



GAVILAN
COLLEGE



Gavilan Joint Community College Tentative Budget

2023-2024



2023/2024

TENTATIVE BUDGET REPORT

Presented to the Board of Trustees

June 13, 2023

Marilyn Morikang, Vice President, Administrative Services

Michelle Anaya, Director Fiscal Services

Laura Montes, Interim Supervisor, Budget & Accounting

Prepared in collaboration with Business Services Staff

TENTATIVE BUDGET

**FISCAL YEAR 2023 - 2024
JULY 1, 2023 THROUGH JUNE 30, 2024**

**Gavilan Joint Community College District
5055 Santa Teresa Boulevard
Gilroy, CA 95020**

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JULY 1, 2023 – JUNE 30, 2024**

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Vacant	Directors/Confidential
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**2023-2024
TENTATIVE BUDGET**

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I. INTRODUCTION

The budget is an essential management tool that links an organization's goals and strategic intent with its current year objectives. Additionally, it provides a framework within which an organization's goals and objectives can be evaluated, and it establishes criteria for the allocation and expenditure of those funds available for current operations.

The 2023-2024 budget for the Gavilan Joint Community College District serves as its financial plan and, more importantly, it represents a dollars and cents formulation of the work necessary to implement the district's educational plans for the fiscal year July 1, 2023, through June 30, 2024.

The essential purpose of the Tentative Budget is to establish spending authority for the District from July 1st until such time as the Final Budget is adopted by the Board of Trustees. This two-part budget process is necessary due to uncertainties associated with 1) the State's as yet to be adopted budget for the coming fiscal year; 2) the State's unissued "Second Principal Apportionment (P2)" report for the current fiscal year and 3) the District's year-end closing process which will be completed in August 2023.

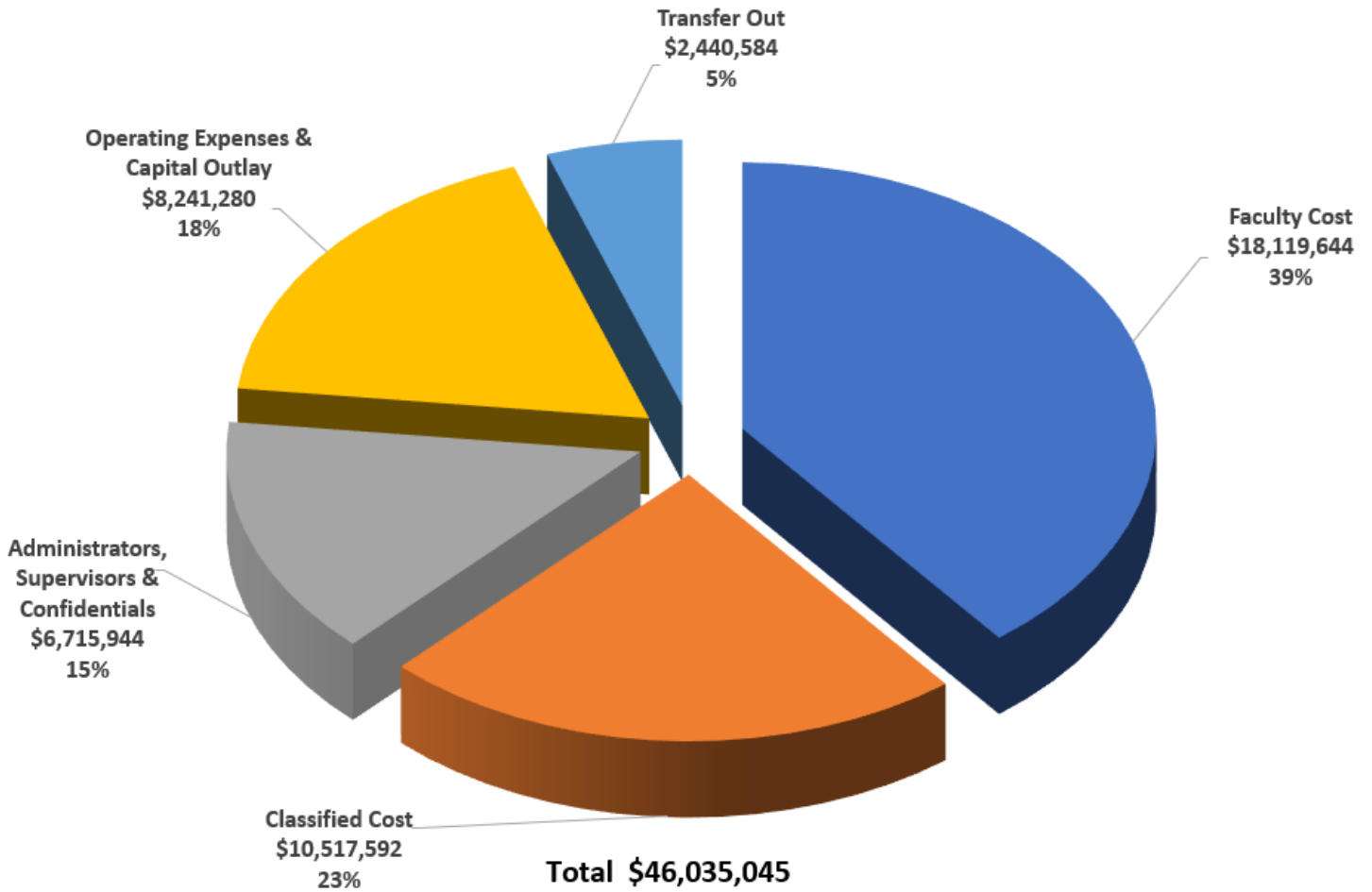
The beginning fund balance for July 1, 2023, is estimated to be \$12,703,677 29.86% without consideration for pending collective bargaining agreements. The revenues for this tentative budget are projected to be \$48,341,557. The expenditures are projected at \$46,035,045, 79% of which is salaries and benefits, leaving a budgeted Ended Balance of \$15,010,189.

In summary, our fund balance is at a record high, thanks to the benefit of hold harmless funding from the State (State system budget is discussed in section IV) and the influx of federal COVID funds, but most especially based on recent practices and conservative financial leadership from the board of trustees.

The projected combined budget for all funds for the 2023-24 fiscal year totals \$139,569,156 million.

UNRESTRICTED GENERAL FUND EXPENDITURES

FY2023-2024 Tentative Budget



FUND SUMMARY BY FUND TYPE

FY2023-2024 Tentative Budget

	Governmental Funds Group							Fiduciary Funds Group			TOTAL ALL FUNDS
	General Unrestricted F100	ECA One-Time F110	Grants & Categoricals F270	Parking Fund F260	Capital Outlay F340	Bond Funds F800, 820,830	Debt Services F210/920	Student Financial Aid F480	Associated Students F470	Student Center Fee F660	
Revenues:											
8100 - Federal Revenues	\$ -	\$ -	\$ 9,152,475	\$ -	\$ -	\$ -	\$ -	\$ 5,281,500	\$ -	\$ -	\$ 14,433,975
8600 - State Revenues	21,555,766	-	13,004,176	-	-	-	76,000	966,000	-	-	\$ 35,601,941
8800 - Local Revenues	26,785,792	-	1,275,687	50,000	48,443	1,289,188	17,675,000	-	\$ 46,000	35,728	\$ 47,205,838
8900 - Other Revenues	-	-	1,001,573	-	-	-	-	-	-	-	\$ 1,001,573
8900 - Transfers In	-	2,000,000	557,601	998,060	-	-	-	-	-	-	\$ 3,555,661
Total Revenues	\$ 48,341,557	\$ 2,000,000	\$ 24,991,512	\$ 1,048,060	\$ 48,443	\$ 1,289,188	\$ 17,751,000	\$ 6,247,500	\$ 46,000	\$ 35,728	\$ 101,798,988
Expenditures:											
1000: Academic Salaries	\$ 14,198,695	\$ -	\$ 5,683,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,882,571
2000: Non-Instructional Salaries	8,598,331	-	4,288,999	534,837	-	17,250	-	-	-	29,161	\$ 13,468,577
3000: Employee Benefits	11,736,313	-	3,828,228	363,483	-	5,881	-	-	-	22,709	\$ 15,956,614
4000: Books and Supplies	510,034	-	1,620,195	4,275	-	-	-	-	\$ 9,075	-	\$ 2,143,579
5000: Other Operating Expenses	8,325,714	-	5,771,270	145,465	1,527,500	21,971,114	17,760	-	82,379	-	\$ 37,841,202
6000: Capital Outlay	225,374	-	1,223,139	-	822,500	30,463,361	-	-	2,000	-	\$ 32,736,373
7000: Other Outgo	-	-	1,585,724	-	-	-	6,241,350	6,247,500	35,000	-	\$ 14,109,574
7000: Transfers Out	2,440,584	-	990,082	-	-	-	-	-	-	-	\$ 3,430,666
Total Expenditures	\$ 46,035,045	\$ -	\$ 24,991,512	\$ 1,048,060	\$ 2,350,000	\$ 52,457,606	\$ 6,259,110	\$ 6,247,500	\$ 128,454	\$ 51,870	\$ 139,569,156
Net Change to Fund Balance	2,306,513	2,000,000	-	-	(2,301,557)	(51,168,418)	11,491,890	-	(82,454)	(16,142)	(37,770,168)
Beginning Fund Balance	12,703,677	-	-	-	8,143,985	106,196,412	20,663,854	-	265,005	61,306	148,034,315
Adjustment	-	-	-	-	-	-	-	-	-	-	-
Ending Fund Balance	\$ 15,010,189	\$ 2,000,000	\$ -	\$ -	\$ 5,842,428	\$ 55,027,994	\$ 32,155,744	\$ -	\$ 182,551	\$ 45,164	\$ 110,264,147

