

2025-26 ADOPTION BUDGET

SMCCCD BOARD MEETING

SEPTEMBER 10, 2025

BUDGET HIGHLIGHTS

- 2025-26 Budget is balanced
- Property taxes projected to increase 4.80% over 2024-25
- Funding set aside to support community priorities
- The reserve is in compliance with Board Policy 8.11
 - Two months of operating expenses
- Set aside funds for capital projects not funded by general obligation bonds

OVERVIEW

- Budget Principles
- State Budget for CCDs
- SMCCCD 2025-26 Adopted Budget Assumptions
- 2025-26 Initiatives to Support Students and Community
- 50% Law – Continued Commitment
- FON & 75/25 Goal
- PERS and STRS Rates Impact on SMCCCD
- SMCCCD 2025-26 Adopted Budget (Unrestricted General Fund Summary)
- Adopted Budget - All Funds
- OPEB Summary
- Looking Ahead
- Summary

BUDGET PRINCIPLES

- Address Board goals and District Strategic Plan
- Balanced budget projections through 2027-28
- Maintain adequate reserves pursuant to Board Policy 8.11
- Use one-time funds for one-time expenses
- Support College budgeting priorities in accordance with participatory governance protocols and accreditation standards

STATE BUDGET

Ongoing:

- \$393.58 million increase to provide a 2.30% COLA to the SCFF
- \$139.98 million increase to provide for 2.35% enrollment growth to the SCFF
- \$26.75 million increase to provide a 2.30% COLA to various categorical programs
- \$10 million increase to expand the Rising Scholars Network
- \$5 million increase to expand credit-for-prior learning
- \$3.31 million increase for financial aid administration
- \$1.08 million decrease to equal opportunity programs and lease revenue debt service

STATE BUDGET



One-Time:

- \$60 million to support Student Support Block Grant
- \$25 million to support Career Passports Initiative
- \$20 million for emergency financial aid
- \$15 million for dreamer resource liaisons
- \$15 million to expand credit-for-prior learning
- \$12 million to support the Systemwide Common Data Platform

STATE BUDGET



One-Time:

- \$10 million for the California Healthy School Food Program
- \$10 million for EMT and Paramedic Pre-Apprenticeship Training Academies
- \$6.33 million for prior years apprenticeship reimbursements
- \$5.1 million for financial aid community outreach
- \$5 million for workforce recovery career education in the Los Angeles region
- \$.13 million for the fire academy tower at Santa Rosa Junior College



ADOPTED BUDGET ASSUMPTIONS

- Property tax increase: 4.80%
- Enrollment:
 - Resident FTES 15,483
 - Out-of-State FTES 664
 - Apprenticeship FTES 88
 - International FTES 555
- Student Enrollment Fees:
 - Resident Tuition: \$46/unit — no increase
 - Non-resident Tuition: \$368/unit
- Proposition 55 (EPA): \$100/FTES (prior three year average)
- Lottery: \$190/FTES
- Mandated Cost Block Grant: \$36.46/FTES
- Inflation: 3.09% based on CA CPI

2025-26 COMMUNITY PRIORITIES

- SB893 Free College Initiative (\$15.34 million)
 - \$12.24 million in ongoing funds to cover fees and the 3 “T’s”
 - \$2 million to offset impact of Health Fee and Parking Fee waiver
 - \$1.1 million one-time carryover from one-time allocation of \$6.75 million in 2021-22 for Free College Infrastructure (i.e., expansion of OER ZTC, Dual Enrollment, and PSP supports)
- Promise Scholars Program (\$2.4 million)
 - Foundation \$400k
 - Housing Fund \$300k
 - State Resources (AB19) \$1.7 million

2025-26 COMMUNITY PRIORITIES

- District Student Housing @ the College of San Mateo (\$75.9 million)
 - \$55.9 million - State
 - \$20 million - District
 - \$10 million in 2021-22
 - \$10 million in 2024-25
- Basic Needs (\$3.9 million)
 - \$2.8 million - State (2025-26 + unspent carryover)
 - \$1 million – District (Food Insecurity Initiative)
 - \$105k – State Restricted Lottery Funds (Housing Insecurity Initiative)
- Cañada College Child Development Center (\$14.6 million)
 - \$11.6 million in 2023-24 - College
 - \$3 million in 2024-25 - District

2025-26 COMMUNITY PRIORITIES

- Self-Funded Capital Improvement Program
 - Short-Term (\$55.8 million)
 - Bridge Fund
 - Mid-Term (\$TBD)
 - Continued exploration of private financing for specific projects
 - Possible future general obligation bond authorization
 - Long-Term (\$15.85 million)
 - \$5.3 million in 2024-25
 - \$.55 million via 2024-25 year-end close activities
 - \$10 million in 2025-26 via retroactive retiree benefit reimbursements
 - Future investments based upon subsequent year-end close activities and redirection of retiree benefit payroll assessment

