at yearend or unexpended budget allocations) from the current year to the next. One-time carryover funds are added to the unrestricted ending fund balance, or in the case of restricted programs and grants, may be re-budgeted in the new fiscal year. Unrestricted ending balance reserve funds are available to fund one-time expenditures, fund capital projects, maintain a Budget Planning Reserve, and provide flexibility and cash-flow needed for the District to continue operations during times when ongoing revenue do not keep pace with ongoing expenditures, i.e., during periods of enrollment decline. Reserve funds are also available for when apportionment revenue is not received timely (for example, when monthly apportionment payments are deferred or slow to be received, or when a State Budget has not been passed).

It is not uncommon for the District to carryover in excess of \$1 million at the close of a fiscal year that is then added to the beginning reserve balance for the budget year. This carryover generally comes from

salary and benefit savings due to vacancies, unspent budget allocations for supplies, services and equipment, and higher than budgeted indirect cost reimbursements from grants. The District may also realize additional carryover funds from apportionment revenue for restored FTES, or a reduction in a prior year deficit factor.

In prior years, deficit factors applied by the state to a district's general apportionment revenue have affected any carryover funds a district may have at year-end. Deficit factors are generally applied against state apportionment revenue when there is a statewide shortfall in property tax or enrollment fee revenue. The 2022-23 Final Budget accounted for a 1% deficit factor, or approximately \$846K. Since there is no statewide shortfall in property taxes or enrollment fee revenue in the 2022-23 fiscal year, the state will not apply a deficit to the District's apportionment revenue, allowing \$846K to "fall to the bottom line" and increase the District's reserve balance. Once again, this Tentative Budget accounts for the possibility of a 1% deficit factor to apportionment revenue in the 2023-24 fiscal year (\$913,388).

As described earlier, the District is projecting its ending balance reserves in 2022-23 to increase from \$33.5 million in 2021-22 to \$36.4 million in 2022-23 after the \$7 million transfer to the Capital Fund for the construction of a future needed facility. Reserves are then budgeted to increase by \$5.3 million in 2023-24. This will leave a very strong District reserve of approximately \$41.7 million or approximately 45.6% of unrestricted ongoing expenditures after the 2023-24 budget year barring any other changes.

CALIFORNIA COMMUNITY COLLEGES
GANN LIMIT WORKSHEET
2023/2024

DISTRICT NAME: Butte-Glenn Community College District DATE: May 23, 2023

I. 2023-2024 Appropriations Limit:		
A. 2022-2023 Appropriations Limit		\$ <u>80,928,968</u>
B. 2023/24 Price Factor:	1.0444	
C. Population Factor:		
1. 2021-2022 Second Period Actual FTES	<u>7,140</u>	
2. 2022-2023 Second Period Actual FTES	<u>7,578</u>	
3. 2023-2024 Population change factor	<u>1.0615</u>	
(line C.2. divided by line C.1.)		
D. 2022-2023 Limit adjusted by inflation and population factors		\$ <u>89,720,330</u>
(line A multiplied by line B and line C.3.)		
E. Adjustments to increase limit:		
1. Transfers in of financial responsibility	\$ <u>-</u>	
2. Temporary voter approved increases	<u>-</u>	
3. Total adjustments - increase		<u>-</u>
Sub-Total		\$ <u>89,720,330</u>
F. Adjustments to decrease limit:		
1. Transfers out of financial responsibility	\$ <u>-</u>	
2. Lapses of voter approved increases	<u>-</u>	
3. Total adjustments - decrease		(<u>-</u>)
G. 2023-2024 Appropriations Limit		\$ <u>89,720,330</u>

II. 2023-2024 APPROPRIATIONS SUBJECT TO LIMIT:		
A. State Aid (General Apportionment, Apprenticeship Allowance, and Education Protection Account tax revenue		\$ <u>70,481,710</u>
B. State Subventions (Home Owners Property Tax Relief, Timber Yield tax, etc.)		<u>121,263</u>
C. Local Property taxes		<u>17,151,465</u>
D. Estimated excess Debt Service taxes		<u>0</u>
E. Estimated Parcel taxes, Square Foot taxes, etc.		<u>0</u>
F. Interest on proceeds of taxes		<u>42,879</u>
G. Local appropriations from taxes for unreimbursed State, court, and federal mandates		(<u>0</u>)
H. 2023-2024 Appropriations Subject to Limit		\$ <u>87,797,317</u>

III. **District is within Appropriations Limit** 1,923,014

**Butte-Glenn Community College District
Budget - Revenue - General Fund**

	21-22 Actual Revenue	22-23 Unaudited Revenue	23-24 Tentative Budget
Beginning Balance	\$ 33,947,091	\$ 33,527,922	\$ 36,439,889
8110 Forest Reserve	\$ 13,940	\$ -	\$ -
8121 College Work Study - Admin	7,504	12,560	12,560
8122 College Work Study - Wages	144,371	218,913	218,913
8123 College Work Study - Job Devel.	26,494	27,575	27,575
8124 College Work Study - Comm. Service	5,709	16,478	16,478
8136 Foster Care	7,234	107,337	133,829
8140 Transitional Assistance to Needy Families (TANF)	11,285	-	-
8151 Supplemental Educational Opportunity Grants (SEOG) - Admin.	21,006	13,117	13,117
8152 Pell Grant - Admin.	20,350	40,000	40,000
8160 Veterans' Attendance Allowance	-	28,386	28,386
8163 Development of Hispanic Serving Institutions	-	599,983	600,000
8170 Perkins	596,020	675,298	775,000
8193 US Dept of Ed TRIO	146,949	924,832	948,438
8194 Small Business Development	273,543	236,452	279,933
8197 US Dept Ed / OPE	1,655,313	-	-
8198 Higher Education Emergency Relief Fund (HEERF)	9,887,869	6,677,812	6,597,253 (a)
8199 Other Federal Revenue	842,875	635,792	874,812
8100 TOTAL FEDERAL REVENUE	\$ 13,660,462	\$ 10,214,535	\$ 10,566,294
8612 State General Apportionment	\$ 29,625,378	\$ 46,654,903	\$ 54,825,696 (b)
8613 Full Time Faculty Hiring	1,476,958	1,476,958	1,476,958
8614 Part-Time Faculty Compensation	220,967	223,712	223,712 (c)
8614 Part-Time Faculty Office Hours	48,127	66,905	75,000
8615 Enrollment Fee Admin. Fee	128,800	128,800	128,800
8618 COVID-19 Discretionary Block Grant	-	4,089,361	-
8619 Prior Year Corrections (Apportionment)	(26,302)	-	-
8620 Student Equity (and Achievement)	4,584,904	8,065,952	8,020,457 (f)
8621 Cal Works	348,531	330,345	517,233 (c)
8622 Extended Opportunity Programs and Services (EOPS)	1,193,922	2,463,913	2,702,718 (g)
8623 Cooperative Agency Resources and Education (CARE)	908,284	1,038,590	931,763 (c)
8624 Disabled Student Services and Programs (DSPS)	142,491	1,681,116	1,649,393 (c)
8626 Telecommunications	20,388,696	14,000,000	14,000,000 (h)
8626 TTIP/CENIC	1,670,401	3,011,303	7,000,000 (h)
8627 Student Financial Aid Admin.	421,968	441,298	675,446
8629 Deferred Maintenance and Instructional Equipment	5,275,234	4,744,216	-
8630 Education Protection Account	20,664,832	16,347,231	15,656,014 (j)
8630 Undocumented Resources Liaison Program	131,555	117,607	121,578
8631 Transitional Assistance to Needy Families (TANF)	49,125	54,897	77,555
8633 Funds for Student Success - MESA (Math, Engineering, Science Achievement)	60,281	499,555	440,000
8634 Classified Professional Development	6,551	58,461	59,123
8635 Equal Employment Opportunity (EEO)	9,475	256,605	152,268
8636 Foster Care Grant	258,452	280,279	288,793
8638 Technology Center	20,743,311	14,397,176	30,744,171 (k)
8640 Veterans Resource Center	59,742	346,107	74,195
8642 California College Promise	814,887	948,667	948,667 (l)
8643 Student Success Completion	2,531,779	5,203,347	4,903,347 (m)
8644 Financial Aid Technology	76,442	171,854	61,918
8645 CARES Act - State Block Grant	39,355	-	-
8646 Early Action Emergency Financial Aid	-	1,249,134	-
8646 Retention & Enrollment Outreach	272,985	1,020,976	2,290,000
8647 Student Food & Housing	-	500,000	-
8648 Library Services Platform	-	2,058,134	-
8653 Adult Education Block Grant	2,324,179	2,641,177	2,577,900 (c)
8654 College Homeless Pilot	745,384	1,530,675	1,145,675
8657 Economic Development	1,111,107	3,503,600	2,434,038 (c)
8658 Strong Workforce Program	32,362,666	45,840,708	44,981,403 (q)
8671 Homeowners' Exemptions Taxes	211,572	56,866	56,866 (r)
8672 Timber Yield Tax	68,908	64,397	64,397 (r)
8681 State Lottery Proceeds	3,098,190	2,367,324	2,367,324
8683 Mandated Costs	318,276	308,660	308,660 (s)
8690 Guided Pathways	188,893	556,046	459,740
8692 STRS On Behalf	2,044,674	1,806,711	1,881,453 (t)
8693 Innovation Award	167,498	578,093	410,000 (u)
8699 Learning-Aligned Employment Program (LAEP)	-	-	2,986,370 (v)
8699 Basic Needs Programs	-	1,082,739	524,798 (c)
8699 Native American SSSP	-	-	600,000
8699 Mental Health Support	-	469,263	217,778 (c)