Gavilan Joint Community College District
5 - YEAR BUDGET PROJECTIONS

Fund 100 - General Unrestricted Fund

	Estimated Actuals 2022-2023	*Tentative Budget 2023-24	*Projected Budget 2024-25	*Projected Budget 2025-26	*Projected Budget 2026-27
Revenues:					
SCFF TCR	\$ 40,259,012	\$ 45,624,483	\$ 47,027,817	\$ 47,027,817	\$ 47,027,817
Deficit Factor Assumptions	(632,385)	(912,490)	(940,556)	(940,556)	(705,417)
Other State Revenues	2,929,247	2,965,660	2,906,911	2,848,161	2,789,412
Other Local Revenues	663,904	663,904	663,904	663,904	663,904
Total Revenues	\$ 43,219,778	\$ 48,341,557	\$ 49,658,075	\$ 49,599,326	\$ 49,775,716
Expenditures:					
1000: Academic Salaries	\$ 14,125,908	\$ 14,198,695	\$ 14,385,413	\$ 14,588,114	\$ 14,763,861
2000: Non-Instructional Salaries	7,348,439	8,598,331	8,874,172	8,962,914	9,052,543
3000: Employee Benefits	10,224,554	11,736,313	11,742,143	11,826,731	11,959,876
4000: Books and Supplies	345,363	510,034	521,255	533,140	549,134
5000: Other Operating Expenses	5,478,224	8,325,714	8,108,590	8,328,325	8,605,087
6000: Capital Outlay	145,701	225,374	230,332	235,583	242,651
7000: Transfers Out	4,874,358	2,440,584	2,440,584	440,584	440,584
Total Expenditures	\$ 42,542,547	\$ 46,035,045	\$ 46,302,489	\$ 44,915,391	\$ 45,613,736
Net Change to Fund Balance	677,231	2,306,512	3,355,586	4,683,935	4,161,980
Beginning Fund Balance	12,026,446	12,703,677	15,010,189	18,365,775	23,049,710
Ending Fund Balance	\$ 12,703,677	\$ 15,010,189	\$ 18,365,775	\$ 23,049,710	\$ 27,211,690

* These projections include projected increases to COLA but do not include increases to salaries that need to be negotiated

II. GENERAL INFORMATION ABOUT GAVILAN COLLEGE

Gavilan Joint Community College District has a rich history in Santa Clara and San Benito Counties. Gavilan College was originally established in 1919 as San Benito County Junior College. It operated under this title until 1963, when a new community college district was formed that included both San Benito and southern Santa Clara Counties. Successful passage of a local bond in 1966 provided the needed funds to construct the present campus at Santa Teresa Boulevard and Castro Valley Road in Gilroy, California. In the fall of 2019, Gavilan College celebrated its 100th year of service as a community college.

Gavilan College is one of 116 California Community Colleges that are organized into 73 districts which has district boundaries that are political subdivisions authorized by the Constitution of the State of California. A seven-member board of trustees governs the Gavilan Joint Community College District. The voters of the communities served by the district elect board members to office. The Board of Trustees is responsible for the overall direction and control of the district so that it best meets the needs of the community it serves.

The district operates instructional sites in Hollister, San Martin, and Coyote Valley to augment their course offerings at the main (Gilroy) campus. Gavilan College is a comprehensive public community college offering a wide range of services, including programs of continuing study in liberal arts, pre-professional, business, vocational and technical fields. Courses are offered in the day, evening and on weekends. In FY 22/23, Gavilan College served an estimated 6,154 students for fall semester, over 6,153 students for spring semester and 2,490 for summer session. Gavilan College employs 237 full time permanent employees and approximately 197 part time faculty and staff employees each semester.

The main campus in Gilroy rests against the foothills that form the western boundary of the Santa Clara Valley. The district is 35 miles south of San Jose, 80 miles south of San Francisco, and 40 miles northeast of the Monterey Coast. The main campus was initially master-planned to accommodate an enrollment of 5,000 students and rests on a 150-acre site that has been carefully planned to take advantage of the beautiful, natural and tranquil setting.

Gavilan College offers a lower division college program that prepares students for transfer to a four-year college or university. The college also offers a variety of technical, occupational and pre-professional courses of study that lead to employment. As of May 2023, students can choose among 147 degrees and certificates, including 28 Associate Degrees for Transfer (ADTs) which

provides a direct pathway for students to transfer with junior standing into the California State University system.

Gavilan Joint Community College District serves residents of the Gilroy Unified, Morgan Hill Unified, Aromas-San Juan Unified, and San Benito Joint Union High School Districts. The district is comprised of approximately 2,700 square miles in southern Santa Clara County and a large portion of San Benito County (see map).



**Provided by Public Information Office*

San Benito County

San Benito County is located at the southern end of Santa Clara Valley between the Gavilan and Diablo Mountain Ranges. San Benito County is a 1,396 square mile section bordered by Fresno, Merced, Monterey, and Santa Clara Counties. San Benito County's population has been increasing steadily.

San Benito has a varied economic base that is dominated by government, retail trade, and manufacturing industries. Agriculture, by acreage, is San Benito County's largest industry with fertile valley soil supporting some of the most productive farmland in the state. The area typically has higher unemployment and lower income as compared to other parts of the Gavilan College

service area. The total population of San Benito County in 2022 is 66,831 with approximately 43,710 residents residing in the Hollister limits.

Gilroy

Gilroy is located in southern Santa Clara County and is comprised of 9,376 acres of land located 30 miles south of San Jose and 15 miles northwest of Hollister. Gilroy developed from a rural, agricultural community to a community composed of agriculture, manufacturing, and service industries, along with many commuters to Silicon Valley.

Growth in Gilroy has centered on high tech software and support industries as well as several manufacturing and production industries. Gilroy's industrial base includes for sophisticated food processing, high tech software and semiconductors, wood, paper and metal fabrication and wine production. Gilroy's estimated population in 2022 is 60,364.

Morgan Hill

Morgan Hill is located at the southern end of Santa Clara Valley and is 13 miles north of the College. Morgan Hill is 10 miles south of San Jose and 70 miles south of San Francisco. The city limits of Morgan Hill cover approximately 12 square miles. Morgan Hill's desirable location has made the city one of the fastest growing communities in Santa Clara County. Morgan Hill's population was estimated at 48,556 for 2022. There are approximately 7,280 residents in San Martin, Morgan Hill's Southern neighbor.

Coyote Valley

Coyote Valley is an area north of Morgan Hill and South of Bernal Road in San Jose. Coyote Valley resides within the Gavilan College service area. Classes were held for the first time at this location in the spring of 2017. This site is currently the home of the South Bay Regional Police Academy and JPA.

Accreditation

Gavilan College is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges. Gavilan College went through the accreditation process in March 2019. The Commission has affirmed the district's accreditation for seven years.

Programs and Services

Gavilan College offers an associate of arts degree and an associate of science degree. Transfer

agreements exist between the University of California and California State systems, and the college has completed associate degrees for Transfer (ADTs) per state requirements. These agreements allow students to complete the first two years of a four-year college program at Gavilan. Certificate and career programs are also offered to provide instruction in the skills and knowledge needed to enter a skilled or semi-professional occupation.

III. BUDGET DEVELOPMENT at GAVILAN COLLEGE

Introduction

Gavilan College is subject to the provisions of the California Code of Regulations and other laws that regulate the operations of public agencies. The California Code of Regulations requires that the governing board of a public agency adopt a Tentative Budget on or before July 1 and an Adopted Budget no later than September 15 of each year.

This Budget is prepared to comply with the California Code of Regulations and is used by the governing board and district administration in planning for the operations of the district for the fiscal year period July 1, 2023, through June 30, 2024. This budget uses assumptions to develop revenue and expenditure projections. The assumptions are based upon information from the May Revise, Chancellor's Office, California Community Colleges and judgments made by district staff and college budget committee and board budget committee as to the financial implications of anticipated district operations.

