



CERRITOS COLLEGE

2024-25 Tentative Budget
Board of Trustees Meeting



Agenda

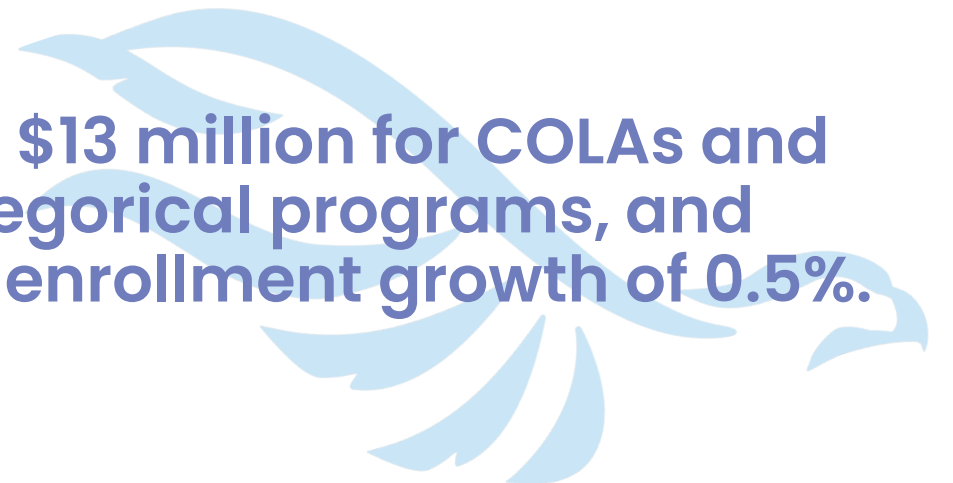
- **May Revision**
- **Tentative Budget**
- **Questions**





May Revision

- May revision was released May 10, 2024
- Revised proposals for ongoing spending include about \$100 million for a 1.07% cost-of-living adjustment (COLA) for community college apportionments, \$31 million more than the Governor's original proposed COLA of 0.76% in the January budget proposal.
- Also includes an additional \$13 million for COLAs and adjustments to certain categorical programs, and \$28 million for systemwide enrollment growth of 0.5%.





May Revision

- \$60 million for expansion of nursing program capacity
- Starting in 2025–26, districts will be funded at their SCFF generated amount that year or their "floor" (2024–25 funding amount), whichever is higher.
 - SCFF funding "floor" is based on 2024–25 funded amount.
 - This revised hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time.





May Revision

- The May Revision continues the plan for a statewide lease revenue bond program as an alternative to local lease revenue bonds that was outlined in the Governor's Budget.





AB 107 (Budget Act of 2024)

- The legislative version of the State Budget, AB 107 was approved by both houses Thursday June 13, 2024.
- Governor has until June 27 to sign or veto.





SB 154 (Prop 98)

- Suspends the Proposition 98 guarantee in the current 2023–24 Budget Year, pursuant to the constitution, to \$98.5 billion, creating an estimated \$8.314 billion in maintenance factor.
- In effect, schools and community colleges will get a higher percentage of future revenue growth than normal until the maintenance factor is paid and built back into the Proposition 98 base.
- Provides a total of \$115.267 billion for Proposition 98 funding for 2024–25, which meets the Test One guarantee level, for state preschool, TK–12 public education, and community colleges.
- Reduces the projected Proposition 98 “Rainy Day” fund, the Public School System Stabilization Account, to \$1.1 billion through the Budget year. Proposes a total of \$8.4 billion in one-time withdrawals to support 2023–24 school expenditures, consistent with the enacted budget.



SB 154 (Prop 98)

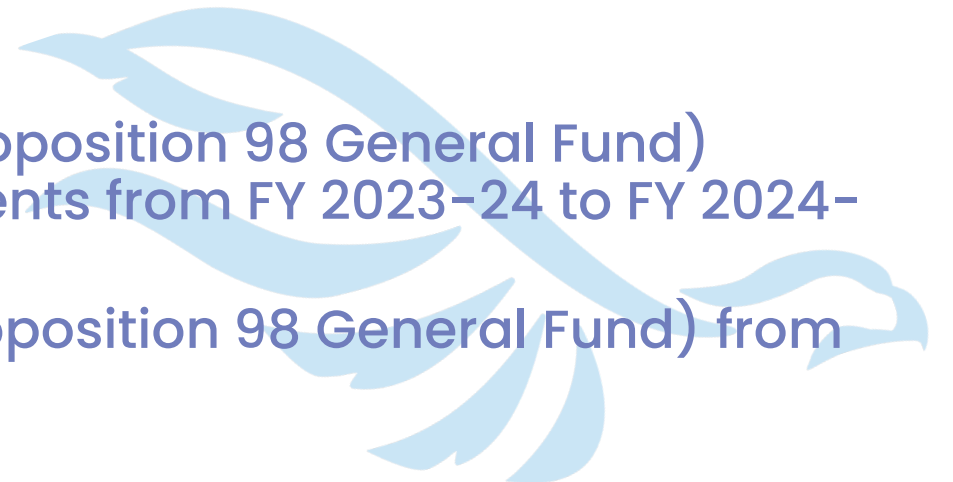
- Defers \$2.58 billion in 2022–23 funds that is paid using the Proposition 98 Rainy Day fund in 2023–24.
- Creates a one-time deferral of \$4 billion in 2023–24 school and community college payments that is paid off in 2024–25.
- Governor has until June 27 to sign or veto.





Final FY 2024-25 Budget Agreement Announced

- The Legislature announced a deal with the Governor on a final FY 2024-25 budget. Both houses of the Legislature will be holding Budget Committee hearings this week to review the deal, with floor votes anticipated by this Thursday, June 27.
- Community College Provisions
 - The budget includes (but is not limited to) the following provisions for community colleges:
 - 1.07% cost-of-living adjustment for apportionments and select categorical programs.
 - 0.5% enrollment growth.
 - Deferral of \$446.4 million (Proposition 98 General Fund) associated with apportionments from FY 2023-24 to FY 2024-25.
 - Deferral of \$246.7 million (Proposition 98 General Fund) from FY 2024-25 to FY 2025-26.





Final FY 2024-25 Budget Agreement Announced

- Community College Provisions
 - An expansion of nursing programs, providing \$60 million each year for five years, beginning in FY 2024-25, within Strong Workforce program funding. Includes trailer bill language to develop a grant program to distribute the funding.
 - Provides \$20 million (one-time Proposition 98 General Fund) to increase support for the Financial Aid Administration categorical program to support students completing the FY 2024-25 FAFSA form.





AB/SB 155 (Higher Education)

- Creates the statewide lease revenue bond to support 13 community college student housing projects that will convert from a cash grant to state financing.
- Authorizes the State Public Works Board to issue up to \$804.7 million in state lease revenue bonds to support the 13 identified projects.
- AB/SB 155 requires operating agreements between the State Public Works Board, Board of Governors, and participating community college that include, among other things, performance expectations of the parties related to the acquisition, design, and construction/renovation of the project.





2024-25 Tentative Budget

- Budget Assumptions
- Tentative Budget
- Questions



Questions & Answers