**Butte-Glenn Community College District
Budget - Revenue - General Fund**

	21-22 Actual Revenue	22-23 Unaudited Revenue	23-24 Tentative Budget	
8699 Other State Income	1,042,683	756,747	787,528	(c)
8600 TOTAL STATE REVENUE	\$ 155,811,161	\$ 193,490,408	\$ 209,848,735	
8811 Secured Taxes	\$ 17,310,938	\$ 19,045,935	\$ 17,436,029	(r)
8812 Supplemental Roll Taxes	446,372	288,254	288,254	(r)
8813 Unsecured Taxes	1,004,437	1,062,491	1,062,491	(r)
8816 Prior Year Taxes	50,464	47,652	47,652	(r)
8817 Education Revenue Augmentation Fund (ERAF)	(2,852,971)	(3,236,517)	(3,236,517)	(r)
8818 Redevelopment - Local & Residual	2,667,627	1,553,556	1,553,556	(r)
8829 Gifts and Contributions	1,899	4,000	4,000	
8831 Contract Instructional Services	-	224,225	49,225	
8839 Contract Education	3,852,164	4,903,579	3,506,126	(w)
8840 Sales and commissions	15,189	47,500	47,500	(x)
8842 Sale of Equipment and Supplies	53,111	60,500	45,500	
8859 Other Rentals and Leases	11,144	15,202	27,140	
8861 Interest	730,748	1,200,000	1,200,000	(y)
8872 Community Service Classes	106,131	112,109	135,162	
8874 Enrollment Fees	2,760,306	2,581,548	2,789,469	(z)
8876 Health Service Fees	369,619	389,585	440,400	
8877 Material Fees	184,480	279,174	220,000	
8879 Student Records / ID Card	49,293	63,859	63,859	
8880 Non-Resident Student Fees	1,509,560	1,484,048	1,484,048	(aa)
8881 Transportation Fees	558,254	730,511	734,165	(ab)
8882 Audit Fees	870	2,000	2,000	
8885 Other Student Fees & Charges	3,810	10,000	10,000	
8886 Technology Fee	363,987	-	-	(ac)
8888 Library Charges	-	10,000	10,000	
8893 Prior Year Outlawed Warrants	53,949	28,000	28,000	
8894 Workers Comp. Reimbursements	73,760	28,000	28,000	
8896 Safety Credits	14,388	45,928	22,500	
8897 Parking Meters and Fines	-	20,000	20,000	
8899 Other Local Income	891,354	1,520,132	961,931	(ad)
8800 TOTAL LOCAL REVENUE	\$ 30,230,883	\$ 32,521,271	\$ 28,980,490	
8980 Incoming Transfers	\$ 868,144	\$ 2,316,847	\$ 3,415,197	(ae)
TOTAL REVENUE	\$ 200,570,650	\$ 238,543,061	\$ 252,810,716	
One-time Revenue	\$ -	\$ -	\$ -	(ac)
Total Ongoing Revenue	\$ 200,570,650	\$ 238,543,061	\$ 252,810,716	
TOTAL REVENUE AND BEGINNING BALANCE	\$ 234,517,741	\$ 272,070,983	\$ 289,250,605	

Apportionment Summary:			
Includes General Apportionment, Education Protection Account, Property taxes, and 98% Enrollment Fees	\$ 71,957,863	\$ 84,466,316	\$ 90,488,118

- (a) Federal relief funds were made available to colleges to address impacts of the COVID-19 pandemic. In 2019-20 and 2020-21, the District received \$26,150,178 in HEERF related funding, and \$2,505,624 in Minority Serving Institute funding and received an additional \$1,279,468 in funding in 2021-22. The District deferred \$13.1 million to the 2022/23 fiscal year and has requested an extension to defer \$6.6 million to 2023/24.
- (b) 2023/24 general apportionment budget contains an 8.22% COLA increase. Education Protection Account is a part of total apportionment but is reported in a separate object code.
- (c) Categorical apportionments are budgeted using the most current certification levels from the Chancellor's Office. Additional allocations or reductions will be budgeted when new information is received.
- (d) The 2022/23 budget reflects the Governor's proposed cut to the one-time COVID-19 Recovery block grant.
- (e) Prior year corrections represent adjustments to apportionment revenue due to excess offsetting property tax revenue received or a reduction in the prior year deficit factor.
- (f) Student Equity and Achievement is a student success categorical program that addresses achievement gaps among underrepresented students.

**Butte-Glenn Community College District
Budget - Revenue - General Fund**

**21-22
Actual
Revenue**

**22-23
Unaudited
Revenue**

**23-24
Tentative
Budget**

- (g) Previously called the Cooperating Agencies Foster Youth Educational Support (CAFYES) Program, the NextUp program is included within EOPS. These funds provide service coordination, counseling, tutoring, career guidance, and student support for qualified students.
- (h) Telecommunications and TTIP/Cenic represents technology programs operated for the system through the Chancellor's Office like CCCTran, OpenCCCApply, eTranscriptCA, and other programs. Fluctuating revenue in recent years is a result of the carry-over of unspent funds plus current year allocations.
- (i) The 2022/23 budget reflects the Governor's proposed cut to Deferred Maintenance and Instructional Equipment. The District is not budgeted to receive any new Deferred Maintenance and Instructional Equipment funding for the 2023/24 fiscal year.
- (j) The Educational Protection Account (EPA) was created when voters approved Prop 30 in November 2012. EPA funds are included in the apportionment summary but do not represent additional funds available for the district.
- (k) These balances represent system-wide technology grants managed by the CCC Technology Center. Some initiatives ended in 2022/23 and were replaced by other multi-year, system-wide technology grants.
- (l) The California College Promise Grant is a State funded program providing financial aid to students. The California College Promise Grant offers up to two years of free tuition and fees for first-time, full-time college students.
- (m) The Student Success Completion Grant is a State funded program providing financial aid to full-time Cal Grant B or C students.
- (n) In 2020-21, the Chancellor's Office received Federal CARES passthrough funds to distribute to colleges in the form of a Block Grant to further help mitigate the impacts of the pandemic on colleges. All funds were expended by fiscal year end 2021-22.
- (o) The Student Housing award was single year funding for planning housing development projects on real property owned by community colleges. Butte College worked on a planning and submittal report for potential student housing on the CSU Chico campus.
- (p) The Library Services shared platform offers consortium functionality to collaboratively manage CCC library collections, eliminating duplicate work at each campus, and leveraging local expertise. Ongoing funding for the LSP Program was included in the 2021-22 California Final Budget. Individual college costs for the FY 21-22 LSP Program were reimbursed by the Butte-Glenn Committee College District, as the Fiscal Agent assigned by the California Community Colleges Chancellor's Office (CCCCO)
- (q) The Strong Workforce Program allocates over \$200 million annually to expand career technical education programs so colleges can add new career pathways, increase faculty, strengthen curriculum, and improve regional cooperation among colleges, businesses, and other groups. Butte College serves as the fiscal agent for the Sacramento and Far North Region.
- (r) Property taxes for Butte and Glenn counties have been budgeted based on overall apportionment estimates.
- (s) The District receives approximately \$30 per FTES in ongoing revenue through the Mandated Block Grant program.
- (t) STRS on-behalf revenues and expenses are now required to be reported in the general ledger to comply with Government Accounting Standards Board Statement 68. The state pays a portion of certificated employee pension costs directly to CalSTRS.
- (u) The District received an Innovation award of \$2.5 million and an estimated carryover is budgeted in 2023/24.
- (v) The Learning-Aligned Employment Program (LAEP) offers eligible students at public colleges and universities the opportunity to earn money to help defray their educational costs while gaining education-aligned, career-related employment.
- (w) Contract education relates to Statewide activity as well as the locally operated Training Place. Academies revenue from ISA agreements is also included here.
- (x) These sales represent sales of services provided by the Cosmetology program and covers products used and sold during clients visits.
- (y) Interest rates have not moved materially over the past year. 2023/24 reflects earnings on a consistent level with prior year rates, based on ending balances.
- (z) Enrollment fees for 2023/24 are estimated based on 2022/23 CCFS 320 FTES period 2 attendance report. This revenue will be adjusted as Chancellor's Office apportionment reports are updated.
- (aa) Non-resident student fees reflect both out-of-state and international students. The fee for 2022/23 was \$270 per unit. The fee will increase to \$295 per unit for the 2023/24 academic year.
- (ab) Currently, students are only being assessed transportation fees based on the number of scheduled units for on-campus instruction. These fees range from \$20 for enrollment in 0.1 to 1.0 units, to \$73 for enrollment in 6 or more units per semester.
- (ac) The Technology Fee assists with one-time purchases of technology improvements and computer lab refreshes that benefit students. Due to State funding for technology needs, technology fees are no longer charged to students.
- (ad) Other local income reflects local grants awarded and carried over for 2022/23 and 2023/24. New local grants will be budgeted as they are awarded in 2023/24.
- (ae) Budgeted incoming transfers in 2023/24 reflect \$2,200,000 from the OPEB Trust to help offset retiree medical expenses for the fiscal year. The District is also budgeting general fund transfers of \$1,034,666 to Transportation and \$180,531 to the Student Health Center to cover ongoing student transportation and health fee operations. Incoming transfers in 2022/23 reflect \$767,612 from HEERF for lost revenue, \$1,457,358 from the OPEB Trust to help offset retiree medical expenses for the fiscal yearend a \$91,877 general fund contribution to Health Services.