The Board of Trustees provides budget guidance to the Superintendent/President who in turn formulates goals and objectives for the operating divisions. The board communicates its goals and objectives to the Superintendent/President. The three-year Strategic Plan and the Educational Master Plan are used to implement actions necessary to accomplish the board's goals and the goals identified during the annual planning process at the college. The Board of Trustees adopts a Budget Calendar each year. Budget guidelines are also adopted annually and are used to provide specific directions regarding the allocation of resources to ensure objectives of the Strategic Plan are achieved. In addition to the governing board's actions, the district's internal participatory governance process operates concurrently to inform all members of the district constituencies about resources expected and allocations of resources consistent with the Strategic Plan, goals, mission, and the Board's Budget Guidelines. The PIPR-RAP Committee is provided full information about the district's operations and financial position.

Impact of College Planning

The Strategic Plan states broad values that allow the administration to define implementation activities. The Strategic Planning Committee continues to review new initiatives (such as the Vision for Success and Guided Pathways) and provides direction to the administration in identifying programs and activities that it feels will support strategic plan initiatives. The inclusive budget process is used to allocate available resources in a manner that will ensure funds required to implement action plans are provided.

As part of the strategic plan update process, the Educational Master Plan was assessed for completion of activities. In spring 2017 the Plan was updated. It consists of the program plans developed by the departments, programs, and services at the district, along with the activities that support the Strategic Plan. Program reviews are updated each year for budget development, every three years when reviewed by the PIPR-RAP (Planning Integrated Program Review and Resource Allocation Process), and every seven years for accreditation. This process meets accreditation standards that require integrated resource planning. The Educational Master Plan focuses on the instructional and student services programs of the district and the support services and facilities that will be necessary to provide the instruction and student service programs.

IV. 2023-2024 BUDGET OVERVIEW

California State Budget January Proposal

Governor Newsom released his budget proposal for the FY2023-2024 fiscal year on January 10, 2023. Under the proposal, the overall state budget would be lower than in 2022-2023, decreasing by about 3% to \$297.7 billion. This is as a result of a substantial decline in the share of personal income tax revenue from capital gains. The budget proposal for the California Community Colleges continues to be shaped by the Roadmap for the Future, introduced in 2022-23 and intended 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.

The proposed budget for 2023-24 provides about \$778 million in Proposition 98 augmentations over the prior year, nearly all of it as ongoing spending, with a proposal for additional ongoing spending of \$652.6 million for an 8.13% cost-of-living adjustment (COLA) for community college apportionments. About \$90 million for COLAs and adjustments to certain categorical programs, and \$28.8 million for systemwide enrollment growth of 0.5%. One-time funding in the proposal is largely dedicated to student retention and enrollment efforts to address enrollment that has dropped by over 16% since the beginning of the pandemic. The \$200 million proposed for this purpose is

offset by a proposal to reduce that approximate amount of one-time funding for deferred maintenance included in the 2022-23 budget.

May Revision

On May 12, 2023, the Governor released the May Revision for the 2023-2024 fiscal year, with the overall state budget somewhat higher than the proposed January budget, increasing to \$306 billion, but still slightly lower than the 2022-23 by 2 billion. The budget proposal for California Community Colleges continues to be shaped by the Roadmap for the Future. The decline in revenues results in a decrease of Proposition 98 by \$2 billion, lower than projected in the January proposal and is now at \$106.8 billion. On the other hand, the revised proposal includes ongoing spending of \$678 million for an 8.22% cost-of-living adjustment (COLA) for community colleges apportionments, \$25.4 million more than the January proposal of 8.13%. The proposal also includes an additional \$3 million for COLAs and adjustments to certain categorical programs.

One-time funding in the revised budget includes \$100 million to continue supporting community colleges efforts and targeted strategies to increase student retention rates and enrollment. This is reduced from the \$200 million proposed in the January. The Governor also reappropriated funds allocated in 2022-2023 for Deferred maintenance and COVID-19 Recovery Block Grant by \$452 million and \$344.7 million respectively, even though most of these funds have already been distributed to districts through apportionment.

The Governor is proposing statutory changes to allow all community college districts (CCDs) to spend flexibly among the following categorical program; Student Equity and Achievement Program, Student Financial Aid Administration and Student Mental Health Resources to support progress toward the roadmap goals. Districts would have an option to submit a streamlined report for the specified programs, expand eligible uses of funding for the Strong Workforce Program funding such as providing funds for student grants to cover fees for third-party

certification and licensing and supporting experiential learning in the workplace.

Student Center Funding Formula (SCFF)

The 2021 Budget Act extended the Student-Centered Funding Formula's (SCFF) hold harmless provision through 2024-25, under which districts will earn at least their 2017-18 total computational revenue (adjusted by COLA each year). The 2022 Budget Act extended the revenue protections in a modified form beginning in 2025-26, with a district's 2024-25 funding representing its new "floor." 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. This revised 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 would not grow.

For Gavilan Joint Community College District, general unrestricted fund revenue for FY23-24 and FY24-25 would be based on the 2017-18 total computation revenue plus COLA adjustments. However beginning 2025-26, GJCCD's revenue would be calculated based on a new floor, which would be the 2024-25 revenue with no adjustments for COLA, unless the district grows enrollment or improve the success or supplemental metrics.

Summary of Community College Adjustments (In Millions)

	Governor's Budget 01/10/23	May Revision 05/13/23	Change from Governor's Budget
Ongoing (proposition 98)			
Provide 8.22% COLA for SCFF	\$652.6	\$678.0	\$25.4
Provide 8.22% COLA for Adult Education Program	\$48.5	\$49.1	\$0.6
Provide 0.5% for SCFF growth	\$28.8	\$26.4	-\$2.4
Provide 8.22% COLA for Extended Opportunity Programs and Services (EOPS)	\$13.8	\$13.9	\$0.1
Provide 8.22% COLA for Disabled Students Programs and Services (DSPS)	\$13.0	\$13.1	\$0.1
Provide funding for a new LGBTQ+ Pilot Program	\$0.0	\$10.0	\$10.0
Provide 8.22% COLA and a technical adjustment for Apprenticeship (community college districts)	\$4.7	-\$4.9	-\$9.6
Provide 8.22% COLA for CalWORKs student services	\$4.1	\$4.2	\$0.1
Provide 8.22% COLA and an enrollment-based adjustment for Mandates Block Grant and reimbursements	\$3.0	\$2.2	-\$0.8
Provide 8.22% COLA for Cooperative Agencies Resources for Education (CARE)	\$2.5	\$2.5	\$0.0
Provide 8.22% COLA for Childcare tax bailout	\$0.3	\$0.3	\$0.0
Increase FCMAT funding for Professional Learning Opportunities	\$0.2	\$0.2	\$0.0
Reduce Financial aid administration to reflect an enrollment-based adjustment	-\$4.2	-\$3.1	\$1.1
Provide funding for the Equal Employment Opportunity Program	\$0.0	\$4.2	\$4.2
Reduce Student Success Completion Grant to reflect an enrollment-based adjustment	\$0.0	-\$50.0	-\$50.0
Subtotal Ongoing (Proposition 98) Policy Adjustments	\$767.3	\$746.1	-\$21.2
One-Time (Proposition 98)			
Support retention and enrollment strategies	\$200.0	\$100.0	-\$100.0
Workforce Training Grants	\$14.0	\$14.0	\$0.0
East Los Angeles College Entrepreneurship and Innovation Center	\$0.0	\$2.5	\$2.5

FCMAT Professional Learning Opportunities	\$0.1	\$0.1	\$0.0
Reduce prior year deferred maintenance funding	-\$213.0	-\$452.2	-\$239.2
Reduce prior year COVID-19 Recovery Block Grant funding	\$0.0	-\$344.7	-\$344.7
Subtotal One-Time Policy Adjustments	\$1.1	-\$680.3	-\$681.4

**Joint Analysis Governor's 2023-24 May Revision; May 12, 2023*

COVID-19 Recovery Block Grant:

The 2022-23 budget included \$650 million in one-time funding to address issues related to the COVID-19 pandemic, such as to fund activities that directly support community college students and mitigate learning losses related to the pandemic; to support professional development; for technology infrastructure; to develop open education resources and zero-text-book-cost degrees; and to support the mental health and wellness needs of students. The 2023-24 budget includes a reduction of this funding by a little over 50%. GJCCD's share of the reduction is \$1.4 million, to a new budget amount of \$1.3 million.

Physical Plant and Instructional Support Programs:

The 2022-23 budget included also \$840.7 million in one-time funding to address physical plant and energy efficiency needs across the system. The 2023-24 budget includes a reduction of this funding by a little over 50%. GJCCD's share of the reduction is \$2.9 million, to a new budget amount of \$3.4 million. The District will submit a revise plan to the State.

Construction Funding

The state created the Higher Education Student Housing Grant Program as part of the Budget Act of 2021, to support the construction of affordable student housing across the three public higher education segments. The program was to receive funding over three years for three rounds of grants, with an investment of \$750 million one-time expected in fiscal year 2023-24. The May Revision proposes allocating available student housing resources for 2023-24 to the California Community Colleges in the amount of \$450 million, with a commitment to provide \$95.4 million in 2024-25.

