

A group of four people (three men and one woman) are gathered around a table in a meeting. One man is leaning over the table, pointing at a document. The others are looking at the document or a laptop. The scene is dimly lit with a teal overlay.

# Napa Valley Community College District

## Budget Committee Orientation

*2024 - 2025*

# Introduction and Orientation to the Napa Valley Community College District Budget Committee

The information contained in this presentation is provided as an orientation regarding the roles and responsibilities of members of the Napa Valley District Budget Committee.

## Agenda

- District Committees and their Role in Shared Governance
- Roles & Responsibilities for Members of the Budget Committee
- Annual Review of Committee Charge
- Review - Sources of Funds
- Agenda for 2024 – 2025
- Overview of 2024 -2025 Fund 11 Budget

# The Role of the Budget Committee in Shared Governance and College Operations

- District Committee's, including the Budget Committee, are convened by the Superintendent/ President to provide information and recommendations representative of a collaborative and consultative process that engages all stakeholders.
- The District Budget Committee is the *recommending* body for college constituents, including students, faculty and staff to have a representative voice in the budget development process.
- The Budget Committee is charged with ensuring that prioritized plans, District priorities and emerging needs developed through the planning process are reflected in annual budget considerations.
- The Budget Committee assists to ensure that resource allocation processes are linked to institutional planning
- In collaboration with the Planning Committee, serves to review and revise the process of budget development in support of AB 1725, the 10 + 1 responsibilities afforded to college faculty.
- The Committee shall assist in identifying areas, based on available data, that support improvements in the efficient operation of the institution.
- The Budget Committee is responsive to best practice standards as provided by ACCJC, FCMAT and the state Chancellor's Office.

# District Budget Committee – Roles & Responsibilities

## The Role of the Committee

- To make recommendations regarding resource priorities based upon information provided by the Planning Committee in support of the Educational Master Plan, DEI plan, Facilities Master Plan and Technology Plan.
- The Committee shall view the annual operating budget utilizing an equity-minded lens, operationalized in part by the recognition of investments in achieving the goals outlined in the Student Equity Plan.
- To recommend to the Superintendent/ President the Tentative & Final Budget within the timeframes required by statute.
- To review monthly institutional budget reports and recommend budget action as appropriate and necessary.
- To review material changes to the Fund 11 Budget with a recommendation to the Superintendent/ President
- To identify areas of interest in the budget that can benefit from additional review to achieve improved transparency and operating efficiency.

## The Role of Committee Members

- To represent the perspectives and priorities of the *constituent group you represent* in the consideration of budget priorities. Bargaining unit matters are not within the purview of the Budget Committee.
- To employ an equity minded lens in budget considerations over which the Committee has purview.
- To communicate and solicit feedback regarding the work of the Committee.
- To participate fully in the deliberations of the Committee.
- To participate in topic specific work groups and represent work group recommendations to the Budget Committee.

# District Budget Committee – Purpose Statement

## Budget Committee Charge:

Empaneled by the Board of Trustees with guidance provided by AP 6200 and the *Budget Development Values & Assumptions*, the District Budget Committee serves to provide a representative body of college stakeholders and constituent groups who reviews and oversees the implementation of the budget development process.

The Committee is charged with reviewing and recommending the Tentative and Final Budgets to the Superintendent/ President and to ensure that the budget reflects the mission of the District, its strategic initiatives and planning priorities.

Interlinked with the Planning Committee, the Budget Committee's process is informed by priorities outlined in the Educational Master Plan, Student Equity Achievement Plan, and other plans adopted by the District.

Further, It is the charge of the committee to ensure that the priorities of the District are represented in resource allocation decisions and that budget development has broad based campus input. This charge shall include the opportunity to review District level budget reports and related financial information in support of enhanced transparency and the role of the Committee to make recommendations deemed appropriate and necessary to uphold or enhance the District's fiscal standing.

## Membership:

Ex officio Members – Chief Business Officer (co-chair), Chief Instructional Officer, Chief Student Affairs Officer.

Academic Senate Designate – Co-chair

Academic Senate Representatives – Six representatives;

Administrative Senate – Two representatives;

Classified Senate - Two representatives;

ASNVC – One Representative.

## Meeting Schedule:

Second Fridays of the Month – 9:00 am to 11:00 am – Work Group Meetings TBD

# Integrating Planning & Budget

A careful integration between the Planning Committee and the Budget Committee ensures that the plans, goals and objectives of the college are realized in the resource allocation process.

Institutional plans and priorities emerge from planning documents, including the Educational Master Plan, the Student Equity Plan, the Facilities Master Plan and the Technology Plan and recognized in unit plans.