Butte-Glenn Community College District
Budget - Expenditures - General Fund

	21-22 Actual Expenditures	22-23 Unaudited Expenditures	23-24 Tentative Budget
1100 INSTRUCTION, REGULAR	\$ 16,911,927	\$ 18,034,726	\$ 18,776,141
1200 NON-INSTRUCTION, REGULAR	8,125,140	8,417,139	9,351,567
1300 INSTRUCTION, NON-REGULAR	7,369,362	8,572,855	9,501,549
1400 NON-INSTRUCTION, NON-REGULAR	2,242,010	1,656,207	1,067,236
1000 TOTAL ACADEMIC SALARIES	\$ 34,648,439	\$ 36,680,927	\$ 38,696,493
2100 NON-INSTRUCTIONAL, REGULAR	\$ 24,398,985	\$ 29,373,144	\$ 32,637,145
2200 INSTRUCTIONAL AIDES, REGULAR	1,600,371	1,704,612	1,869,344
2300 NON-INSTRUCTIONAL, NON-REGULAR	1,922,667	2,361,265	1,287,728
2400 INSTRUCTIONAL AIDES, NON-REGULAR	698,461	799,980	534,553
2000 TOTAL CLASSIFIED SALARIES	\$ 28,620,484	\$ 34,239,001	\$ 36,328,770
3100 STATE TEACHERS RETIREMENT SYSTEM	\$ 6,281,025	\$ 7,252,028	\$ 9,275,636
3200 PUBLIC EMPLOYEES RETIREMENT SYSTEM	6,190,506	7,485,692	9,255,217
3300 OLD AGE, SURVIVORS & DIS. INSURANCE	2,761,634	2,861,382	3,259,088
3400 HEALTH, DENTAL AND LIFE INSURANCE	10,908,797	11,210,301	14,617,120
3450 RETIREE BENEFITS NORMAL COST	636,475	-	-
3500 STATE UNEMPLOYMENT INSURANCE	412,930	439,071	259,193
3600 WORKERS COMPENSATION INSURANCE	883,786	995,293	1,144,421
3700 ALTERNATE RETIREMENT PLAN	11,553	7,907	-
3900 INCOME PROTECTION INSURANCE	243,048	269,949	319,162
3000 TOTAL EMPLOYEE BENEFITS	\$ 28,329,754	\$ 30,521,623	\$ 38,129,837
4200 DUPLICATING SUPPLIES	\$ 29,178	\$ 69,432	\$ 63,791
4300 SUPPLIES, INSTRUCTIONAL	921,527	1,164,538	925,027
4500 SUPPLIES, NON-INSTRUCTIONAL	1,377,564	2,553,467	4,159,546
4000 TOTAL SUPPLIES	\$ 2,328,269	\$ 3,787,437	\$ 5,148,364
5100 PERSONAL SERVICES & CONSULTANTS	\$ 52,554,867	\$ 64,273,203	\$ 68,362,419
5200 TRAVEL, CONFERENCE, MILEAGE & BANQUET SERVICES	628,916	1,531,169	1,002,491
5300 DUES & MEMBERSHIPS	479,356	577,263	104,656
5400 INSURANCE	772,623	811,750	955,431
5500 UTILITIES & HOUSEKEEPING SERVICES	920,156	1,225,906	1,367,925
5600 RENTS, REPAIRS & SERVICE CONTRACTS	4,376,005	6,362,563	5,457,944
5700 LEGAL, ELECTION & AUDIT	396,184	494,878	403,300
5800 OTHER SERVICES & EXPENSES	14,383,597	18,345,570	26,536,897
5000 TOTAL OTHER OPERATING EXPENSES	\$ 74,511,704	\$ 93,622,302	\$ 104,191,063
TOTAL 1000-5000	\$ 168,438,650	\$ 198,851,290	\$ 222,494,527
6100 SITE IMPROVEMENTS	\$ 976,919	\$ 1,931,038	\$ 28,120
6200 BUILDINGS	1,918,906	2,193,682	6,672,420
6300 LIBRARY BOOKS	126,256	186,893	213,789
6400 EQUIPMENT & FILMS	2,160,295	4,170,377	736,874
6500 LEASE PURCHASE AGREEMENTS	31,247	42,152	99,375
6600 CAPITALIZED EQUIPMENT	1,145,953	3,301,446	211,975
6000 TOTAL CAPITAL EXPENSES	\$ 6,359,576	\$ 11,825,588	\$ 7,962,553

**Butte-Glenn Community College District
Budget - Expenditures - General Fund**

	21-22 Actual Expenditures	22-23 Unaudited Expenditures	23-24 Tentative Budget
1000 - 6000 TOTAL EXPENDITURES	\$ 174,798,226	\$ 210,676,878	\$ 230,457,080
7100 DEBT RETIREMENT	\$ 883,656	\$ 1,164,945	\$ 923,227
7300 INTERFUND TRANSFERS	17,514,472	14,336,029	2,732,898
7500 STUDENT FINANCIAL AID	4,690,611	7,812,253	6,864,393
7600 OTHER PAYMENTS TO STUDENTS	3,102,854	1,640,989	6,575,690
7000 TOTAL OTHER OUTGO	\$ 26,191,593	\$ 24,954,216	\$ 17,096,208 (f)
TOTAL EXPENDITURES	\$ 200,989,819	\$ 235,631,094	\$ 247,553,288
BUDGETED ONE-TIME EXPENDITURES:			\$ 4,891,321 (g)
TOTAL ONGOING EXPENDITURES	\$ 200,989,819	\$ 235,631,094	\$ 242,661,967
RESERVES:	21-22 Actual	22-23 Unaudited	23-24 Tentative
9710 RESERVE FOR CONTINGENCIES	\$ 10,049,491	\$ 11,781,555	\$ 13,704,920 (h)
9710 RESERVE FOR FACILITIES		-	7,500,000 (i)
9728 RESERVE FOR BUDGET PLANNING	23,478,431	24,658,334	20,492,397 (j)
9000 TOTAL RESERVES	\$ 33,527,922	\$ 36,439,889	\$ 41,697,317
TOTAL EXPECTED ENDING BALANCE	\$ 33,527,922	\$ 36,439,889	\$ 41,697,317
TOTAL EXPENDITURES AND ENDING BALANCE	\$ 234,517,741	\$ 272,070,983	\$ 289,250,605

- (a) The proposed budget includes step, column, and longevity salary increases, and an 8.22% cost of living increase.
- (b) The 2023/24 changes in employee benefits is due to the following: a \$245.4K increase in PERS to reflect the rate change from 25.37% to 26.68%, and an additional \$657.3K tied to District health contribution increases.
- (c) The supply budgets fluctuate based on restricted grant fund budgets and unrestricted augmentations. 2022/23 non-instructional supplies includes cleaning and safety supplies to address increased COVID pandemic related expenses.
- (d) A significant portion of the expenditures in the consultants and other operating expense categories are from the CCC Technology Center, Telecommunication, CTE grants, and one-time expenditures. The 2023/24 budget also includes HEERF funded projects not fully expended in 2022/23.
- (e) Capital expenses include one-time purchases from reserves. Other capital projects are budgeted in the Capital Projects fund. (See note (f) for interfund transfers)
- (f) Interfund transfers in 2022/23 include deferred maintenance and instructional equipment (\$4,226,109), HEERF funding transfers for lost revenue (\$1,943,209) and additional general fund contributions to cover Student Health Center operations (\$91,877), capital equipment and repairs (\$1,074,834), and the transfer of Reserves for Facilities (\$7 million) for the construction and/or purchase of a new facility. Interfund transfers in 2023/24 are budgeted to include equipment replacement (\$105,900), and solar repairs (\$68,229), and general fund contributions for ongoing lost revenues in Transportation (\$1,034,666), Bookstore (\$771,133), Dining Services (\$572,439), and Student Health Center (\$180,531).
- (g) High priority one-time augmentations are identified and subtracted from total expenditures to determine the District's "ongoing" expenditures.
- (h) The contingency reserve for 2023/24 is set at 15% of budgeted unrestricted general fund ongoing expenditures.
- (i) A portion of the District's reserves is designated for planning and construction of future facility needs.
- (j) The balance of District reserves is designated for future budget planning purposes.