V. 2023-2024 – TENTATIVE BUDGET ASSUMPTIONS

Revenue Budget Assumptions

The Tentative Budget reflects a 8.22% cost-of-living adjustment (COLA) The Student Centered Funding Formula (SCFF) FTES, Student Success, and Supplemental rates increase with COLA. These new rates have been incorporated into a SCFF calculator, along with estimates for FTES, Student Success, and Supplemental counts. For both 2022-23 and 2023-24 Gavilan Joint Community College District opted-in to the Emergency Conditions Allowance (ECA) for FTES. This means that the district is funded at a higher FTES for state general apportionment based on 2019-20 pre-COVID level. This funding level is being used for both 2022-23 and 2023-24 in the funded FTES calculation.

The district is estimating that enrollment will take an upswing in 2023-24 with a 12% increase over 2022-2023, and an additional 4% in 2024-25. This estimate is based on outreach and recruitment efforts, additional sections offered in Hollister campus, reinstatement of men and women soccer.

	Actual FTES	Funded FTES
FY2018-2019	5,346.51	5,259.01
FY2019-2020	4,812.03	5,201.81
FY2020-2021	3,918.76	5,201.81
FY2021-2022	3,778.60	5,201.81
	Targeted FTES	Funded FTES
FY2022-2023	3,457.25	5,201.81
FY2023-2024	4,015.06	5,201.81
FY2024-2025	4,165.06	4,856.23

Since the FTES growth projected for 2023-24 and 2024-25 is still below the 2017-18 level, as a result “Prior Year TCR Stability” revenue is assumed for both 2023-24 and 2024-25. And as indicated earlier, revenue protections beginning in 2025-26 will be a modified form, with the district’s 2024-25 funding representing its new “floor,” and revised hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time. Therefore, starting in 2025-26, the districts will be funded at its new “floor”, hence not revenue growth.

	SCFF Calculated Revenue	Prior Year TCR Stability	Minimum Revenue Commitment	Max TCR
FY2021-2022	\$35,788,922	\$36,680,713	\$35,962,914	\$36,680,713
FY2022-2023	\$42,159,012	\$38,136,675	\$38,322,081	\$42,159,012
FY2023-2024	\$45,419,951	\$45,624,483	\$41,472,156	\$45,624,483
FY2024-2025	\$45,096,204	\$47,027,817	\$42,940,270	\$47,027,817
FY2025-2026	\$44,652,468	\$46,588,889	\$47,027,817	\$47,027,817
FY2026-2027	\$44,095,776	\$46,094,743	\$47,027,817	\$47,027,817

Lottery funding is calculated based upon FTES. Lottery funding has two components, a restricted portion to be used for instructional materials and an unrestricted component. The restricted portion is estimated at \$67 per FTES for a total of \$348,521; and the unrestricted

portion is estimated at \$170 per FTES, for a total of \$884,308. The unrestricted lottery funding is considered part of the District's general revenues which are used to fund core operations.

Non-resident tuition is charged to students residing outside of California, in accordance with applicable sections of the California Education Code, unless otherwise exempted by statute. Non-resident tuition for 2023-24 is budgeted at \$65,000, based upon the current rates adopted by the Board of Trustees of \$358 per semester unit.

Restricted general funds are designated accounts for resources available for the operations and support of the educational programs that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditures.

Categorical programs are examples of restricted funds. The budgets are prepared based on Chancellor's Office allocation assumptions which includes an 8.22% COLA for some programs such as Adult Education Program, Extended Opportunity Programs and Services (EOPS), Disabled Students Programs and Services, (DSPS), CalWORKs, Cooperative Agencies Resources for Education (CARE). Budgets for restricted general funds are made during the year as final allocations notices and grant award notices are received.

Expenditure Budget Assumptions

The District's largest expenditure category is personnel. Gavilan Joint Community College District has a long history of maintaining its commitment to regular and permanent employee positions and has maintained this commitment as an ongoing budget priority. During 2022-2023 the District is projecting to expend approximately 84% of its general operating budget on salaries and benefits.

- For the 2023-24 proposed budget, the unrestricted general fund personnel costs are budgeted at \$34,533,339 million, 79% of the operating budget. This includes step and column adjustments, retirements, separations, and approved new positions. The proposed budget does not make any assumptions for negotiated salary adjustments as these negotiations are still underway. The budget includes new positions for the Academic Affairs/Student Services reorganization approved by the Board of Trustees on May 9, 2023.
- Included in the personnel budget are budgeted amounts for health care premiums, including medical, dental, and vision estimates. Also included in an increase in statutory benefits for PERS of 1.31%, from 25.37% to 26.68% and STRS which remains the same at 19.10%.
- Adjunct/Overload budgets are funds to support the schedule of classes, maintain the District's established FTES target and generate any budgeted growth/access FTES, to ensure the District achieves its budgeted apportionment revenue. Annually Adjunct/Overload budgets are adjusted to account for changes in FTES and the number of Full-time faculty available to teach.
- Fixed expenses include annual software maintenance, utilities such as electric, gas, water, telephone and waste disposal. cost of purchasing additional FTES from JPA
- Per Board's direction, the district is setting aside \$2.5 million from the Emergency Condition allocation into a xx fund, and an additional, \$2 million for capital projects.

Fund Balance

The District's ending fund balance for the fiscal year is referred to as its fund balance. Fund balance represents a point-in-time fiscal snapshot of the district's financial position. For the fiscal year ended June 30, 2023, the Gavilan Joint Community College District ending fund balance is projected to be \$12,703,677. As this balance moves from the end of the year to the beginning of the subsequent fiscal year 2023-24, it becomes categorized as "one-time". One-time funds are unspent funds that remain after a fiscal year has ended, and primarily results from budgetary savings. These funds would not necessarily be replicated in subsequent years. It is not fiscally prudent to use one-time funds for ongoing purposes such as to fund expenditures for salaries and benefits for permanent staff. Instead, these funds are more appropriately used to fund one-time items or projects.

Looking Forward

The State budget provides resources to help the district through the 2023-2024 fiscal year and into the next year. While this document provides a perspective of the 2023-24 budget, there are several long-term planning and budget considerations that may impact the District's future fiscal position.

- The lasting effect of the COVID-19 pandemic, and how it continues to impact our enrollment. Gavilan College has experienced a 33% decline in FTES since the onset of the pandemic. It is likely that this significant decline may take several budget cycles to restore.
- The 2023-24 fiscal year marks the final extension of the emergency condition allowance protecting FTES funding. While the District will likely be in the modified hold harmless funding status, there will be no revenue growth as a result of COLA in subsequent years.
- The rising PERS and STRS employer contribution rates continue to be a concern. The PERS and STRS annual employer contribution rates are adopted by each respective board and are currently set at 26.68% and 19.10% for 2023-24 respectively. To put these rates in perspective, it is important to note the drastic increases that districts have experienced in these rates over the years. Since 2014-15, the PERS employer contribution rates have increased by 127%; from 11.77% to 26.68% and the STRS have increased by 115%; from 8.88% to 19.1%.

In 2023-24, GJCCD appears to be in a strong financial position due to conservative financial leadership and developing plans to allocate resources appropriately between one-time and ongoing initiatives as agreed upon with all participatory governance groups and approved by the board of trustees.

We continue to prioritize enrollment management, optimistic that our continuing outreach, student engagement and marketing efforts will mitigate our enrollment decline. Other strategies to improve our enrollment numbers include removing drops for non-payments, student debt forgiveness using HEERF funds, continue to offer free tuition for an additional year, removing parking fees, etc.

We are proceeding with caution to develop a balanced budget, unsure of the state's revenue in future years, no COLA after 2024-25, and rising pension costs. These threats, however, are not insurmountable, because based on recent practices and conservative leadership, GJCCD continues to be optimistic about the future.

