



UBC: Part V  
Reserves & 2024/25 Budget  
Planning

CALIFORNIA STATE UNIVERSITY, CHICO

2023-2024

# Recap of where we have come so far!

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- Chico State Budget & Other Funds
- CSU Budget Request & Budget “B” Memo’s
- Chico State Budget Plan
- Multi-Year Actuals, Projections and Impact to Reserves
- 2024/25 Projections - Sources and Uses
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- *3-Year Budget Planning, Assumptions & Impact to Reserves*
- *How to Balance the Budget?*

February 2<sup>nd</sup>



March 1<sup>st</sup>

# University Reserves – 6/30/23

(1 of 4)

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## Talking Points | RESERVES 06/30/2023

Chico State has prudently managed designated balances and reserves to meet campus strategic goals. In total, Chico State has \$212 million of one-time cash on hand. However, the vast majority of the campus reserves cannot be used for salaries or annual operating expenses because those funds are the proceeds of student fee-funded programs, required capital projects, restricted by state statute or are required spending on specific items from prior state budgets. Once we deduct these obligated funds, Chico State has just over \$50 million of true operating fund reserves for economic uncertainty.

**Reserves Overview - \$212 million (one-time cash on hand)**

# University Reserves – 6/30/23

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## Reserves Overview - \$212 million (one-time cash on hand)

### ***\$35.7M - Student Fee-Funded Programs***

These funds include a variety of programs that are funded by student fees and can only be spent on costs supported by these fees. Balances included are Health Services Fee \$3.8M, Health Facility Fee \$397K, Student Learning Fee \$825K, MBA Fee \$76K, Consolidated Course Fees \$264K, Instructionally Related Activities \$3.5M and AS/Student Union \$27M.

### ***\$8.5M - Short-term Obligations***

These amounts are for open contracts and purchase orders \$2.5M, near-term debt service payments \$1.5M, and financial aid obligations \$4.5M.

### ***\$27.8M - Funding Restricted by State Statute or the State Budget***

These funds accumulated in the short and long term, include housing, parking and professional and continuing education which can only be spent on these items. Funds for open contracts and purchase orders, annual debt service, building repairs and maintenance and capital projects for these programs are also included in the balances. Balances totaled \$17.5M for Housing, \$3.1M for Parking, and \$5.7M for Professional & Continuing Education. Lottery balances of \$1.5M are included in this section since the State legislature establishes the fiscal management of these funds.

## ***\$607K - CSU Special Initiative Grants Balances and Reserves***

These funds include a variety of CSU funded special initiative grants and small external grants and contracts held for unique purposes. Programs such as: Basic Needs Partnership; Research, Scholarly & Creative Activities; STEM Mini Grant; CSU Program for Education & Research in Biotechnology (CSU PERB); CSU Council on Ocean Affairs, Science & Technology (COAST); COVID19; and Textbook Affordability.

## ***\$4.1M – Catastrophic Events and Natural Disasters***

These funds are set-aside for costs associated with fires, floods, earthquakes and pandemics that are not covered by insurance.

## ***\$64.7M - Capital Infrastructure, Repairs and Maintenance***

These funds are amounts for constructing and maintaining Chico State facilities and infrastructure. In 2015, the State legislature shifted responsibility to pay for maintenance and construction of academic buildings to the CSU.

## ***\$19.3M – Divisional Programs and Obligations***

These funds include a variety of programs or designations such as: (1) CSU funding received for unique purposes like basic needs, mental health, foster youth, GI2025 and advancing equity initiatives; (2) student affairs departments such as orientation, STAR center and CCLC; (3) energy project funds; (4) cost recovery earmarked for buildings, maintenance and grounds; (5) VPAA college and support unit reserves; (6) funding set aside for capital campaign and campus identity and marking efforts; (7) funding set aside for tribal relations and EDI programming; and (8) CO funding for CalNAGPRA.

## ***\$51.1M – Reserve for economic uncertainty***

CSU's reserve policy and best practices recommend maintaining reserves of three to six months of the annual budget to ensure that operations can continue for an academic term when state appropriations are delayed during recessionary periods or when facing unexpected reductions. These balances represent two and half months of operation as Chico State spends approximately \$18M on a monthly basis for payroll and \$2M on operating expenditures.