**Butte-Glenn Community College District
Budget - Revenue - General Fund**

	23-24 Unrestricted Fund 11 Revenue	23-24 Restricted Fund 12 Revenue	23-24 Tentative Budget
Beginning Balance			\$ 36,439,889
8110 Forest Reserve	\$ -	\$ -	\$ -
8121 College Work Study - Admin	12,560	-	12,560
8122 College Work Study - Wages	-	218,913	218,913
8123 College Work Study - Job Devel.	27,575	-	27,575
8124 College Work Study - Comm. Service	-	16,478	16,478
8136 Foster Care	-	133,829	133,829
8140 Transitional Assistance to Needy Families (TANF)	-	-	-
8151 Supplemental Educational Opportunity Grants (SEOG) - Admin.	13,117	-	13,117
8152 Pell Grant - Admin.	40,000	-	40,000
8160 Veterans' Attendance Allowance	-	28,386	28,386
8163 Development of Hispanic Serving Institutions	-	600,000	600,000
8170 Perkins	-	775,000	775,000
8193 US Dept of Ed TRIO	-	948,438	948,438
8194 Small Business Development	-	279,933	279,933
8197 US Dept Ed / OPE	-	-	-
8198 Higher Education Emergency Relief Fund (HEERF)	-	6,597,253	6,597,253
8199 Other Federal Revenue	-	874,812	874,812
8100 TOTAL FEDERAL REVENUE	\$ 93,252	\$ 10,473,042	\$ 10,566,294
8612 State General Apportionment	\$ 54,825,696	\$ -	\$ 54,825,696
8613 Full Time Faculty Hiring	1,476,958	-	1,476,958
8614 Part-Time Faculty Compensation	223,712	-	223,712
8614 Part-Time Faculty Office Hours	75,000	-	75,000
8615 College Promise Grants (BOG Fee Waivers Admin)	128,800	-	128,800
8618 COVID-19 Discretionary Block Grant	-	-	-
8619 Prior Year Corrections (Apportionment)	-	-	-
8620 Student Equity (and Achievement)	-	8,020,457	8,020,457
8621 Cal Works	-	517,233	517,233
8622 Extended Opportunity Programs and Services (EOPS)	-	2,702,718	2,702,718
8623 Cooperative Agency Resources and Education (CARE)	-	931,763	931,763
8624 Disabled Student Services and Programs (DSPS)	-	1,649,393	1,649,393
8626 Telecommunications	-	14,000,000	14,000,000
8626 TTIP/CENIC	-	7,000,000	7,000,000
8627 Student Financial Aid Admin.	-	675,446	675,446
8629 Scheduled Maintenance and Instructional Equipment	-	-	-
8630 Education Protection Account	15,656,014	-	15,656,014
8630 Undocumented Resources Liaison	-	121,578	121,578
8631 Transitional Assistance to Needy Families (TANF)	-	77,555	77,555
8633 Funds for Student Success - MESA (Math, Engineering, Science Achievement)	-	440,000	440,000
8634 Classified Professional Development	-	59,123	59,123
8635 Equal Employment Opportunity (EEO)	-	152,268	152,268
8636 Foster Care Grant	-	288,793	288,793
8638 Technology Center	-	30,744,171	30,744,171
8640 Veterans Resource Center	-	74,195	74,195
8642 California College Promise	-	948,667	948,667
8643 Student Success Completion	-	4,903,347	4,903,347
8644 Financial Aid Technology	-	61,918	61,918
8645 CARES Act - State Block Grant	-	-	-
8646 Early Action Emergency Financial Aid	-	-	-
8646 Retention & Enrollment Outreach	-	2,290,000	2,290,000
8647 Student Food & Housing	-	-	-
8648 Library Services Platform	-	-	-
8653 Adult Education Block Grant	-	2,577,900	2,577,900
8654 College Homeless Pilot	-	1,145,675	1,145,675
8657 Economic Development	-	2,434,038	2,434,038
8658 Strong Workforce Program	-	44,981,403	44,981,403
8671 Homeowners' Exemptions Taxes	56,866	-	56,866
8672 Timber Yield Tax	64,397	-	64,397

**Butte-Glenn Community College District
Budget - Revenue - General Fund**

	23-24 Unrestricted Fund 11 Revenue	23-24 Restricted Fund 12 Revenue	23-24 Tentative Budget
8681 State Lottery Proceeds	1,692,429	674,895	2,367,324
8683 Mandated Costs	308,660	-	308,660
8690 Guided Pathways	-	459,740	459,740
8692 STRS On Behalf	1,605,759	275,694	1,881,453
8693 Innovative Award	-	410,000	410,000
8699 Learning-Aligned Employment Program (LAEP)	-	2,986,370	2,986,370
8699 Basic Needs Programs	-	524,798	524,798
8699 Native American SSSP	-	600,000	600,000
8699 Mental Health Support	-	217,778	217,778
8699 Other State Income	-	787,528	787,528
8600 TOTAL STATE REVENUE	\$ 76,114,291	\$ 133,734,444	\$ 209,848,735
8811 Secured Taxes	\$ 17,436,029	\$ -	\$ 17,436,029
8812 Supplemental Roll Taxes	288,254	-	288,254
8813 Unsecured Taxes	1,062,491	-	1,062,491
8816 Prior Year Taxes	47,652	-	47,652
8817 Education Revenue Augmentation Fund (ERAF)	(3,236,517)	-	(3,236,517)
8818 Redevelopment - Local & Residual	1,553,556	-	1,553,556
8829 Gifts and Contributions	-	4,000	4,000
8831 Contract Instructional Services	-	49,225	49,225
8839 Contract Education	-	3,506,126	3,506,126
8840 Sales and commissions	47,500	-	47,500
8842 Sale of Equipment and Supplies	-	45,500	45,500
8859 Other Rentals and Leases	13,000	14,140	27,140
8861 Interest	1,200,000	-	1,200,000
8872 Community Service Classes	-	135,162	135,162
8874 Enrollment Fees	2,789,469	-	2,789,469
8876 Health Service Fees	-	440,400	440,400
8877 Material Fees	220,000	-	220,000
8879 Student Records / ID Card	63,859	-	63,859
8880 Non-Resident Student Fees	1,484,048	-	1,484,048
8881 Transportation Fees	-	734,165	734,165
8882 Audit Fees	2,000	-	2,000
8885 Other Student Fees & Charges	10,000	-	10,000
8886 Technology Fee	-	-	-
8888 Library Charges	-	10,000	10,000
8893 Prior Year Outlawed Warrants	28,000	-	28,000
8894 Workers Comp. Reimbursements	28,000	-	28,000
8896 Safety Credits	-	22,500	22,500
8897 Parking Meters and Fines	20,000	-	20,000
8899 Other Local Income	50,000	911,931	961,931
8800 TOTAL LOCAL REVENUE	\$ 23,107,341	\$ 5,873,149	\$ 28,980,490
8980 Incoming Transfers	\$ 2,200,000	\$ 1,215,197	\$ 3,415,197
TOTAL REVENUE	\$ 101,514,884	\$ 151,295,832	\$ 252,810,716
One-time Revenue	\$ -	\$ -	\$ -
Total Ongoing Revenue	\$ 101,514,884	\$ 151,295,832	\$ 252,810,716
TOTAL REVENUE AND BEGINNING BALANCE			\$ 289,250,605

**Butte-Glenn Community College District
Budget - Expenditures - General Fund**

	23-24 Unrestricted Fund 11 Expenditures	23-24 Restricted Fund 12 Expenditures	23-24 Tentative Budget
1100 INSTRUCTION, REGULAR	\$ 17,757,094	\$ 1,019,047	\$ 18,776,141
1200 NON-INSTRUCTION, REGULAR	6,779,253	2,572,314	9,351,567
1300 INSTRUCTION, NON-REGULAR	9,442,737	58,812	9,501,549
1400 NON-INSTRUCTION, NON-REGULAR	851,428	215,808	1,067,236
1000 TOTAL ACADEMIC SALARIES	\$ 34,830,512	\$ 3,865,981	\$ 38,696,493
2100 NON-INSTRUCTIONAL, REGULAR	\$ 17,718,738	\$ 14,918,407	\$ 32,637,145
2200 INSTRUCTIONAL AIDES, REGULAR	1,621,529	247,815	1,869,344
2300 NON-INSTRUCTIONAL, NON-REGULAR	399,065	888,663	1,287,728
2400 INSTRUCTIONAL AIDES, NON-REGULAR	381,868	152,685	534,553
2000 TOTAL CLASSIFIED SALARIES	\$ 20,121,200	\$ 16,207,570	\$ 36,328,770
3100 STATE TEACHERS RETIREMENT SYSTEM	\$ 8,261,542	\$ 1,014,094	\$ 9,275,636
3200 PUBLIC EMPLOYEES RETIREMENT SYSTEM	5,227,504	4,027,713	9,255,217
3300 OLD AGE, SURVIVORS & DIS. INSURANCE	2,017,185	1,241,903	3,259,088
3400 HEALTH, DENTAL AND LIFE INSURANCE	10,468,891	4,148,229	14,617,120
3450 RETIREE BENEFITS NORMAL COST	-	-	-
3500 STATE UNEMPLOYMENT INSURANCE	191,206	67,987	259,193
3600 WORKERS COMPENSATION INSURANCE	845,957	298,464	1,144,421
3900 INCOME PROTECTION INSURANCE	223,850	95,312	319,162
3000 TOTAL EMPLOYEE BENEFITS	\$ 27,236,135	\$ 10,893,702	\$ 38,129,837
4200 DUPLICATING SUPPLIES	\$ 46,521	\$ 17,270	\$ 63,791
4300 SUPPLIES, INSTRUCTIONAL	156,244	768,783	925,027
4500 SUPPLIES, NON-INSTRUCTIONAL	1,035,994	3,123,552	4,159,546
4000 TOTAL SUPPLIES	\$ 1,238,759	\$ 3,909,605	\$ 5,148,364
5100 PERSONAL SERVICES & CONSULTANTS	\$ 1,418,090	\$ 66,944,329	\$ 68,362,419
5200 TRAVEL, CONFERENCE, MILEAGE & BANQUET SERVICES	710,327	292,164	1,002,491
5300 DUES & MEMBERSHIPS	101,611	3,045	104,656
5400 INSURANCE	932,763	22,668	955,431
5500 UTILITIES & HOUSEKEEPING SERVICES	1,365,020	2,905	1,367,925
5600 RENTS, REPAIRS & SERVICE CONTRACTS	2,665,089	2,792,855	5,457,944
5700 LEGAL, ELECTION & AUDIT	403,300	-	403,300
5800 OTHER SERVICES & EXPENSES	126,120	26,410,777	26,536,897
5000 TOTAL OTHER OPERATING EXPENSES	\$ 7,722,320	\$ 96,468,743	\$ 104,191,063
TOTAL 1000-5000	\$ 91,148,926	\$ 131,345,601	\$ 222,494,527