VI. UNRESTRICTED GENERAL FUND

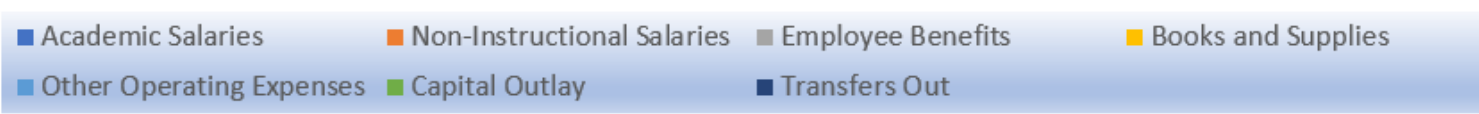
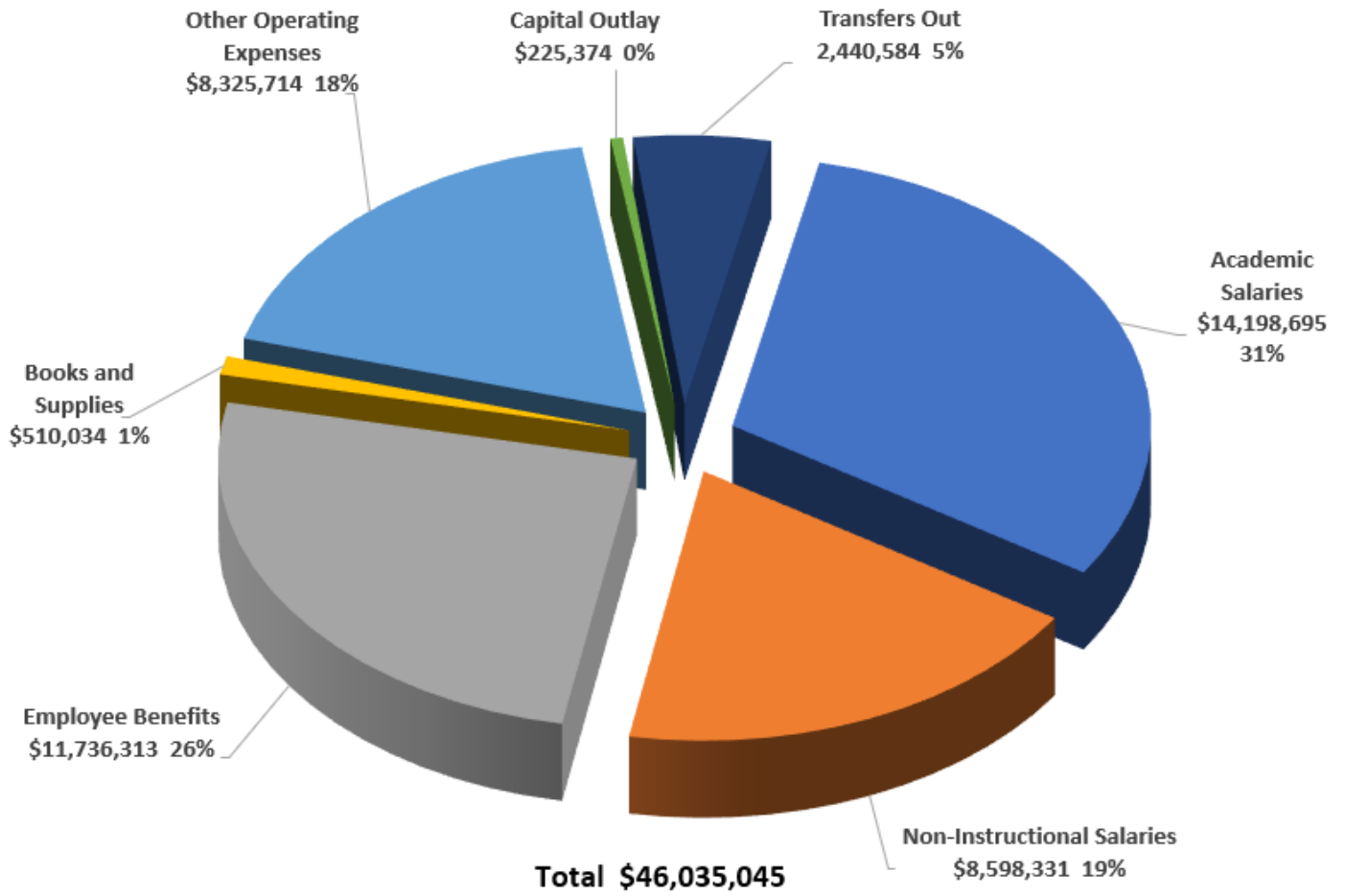
The Unrestricted General Fund is designated to account for resources available for the general purposes of District operations and support of its education programs.

Revenues

The unrestricted general fund revenue when compared to last fiscal year increased by the State COLA of 8.22%

	Actual 2021-22	Adjusted Budget 2022-23	Projected Actuals 2022-23	Tentative Budget 2023-24
State Revenue				
General Apportionment	2,147,739	10,917,285	8,161,381	11,068,337
EPA Prop 30	10,352,869	6,642,912	6,642,912	7,360,570
PT/FT Faculty Compensation	438,982	761,614	770,398	770,398
State Taxes	86,537	93,577	93,577	93,577
Enrollment Fee Waiver	47,440	47,440	93,577	93,577
Lottery	921,186	847,895	847,895	884,308
Mandated Costs	159,909	159,909	159,909	159,909
STRS On-behalf	1,125,496	1,151,045	1,151,045	1,155,340
Other State Revenues	6,360	0	0	0
Total State Revenues	15,286,518	20,621,677	17,827,117	21,555,766
Local Revenues				
Taxes	22,656,073	22,470,597	22,570,597	24,712,297
Facility Rental/Use	771,899	516,154	516,154	516,154
Interest	34,550	15,000	90,659	16,200
Net Change in FV of Investment	(408,181)	0	0	0
BOGG	(1,773,262)	(1,788,262)	(1,677,705)	(1,677,705)
Enrollment Fee	3,493,959	3,488,261	3,587,011	3,587,011
Transcripts	26,971	10,000	10,000	12,550
Non-Resident Tuition	15,322	50,000	136,107	65,000
Other Local Revenues	56,877	72,750	159,839	78,234
Total Local Revenues	24,874,208	24,834,501	25,392,661	26,785,792
TOTAL REVENUES	40,178,572	45,456,178	43,219,778	48,341,557

General Unrestricted Expenditures 2023-2024



Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 100 - General Unrestricted Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8100 - Federal Revenues	\$ 17,846	\$ -	\$ -	\$ -
8600 - State Revenues	15,286,518	20,621,677	17,827,117	21,555,766
8800 - Local Revenues	24,874,208	24,834,501	25,392,661	26,785,792
8900 - Other Revenues	-	-	-	-
8900 - Transfers In	-	-	-	-
Total Revenues	\$ 40,178,572	\$ 45,456,178	\$ 43,219,778	\$ 48,341,557
Expenditures:				
1000: Academic Salaries	\$ 12,650,674	\$ 13,889,199	\$ 13,825,908	\$ 14,198,695
2000: Non-Instructional Salaries	7,047,516	8,513,675	7,348,439	8,598,331
3000: Employee Benefits	9,036,152	11,703,730	10,224,554	11,736,313
4000: Books and Supplies	265,894	487,738	345,363	510,034
5000: Other Operating Expenses	5,401,324	6,435,119	5,778,224	8,325,714
6000: Capital Outlay	31,752	338,449	145,701	225,374
7000: Other Outgo	6,200	0	-	-
7000: Transfers Out	667,936	440,584	4,874,358	2,440,584
Total Expenditures	\$ 35,107,447	\$ 41,808,494	\$ 42,542,547	\$ 46,035,045
Net Change to Fund Balance	5,071,125	3,647,684	677,231	2,306,513
Beginning Fund Balance	6,786,154	12,026,446	12,026,446	12,703,677
Adjustment	169,167	-	-	-
Ending Fund Balance	\$ 12,026,446	\$ 15,674,130	\$ 12,703,677	\$ 15,010,189

**Gavilan Joint Community College District
FY2023-2024 Tentative Budget**

Fund 10X - ECA One-Time Subfund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8900 - Transfers In	\$ -	\$ -	\$ -	\$ 2,000,000
Total Revenues	\$ -	\$ -	\$ -	\$ 2,000,000
Expenditures:				
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Net Change to Fund Balance	0	0	0	2,000,000
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 2,000,000

VII. RESTRICTED GENERAL FUND

The Restricted General Fund programs are established for the purpose of providing specialized services. The Restricted General Fund is used to account for resources available for the operation and support of the educational programs that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditure. Restricted monies are generally from an external source that requires the monies be used for specific purposes, such as grants and state categorical funding.

Examples of restricted sources of monies include Title V Grant, MESA Grant, Extended Opportunity Programs (EOPS), Student Equity and Achievement Program (SEAP), Disabled Student Programs and Services (DSPS), Strong Workforce, Federal Work-Study Programs, Retention and Enrollment Outreach, Basic Needs, Parking (Includes parking permits, and parking citation revenue) and Health Service

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 270 - General Restricted Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8100 - Federal Revenues	\$ 4,439,679	\$ 7,088,829	\$ 7,008,829	\$ 9,152,475
8600 - State Revenues	7,679,657	16,957,172	14,494,719	13,004,176
8800 - Local Revenues	454,316	1,822,352	1,822,342	1,275,687
8900 - Other Revenues	940,082	940,082	1,001,573	1,001,573
8900 - Transfers In	553,887	238,189	244,877	557,601
Total Revenues	\$ 14,067,621	\$ 27,046,624	\$ 24,572,340	\$ 24,991,512
Expenditures:				
1000: Academic Salaries	\$ 3,526,578	\$ 3,042,858	\$ 2,667,826	\$ 5,683,876
2000: Non-Instructional Salaries	2,774,204	4,290,569	4,166,848	4,288,999
3000: Employee Benefits	2,679,168	3,703,411	3,452,692	3,828,228
4000: Books and Supplies	349,638	2,105,837	2,058,172	1,620,195
5000: Other Operating Expenses	1,720,541	7,553,138	6,029,547	5,771,270
6000: Capital Outlay	1,009,506	1,186,472	1,154,400	1,223,139
7000: Other Outgo	1,176,383	3,949,142	3,567,214	1,585,724
7000: Transfers Out	940,082	990,082	990,082	990,082
Total Expenditures	\$ 14,176,099	\$ 26,821,510	\$ 24,086,780	\$ 24,991,512
Net Change to Fund Balance	(108,479)	225,114	485,560	-
Beginning Fund Balance	6,544	(485,560)	(485,560)	(0)
Adjustment	(383,626)	-	-	-
Ending Fund Balance	\$ (485,560)	\$ (260,446)	\$ (0)	\$ (0)