# 2024/25 and Beyond - Scenario Variables

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## **SOURCES**

1. State Support - Compact funding
2. State Support - Enrollment Pullback
3. Tuition Fees - Enrollment (Student FTES) estimates
  - new students
  - first year retention
  - continuing students
  - graduating class sizes

## **USES**

1. Salaries - bargained compensation increases
2. Benefits – health premium & compensation increases
3. Centrally managed cost increases

# 3-Yr Budget Planning Assumptions - Sources

## Sources

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### State Support

- Annual 5% Compact funding through 2026/27 with Chico receiving roughly 3.5% of new CSU allocation.
- Enrollment recalibration occurs at 3% reduction for 2024/25 and 5% reduction for 2025/26 & 2026/27.

### Campus Fees

- Resident enrollment grows by 2.59 for 2024/25 (mostly due to summer session moving to stateside) and grows by 1% for 2025/26 and 2026/27.
- Non-Resident enrollment remains flat for all three years.
- Tuition and Non-Resident fee increases by 6% each year.



# 3-Yr Budget Planning Assumptions - Uses

## Uses

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### Compensation

- 5% salary increases for all groups, each year.
- CFA Lecturer Floor \$500K increase and CFA SSI 2.65% increase \$1M.
- 6% increase to benefits in 2024/25, 5% increase to salary related benefits, 6% increase to health benefits and 2% for all other benefits in 2025/26 and 2026/27.
- No estimated increase to “employer” CALPERS retirement rate.
- No estimated increase due to implementation of “Steps” for Teamsters (24/25) and CSUEU (25/26)

### OE

- 15% increase to utilities and risk pool for 2024/25, 10% for each year in 2025/26 and 2026/27.
- 6% increase to financial aid (primarily due to SUG increase in conjunction with tuition rate increase).
- 3% increase for all other OE.

# Multi-Year Sources/Uses – budget planning

- Dropping off 2020/21 and 2021/22
- Adding 2025/26 and 2026/27

| Account Account Category |   | Actuals            | Actuals            | Actuals            | Estimated          | Projected          | Projected | Projected |
|--------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|-----------|-----------|
|                          |   | 2020/21            | 2021/22            | 2022/23            | 2023/24            | 2024/25            | 2025/26   | 2026/27   |
| Sources                  | <b>General Fund Allocation</b>                  | 130,204,000        | 139,930,000        | 154,122,000        | 156,905,000        | 167,035,000        |           |           |
|                          | <b>Higher Education Fees</b>                    |                    |                    |                    |                    |                    |           |           |
|                          | Tuition Fee                                     | 87,742,087         | 80,674,239         | 73,649,386         | 74,900,000         | 79,828,000         |           |           |
|                          | Non-Resident Tuition Fee                        | 2,470,999          | 2,437,187          | 2,474,159          | 2,400,000          | 2,544,000          |           |           |
|                          | Application Fee                                 | 1,011,157          | 1,040,779          | 1,072,107          | 920,000            | 920,000            |           |           |
|                          | Other Student Fees                              | 11,111,111         | 11,111,111         | 1,018,193          | 1,000,000          | 1,000,000          |           |           |
|                          | Restricted Student Fees                         | 11,111,111         | 11,111,111         | 10,360,000         | 10,617,000         | 10,617,000         |           |           |
|                          | <b>Total Higher Education Fees</b>              | <b>103,056,465</b> | <b>95,559,445</b>  | <b>88,573,845</b>  | <b>89,837,000</b>  | <b>94,909,000</b>  |           |           |
|                          | Gifts Grants and Contracts                      | 904,800            | 943,346            | 1,579,250          | 1,370,000          | 1,370,000          |           |           |
|                          | Reimbursements (HEERF)                          | 10,123,456         | 10,123,456         | -                  | -                  | -                  |           |           |
|                          | Other Division Sources (Cost Recovery)          | 11,800,000         | 11,800,000         | 15,042,525         | 16,743,000         | 16,743,000         |           |           |
|                          | Revenue Adjustments                             | 11,800,000         | 11,800,000         | 322,019            | -                  | -                  |           |           |
|                          | <b>Misc Revenue Subtotal</b>                    | <b>22,895,715</b>  | <b>22,212,000</b>  | <b>16,943,794</b>  | <b>18,113,000</b>  | <b>18,113,000</b>  |           |           |
|                          | <b>Transfers In</b>                             |                    |                    |                    |                    |                    |           |           |
|                          | Transfers In Between Campus Funds               | 3,864,939          | 3,979,887          | 3,752,463          | 3,000,000          | 4,000,000          |           |           |
|                          | Transfers In From CO                            | 1,652,074          | 8,125,811          | 3,083,344          | 914,000            | 2,000,000          |           |           |
|                          | Est. Allocation from CO - 23/24 Compensation \$ |                    |                    |                    | 4,527,000          | <i>in GF alloc</i> |           |           |
|                          | <b>Total Transfers In</b>                       | <b>5,517,013</b>   | <b>12,105,698</b>  | <b>6,835,807</b>   | <b>8,441,000</b>   | <b>6,000,000</b>   |           |           |
| <b>Total Sources</b>     |   | <b>261,671,444</b> | <b>266,897,469</b> | <b>266,475,445</b> | <b>273,296,000</b> | <b>286,057,000</b> |           |           |