**Butte-Glenn Community College District
Budget - Expenditures - General Fund**

	23-24 Unrestricted Fund 11 Expenditures	23-24 Restricted Fund 12 Expenditures	23-24 Tentative Budget
6100 SITE IMPROVEMENTS	\$ 28,120	\$ -	\$ 28,120
6200 BUILDINGS	175,167	6,497,253	6,672,420
6300 LIBRARY BOOKS	203,789	10,000	213,789
6400 EQUIPMENT & FILMS	662,682	74,192	736,874
6500 LEASE PURCHASE AGREEMENTS	99,375	-	99,375
6600 CAPITALIZED EQUIPMENT	200,000	11,975	211,975
6000 TOTAL CAPITAL EXPENSES	\$ 1,369,133	\$ 6,593,420	\$ 7,962,553
1000 - 6000 TOTAL EXPENDITURES	\$ 92,518,059	\$ 137,939,021	\$ 230,457,080
7100 DEBT RETIREMENT	\$ 923,227	\$ -	\$ 923,227
7300 INTERFUND TRANSFERS	2,732,898	-	2,732,898
7500 STUDENT FINANCIAL AID	-	6,864,393	6,864,393
7600 OTHER PAYMENTS TO STUDENTS	83,272	6,492,418	6,575,690
7000 TOTAL OTHER OUTGO	\$ 3,739,397	\$ 13,356,811	\$ 17,096,208
TOTAL EXPENDITURES	\$ 96,257,456	\$ 151,295,832	\$ 247,553,288
BUDGETED ONE-TIME EXPENDITURES:	\$ 4,891,321	\$ -	\$ 4,891,321
TOTAL ONGOING EXPENDITURES	\$ 91,366,135	\$ 151,295,832	\$ 242,661,967
RESERVES:			
9710 RESERVE FOR CONTINGENCIES			\$ 13,704,920
9710 RESERVE FOR FACILITIES			7,500,000
9728 RESERVE FOR BUDGET PLANNING			20,492,397
9000 TOTAL RESERVES			\$ 41,697,317
TOTAL EXPECTED ENDING BALANCE			\$ 41,697,317
TOTAL EXPENDITURES AND ENDING BALANCE			\$ 289,250,605

SPECIAL PURPOSE ACCOUNTS

Special Purpose Accounts are used to account for activity designated for a special purpose. In some cases, the purpose may be to account for revenue and expenditures for a fee-based program such as transportation and health services.

The District has the following special purpose accounts:

Transportation

Health Services

TRANSPORTATION

In 1993, a state law was passed that provided Butte College with the financial means to provide bus transportation to its students in surrounding areas. The law stated that the transportation fee could be charged to all enrolled students upon a favorable vote by the majority of students. In September 2010, SB 82 was signed into law to increase the transportation fee to \$70 per semester and to allow annual increases based on certain criteria. The maximum allowable transportation fee that may be charged in 2023-24 is \$96 per semester. Per Education Code section 76361.1, the governing board maintaining transportation services may adopt rules and regulations governing the exemption of low-income students from the required fees, or to require low-income students to pay all or part of this fee. The District has set the transportation fee at \$73 per semester for all full-time students, \$55 per semester for part-time students enrolled in more than one unit and less than six units, and \$20 per semester for students enrolled in up to one unit. The fee for summer is \$37 regardless of unit load. In response to Covid-19, fees are currently waived for students registered for full-remote instruction during the 2022/2023 and 2023/2024 academic years.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ -	\$ -
Revenue:		
Transportation Fees	\$ 730,511	\$ 734,165
HEERF Interfund Transfer In	753,698	- *
General Fund Interfund Transfer In	-	1,034,666 **
Total Revenue:	\$ 1,484,209	\$ 1,768,831
Expenditures:		
2000 Classified Salaries	\$ 726,607	\$ 811,720
3000 Staff Benefits	431,878	522,110
4000 Supplies	258,105	346,921
5000 Other Operating Expenses	46,956	66,955
6000 Capital Outlay	20,663	21,125
Total Expenditures:	\$ 1,484,209	\$ 1,768,831
Available Balance	\$ -	\$ -

* In 2022/23, the District used HEERF funding to balance operational expenditures.

** General fund contributions will be used in 2023-24 to augment operational costs in excess of Transportation revenues.

HEALTH SERVICES

Health service is provided for all students of the District. Health fees were set by the Board at \$23 for full or part-time students for the fall 2022 and spring 2023 semesters, and \$18 for full or part-time students during the summer 2023 session. For the 2023/2024 academic calendar, rates have been set at \$26 for full or part time students in the fall 2023 and spring 2024 semesters, and \$22 for full or part-time students during the summer 2024 session.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ -	\$ -
Revenue:		
Sale of Nurses Supplies	\$ 34,329	\$ 42,500
Student Fees	389,585	440,400
HEERF Interfund Transfer In	13,914	- *
General Fund Interfund Transfer In	91,877	180,531 **
Total Revenue:	\$ 529,705	\$ 663,431
Expenditures:		
1000 Academic Salaries	\$ 639	\$ -
2000 Classified Salaries	333,262	393,946
3000 Staff Benefits	166,224	220,231
4000 Supplies	14,865	25,407
5000 Other Operating Expenses	14,715	23,847
6000 Capital Outlay	-	-
Total Expenditures:	\$ 529,705	\$ 663,431
Available Balance	\$ -	\$ -

* Due to enrollment declines tied to Covid-19, Higher Education Emergency Relief Funds (HEERF) were transferred to the health services account to offset rising costs and declining health fee revenue in 2022/2023.

** General fund contributions will be used in 2023/2024 to augment operational costs in excess of health services revenues.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources whose expenditures are legally restricted. Special Revenue Funds encompass activities not directly related to the educational program of the college, but that provide a service to students (such as the Child Development Center). Such activities may provide non-classroom or laboratory experience for students and incidentally create goods or services that may be sold. In the process of creating the incidental goods or services, expenditures are incurred in addition to those necessary solely for the educational benefits of students. These expenditures are charged against revenue received as a direct result of the operations. Other instructional expenses are accounted for as part of the General Fund. The Child Development Center Fund is a special revenue fund. The District has taken steps to make the center more self-supporting in both the General Fund and the Child Development Center Fund.

CHILD DEVELOPMENT CENTER FUND

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 343,249	\$ 343,249
Revenue:		
Federal Revenue	\$ 11,176	\$ -
State Revenue	267,625	267,000
Fees	71,320	78,950
Interest	4,345	4,450
HEERF Interfund Transfer In	72,369	- **
Total Income:	\$ 426,835	\$ 350,400
Expenditures:		
2000 Classified Salaries	\$ 229,180	\$ 314,444 *
3000 Staff Benefits	162,853	225,704
4000 Supplies	23,170	12,688
5000 Other Operating Expenses	10,989	6,136
6000 Capital Outlay	643	-
Total Expenditures:	\$ 426,835	\$ 558,972
Ending Balance	\$ 343,249	\$ 134,677

* In the General Fund, the district also subsidizes \$585,849 in salaries and benefits of six (6) classified employees for the Child Development Center. These employees provide practicum instructional assistance. While they are part of the cost of running the center, they are currently covered by the District's general fund as a part of instruction.

** The District budgeted HEERF funding to cover revenue losses in 2022/2023.

FIDUCIARY FUNDS

Fiduciary or "trust" funds are used to account for assets held on behalf of another party in which the district has some discretionary authority for decision making or responsibility for approving expenditures.

Trust funds are appropriate when one or more of the following conditions is present:

- a) There is an agreement granting the district discretionary authority.
- b) There are contractual or regulatory conditions restricting the use of the funds or requiring the district to exercise a management role or report the results of operations in its financial statements.
- c) There is a compelling reason to measure operations (revenues, expenses, and fund balance) and report the results in the district's financial statements. Examples of compelling reasons may include the materiality of the revenues and expenses, or the usefulness of the information to the readers of the financial statements.