50% LAW - CONTINUED COMMITMENT

- District continues to be committed towards compliance:
 - In 2020-21, the District allocated \$700,000 to convert part-time faculty to full-time faculty and an additional \$600,000 to increase part-time faculty parity for a total of \$1.3 million.
 - In 2021-22, the District allocated \$1.5 million to increase part-time faculty parity.
 - In 2021-22, the State provided \$1.5 million to increase the number of full-time faculty.
 - The District has defined part-time faculty parity as 85% of full-time regular compensation and is committed to achieving this goal over time as demonstrated by larger COLAs to instructional adjunct faculty.
 - According to negotiated agreement, the District has placed instructional adjunct faculty on a schedule that includes the same number of columns and steps that appear on salary schedule for full-time faculty.
 - The District has reduced administrative overhead (e.g., reduced the number of vice chancellors).
 - The District has developed a multi-year compliance plan.
- Unaudited 2024-25 results = 41.67%, which is an increase from the 2023-24 audited results of 41.10%, which is the second consecutive annual increase from a low of 40.47% in 2022-23.

FON 75/25 GOAL

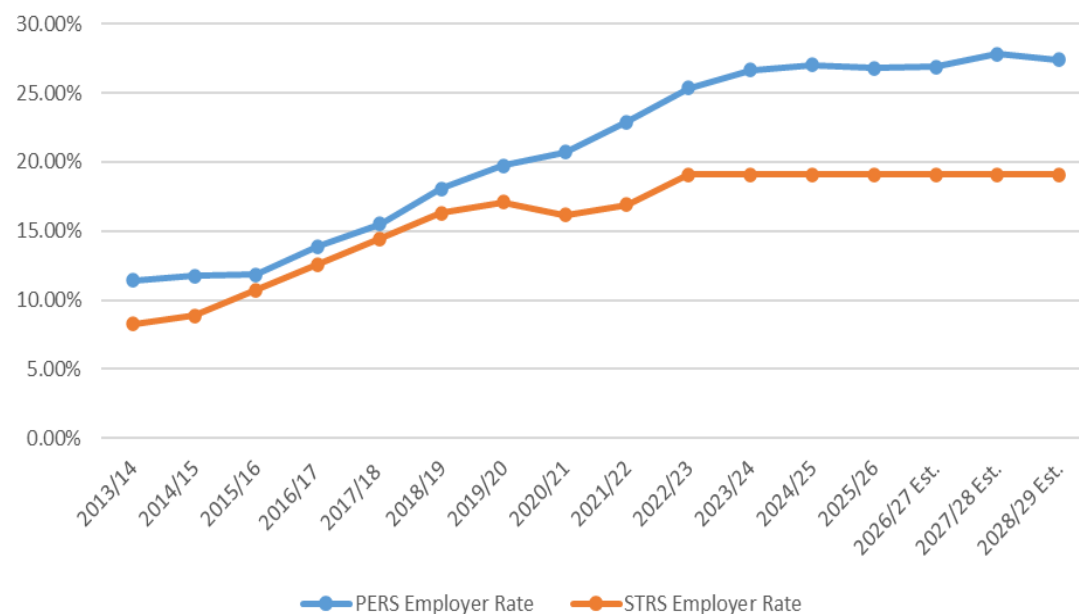
- Fall 2024 FON
 - Faculty Obligation per State = 210.7
 - Total FTEF = 365.4
 - Over FON = 154.7
 - Fourth highest in the State
- Fall 2024 75/25 Goal
 - SMCCCD = 65%
 - Tied for fourteenth highest in the State
 - Three districts at or above 75%
- Fall 2025 Results due by November 1, 2025



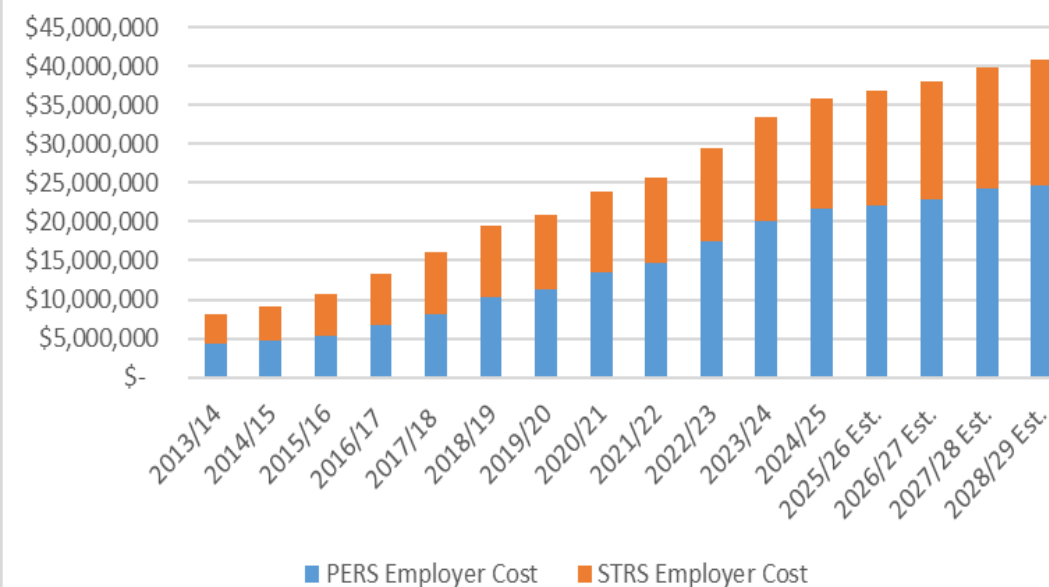
SAN MATEO COUNTY
COMMUNITY
COLLEGE DISTRICT