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 260 - Parking Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8800: Local Revenue	\$ 63,512	\$ 152,080	\$ -	\$ 50,000
8900: Transfers In	124,101	13,137	633,774	998,060
Total Revenues	\$ 187,613	\$ 165,217	\$ 633,774	\$ 1,048,060
Expenditures:				
2000: Non-Instructional Salaries	\$ 122,856	\$ 90,823	\$ 392,495	\$ 534,837
3000: Employee Benefits	57,290	57,423	229,145	363,483
4000: Books and Supplies	-	2,000	-	4,275
5000: Other Operating Expenses	7,701	14,940	12,103	145,465
Total Expenditures	\$ 187,848	\$ 165,186	\$ 633,743	\$ 1,048,060
Net Change to Fund Balance	(234)	31	31	0
Beginning Fund Balance	203	(31)	(31)	(0)
Ending Fund Balance	\$ (31)	\$ (0)	\$ (0)	\$ (0)

VIII. CAPITAL OUTLAY FUND

Capital Projects Fund 340 is established to track major facility projects and equipment acquisitions. When there is a state facilities bond, the state partially or fully funds capital outlay projects based on a Five-Year Capital Construction plan submitted annually. The Educational and Facilities Master Plan for Gavilan Joint Community College District integrates the instructional program needs with the facilities necessary to achieve the instructional program requirements and provide direction to the capital construction activities.

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 340 - Capital Outlay Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8600: State Revenue	\$ 1,993,051	\$ 5,806,600	\$ 2,401,678	\$ -
8800: Local Revenue	(21,052)	22,526	97,656	48,443
8900: Transfers In	-	-	4,000,000	-
Total Revenues	\$ 1,971,999	\$ 5,829,126	\$ 6,499,334	\$ 48,443
Expenditures:				
5000: Other Operating Expenses	\$ 6,010	\$ 1,844,431	\$ 38,172	\$ 1,527,500
6000: Capital Outlay	217,800	171,146	234,731	822,500
Total Expenditures	\$ 223,810	\$ 2,015,577	\$ 272,903	\$ 2,350,000
Net Change to Fund Balance	1,748,189	0	6,226,431	(2,301,557)
Beginning Fund Balance	1,369,860	1,917,554	1,917,554	8,143,985
Adjustment	(1,200,495)	-	-	-
Ending Fund Balance	\$ 1,917,554	\$ 5,731,103	\$ 8,143,985	\$ 5,842,428

IX. GENERAL OBLIGATION BOND FUND

The general obligation bonds associated with Measure X were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The Bonds were authorized to be issued by a resolution adopted by the Board of Supervisors of Santa Clara County (the County Resolution), pursuant to a request of the Gavilan Joint Community College District (the District) made by a resolution adopted by the Board of Education of the District (the District Resolution).

The District received authorization at an election held on November 6, 2018, to issue bonds of the District in an aggregate principal amount not to exceed \$248,000,000 to finance construction and modernization of certain District property and facilities, the acquisition of equipment, and to pay the costs of issuance associated with the Bonds.

The proposition required approval by at least 55% of the votes cast by eligible voters within the District. The Bond Construction Fund (Measure X) represents the authorized bond issuance of the Measure X Series 2018 A, Series 2018 A-1, Series 2018 B, and 2018 Series B-1.

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Measure X - Consolidated

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
Interest and Investment Income	\$ 627,992	\$ -	\$ 1,573,369	\$ 1,289,188
Total Revenues	\$ 627,992	\$ -	\$ 1,573,369	\$ 1,289,188
Expenditures:				
3101 - San Benito County Campus	\$ 3,012,993	\$ 50,881,079	\$ 2,238,313	\$ 26,518,691
3201 - Site Improvement, Security and Infrasi	914,153	9,917,318	14,950	2,750,000
3201-01 - Pedestrian Bridge	922,334	306,822	301,278	-
3201-02 - Fire Alarm Upgrade	186,287	-	-	-
3201-03 - Boiler System Upgrade	2,501,686	-	-	-
3201-06 - Gilroy Campus ADA Improvements	752	752	64,240	750,000
3201-07 - Wayfinding Signage	127,341	6,091	32,959	1,000,000
3201-08 - Covered Walkways Replacement F	289,673	471,239	137,568	2,901,653
3201-09 - Energy Management System Upgr:	314,885	-	-	-
3201-10 - Grilroy Campus Security Door Lock	-	-	-	250,000
3201-11 - Acoustical Curtain	-	30,000	5,580	75,000
3201-12 - Basketball Backboard Repair	-	-	-	30,000
3201-13 - HVAC-Roof Assessment	-	-	-	50,000
3201-14 - Monument Sign	-	-	-	750,000
3201-15 - Underground Utilities	-	-	-	500,000
3202 - Library and Student Resource Center	339,165	12,907,966	635,337	12,772,349
3204 - STEM Center	454,593	13,475,655	40,384	570,000
3205 - Theater Modernization	427,943	12,698,176	104,637	-
3901 - IT Infrastructure	261,434	8,400	-	1,000,000
3995 - Debt Service	919,280	4,731,795	-	-
3999 - Program Management, Planning and	(2,165,164)	690,280	500,802	2,539,912
Total Expenditures	\$ 8,507,355	\$ 106,125,573	\$ 4,076,048	\$ 52,457,605
Net Change to Fund Balance	(7,879,363)	(106,125,573)	(2,502,679)	(51,168,417)
Beginning Fund Balance	116,578,453	108,699,090	108,699,090	106,196,411
Ending Fund Balance	\$ 108,699,090	\$ 2,573,517	\$ 106,196,411	\$ 55,027,994

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 800 - Measure X - Series A

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
Interest and Investment Income	\$ 95,459	\$ -	\$ 416,517	\$ 132,356
Total Revenues	\$ 95,459	\$ -	\$ 416,517	\$ 132,356
Expenditures:				
3101 - San Benito County Campus	\$ 3,012,993	\$ 3,779,167	\$ 371,057	\$ 4,518,691
3201 - Site Improvement, Security and Infrasi	914,153	2,789,142	14,950	250,000
3201-01 - Pedestrian Bridge	922,334	306,822	301,278	-
3201-02 - Fire Alarm Upgrade	186,287	-	-	-
3201-03 - Boiler System Upgrade	2,501,686	-	-	-
3201-06 - Gilroy Campus ADA Improvements	752	752	64,240	-
3201-07 - Wayfinding Signage	127,341	6,091	32,959	1,000,000
3201-08 - Covered Walkways Replacement F	289,673	471,239	102,568	700,000
3201-09 - Energy Management System Upgr:	314,885	-	-	-
3201-11 - Acoustical Curtain	-	30,000	5,580	75,000
3201-12 - Basketball Backboard Repair	-	-	-	30,000
3201-13 - HVAC-Roof Assessment	-	-	-	50,000
3202 - Library and Student Resource Center	339,165	2,238,426	147,251	2,238,400
3204 - STEM Center	454,593	777,479	7,059	-
3205 - Theater Modernization	427,943	-	104,637	-
3901 - IT Infrastructure	186,434	8,400	-	-
3995 - Debt Service	919,280	-	-	-
3999 - Program Management, Planning and S	(2,165,164)	690,280	500,802	1,132,199
Total Expenditures	\$ 8,432,355	\$ 11,097,798	\$ 1,652,381	\$ 9,994,290
Net Change to Fund Balance	(8,336,896)	(11,097,798)	(1,235,864)	(9,861,934)
Beginning Fund Balance	19,434,694	11,097,798	11,097,798	9,861,934
Ending Fund Balance	\$ 11,097,798	\$ (0)	\$ 9,861,934	\$ 0

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 810 - Measure X - Series A-1

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
Interest and Investment Income	\$ 5	\$ -	\$ 20	\$ -
Total Revenues	\$ 5	\$ -	\$ 20	\$ -
Expenditures:				
3999 - Program Management, Planning and Support	-	-	-	881
Total Expenditures	\$ -	\$ -	\$ -	\$ 881
Net Change to Fund Balance	5	0	20	(881)
Beginning Fund Balance	856	861	861	881
Ending Fund Balance	861	861	881	0