The District has five fiduciary funds:

Associated Students Fund

Student Representation Fee Fund

Student Aid (Scholarships and Loans) Fund and EOPS Loan Fund

Government Aid to Students Fund

Student Clubs Agency Fund

ASSOCIATED STUDENTS FUND

The Associated Students is an elected body of students seeking self-governance and unified representation. They oversee activities that stimulate the intellectual and social life of the student population as a whole. Revenue for the Associated Students comes from the optional student activity fee that is charged to the majority of students on campus. The optional student activity fee is currently \$18 per semester.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 651,503	\$ 695,797
Revenue:		
8861 Interest	\$ 10,885	\$ 11,000
8879 Student Fees	263,933	275,000
Total Revenue:	\$ 274,818	\$ 286,000
Expenditures:		
1000 Academic Salaries	\$ 1,000	\$ 9,750
2000 Classified Salaries	65,302	103,384
3000 Benefits	35,754	52,619
4000 Supplies	14,751	35,000
5000 Other Operating Expenses	112,867	45,000
6000 Capital Outlay	-	-
7000 Payments To/For Students	850	15,000
Total Expenditures:	\$ 230,524	\$ 260,753
Ending Balance	\$ 695,797	\$ 721,044

The 2022/23 actual expenses reflect savings due to vacancies in ASB support positions.

STUDENT REPRESENTATION FEE TRUST FUND

The Student Representation Fee Trust Fund is used to account for fees collected pursuant to EC §76060.5 if approved by a majority of the students voting in the election. The fee is \$2 (two) and is to be expended to provide for the support of governmental affairs representatives who may be stating their positions and viewpoints before city, county, and district governments and before offices and agencies of the State government. The district may charge a fee to recover its actual cost of administering these fees up to, but not more than, seven percent of the fees collected and deposited.

One dollar (\$1) of every two-dollar (\$2) fee collected shall be expended to establish and support the operations of a statewide community college student organization, recognized by the Board of Governors of the California Community Colleges, with effective student representation and participation in state-level community college shared governance and with governmental affairs representatives to advocate before the Legislature and other state and local governmental entities.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 81,884	\$ 69,428
Revenue:		
8861 Interest	\$ 1,455	\$ 1,550
8884 Student Representation Fee	36,914	37,500
Total Revenue:	\$ 38,369	\$ 39,050
Expenditures:		
2000 Classified Salaries	\$ -	\$ -
3000 Staff Benefits	-	-
4000 Supplies	62.00	1,250.00
5000 Other Operating Expenses	32,306	19,050
5000 Payments To Board of Governors	18,457	18,750
7000 Payments To/For Students	-	-
Total Expenditures:	\$ 50,825	\$ 39,050
Ending Balance	\$ 69,428	\$ 69,428

STUDENT AID AND EOPS LOAN FUNDS

The Student Aid Fund is comprised of twenty-three separate loan funds established over the years by community organizations and college staff. The intent of these funds is to provide short-term, emergency loans to students. The EOPS Loan Fund provides short-term, emergency loans to EOPS students.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 111,075	\$ 112,013
Revenue:		
Contributions and Loan Payments	\$ 1,525	\$ 49,000
Interest	938	975
Total Revenue:	\$ 2,463	\$ 49,975
Expenditures:		
Loans	\$ 1,525	\$ 49,975
Total Expenditures:	\$ 1,525	\$ 49,975
Ending Balance	\$ 112,013	\$ 112,013

GOVERNMENT AID TO STUDENTS FUND

Government funded financial aid grant payments are issued to students through the Government Aid Fund. The PELL program is federally funded and offers a maximum dollar amount of \$7,395 per student per school year beginning July 1, 2023. The SEOG (Supplemental Educational Opportunity Grant) program awards up to \$720 per student, and eligibility is determined by the District based on federal guidelines. CAL Grant and the Full-Time Incentive Grant programs are state-funded and the BIA (Bureau of Indian Affairs) program is federally funded. Students apply through their tribal affiliates for BIA grants. AmeriCorps funds support students who have previously worked in approved community service sites to "earn" AmeriCorps service credits.

Financial aid programs that are reported directly through the General Fund include: EOPS, CARE, CalWORKs, Federal Work Study, and California College Promise Grant. The District receives an administrative allowance for administering PELL, Federal Work Study, SEOG, and the California College Promise Grant fee waiver programs.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ -	\$ -
Revenue:		
PELL Grants	\$ 14,097,872	\$ 14,309,340
Direct Loans	2,118,099	2,149,870
CAL Grants	2,533,735	2,571,741
Higher Education Emergency Relief Fund (HEERF)	107,615	- *
CA College Promise	796,156	808,098
EOPS Book Vouchers	292,627	297,016
SEOG Grants	301,644	306,169
Chafee Grants	298,150	302,622
AmeriCorps Grants	46,101	46,793
BIA Grants	61,214	62,132
Other	469,257	476,296
Total Revenue:	\$ 21,122,470	\$ 21,330,079
Expenditures:		
PELL Grants	\$ 14,097,872	\$ 14,309,340
Direct Loans	2,118,099	2,149,870
CAL Grants	2,533,735	2,571,741
Higher Education Emergency Relief Fund (HEERF)	107,615	- *
CA College Promise	796,156	808,098
EOPS Book Vouchers	292,627	297,016
SEOG Grants	301,644	306,169
Chafee Grants	298,150	302,622
AmeriCorps Grants	46,101	46,793
BIA Grants	61,214	62,132
Other	469,257	476,296
Total Expenditures:	\$ 21,122,470	\$ 21,330,079
Ending Balance	\$ -	\$ -

*The College was awarded \$19,686,004 million in Federal Higher Education Emergency Relief Funds (HEERF) for direct student aid. The funds were fully expended in 2021/2022, with the exception of a small number of stale dated unclaimed awards, which were re-issued in 2022/2023.

STUDENT CLUBS AGENCY FUND

This fund is used to account for activities of student clubs formed under EC §76062. Revenue collected from student club activities are to be deposited in a bank or banks, subject to the approval of the governing board. Revenue is generated through fundraising activities such as plant, book, or bake sales; barbeques; and vendor fees from events.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 71,887	\$ 77,829
Revenue:		
8861 Interest	\$ 894	\$ 925
8899 Other Local Income	11,261	15,000
Total Revenue:	\$ 12,155	\$ 15,925
Expenditures:		
4000 Supplies	\$ -	\$ -
5000 Other Operating Expenses	6,213	13,425
6000 Capital Outlay	-	1,500
7000 Other Outgo	-	1,000
Total Expenditures:	\$ 6,213	\$ 15,925
Ending Balance	\$ 77,829	\$ 77,829

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for major facility projects and equipment acquisitions. Project expenditures in 2022/2023 and 2023/2024 include facilities remodeling, equipment replacement, energy efficiency, and scheduled maintenance projects.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 14,296,799	\$ 23,035,025
Revenue:		
8861 Interest	\$ 234,576	\$ 280,000
8699 Other State Income	-	-
8899 Other Local Income	-	88,910
8980 Interfund Transfer In	12,256,563 *	6,893,476 **
Total Revenue:	\$ 12,491,139	\$ 7,262,386
Expenditures:		
4000 Supplies	\$ 40,225	\$ 21,000
5000 Other Operating Expenses	50,044	2,500
6000 Capital Outlay	3,662,644	8,315,825
Total Expenditures:	\$ 3,752,913	\$ 8,339,325
Ending Balance	\$ 23,035,025	\$ 21,958,086

*Transfer In for 2022/2023 includes \$315,000 for counselor offices remodel, \$174,241 for engineering program remodel, \$105,900 for equipment replacement, \$68,229 for solar panel/equipment replacement, \$3,626,109 for the planetarium/science infrastructure/scheduled maintenance projects, \$600,000 for instructional equipment for the Science building, \$250,000 for softball field improvements, and \$117,084 for various smaller facilities improvement projects. Due to revised estimates of available Proposition 98 resources, the College expects a decrease of approximately \$5.53 million in one-time deferred maintenance funding. The \$7,000,000 designated as Reserves for Facilities in 2022/2023 is proposed for transfer to the Capital Projects Fund.

**Transfer In for 2023/2024 includes \$105,900 for equipment replacement, \$68,229 for future solar panel/equipment replacement, \$1,019,347 from the Retiree Benefits Fund, and \$5.7M from the Redevelopment Fund for future facilities.

MEASURE J (SERIES A) BOND CONSTRUCTION FUND

A general obligation bond measure (Measure J) was approved by 66% of the Butte-Glenn Community College District voters on November 8, 2016. The measure authorizes the issuance of \$190,000,000 in bonds to fund classroom upgrades and safety and infrastructure improvements.

The District plans to issue the bonds in 5 series in order to properly fund the approved projects. The first series of the bonds (Series A) totaling \$42,000,000 was sold in April, 2017. These bonds will be repaid with semi-annual payments with the final payment made in August, 2046.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 471	\$ -
Revenue:		
8861 Interest	\$ -	\$ -
Total Revenue:	\$ -	\$ -
Expenditures:		
4000 Supplies	\$ -	\$ -
5000 Other Operating Expenses	-	-
6000 Capital Outlay	471	- *
Total Expenditures:	\$ 471	\$ -
Ending Balance	\$ -	\$ -

* Series A focused on construction of a new welding and manufacturing facility to support increased enrollment, a remodel of the Skyway Center to increase square footage for the Automotive Program, replacement of the press box and field house at the John Cowen Sports Complex, removal of the upper tennis courts, construction/renovation of the athletics parking lot and service road, and infrastructure improvement projects. All Series A funds were expended by summer, 2022.

