



SPARC: Integrated Planning & Resource Allocation

Tentative Fund 1 Budget Development
Fiscal Year 2023-2024

May 11, 2023

**Tracking Fund 1 Site Allocation Changes
For Fiscal Year 2023-2024**

Fund 1 Site Allocation	RA step	08-Feb-23	07-Mar-23	07-Apr-23	07-May-23
FY 2022-2023 Adopted Budget		\$ 55,419,703	\$ 55,419,703	\$ 55,419,703	\$ 55,419,703
Compensation adjustments (formerly pass-throughs)					
COLA - Projected	step 6	3,728,664	3,728,664	3,728,664	3,728,664
LSI/Step/Column/Negotiations(Included Row 11)	step 6				
Sub-total		<u>3,728,664</u>	<u>3,728,664</u>	<u>3,728,664</u>	<u>3,728,664</u>
Other Changes to Site Allocation					
International student revenue	step 4	167,690	167,690	167,690	514,390
College Technology	step 6	115,841	115,841	115,841	115,841
CPI (Consumer Price index) adjustment	step 6	165,097	165,097	165,097	165,097
Final adjustment	step 7	(3,695,700)	(4,142,663)	(3,676,211)	(3,258,974)
Sub-total		<u>(3,247,072)</u>	<u>(3,694,035)</u>	<u>(3,227,583)</u>	<u>(2,463,646)</u>
Increase in site allocation		<u>481,592</u>	<u>34,629</u>	<u>501,081</u>	<u>1,265,018</u>
FY 2023-2024 Site Allocation before Prop 30		<u>55,901,295</u>	<u>55,454,332</u>	<u>55,920,784</u>	<u>56,684,721</u>
Prop 30 Allocation		382,335	382,335	382,335	382,335
FY 2023-2024 Site Allocation inclu. Prop 30		<u>56,283,630</u>	<u>55,836,667</u>	<u>56,303,119</u>	<u>57,067,056</u>
Net Change in FY24 Uncommitted Funds		<u>\$ (3,247,072)</u>	<u>\$ (3,694,035)</u>	<u>\$ (3,227,583)</u>	<u>\$ (2,463,646)</u>

Assumption Changes & Data Updates

Salary Commitments

Being Negotiated *Being Negotiated* *Being Negotiated* *Being Negotiated*
 FY 23-24: (4.69%); FY 23-24: (4.94%); FY FY 23-24: (5.13%); FY FY 23-24: (5.23%);
 FY 22-23; (8.34%) 22-23; (8.34%) and FY 22-23; (8.34%) and FY FY 22-23; (8.34%)
 and FY 21-22 21-22 (4.19%) 21-22 (4.19%) and FY 21-22
 (4.19%) (4.19%) (4.19%) (4.19%)

Assessed Value

Budget Planning Considerations

- Assessed property values in San Mateo County, which account for 86.4% of District Fund 1 budget, will not be final until July.
- FY24 will be the first year impacted by the added expense of \$7.7 million for *CA Senate Bill 893 (SB893)*, which is expected to increase Skyline's expenses by \$2.4 million. FY24 will also be the first year without HEERF support which totaled more than \$9 million over the previous four years.
- Final State of CA budget will not be adopted until June 15th and may impact categorical program funding along with other one-time allocations. This could adversely affect Fund 1 commitments.
- The CA State budget has shifted from a \$100 billion surplus to a \$25 billion *deficit* for the Fiscal Year. Also, tax revenues are uncertain due to extended filing period. For these reasons, uncertainty at the state level may exert significant budgetary impacts that are difficult to anticipate.
- Similar to last year, it is advantageous at this time to take a wait-and-see approach as estimates can change materially over the next two months.

Budget Planning Considerations

- For these reasons, similar to last year, SPARC recommends a roll-forward (no increases or decreases) Tentative Budget for FY 2023-2024. After the FY2023-2024 Adopted Budget becomes more certain in August 2024, SPARC will make a final FY 23-24 budget recommendation in the Fall semester.
- Also similar to last year, on July 1st 2023, Deans and Divisional programs will be able to plan and implement their FY2023-2024 budgets with firm guidance that *no reductions* in Fund 1 support are anticipated for the fiscal year.



Thank you!