# Chico State Operating Fund Sources – 3 years of projections

|                      |   | <i>Actuals</i>     | <i>Estimated</i>   | <i>Projected</i>   | <i>Projected</i>   | <i>Projected</i>   |
|----------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Account T\</b>    | <b>Account Category</b>                         | <b>2022/23</b>     | <b>2023/24</b>     | <b>2024/25</b>     | <b>2025/26</b>     | <b>2026/27</b>     |
| <b>Sources</b>       | <b>General Fund Allocation</b>                  | <b>154,122,000</b> | <b>156,905,000</b> | <b>167,035,000</b> | <b>168,410,000</b> | <b>170,190,000</b> |
|                      | <b>Higher Education Fees</b>                    |                    |                    |                    |                    |                    |
|                      | Tuition Fee                                     | 73,649,386         | 74,900,000         | 79,828,000         | 85,471,000         | 91,504,000         |
|                      | Non-Resident Tuition Fee                        | 2,474,159          | 2,400,000          | 2,544,000          | 2,719,000          | 2,906,000          |
|                      | Application Fee                                 | 1,072,107          | 920,000            | 920,000            | 920,000            | 920,000            |
|                      | Other Student Fees                              | 1,018,193          | 1,000,000          | 1,000,000          | 1,000,000          | 1,000,000          |
|                      | Restricted Student Fees                         | 10,360,000         | 10,617,000         | 10,617,000         | 10,617,000         | 10,617,000         |
|                      | <b>Total Higher Education Fees</b>              | <b>88,573,845</b>  | <b>89,837,000</b>  | <b>94,909,000</b>  | <b>100,727,000</b> | <b>106,947,000</b> |
|                      | Gifts Grants and Contracts                      | 1,579,250          | 1,370,000          | 1,370,000          | 1,370,000          | 1,370,000          |
|                      | Reimbursements (HEERF)                          | -                  | -                  | -                  | -                  | -                  |
|                      | Other Division Sources (Cost Recover)           | 15,042,525         | 16,743,000         | 16,743,000         | 16,743,000         | 16,743,000         |
|                      | Revenue Adjustments                             | 322,019            | -                  | -                  | -                  | -                  |
|                      | <b>Misc Revenue Subtotal</b>                    | <b>16,943,794</b>  | <b>18,113,000</b>  | <b>18,113,000</b>  | <b>18,113,000</b>  | <b>18,113,000</b>  |
|                      | <b>Transfers In</b>                             |                    |                    |                    |                    |                    |
|                      | Transfers In Between Campus Fund                | 3,752,463          | 3,000,000          | 4,000,000          | 4,000,000          | 4,000,000          |
|                      | Transfers In From CO                            | 3,083,344          | 914,000            | 2,000,000          | 2,000,000          | 2,000,000          |
|                      | Est. Allocation from CO - 23/24 Compensation \$ |                    | 4,527,000          | -                  | -                  | -                  |
|                      | <b>Total Transfers In</b>                       | <b>6,835,807 </b>  | <b>8,441,000 </b>  | <b>6,000,000</b>   | <b>6,000,000</b>   | <b>6,000,000</b>   |
| <b>Total Sources</b> |   | <b>266,475,445</b> | <b>273,296,000</b> | <b>286,057,000</b> | <b>293,250,000</b> | <b>301,250,000</b> |