PERS AND STRS RATES IMPACT ON SMCCCD

Employer Contribution Rates



SMCCCD Costs



UNRESTRICTED GENERAL FUND REVENUE



	Adopted 2024-25	Tentative 2025-26	Adopted 2025-26	Variance between 2025-26 Adopted and Tentative
Property Taxes	208,943,633	215,861,756	215,369,970	(491,786)
RDA Funds	20,540,166	21,267,965	21,161,104	(106,861)
Student Fees	10,941,060	12,650,496	12,025,482	(625,014)
Nonres. Tuition (int'l and out-of-state)	8,663,828	8,218,791	7,946,215	(272,576)
STRS on Behalf	5,065,596	5,065,596	5,568,152	502,556
Other Rev/Tsfrs	19,016,670	16,317,706	16,011,180	(306,526)
Total	273,170,954	279,382,310	278,082,104	(1,300,206)

UNRESTRICTED GENERAL FUND EXPENSE

(EXCLUDES CARRYOVERS FROM PRIOR YEAR)



SAN MATEO COUNTY
COMMUNITY
COLLEGE DISTRICT

	Adopted 2024-25	Tentative 2025-26	Adopted 2025-26	Variance between 2025-26 Adopted and Tentative
Site Allocations	197,431,239	211,849,929	209,094,852	(2,755,077)
STRS on Behalf	5,065,596	5,065,596	5,568,152	502,556
Utilities	9,066,060	9,194,160	9,211,288	17,128
Districtwide Technology	5,815,030	8,099,381	8,007,645	(91,736)
Salary Commitments/Office Hours/PT Medical	18,641,523	11,233,624	12,134,628	901,004
Strategic Initiatives (Community Priorities)	13,242,839	14,524,158	14,240,583	(283,575)
Insurance	4,436,348	4,809,960	4,712,714	(97,246)
Other	19,472,319	14,605,504	15,112,242	506,738
Total	273,170,954	279,382,312	278,082,104	(1,300,208)

ADOPTION BUDGET – ALL FUNDS



Fund	2025-26 Budget	% of Total
Unrestricted General Fund	\$287,374,075	36.35%
Self-Insurance Fund	5,003,543	0.63%
Debt Service Fund	69,289,483	8.76%
Restricted General Fund	102,230,535	12.93%
Capital Projects Fund	265,497,781	33.58%
Bookstore Fund	8,607,906	1.09%
Cafeteria Fund	412,831	0.05%
San Mateo Athletic Club	4,947,316	0.63%
Canada Athletic Club	5,402,663	0.68%
Community, Continuing, and Corp Ed	659,565	0.08%
Child Development Fund	1,759,738	0.22%
Trust Funds (Financial Aid)	31,883,411	4.03%
Reserve for Post-Retirement Benefits	7,528,000	0.95%
TOTAL	\$790,596,847	100.00%

RETIREMENT TRUST FUND - OPEB

Change in Portfolio	
Portfolio Value 06-30-2024	150,260,005
Change in Market Value	9,476,173
Income received	6,656,572
Withdrawals	(4,333,927)
Portfolio Fees	<u>(559,893)</u>
Portfolio Value 6-30-2025	161,498,929
Net OPEB Liability 6-30-2025	<u>142,211,963</u>
(Under)/Over Funded	19,286,966
	113.56%

LOOKING AHEAD

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- **2026-27, 2027-28, and 2028-29 Considerations:**
 - Property tax receipts
 - Enrollment
 - Labor negotiations
 - Insurance premiums
 - Utility costs
 - Initiative expansion / addition
 - Inflation / tariffs

SUMMARY

- 2025-26 Budget is balanced
- Budget is guided by the District's mission
- Provides resources for:
 - Students
 - Employees
 - Community
- The reserve is in compliance with board policy
- Resources are provided for community priorities
- 2025-26 Adoption Budget is ready for adoption (no pun intended)



QUESTIONS?

Thank You!