MEASURE J (SERIES B) BOND CONSTRUCTION FUND

A general obligation bond measure (Measure J) was approved by 66% of the Butte-Glenn Community College District voters on November 8, 2016. The measure authorizes the issuance of \$190,000,000 in bonds to fund classroom upgrades and safety and infrastructure improvements.

The District plans to issue the bonds in 5 series in order to properly fund the approved projects. This second series of the bonds (Series B) totaling \$49,500,000 was sold in July, 2019. These bonds will be repaid with semi-annual payments with the final payment made in August, 2048.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 33,724,869	\$ 25,911,636
Revenue:		
8861 Interest	\$ 507,185	\$ 252,000
8941 Sale of Bonds	7,132	-
Total Revenue:	\$ 514,317	\$ 252,000
Expenditures:		
4000 Supplies	\$ 18,221	\$ -
5000 Other Operating Expenses	77,498	-
6000 Capital Outlay	\$ 8,231,831	\$ 26,163,636 *
Total Expenditures:	\$ 8,327,550	\$ 26,163,636
Ending Balance	\$ 25,911,636	\$ -

* Series B focuses on construction of a new science building to support increased enrollment, a remodel of the Technology Building and Scenario Village to improve performance of the facilities for current instructional needs, and completion of the replacement of the press box and field house at the John Cowen Sports Complex, which began in 2017 with Series A funds. The budget is built in anticipation of rapid progress on these projects, with all funds expected to be expended by June 30, 2024.

MEASURE J (SERIES C) BOND CONSTRUCTION FUND

A general obligation bond measure (Measure J) was approved by 66% of the Butte-Glenn Community College District voters on November 8, 2016. The measure authorizes the issuance of \$190,000,000 in bonds to fund classroom upgrades and safety and infrastructure improvements.

The District plans to issue the bonds in 5 series in order to properly fund the approved projects. This third series of the bonds (Series C) totaling \$50,000,000 was sold in June, 2022. These bonds will be repaid with semi-annual payments with the final payment made in August, 2047.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 49,658,906	\$ 50,584,904
Revenue:		
8861 Interest	\$ 909,417	\$ 875,000
8941 Sale of Bonds	16,581	-
Total Revenue:	\$ 925,998	\$ 875,000
Expenditures:		
4000 Supplies	\$ -	\$ -
5000 Other Operating Expenses	-	-
6000 Capital Outlay	\$ -	\$ 51,459,904 *
Total Expenditures:	\$ -	\$ 51,459,904
Ending Balance	\$ 50,584,904	\$ -

* Series C focuses on construction of a new science building to support increased enrollment levels, a remodel of the Physical Science Building to improve performance of the facilities for current instructional needs, information system upgrades focusing on Chico Center smart classroom upgrades and document imaging system upgrades, and facilities infrastructure upgrades. The budget is built in anticipation of rapid progress on these projects, but it is not expected that all projects will be completed prior to June 30, 2024.

MEASURE A and J DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of property tax and interest revenue for the payment of outstanding bonds. The Butte County Auditor and Treasurer deposit property taxes from Butte and Glenn counties into this fund and make the principle and interest payments on the Measure A general obligation bonds approved by voters in 2002, as well as the 2016 Measure J general obligation bonds. The District has no access to this fund as it is controlled by the county. The ending balance is the amount available to the county to make current and future payments on the bonds.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 28,085,268	\$ 29,440,220
Revenue:		
Bond Proceeds	\$ 3,027,857	\$ -
Property Tax Revenue	10,766,224	16,644,274
Interest Income	386,866	390,000
Total Revenue:	\$ 14,180,947	\$ 17,034,274
Expenditures:		
Measure A:		
Principle and Interest Payments, Refunded Series A	2,179,813	2,179,600
Principle and Interest Payments, Refunded Series B	2,964,750	3,155,625
Principle and Interest Payments, Refunded Series C	779,050	779,050
Measure J:		
Principle and Interest Payments, Series A	1,578,225	1,578,225
Principle and Interest Payments, Series B	4,028,719	1,804,219
Principle and Interest Payments, Series C	1,295,438	4,130,700
Total Expenditures:	\$ 12,825,995	\$ 13,627,419
Ending Balance	\$ 29,440,220	\$ 32,847,075 *

* Butte County collects property taxes to make payments on Measure A bonds, currently set at \$14.98/\$100,000 of assessed valuation through April, 2022. The County also assessed \$18.14/\$100,000 for Measure J bonds through April, 2022. The excess funds collected will be utilized as debt service payments increase in future years. In 2022/23, assessment rates for both bond measures were adjusted to \$14.88 and \$20.65, respectively, due to changes in the maturity schedules.

OTHER SPECIAL REVENUE FUNDS

These funds are used to account for all other specific revenue sources that are legally restricted to expenditures for specified purposes that are not an integral part of the District's instructional or administrative and support operation.

REDEVELOPMENT FUNDS

The Redevelopment Fund is a Special Revenue Fund. Funds are received from the cities of Chico, Gridley, Oroville, and Paradise as pass-through tax revenue.

In 2011, ABx1 26 dissolved Redevelopment Agencies (RDAs) and created oversight boards to wind down the operations. The dissolution of the RDAs is intended to create "excess revenues" after payment of pass-throughs, recognized obligations, and certain administrative costs. Butte College will continue to receive pass-through tax revenue as it has in the past until all recognized obligations are paid in full. Excess revenues will be reported as local property taxes in the General Fund as an apportionment offset and benefit to the state.

Pass-through tax payments are expected to decrease as our share of the Greater Chico RDA net tax increment revenues will go from 61% to an estimated 50%.

Pass-through payments of Redevelopment Agency Funds are available for capital outlay projects.

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 2,434,827	\$ 4,101,115
Revenue:		
Pass-through Tax Revenue	\$ 1,617,348	\$ 1,585,000
Interest Income	48,940	51,000
Total Revenue:	\$ 1,666,288	\$ 1,636,000
Expenditures:		
Operating Expenses	\$ -	\$ -
Transfer Out	-	5,700,000 *
Total Expenditures:	\$ -	\$ 5,700,000
Ending Balance	\$ 4,101,115	\$ 37,115

*RDA funds are proposed to be transferred to the Capital Projects fund in 2023/24 for the construction of a future instructional facility.

INTERNAL SERVICES FUND

The California Community Colleges Budget and Accounting Manual defines the primary purpose of fund accounting to be the segregation of financial information as it relates to specific activities or objectives. In public agency accounting, separate funds and accounts are required to maintain records of separately designated assets, liabilities, and balances. Internal Service funds have been established to account for retiree benefits and self insurance assets, liabilities and balances. A benefit in establishing separate funds for future liabilities is that interest will accrue to these funds and be used for those specific purposes.

RETIREE BENEFITS FUND

Every two years the District conducts an actuarial study. This study provides information to enable the District to manage the costs and liabilities associated with its retiree health benefits. Governmental Accounting Standards Board Statement Nos. 74/75 (GASB 74- Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and GASB 75-*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*) requires that the District account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB . “Pre-funding” retiree health benefits refers to the practice of setting aside funds specifically for retiree health benefits while employees are still actively employed. By pre-funding retiree health benefits, there will be enough funds available at retirement, with interest, that will be sufficient to pay all promised retiree health benefits without the need for any additional post-retirement District contributions. In 1995, the District created the Retiree Benefits Fund in the County Treasury and began setting aside funds to accumulate designated reserves to pre-fund retiree health benefits.

In 2010, the District established an Irrevocable Retiree Benefits Trust fund with CalPERS and began moving funds from the Retiree benefits fund to the Trust. (See Irrevocable OPEB Trust)

	<u>2022/2023</u> <u>Unaudited</u>	<u>2023/2024</u> <u>Budgeted</u>
Beginning Balance	\$ 1,004,097	\$ 1,019,347
Revenue:		
Interest Income	15,250	-
Transfers In	-	-
Total Revenue:	\$ 15,250	\$ -
Expenditures:		
Payment to CalPERS Trust	\$ -	\$ -
Transfers Out	\$ -	\$ 1,019,347 *
Ending Balance	\$ 1,019,347	\$ -

*In 2023-24, the remaining fund balance of \$1.019 million is proposed to be transferred to the capital projects fund for future facilities projects.

SELF INSURANCE FUND

The Self-Insurance Fund represents insurance premium rebates or equity distributions from Property and Liability, Workers' Compensation, and Student Accident insurance Joint Powers Authorities (JPAs). These funds are designated to be used for any future uninsured liability expenses, until such time the funds are designated by the Board for some other purpose.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 1,112,904	\$ 1,119,124
Revenue:		
Insurance Reimbursements	\$ 33,805	\$ 46,750
Interest Income	13,181	13,250
Interfund Transfer In	52,000	- *
Total Revenue:	\$ 98,986	\$ 60,000
Expenditures:		
Classified Salaries	\$ -	\$ -
Benefits	-	-
Supplies and Materials	303	1,000
Other Operating Expenses	60,213	29,000
Capital Outlay	3,116	30,000
Transfers Out	29,134	-
Total Expenditures:	\$ 92,766	\$ 60,000
Ending Balance	\$ 1,119,124	\$ 1,119,124

*In 2022/23, \$52,000 was transferred in from the General Fund due to the AB 218 revised liability assessment.