# Chico State Operating Fund **Uses** – 3 years of projections

## Salaries & Benefits

|             |   | <i>Actuals</i>     | <i>Estimated</i>   | <i>Projected</i>   | <i>Projected</i>   | <i>Projected</i>   |
|-------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|             | <b>Account Category</b>                 | <b>2022/23</b>     | <b>2023/24</b>     | <b>2024/25</b>     | <b>2025/26</b>     | <b>2026/27</b>     |
| <b>Uses</b> | <b>Regular Salaries and Wages</b>       |                    |                    |                    |                    |                    |
|             | President                               | 574,403            | 578,739            | 466,757            | 466,757            | 466,757            |
|             | Academic Salaries                       | 58,212,121         | 60,384,000         | 64,903,000         | 68,148,000         | 71,555,000         |
|             | Department Chairs                       | 4,874,008          | 5,043,000          | 5,370,000          | 5,639,000          | 5,921,000          |
|             | Management and Supervisory              | 19,627,685         | 20,414,000         | 21,435,000         | 22,507,000         | 23,632,000         |
|             | Support Staff Salaries                  | 42,923,540         | 44,796,000         | 47,036,000         | 49,388,000         | 51,857,000         |
|             | Overtime                                | 496,731            | 568,000            | 596,000            | 626,000            | 657,000            |
|             | Student Assistant                       | 2,702,289          | 2,771,000          | 2,910,000          | 3,056,000          | 3,209,000          |
|             | Teaching Associates                     | 389,290            | 305,000            | 320,000            | 336,000            | 353,000            |
|             | Graduate Assistant                      | 93,039             | 68,000             | 71,000             | 75,000             | 79,000             |
|             | <b>Total Salaries and Wages</b>         | <b>129,893,106</b> | <b>134,927,739</b> | <b>143,107,757</b> | <b>150,241,757</b> | <b>157,729,757</b> |
|             | <b>Total Benefits</b>                   | <b>73,301,973</b>  | <b>77,500,000</b>  | <b>82,775,000</b>  | <b>87,138,000</b>  | <b>91,735,000</b>  |
|             | <b>Salaries &amp; Benefits Subtotal</b> | <b>203,195,079</b> | <b>212,427,739</b> | <b>225,882,757</b> | <b>237,379,757</b> | <b>249,464,757</b> |