Annual priorities are communicated to the campus community in the Budget Guidance Memorandum. This document also provides contextual information, including enrollment projections, ongoing financial commitments and anticipated material changes in revenues and/or expenses.

In support of longer-term planning, the Budget Committee will review three- and five-year budget projections that provide additional context to Planning & Budget work.

As the budget is a manifestation of institutional priorities, the engagement of the College's Planning Committee in the development of budget priorities is a critical component of the process. To this end, the Budget Committee will coordinate and collaborate with the Planning Committee to ensure that the institution's planning informs resource allocation recommendations.

# Sources of Funding – Community Based Funding vs. Apportionment Based Funding

<b>Community Supported Institutions – Source of Revenues</b> <small>(NVC Becomes Community Supported in 2017-2018)</small>	<b>State Supported Institutions – Source of Revenues</b>
Property Taxes	Funded based on metrics defined in the Student Funded Funding Formula (SCFF) <ul style="list-style-type: none"> <li>• Base Allocation</li> <li>• Supplemental Allocation</li> <li>• Success Allocation</li> </ul>
\$100/FTES for Education Protection Act (EPA)	Categorical, Grant, and Special Program Funds
Enrollment Fees	Enrollment Fees
Categorical, Grant, Special Program Funds	Categorical, Grant, Special Program Funds
Limited Apportionment Funding	Enrollment and Student Achievement drives Apportionment Funding



# Key Metrics, Reports

- Balanced Budget
- Reserve Balance at 17% of annual expenditures
- 50% Law Compliance
- Salaries & Benefits at approximately 85% of Total Expenditures
- Community Based vs. Apportionment calculation

## Scorecards

- CCFS 311 Report – File with the Chancellor’s Office in October of each year
- Annual Audit of Financial Statements – Typically completed in November of each year
- Monthly Budget Report
- Five Year Projection of Revenues and Expenses



# Financial Reports

**UNRESTRICTED GENERAL FUND (FUND 11)**  
**INCOME/EXPENSE FINANCIAL COMPARISONS - PERIOD 11 (as of May 31, 2024)**  
**FISCAL YEAR ENDING JUNE 30, 2024**