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 820 - Measure X - Series B

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
Interest and Investment Income	\$ 220,965	\$ -	\$ 480,172	\$ 480,172
Total Revenues	\$ 220,965	\$ -	\$ 480,172	\$ 480,172
Expenditures:				
3101 - San Benito County Campus	\$ -	\$ 23,571,666	\$ 1,867,256	\$ 22,000,000
3201 - Site Improvement, Security and Infrasi	-	-	-	2,000,000
3201-06 - Gilroy Campus ADA Improvements	-	-	-	750,000
3201-10 - Gilroy Campus Security Door Lock	-	-	-	250,000
3201-14 - Monument Sign	-	-	-	750,000
3201-15 - Underground Utilities	-	-	-	500,000
3202 - Library and Student Resource Center	-	3,541,364	488,086	10,533,949
3204 - STEM Center	-	5,570,000	33,325	570,000
3901 - IT Infrastructure	-	-	-	1,000,000
3999 - Program Management, Planning and	-	-	-	730,172
Total Expenditures	\$ -	\$ 38,253,030	\$ 2,388,667	\$ 39,084,121
Net Change to Fund Balance	220,965	(38,253,030)	(1,908,495)	(38,603,949)
Beginning Fund Balance	40,291,479	40,512,444	40,512,444	38,603,949
Ending Fund Balance	\$ 40,512,444	\$ 2,259,414	\$ 38,603,949	\$ -

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 830 - Measure X - Series B-1

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
Interest and Investment Income	\$ 311,563	\$ -	\$ 676,660	\$ 676,660
Total Revenues	\$ 311,563	\$ -	\$ 676,660	\$ 676,660
Expenditures:				
3101 - San Benito County Campus	\$ -	\$ 23,530,246	\$ -	\$ -
3201 - Site Improvement, Security and Infrasi	-	7,128,176	-	500,000
3201-08 - Covered Walkways Replacement F	-	-	35,000	2,201,653
3202 - Library and Student Resource Center	-	7,128,176	-	-
3901 - IT Infrastructure	75,000	-	-	-
3995 - Debt Service	-	4,731,795	-	-
3999 - Program Management, Planning and	-	-	-	676,660
Total Expenditures	\$ 75,000	\$ 56,774,745	\$ 35,000	\$ 3,378,313
Net Change to Fund Balance	236,563	(56,774,745)	641,660	(2,701,653)
Beginning Fund Balance	56,851,424	57,087,987	57,087,987	57,729,647
Ending Fund Balance	\$ 57,087,987	\$ 313,242	\$ 57,729,647	\$ 55,027,994

X. DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues accounted for in Debt Service funds are primarily from special property tax levies, interest, or operational income from completed projects financed by revenue bonds, energy loans, or investments are generally maintained in the appropriate county treasury.

The District uses the Debt Service Fund to track the debt-service associated with Measure X general obligation bonds. Revenues are derived from interest earnings and real property tax assessments and are used exclusively for the retirement of the debt associated with the bonds.

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Debt Service Consolidated

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8600: State Revenue	\$ 67,814	\$ 25,273	\$ 60,000	\$ 76,000
8800: Local Revenue	16,013,170	6,658,501	19,020,739	17,675,000
Total Revenues	\$ 16,080,984	\$ 6,683,774	\$ 19,080,739	\$ 17,751,000
Expenditures:				
5000: Other Operating Expenses	\$ 18,734	\$ 7,550	\$ 16,300	\$ 17,760
7000: Other Outgo	19,828,136	6,241,350	18,233,754	6,241,350
Total Expenditures	\$ 19,846,870	\$ 6,248,900	\$ 18,250,054	\$ 6,259,110
Net Change to Fund Balance	(3,765,886)	434,874	830,685	11,491,890
Beginning Fund Balance	23,599,055	19,833,169	19,833,169	20,663,854
Adjustment	-	-	-	-
Ending Fund Balance	\$ 19,833,169	\$ 20,268,043	\$ 20,663,854	\$ 32,155,744

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 210 - Measure E Debt Service

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8600: State Revenue	\$ 67,814	\$ 25,273	\$ 60,000	\$ 76,000
8800: Local Revenue	16,810,841	6,343,501	18,820,739	17,400,000
Total Revenues	\$ 16,878,655	\$ 6,368,774	\$ 18,880,739	\$ 17,476,000
Expenditures:				
5000: Other Operating Expenses	\$ 9,763	\$ 7,050	\$ 8,300	\$ 8,500
7000: Other Outgo	19,828,136	6,241,350	18,233,754	6,241,350
Total Expenditures	\$ 19,837,899	\$ 6,248,400	\$ 18,242,054	\$ 6,249,850
Net Change to Fund Balance	(2,959,244)	120,374	638,685	11,226,150
Beginning Fund Balance	18,273,166	15,313,922	15,313,922	15,952,607
Ending Fund Balance	\$ 15,313,922	\$ 15,434,296	\$ 15,952,607	\$ 27,178,757

**Gavilan Joint Community College District
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Fund 920 - Measure X Debt Service

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8800: Local Revenue	\$ (797,671)	\$ 315,000	\$ 200,000	\$ 275,000
Total Revenues	\$ (797,671)	\$ 315,000	\$ 200,000	\$ 275,000
Expenditures:				
5000: Other Operating Expenses	\$ 8,971	\$ 500	\$ 8,000	\$ 9,260
Total Expenditures	\$ 8,971	\$ 500	\$ 8,000	\$ 9,260
Net Change to Fund Balance	(806,642)	314,500	192,000	265,740
Beginning Fund Balance	5,325,889	4,519,248	4,519,248	4,711,248
Ending Fund Balance	\$ 4,519,248	\$ 4,833,748	\$ 4,711,248	\$ 4,976,988

XII. STUDENT FINANCIAL ASSISTANCE FUND

Student Financial Assistance Funds are designated to account for receiving and disbursing federal and state-funded student financial aid. The 2023-24 Tentative budget anticipates disbursements totaling \$XX million to students.

Programs associated with this fund are as follows:

Federal

- Pell Grants
- Supplemental Educational Opportunity Grant (SEOG)
- Direct Loans
- Higher Education Emergency Relief Fund (HEERF)

State

- Cal Grant
- EOPS Financial Aid
- Student Success Completion Grant
- SFRF Emergency Financial Assistant
- AB 19 California College Promise
- COVID-19 Recovery Block Grant

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 480 - Student Financial Aid Trust Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8600: Federal Revenue	\$ 8,000,192	\$ 6,734,441	\$ 5,009,979	\$ 5,281,500
8600: State Revenue	2,465,935	338,819	912,050	966,000
8800: Local Revenue	35,395	-	-	-
Total Revenues	\$ 10,501,522	\$ 7,073,260	\$ 5,922,029	\$ 6,247,500
Expenditures:				
Pell Grants	\$ 4,818,744	\$ 6,266,689	\$ 4,833,188	\$ 5,101,500
Supplemental Educational Opportunity Grant	94,600	67,752	119,400	120,000
Direct Loans	66,782	400,000	57,391	60,000
Cal Grant	950,195	341,920	915,151	966,000
Other State Grants	4,552,856	-	-	-
Total Expenditures	\$ 10,483,177	\$ 7,076,361	\$ 5,925,130	\$ 6,247,500
Net Change to Fund Balance	18,345	(3,101)	(3,101)	-
Beginning Fund Balance	12,701	3,101	3,101	-
Adjustment	(27,945)	-	-	-
Ending Fund Balance	\$ 3,101	\$ -	\$ -	\$ -

XIII. ASSOCIATED STUDENTS OF GAVILAN COLLEGE (ASGC)

The ASGC Operating Fund is money held in trust by the district for organized student body association activities. The District has fiduciary responsibility for these funds.

Revenues to the ASGC Operating fund are mostly generated by the sale of student activity fee. Gavilan College students pay a voluntary \$6 fee upon registration during each term of the academic year. Other funds deposited to this account include vending machine commissions and contributions from the bookstore.

The revenue supports student services, clubs, cultural events, speakers, college wide support grants, scholarships, textbook support programs and many other services and activities to enhance student life and create a sense of belonging.

Gavilan Joint Community College District
FY2023-2024 Tentative Budget

Fund 470 - Associated Students Trust Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8800: Local Revenue	\$ 440	\$ 41,967	\$ 46,000	\$ 46,000
Total Revenues	\$ 440	\$ 41,967	\$ 46,000	\$ 46,000
Expenditures:				
4000: Books and Supplies	\$ 6,161	\$ 15,425	\$ 11,048	\$ 9,075
5000: Other Operating Expenses	18,951	108,462	21,269	82,379
6000: Capital Outlay	8,266	0	0	2,000
7000: Other Outgo	14,038	36,183	35,000	35,000
Total Expenditures	\$ 47,416	\$ 160,070	\$ 67,317	\$ 128,454
Net Change to Fund Balance	(46,976)	(118,103)	(21,317)	(82,454)
Beginning Fund Balance	332,795	286,322	286,322	265,005
Adjustment	504	0	0	0
Ending Fund Balance	\$ 286,322	\$ 168,219	\$ 265,005	\$ 182,551

XIV. STUDENT CENTER FEE FUND

Permitted by California Education Code, the Student Center Fee is charged to all students and is designated solely for the purpose of maintaining, operating and remodeling student activity centers throughout the District. The fee is \$1 per unit for a maximum of \$5 per semester and cannot exceed \$10 per academic year.