2024/25 – added \$2.2M for CFA (SSI's & Misc) Increases

# Chico State Operating Fund **Uses** – 3 years of projections

|                            |                                     | <i>Actuals</i>     | <i>Estimated</i>   | <i>Projected</i>   | <i>Projected</i>   | <i>Projected</i>   |
|----------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                            | <b>Account Category</b>             | <b>2022/23</b>     | <b>2023/24</b>     | <b>2024/25</b>     | <b>2025/26</b>     | <b>2026/27</b>     |
| <b>Uses</b>                | <b>Operating Expenditures</b>       |                    |                    |                    |                    |                    |
|                            | Work Study & Experience             | 1,486,058          | 1,600,000          | 1,600,000          | 1,600,000          | 1,600,000          |
|                            | Communications                      | 310,241            | 314,000            | 323,000            | 333,000            | 343,000            |
|                            | Utilities Group                     | 7,720,031          | 8,327,000          | 9,460,000          | 10,329,000         | 11,285,000         |
|                            | Travel                              | 635,700            | 649,000            | 668,000            | 688,000            | 709,000            |
|                            | Library Acquisitions                | 370,990            | 325,000            | 335,000            | 345,000            | 355,000            |
|                            | Financial Aid                       | 760,138            | 496,000            | 511,000            | 526,000            | 542,000            |
|                            | Contractual Services Group          | 4,053,868          | 3,444,000          | 3,547,000          | 3,653,000          | 3,763,000          |
|                            | Information Technology Costs        | 5,683,742          | 6,000,000          | 6,180,000          | 6,365,000          | 6,556,000          |
|                            | Services from Other Funds/Ager      | 1,480,508          | 1,133,000          | 1,167,000          | 1,202,000          | 1,238,000          |
|                            | Equipment Group                     | 1,140,183          | 463,000            | 477,000            | 491,000            | 506,000            |
|                            | Misc. Operating Expenses            | 6,958,159          | 5,505,000          | 5,670,000          | 5,840,000          | 6,015,000          |
|                            | Risk Pool                           | 4,401,534          | 3,985,115          | 4,807,935          | 5,289,000          | 5,818,000          |
|                            | OMP for New Buildings               |                    |                    | 2,989,000          | 2,989,000          | 2,989,000          |
|                            | Expenditure Adjustments             | 7,075              | (212,000)          | -                  | -                  | -                  |
|                            | Restricted Student Fees             | 10,360,000         | 10,617,000         | 10,617,000         | 10,617,000         | 10,617,000         |
|                            | <b>Total Operating Expenditures</b> | <b>45,368,227</b>  | <b>42,646,115</b>  | <b>48,351,935</b>  | <b>50,267,000</b>  | <b>52,336,000</b>  |
|                            | <b>Transfers Out</b>                |                    |                    |                    |                    |                    |
|                            | SUG/EOPG Financial Aid Transfer     | 21,933,919         | 20,872,919         | 22,174,919         | 23,505,000         | 24,915,000         |
|                            | Transfers Out Between Campus I      | 4,822,429          | 5,145,500          | 5,000,000          | 5,000,000          | 5,000,000          |
| Capital Outlay Transfer    | 1,500,000                           | 1,500,000          | 1,500,000          | 1,500,000          | 1,500,000          |                    |
| <b>Total Transfers Out</b> | <b>28,256,348</b>                   | <b>27,518,419</b>  | <b>28,674,919</b>  | <b>30,005,000</b>  | <b>31,415,000</b>  |                    |
| <b>Total Uses</b>          |                                     | <b>276,819,654</b> | <b>282,592,273</b> | <b>302,909,611</b> | <b>317,651,757</b> | <b>333,215,757</b> |

Operating Expenditures & Transfers Out

# Chico State Operating Fund Totals – through 2026/27

Compounding/Growing Budget Shortfall \$30M

|                                  | <i>Actuals</i>      | <i>Estimated</i>   | <i>Projected</i>    | <i>Projected</i>    | <i>Projected</i>    |
|----------------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
| <b>Account Category</b>          | <b>2022/23</b>      | <b>2023/24</b>     | <b>2024/25</b>      | <b>2025/26</b>      | <b>2026/27</b>      |
| Total Sources                    | 266,475,445         | 273,296,000        | 286,057,000         | 293,250,000         | 301,250,000         |
| Total Uses                       | 276,819,654         | 282,592,273        | 302,909,611         | 317,651,757         | 333,215,757         |
| <b>Net of Sources &amp; Uses</b> | <b>(10,344,209)</b> | <b>(9,296,273)</b> | <b>(16,852,611)</b> | <b>(24,401,757)</b> | <b>(31,965,757)</b> |

|                                    | <u>6/30/23 Balance</u> | <u>6/30/24 Est.</u>  | <u>6/30/25 Est.</u>  | <u>6/30/26 Est.</u>  | <u>6/30/27 Est.</u>    |
|------------------------------------|------------------------|----------------------|----------------------|----------------------|------------------------|
| <b>G1006 Operating Fund</b>        | \$ 64,198,801          | \$ 54,902,528        | \$ 38,049,917        | \$ 13,648,160        | \$ (18,317,597)        |
| <b>Central Investment Earnings</b> | \$ 4,222,690           | \$ 3,167,678         | \$ 3,000,000         | \$ 3,000,000         | \$ 3,000,000           |
| <b>Miscellaneous Trust</b>         | \$ 5,846,613           | \$ 5,000,000         | \$ 4,500,000         | \$ 4,000,000         | \$ 4,000,000           |
|                                    | <b>\$ 74,268,104</b>   | <b>\$ 63,070,206</b> | <b>\$ 45,549,917</b> | <b>\$ 20,648,160</b> | <b>\$ (11,317,597)</b> |