11 / 12 = 92%

A	B	D	E	F	G	H	I	J
	Audited FY 2019-2020	Audited FY 2021-2022	Audited FY 2022-2023	Board Approved Adopted 12 Mos. Adjusted Budget FY 2023-2024 (Revised Post Audit)	Prior Yr Actuals As of 5/31/23	Current Actuals As of 5/31/24	11 Month Actuals Prior Yr/Current Variance (H - G)	Current Year ACTUALS vs BUDGET % Rec'd or Expensed (H / F)
<b>Revenues</b>								
1 Federal Income	\$ 25,866 0.1%	\$ 38,383 0.1%	\$ 15,963 0.0%	\$ 35,687 0.1%	\$ 1,150	\$ 21,290	20,140	60%
2 State Income	2,000,724 5.0%	2,995,575 6.0%	3,054,624 6.0%	3,008,990 6.0%	2,754,838	1,870,873	(883,965)	62%
3 Local Income								
4 Property Taxes	35,296,686 82.1%	38,392,628 85.1%	41,168,297 87.0%	44,120,009 87.0%	39,679,706	42,869,657	3,189,951	97%
5 Other Local Income	3,383,448 6.9%	2,326,545 5.2%	2,468,016 5.2%	3,100,831 6.2%	2,693,729	3,053,514	359,786	98%
6 Other Financing Sources	3,921,557 6.9%	1,373,830 3.0%	311,713 0.7%	0.0%	360,982	2,400	(358,582)	
7 <b>Total Revenues</b>	<b>44,628,281 100%</b>	<b>45,126,953 100%</b>	<b>47,040,613 100%</b>	<b>50,265,517 100%</b>	<b>45,490,405</b>	<b>47,817,734</b>	<b>2,327,329</b>	<b>95%</b>
<b>Expenditures</b>								
8 Salaries								
9 Faculty Salaries - Permanent	10,717,209	9,944,207	9,890,272	9,965,950	9,218,964	9,271,890	(53,527)	93%
10 Faculty Salaries - Temporary	4,741,568	4,648,382	4,172,278	4,600,983	3,538,967	4,269,474	(730,507)	93%
11 Adm'n. - Academic Permanent	2,114,361	1,762,771	1,265,399	1,667,298	1,192,042	1,212,693	(20,651)	73%
12 Classified Salaries - Permanent	6,613,555	6,711,656	6,478,243	7,383,908	6,413,578	6,191,693	221,885	84%
13 Classified Salaries - Temporary	603,029	1,042,681	858,021	614,508	598,574	659,186	(60,612)	107%
14 Student Employment	176,649	60,381	95,078	85,293	98,230	141,078	(42,848)	165%
15 Admin./Confidential - Permanent	3,035,222	2,800,500	2,422,027	3,135,244	2,760,349	2,760,349	(374,961)	88%
16 <b>Total Salaries</b>	<b>28,001,593 61.4%</b>	<b>26,955,579 61.0%</b>	<b>25,181,319 54.0%</b>	<b>27,453,184 55.4%</b>	<b>23,291,043</b>	<b>24,506,264</b>	<b>(1,215,221)</b>	<b>89%</b>
17 Employee Benefits								
18 State Teachers Retirement Sys.	2,354,341	2,268,384	2,412,734	2,572,346	2,235,207	2,321,054	(85,847)	90%
19 Public Employees Retirement Sys.	2,521,848	2,566,295	2,673,831	3,047,295	2,575,945	2,792,019	(216,675)	92%
20 FICA/OASDI	1,111,806	1,096,964	1,053,682	1,279,531	996,769	1,034,231	(47,462)	81%
21 Health and Welfare Benefits	4,002,798	2,443,546	2,383,238	2,383,238	2,795,523	2,336,825	(458,703)	84%
22 Unemployment Insurance	13,217	134,420	123,151	13,777	119,561	11,570	(307,991)	84%
23 Workers Comp. Insurance	470,323	476,684	457,835	512,282	426,781	457,088	(30,307)	89%
24 Other Employee Benefits	17,776	14,529	11,838	28,118	11,276	11,227	49	40%