IRREVOCABLE OTHER POST EMPLOYMENT BENEFIT (OPEB) TRUST

In 2010, the District established an irrevocable retiree benefits trust fund with CalPERS and began moving funds accumulated in the Retiree Benefit Fund to this Trust. The District also made regular service cost payments to the Trust for active employees until March 2022. Earnings from the CalPERS Trust Fund are transferred to the general fund to cover the cost of retiree medical premiums.

The most recent roll-forward actuarial valuation report issued February 28, 2023, reporting on the year ended June 30, 2022, shows the total OPEB liability to be \$26,429,912. A new actuarial report will be completed in Fall 2023 for the period ended June 30, 2023. Although retirement benefit costs are expected to keep increasing, this Trust is considered fully funded.

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 35,264,760	\$ 34,509,313
Revenue:		
Investment Income	724,278	1,207,826
Service Cost Pre-funding	-	- *
Total Revenue:	\$ 724,278	\$ 1,207,826
Expenditures:		
Admin & Investment Fees	\$ 22,367	\$ 35,000
Transfers Out	\$ 1,457,358	\$ 2,200,000
Ending Balance	\$ 34,509,313	\$ 33,482,139

* No service cost transfers were made in 2022/23 as the District took a pre-funding holiday. No service cost transfers are budgeted for 2023/24.

ENTERPRISE FUNDS

Enterprise funds are maintained to account for revenues and expenditures of fully or partially self-supporting (revenue-producing) service activities. These activities, which are commercial in nature, are carried on to provide essential services to students, faculty, and staff. The District has two enterprise funds, one for the Bookstore and one for Dining Services.

Both the Bookstore and Dining Services serve the entire campus population. In addition to the main campus store, the Bookstore operates a small satellite store at the Chico Center. Dining Services operates the main campus dining facility and the Wired Cafe. There are plans to open satellite operations in the gymnasium to provide better service to the west side of the campus. Additionally, Dining Services offers catering to the entire campus community.

Bookstore Fund

Dining Services Fund

BUTTE COLLEGE BOOKSTORE FUND

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance and Reserves	\$ -	\$ -
Revenue:		
8845 Sales	\$ 182,418	\$ 182,725
8846 Commissions	61,344	75,000 *
8861 Interest Income	-	2,250
8898 Service Charge	507	500
8980 Interfund Transfer In	577,148	771,133 **
Total Revenue:	\$ 821,417	\$ 1,031,608
Cost of Sales	\$ 75,626	\$ 80,030
Gross Profit or (Loss)	\$ 745,791	\$ 951,578
Expenditures:		
2000 Classified Salaries	\$ 464,381	\$ 550,568
3000 Staff Benefits	246,638	348,390
4000 Supplies	2,290	13,995
5000 Other Operating Expenses	32,482	38,625
6000 Capital Outlay	-	-
Total Expenditures:	\$ 745,791	\$ 951,578
Net Profit/(Loss)	\$ -	\$ -
Ending Balance	\$ -	\$ -

* Due to declining Bookstore revenue and rising costs, the District entered into a contract with MBS Direct to provide online book services to students. The bookstore will remain an auxiliary function of the District and will earn commissions based upon MBS book sales and rentals to Butte College students.

** Enrollment decline due to the Covid 19 pandemic reduced Bookstore operations in 2022/2023. The District used HEERF funds to cover revenue lost by regular operations. In 2023/2024, the District will continue to cover lost revenue using general funds as adjustments are made to address the new campus environment.

BUTTE COLLEGE DINING SERVICES FUND

	2022/2023 Unaudited	2023/2024 Budgeted
Beginning Balance and Reserves	\$ -	\$ -
Revenue:		
8844 Sales	\$ 939,465	\$ 939,480
8846 Commissions	23,579	25,850
8861 Interest Income	-	925
8980 Interfund Transfer In	21,514	572,439 *
8980 HEERF Transfer In	526,080	**
Total Revenue:	\$ 1,510,638	\$ 1,538,694
Cost of Sales	\$ 666,884	\$ 676,615
Gross Profit or (Loss)	\$ 843,754	\$ 862,079
Expenditures:		
2000 Classified Salaries	\$ 489,628	\$ 467,245
3000 Staff Benefits	232,742	283,695
4000 Supplies	7,507	15,750
5000 Other Operating Expenses	99,939	83,389
6000 Capital Outlay	13,938	12,000
Total Expenditures:	\$ 843,754	\$ 862,079
Net Profit/(Loss)	\$ -	\$ -
Ending Balance	\$ -	\$ -

*Enrollment decline due to the Covid 19 pandemic limited Dining Services operations in 2022/2023. The District used HEERF funds to cover revenue lost by regular operations.

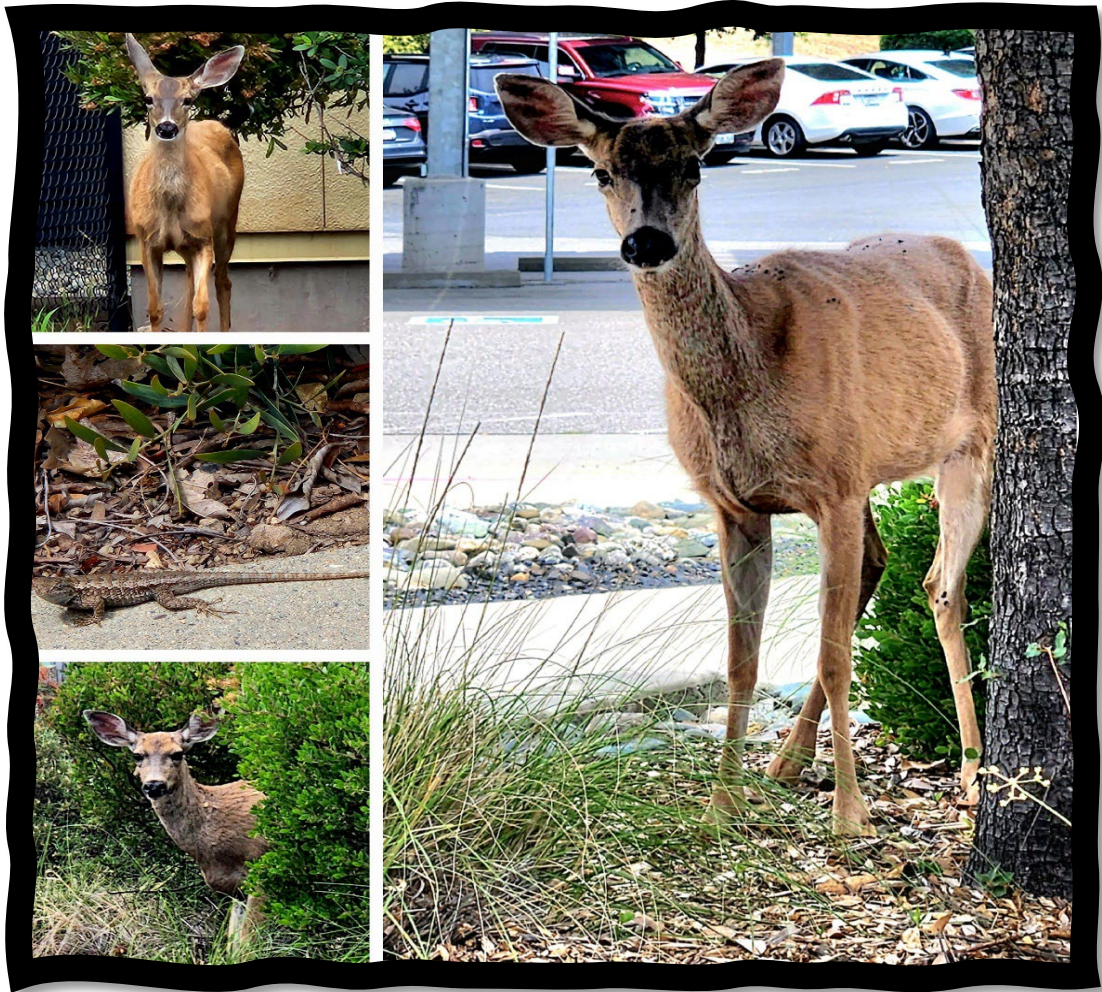
**in 2023/24, the District will continue to cover lost revenue using general funds as adjustments are made to the new campus environment.

PROPRIETARY FUNDS

Proprietary funds account for those ongoing governmental activities that have an income-producing character, similar to that found in the private sector. The Farm Fund is a proprietary fund that includes activities related to farming, equipment, ornamental horticulture, fire suppression, ag mechanics, manufacturing technology, and viticulture.

FARM FUND

	2022/2023 <u>Unaudited</u>	2023/2024 <u>Budgeted</u>
Beginning Balance	\$ 44,355	\$ 44,400
Revenue:		
Sales	\$ 17,012	\$ 20,786
Interest	461	625
Total Revenue:	\$ 17,473	\$ 21,411
Expenditures:		
Classified Salaries	\$ 9,060	\$ 12,819
Staff Benefits	132	195
Supplies	5,948	7,307
Other Operating Expenses	2,288	1,090
Capital Outlay	-	-
Total Expenditures:	\$ 17,428	\$ 21,411
Ending Balance	\$ 44,400	\$ 44,400



Wildlife Encounters on Campus