Some students receiving financial assistance may have the fee waived.

Gavilan Joint Community College District
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Fund 660 - Student Center Fund

	Actual 2021-22	Adjusted Budget 2022-23	Estimated Actuals 2022-2023	Tentative Budget 2023-24
Revenues:				
8800: Local Revenue	\$ 26,406	\$ 40,800	\$ 35,728	\$ 35,728
Total Revenues	\$ 26,406	\$ 40,800	\$ 35,728	\$ 35,728
Expenditures:				
2000: Non-Instructional Salaries	\$ 26,946	\$ 26,946	\$ 26,946	\$ 29,161
3000: Employee Benefits	20,108	20,984	20,984	22,709
4000: Books and Supplies	-	1,240	-	-
5000: Other Operating Expenses	2,920	13,551	6,400	-
Total Expenditures	\$ 49,975	\$ 62,721	\$ 54,330	\$ 51,870
Net Change to Fund Balance	(23,569)	(21,921)	(18,602)	(16,142)
Beginning Fund Balance	104,523	79,908	79,908	61,306
Adjustment	(1,046)	-	-	-
Ending Fund Balance	\$ 79,908	\$ 57,987	\$ 61,306	\$ 45,164

ATTACHMENTS

Gavilan Joint Community College District 2022-23 Budget Criteria

Budget Guidelines

We will develop a budget that:

1. Meets all legal, financial, and statutory requirements and board policies.
2. Is based upon planning that reflects both current and long-term needs and goals, provided by a second-year budget projection that meets all budget guidelines.
3. Makes steady progress toward reducing or eliminating structural budget issues (e.g., structural deficit, declining revenue, rising costs, lack of ongoing dollars to cover ongoing expenses, etc.) through budget and enrollment strategies and collective bargaining.
4. Has had campus community involvement and consideration during preparation.
5. Includes all contractually negotiated costs and expenses.
6. 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.
7. Includes salaries and benefits with a goal not to exceed 85% of total unrestricted budgeted expenditures.
8. Identifies significant but unfunded items not included in the budget.
9. Highlights unusual items and/or provides information on substantive changes from previous budgets.
10. 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.
11. 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 offset such costs.
12. Creates time specific plans for the full funding of unfunded liabilities/obligations through specific trust funds and reserve accounts.
13. Is based on sound and well understood enrollment projections and trends.
14. Makes every reasonable attempt to avoid lay/offers and/or hold them to a minimum should layoffs be necessary.

2022-23 Budget Criteria

15. Shall make no ongoing long-term commitments with one time money.
16. Will strive to reduce or eliminate any kind of structural deficit.
17. Maintain unrestricted reserves of two months of total operating expenditures for contingencies to any expenditure classification.
18. The Budget Guidelines will be reviewed semi-annually by the Board of Trustees and College Staff.
19. Commitment to equity in resource allocation (people, time, and money) to create student experiences that enable all students to succeed, including student populations that have been identified as having disproportionate student success outcomes and those that have been historically marginalized.

FISCAL YEAR 2023-24 BUDGET CALENDAR		
Date	Event / Task	Owner
<u>JANUARY - 2023</u>		
Week 1	Governor's Budget Proposal for <i>ensuing fiscal year</i> is released	Governor's Office
Week 2	Development of Strategic Plan (Budget Guidelines) by the Board of Trustees and Campus Community.	President & BOT
Week 3	State budget workshop-Sacramento	VPAS
<u>FEBRUARY - 2023</u>		
Week 2	Distribute <i>ensuing fiscal year</i> position control file (Group 1 and 2), all positions, all departments, all funds for permanent and non-permanent staff to deans for review. Due to VPs by Feb 27 th .	VPAS & HR
Week 2	Distribute <i>ensuing fiscal year</i> budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to deans for review. Due to VPs by Feb 27 th .	VPAS
Week 3	Budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to the VP of Administrative Services & Business Services due by mid-April.	Cabinet & Dept Mgr.
<u>MARCH - 2023</u>		
Week 3	For the <i>ensuing fiscal year</i> position control file, (Group 1 and 2) projections (Version #1) due to Business Services.	VPAS & HR
Week 3	March 15 – Classified, Academic and Unrepresented Positions Non-Renewal Notice/Layoff Notice Deadline, If Applicable	HR
Week 4	Review revenue and expenditure calculations with Board and College Budget Committees	VPAS
<u>APRIL - 2023</u>		
Week 1	Cost out summer/fall class schedule	VPAA/SS & Deans
Week 3	Revenue and expenditures calculation; all funds due to Cabinet	VPAS
Week 3	Final deadline for changes to the <i>ensuing fiscal year</i> Tentative Budget document due to VP of Administrative Services & Business Services	Cabinet & Dept Mgr.
Week 4	Final status of <i>ensuing fiscal year</i> Budget Guidelines to VP of Administrative Services	President
Week 4	Final revenue and expenditures calculation; all funds due to VP Admin. Services.	VPAS & HR
<u>MAY - 2023</u>		
Week 2	Governor's May revise with district review	Cabinet & Dept Mgr.
Week 2	Board review of Tentative Budget document	VPAS & HR
Week 3	Complete Tentative Budget to printer	VPAS
Week 4	Re-review of prioritized program plans with budget requests in light of May revise revenue assumptions and expenditures	PIPR/RAP
<u>JUNE - 2023: FY24 TENTATIVE BUDGET PHASE</u>		
Week 2	Tentative Budget adopted by Board of Trustees	Board of Trustees
Week 3	Preliminary financial and compliance audit	VPAS & Dept Mgrs.

JULY - 2023		
Week 2	Re-review of prioritized program plans with budget requests in light of actual Budget Act revenue assumptions and expenditures	PIPR/RAP
Week 2	Final deadline for the addition of new positions (Group 1 and 2) to the Final Budget. Freeze position file for Final Budget document due to VP of Administrative Services	Cabinet & Dept Mgr.
Week 3	Changes in budget line-item detail for other expenditures (4/5/6's) department budgets, all funds due to VP of Administrative Services	Cabinet & Dept Mgr.
AUGUST - 2023: FY23 YEAR END CLOSE PHASE		
Week 1	State budget workshop	VPAS
Week 2	Revise Tentative Budget for Final Budget	VPAS
Week 2	Board Budget Committees review of Final Budget (College Committee does not meet in the summer)	VPAS
Week 2	Categorical year-end close of the <i>current fiscal year</i> .	VPAS
Week 4	Complete Final Budget to printer	VPAS
Week 4	All funds year-end close, of the <i>current fiscal year</i> .	VPAS
SEPTEMBER - 2023: FY24 FINAL/ADOPTED BUDGET PHASE		
Week 2	Review Final Budget with PIPR/RAP	VPAS & PIPR/RAP
Week 2	Database available for input of <i>new fiscal year</i> program plans with or without budget requests.	Business Services
OCTOBER - 2023		
Week 4	Draft Audited <i>prior fiscal year close</i> Financial Statements Review	VPAS
NOVEMBER - 2023: FY25 BUDGET DEVELOPMENT PHASE		
Week 1	Input of program plans, and budget requests completed.	Deans & Dept Mgrs.
Week 1	Final financial and compliance audit	VPAS & Dept. Mgrs.
Week 2	Approval of budget calendar <i>next ensuing fiscal year</i> .	Board of Trustees
Week 2	Board and College Budget Committees development of <i>next ensuing</i> Budget Calendar	VPAS
Week 3	Cost out intersession/spring class schedule	VPAA/SS & Deans
DECEMBER - 2023: FY25 PROGRAM REVIEW & RESOURCE ALLOCATION PHASE		
Week 1	Complete review/rank of program plans with budget requests	Dept Mgrs.
Week 2	Approval of financial audit for <i>prior fiscal year</i> close.	Board of Trustees
Week 2	Draft Audited prior fiscal year close Financial Statements Review	VPAS
Week 3	Complete 90% of adjunct salary assignments	Deans
JANUARY - 2024: FY25 CABINET REVIEWS RESOURCE PRIORITIES & TENTATIVE APPROVES		
Week 1	Cabinet complete review/ranking of program plans with budget requests.	Cabinet

2023-24 TENTATIVE BUDGET

Week 1	Completion of Board of Trustees goals	President & BOT
Week 2	State budget workshop, Sacramento	VPAS
Week 3	Distribute FY2023-24 position control file (Group 1 and 2), all positions, all departments, all funds for permanent and non-permanent staff to Cabinet for review.	VPAS & HR
Week 4	Distribute FY2023-24 budget line-item detail for other expenditures (4/5/6's) for all departments/all funds to Cabinet for review	VPAS