25 <b>Total Employee Benefits</b>	<b>10,292,109 21.1%</b>	<b>9,200,823 20.8%</b>	<b>9,316,229 20.0%</b>	<b>10,248,879 20.7%</b>	<b>8,687,921</b>	<b>8,964,014</b>	<b>(276,092)</b>	<b>87%</b>
26 Books and Supplies								
27 Computer Software/Books	810	284	195	182	28	4,440	(4,422)	2445%
28 Instructional Supplies/Materials	345,458	184,801	113,503	149,197	93,917	136,086	(42,169)	91%
29 Office Supplies	30,596	16,200	19,382	17,974	10,965	3,225	7,740	18%
30 Other Supplies	373,172	260,850	385,618	289,546	271,238	251,409	19,829	87%
31 <b>Total Books and Supplies</b>	<b>750,036 0.0%</b>	<b>462,136 1.0%</b>	<b>518,698 1.2%</b>	<b>456,899 0.9%</b>	<b>376,147</b>	<b>395,169</b>	<b>(19,022)</b>	<b>96%</b>
32 Other Operating Expenses								
33 Other Professional Services	1,241,105	577,322	1,058,238	2,194,838	1,052,685	1,834,734	(782,048)	84%
34 Travel/Conference/Prof. Dev.	207,595	177,035	232,278	186,025	138,275	257,536	(119,260)	138%
35 Insurance and Utilities	1,843,641	2,289,221	2,373,028	2,800,976	2,093,908	2,385,611	(291,703)	85%
36 Maintenance and Repairs	1,748,714	1,320,324	1,145,284	1,218,980	987,608	867,238	120,370	71%
37 Legal, Election and Audit	209,556	208,717	392,362	350,425	290,456	273,982	16,473	78%
38 Advertising and Printing	82,322	60,735	67,368	80,312	43,627	68,815	(25,188)	86%
39 Dues and Memberships	108,500	71,431	90,761	125,235	87,330	114,788	(27,458)	92%
40 Rentals	330,883	336,434	301,519	626,718	307,831	746,659	(438,828)	119%
41 Other Operating Expenses	313,976	194,420	372,851	353,777	199,572	185,082	14,490	52%
42 <b>Total Other Operating Supplies</b>	<b>6,084,292 10.8%</b>	<b>5,335,332 12.1%</b>	<b>6,037,910 13.0%</b>	<b>7,336,664 16.0%</b>	<b>5,201,233</b>	<b>6,734,445</b>	<b>(1,535,151)</b>	<b>85%</b>
43 Capital Outlay	620,412 0.0%	779,828 1.8%	1,100,418 2.3%	1,233,983 2.3%	1,012,600	1,089,711	(77,111)	88%
44 Other Outgo								
45 Other Outgo/Interfund Transfers	18,029	110,067	937,101	535,450	-	-	-	0%
46 OPEB	-	1,340,190	1,393,957	1,677,273	1,270,822	1,301,217	(30,395)	78%
47 <b>Total Other Outgo</b>	<b>18,029 0.0%</b>	<b>1,450,257 3.2%</b>	<b>2,331,058 5.2%</b>	<b>2,212,723 4.0%</b>	<b>1,270,822</b>	<b>1,301,217</b>	<b>(30,395)</b>	<b>59%</b>
48 <b>Total Expenditures</b>	<b>45,746,471 100%</b>	<b>44,193,956 100%</b>	<b>44,485,631 100%</b>	<b>49,542,326 100%</b>	<b>39,830,827</b>	<b>42,990,820</b>	<b>(3,159,994)</b>	<b>87%</b>
49 <b>Increase/(Decrease) in Fund Balance</b>	<b>(1,138,190)</b>	<b>932,997</b>	<b>2,554,983</b>	<b>723,191</b>	<b>5,650,578</b>	<b>4,826,914</b>		
50 <b>Beginning Fund Balance</b>	<b>3,964,326</b>	<b>3,478,108</b>	<b>4,411,105</b>	<b>6,966,088</b>				
51 <b>Ending Fund Balance</b>	<b>\$ 2,826,136</b>	<b>\$ 4,411,105</b>	<b>\$ 6,966,088</b>	<b>\$ 7,689,279</b>				
52 <b>Fund Balance Amount as a Percentage of Total Expenditures</b>	<b>6.18%</b>	<b>9.98%</b>	<b>15.66%</b>	<b>15.52%</b>				

