



FY24-26 Three Year Forecast & CFI

MARCH 20, 2024

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FY25 Budget Parameters

FY25 Projected Revenue Parameters

- ▶ CCSF – State Funding flat (2nd year of biennium)
- ▶ FY25 Tuition increases (3-4%) consistent with peers
- ▶ Enrollment increases projected at 3.5%
- ▶ Property Taxes at 3.2%
- ▶ Student Fees, Admin Recovery, Other Revenue (incl. ERTC), Sales G&S

FY25 Projected Expense Parameter Variances

- ▶ Salaries
 - ▶ FY25 Compensation increases
 - ▶ Classified Staff - new agreement included
 - ▶ Management @4%
 - ▶ Faculty @ continuing contract rates (COLA and Step Increases)
 - ▶ FY24 Position Vacancies of \$1.6M held in FY24 to fill.
- ▶ Materials & Supply @ 3%
- ▶ Deferred Maintenance (+\$550K, from \$0)
- ▶ Enrollment Investment (+\$200K to Marketing)
- ▶ Lane Forward (+\$50K, from \$250K)
- ▶ IT Investments (+\$550k from \$0)
- ▶ Spread Fund 9 Deficit Recovery over five years (FY24-28)
- ▶ Reduce Reserve for Revenue Shortfall to \$350 thousand (covers ~1.5% growth)

FY24-26 Three Year Forecast Update

	FY2024 Forecast	FY2025 Budget	FY2026 Forecast
Beginning Fund Balance	\$ 7,500,000	\$ 8,517,000	\$ 8,912,434
Total Revenues	\$ 93,354,000	\$ 96,239,000	\$ 99,052,000
Federal Support	\$ -	\$ 1,400,000	\$ -
State Support *	\$ 31,151,000	\$ 31,824,000	\$ 34,052,000
Property Taxes	\$ 24,944,000	\$ 25,742,000	\$ 26,566,000
Student Tuition & Fees	\$ 30,137,000	\$ 33,083,000	\$ 34,616,000
Other Revenue	\$ 7,122,000	\$ 4,190,000	\$ 3,819,000
Δ Revenues	10.6%	3.1%	2.9%
Total Expenditures	\$ 90,524,000	\$ 95,775,000	\$ 96,884,000
Personnel Services **	\$ 77,839,000	\$ 82,130,000	\$ 82,901,000
Materials & Services	\$ 12,485,000	\$ 13,438,000	\$ 13,842,000
Capital Outlay	\$ 200,000	\$ 206,000	\$ 212,000
Δ Expenditures	6.5%	5.8%	1.2%
Change in Fund Balance	\$ 1,028,000	\$ 396,000	\$ 1,000,000
Ending Fund Balance (EFB)	\$ 8,516,524	\$ 8,912,434	\$ 9,912,804
% of EFB to Total Expenditures & Transfers	9.2%	9.0%	10.0%
EFB (Short) / Over	-\$716,000	-\$981,800	\$20,000

CFI Update

	2023	2022	2021	2020	2019	2018	Threshold	Target
Primary Reserve Ratio	(0.54)	(0.47)	(0.54)	(0.51)	(0.47)	(0.21)	0.40	1.00
Net Operating Revenues Ratio	(0.05)	0.11	(0.04)	(0.04)	(0.09)	7.29	0.04	0.04
Return on Net Assets	(0.04)	0.39	(0.04)	(0.12)	(0.11)	0.02	0.06	0.06
Viability	(0.29)	(0.23)	(0.36)	(0.84)	(0.66)	(0.23)	1.25	1.50
Composite Financial Index (CFI)	(2.49)	1.41	(2.38)	(3.16)	(3.00)	0.47	3.00	7.00

- ▶ The Composite Financial Index is a tool designed to help assess overall financial health and communicate succinctly about it.
 - ▶ Primary Reserve Ratio – are resources sufficient and flexible enough?
 - ▶ Net Operating Revenues – are we operating within our means?
 - ▶ Return on Net Assets – does financial performance support objectives?
 - ▶ Viability Ratio – are debt resources strategically managed?
- ▶ Categorically this represents ‘Critically Unhealthy’.

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Financial Highlights from the FY23 Audit:

- ▶ Revenues decreased \$18M over prior year primarily due to reduction in Grant and Contract Funding and State Community College Support.
- ▶ Expenditures increased by \$10.8M or 7.7% due primarily to personnel costs.
- ▶ LCC's Net Position decreased by \$7M compared to a \$16.9M decrease in FY22. Capital contributions of \$5M contributed to a lower net ending position balance of \$24M.