# Financial Projections

## NAPA VALLEY COMMUNITY COLLEGE DISTRICT UNRESTRICTED GENERAL FUND (FUND 11) FOR THE FISCAL YEARS 2023-24 Through 2027-28

	Adjusted Budget FY 2023-24	(Footnote A & B)			(Footnote A & B)			(Footnote A & B)			(Footnote A & B)		
		Projected		C.Y. over P.Y.	Projected		C.Y. over P.Y.	Projected		C.Y. over P.Y.	Projected		C.Y. over P.Y.
		Incr %	Budget 2024-25	Dollar Change	Incr %	Budget 2025-26	Dollar Change	Incr %	Budget 2026-27	Dollar Change	Incr %	Budget 2027-28	Dollar Change
<b>Revenues</b>													
Federal Income	\$ 35,687	5.1%	37,503	1,816	0.0%	37,503	-	0.0%	37,503	-	0.0%	37,503	-
State Income	3,008,990	0.8%	3,031,858	22,868	2.7%	3,114,628	82,770	3.1%	3,211,493	96,865	3.2%	3,313,297	101,804
Local Income			-	-		-	-		-	-		-	-
Property Taxes	44,120,009	4.7%	46,193,649	2,073,640	2.7%	47,454,736	1,261,087	3.1%	48,930,578	1,475,842	3.2%	50,481,678	1,551,099
Other Local Income	3,100,751	2.0%	3,162,766	62,015	2.0%	3,226,021	63,255	2.0%	3,290,542	64,520	2.0%	3,356,353	65,811
Other Financing Sources	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
<b>Total Revenues</b>	<b>50,265,437</b>		<b>52,425,776</b>	<b>2,160,340</b>		<b>53,832,888</b>	<b>1,407,112</b>		<b>55,470,116</b>	<b>1,637,228</b>		<b>57,188,830</b>	<b>1,718,714</b>
<b>Expenditures</b>													
<b>Salaries</b>													
Faculty Salaries - Permanent	9,965,950	4.7%	10,434,350	468,400	3.0%	10,814,160	379,810	3.1%	11,150,480	336,320	3.2%	11,503,951	353,470
Faculty Salaries - Temporary	4,600,983	4.7%	4,817,229	216,246	3.0%	4,992,576	175,347	3.1%	5,147,845	155,269	3.2%	5,311,032	163,187
Admin. - Academic Permanent	1,667,298	4.7%	1,745,661	78,363	3.0%	1,809,203	63,542	3.1%	1,865,469	56,266	3.2%	1,924,605	59,135
Classified Salaries - Permanent	7,383,908	4.7%	7,730,952	347,044	3.0%	8,012,358	281,407	3.1%	8,261,543	249,184	3.2%	8,523,434	261,891
Classified Salaries - Temporary	614,508	4.7%	643,390	28,882	3.0%	666,809	23,419	3.1%	687,547	20,738	3.2%	709,342	21,795
Student Employment	85,293	2.0%	86,999	1,706	2.0%	88,739	1,740	2.0%	90,514	1,775	2.0%	92,324	1,810
Admin./Confidential - Permanent	3,135,244	4.7%	3,282,600	147,356	3.0%	3,402,087	119,487	3.1%	3,507,892	105,805	3.2%	3,619,092	111,200
<b>Total Salaries</b>	<b>27,453,184</b>		<b>28,741,180</b>	<b>1,287,997</b>		<b>29,785,933</b>	<b>1,044,752</b>		<b>30,711,290</b>	<b>925,358</b>		<b>31,683,779</b>	<b>972,489</b>
<b>Employee Benefits</b>													
State Teachers Retirement Sys.	2,572,346	4.7%	2,693,247	120,900	3.0%	2,791,281	98,034	3.1%	2,878,090	86,809	3.2%	2,969,325	91,235
Public Employees Retirement Sys.	3,047,295	0%	3,232,778	185,483	5.7%	3,416,182	183,404	4.0%	3,571,935	155,753	7.5%	3,838,248	266,313
FICA/OASDI	1,279,531	4.7%	1,339,669	60,138	3.5%	1,386,659	46,989	3.0%	1,428,440	41,781	3.1%	1,472,284	43,844
Health and Welfare Benefits	2,795,523	6.0%	2,963,255	167,731	6.0%	3,141,050	177,795	6.0%	3,329,513	188,463	6.0%	3,529,284	199,771
Unemployment Insurance	13,777	6.0%	14,604	827	3.5%	15,116	512	3.0%	15,572	455	3.1%	16,050	478
Workers Comp. Insurance	512,282	4.7%	536,359	24,077	3.5%	555,172	18,813	3.0%	571,900	16,728	3.1%	589,454	17,554
Other Employee Benefits	28,118	4.7%	29,440	1,322	3.5%	30,472	1,033	3.0%	31,390	918	3.1%	32,354	963
<b>Total Employee Benefits</b>	<b>10,248,873</b>		<b>10,809,351</b>	<b>560,478</b>		<b>11,335,932</b>	<b>526,581</b>		<b>11,826,839</b>	<b>490,908</b>		<b>12,446,998</b>	<b>620,159</b>
<b>Books and Supplies</b>													
Computer Software/Books	182	2.0%	186	4	2.0%	189	4	2.0%	193	4	2.0%	197	4
Instructional Supplies/Materials	149,197	2.0%	152,181	2,984	2.0%	155,225	3,044	2.0%	158,329	3,104	2.0%	161,496	3,167
Office Supplies	17,974	2.0%	18,333	359	2.0%	18,700	367	2.0%	19,074	374	2.0%	19,456	381
Other Supplies	289,546	2.0%	295,337	5,791	2.0%	301,244	5,907	2.0%	307,269	6,025	2.0%	313,414	6,145
<b>Total Books and Supplies</b>	<b>456,899</b>		<b>466,037</b>	<b>9,138</b>		<b>475,358</b>	<b>9,321</b>		<b>484,865</b>	<b>9,507</b>		<b>494,562</b>	<b>9,697</b>

# 2024 – 2025 Budget Overview

DRAFT 2024 -2025 Budget to be Presented to the Budget Committee at the August 30, 2024.

## Revenues

- Projected Fund 11 Operating Revenues – \$ 51.2 M
- Projected Fund 12 Resources (Grants and Categorical Funds) - \$ 18 M

## Expenses

- New Positions Outlined in May 1, 2024 Memo from the President
- Earmark for Salary and Benefit Increases – Final Costs TBD
- Subordinate Liability for Student Housing – Up to \$ 650,000 to be supported with reserve balance

# The Budget Committee – Agenda for 2024 - 2025

- In collaboration with the Planning Committee, propose a revised Planning & Budget process reflective of recommendations gleaned from the 2023-2024 process.
- Present a Five-Year budget projection model inclusive of Total Cost of Ownership information provided by the District Facilities Committee and the District Technology Committee.
- Consider special topics to be considered during working group meetings of the Committee.
  - Residential TCO
  - Student Worker Program Costs
  - Provide a staffing update as it relates to current and projected budget impacts
- Review the annual Budget Committee reporting and compliance calendar.
- Provide an orientation to equity-minded considerations for the Budget Committee and the college community.
- Other matters

# Reference Materials

- 2023-2024 Final Budget – Adopted by NVCCD Board of Trustees September 14, 2023
- AP 6200 – Budget Preparation
- AP 6300 – Fiscal Management
- Napa Valley Community College District Budget Development Values & Assumptions – Revised February 2024
- *Budget Processes and the Faculty Role*, The Academic Senate for California Community College – Adopted Fall 2019