# How to Balance the Budget? \$30m?

- ❑ Compounding effect of Sources not covering Uses (“Uses exceed Sources”)
- ❑ Ending Reserve balances below CSU policy\* by 6/30/26
- ❑ Reserves completely gone by 6/30/27

\* CSU policy recommends 3 to 6 months of operating costs be in “reserves.” Monthly operating costs ~ \$20M.

|         | 2024/25      | 2025/26      | 2026/27      |
|---------|--------------|--------------|--------------|
| Sources | 286,057,000  | 293,250,000  | 301,250,000  |
| Uses    | 302,909,611  | 317,651,757  | 333,215,757  |
| Net     | (16,852,611) | (24,401,757) | (31,965,757) |

|                             | 6/30/23 Balance      | 6/30/24 Est.         | 6/30/25 Est.         | 6/30/26 Est.         | 6/30/27 Est.           |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| G1006 Operating Fund        | \$ 64,198,801        | \$ 54,902,528        | \$ 38,049,917        | \$ 13,648,160        | \$ (18,317,597)        |
| Central Investment Earnings | \$ 4,222,690         | \$ 3,167,678         | \$ 3,000,000         | \$ 3,000,000         | \$ 3,000,000           |
| Miscellaneous Trust         | \$ 5,846,613         | \$ 5,000,000         | \$ 4,500,000         | \$ 4,000,000         | \$ 4,000,000           |
|                             | <b>\$ 74,268,104</b> | <b>\$ 63,070,206</b> | <b>\$ 45,549,917</b> | <b>\$ 20,648,160</b> | <b>\$ (11,317,597)</b> |

Pause for Questions?





# How to Balance the Budget? \$30m?

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|         | <i>2024/25</i> | <i>2025/26</i> | <i>2026/27</i> |
|---------|----------------|----------------|----------------|
| Sources | 286,057,000    | 293,250,000    | 301,250,000    |
| Uses    | 302,909,611    | 317,651,757    | 333,215,757    |
| Net     | (16,852,611)   | (24,401,757)   | (31,965,757)   |

|                      | <i>2024/25</i>      | <i>2025/26</i>      | <i>2026/27</i>      | <i>Total</i>        |
|----------------------|---------------------|---------------------|---------------------|---------------------|
| 14% - One Year Plan  | <b>(30,000,000)</b> |                     |                     | <b>(30,000,000)</b> |
| 7% - Two Year Plan   | <b>(15,000,000)</b> | <b>(15,000,000)</b> |                     | <b>(30,000,000)</b> |
| 5% - Three Year Plan | <b>(10,000,000)</b> | <b>(10,000,000)</b> | <b>(10,000,000)</b> | <b>(30,000,000)</b> |

# Balance the Budget – *One Year Plan (14% - \$30M reduction)*

- ▣ *<14%>* reduction to divisions
- ▣ *<\$30M>* reduction to “uses”
- ▣ \$13.1M increase to Reserves at 6/30/25
- ▣ \$5.6M increase to Reserves at 6/30/26

| Don't Plan | 2024/25      | 2025/26      | 2026/27      |
|------------|--------------|--------------|--------------|
| Sources    | 286,057,000  | 293,250,000  | 301,250,000  |
| Uses       | 302,909,611  | 317,651,757  | 333,215,757  |
| Net        | (16,852,611) | (24,401,757) | (31,965,757) |

| One Year Plan | 2024/25     | 2025/26     | 2026/27     |
|---------------|-------------|-------------|-------------|
| Sources       | 286,057,000 | 293,250,000 | 301,250,000 |
| Uses          | 272,909,611 | 287,651,757 | 303,215,757 |
| Net           | 13,147,389  | 5,598,243   | (1,965,757) |

|                             | 6/30/24 Est.         | 6/30/25 Est.         | 6/30/26 Est.         | 6/30/27 Est.         |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| G1006 Operating Fund        | \$ 54,902,528        | \$ 68,049,917        | \$ 73,648,160        | \$ 71,682,403        |
| Central Investment Earnings | \$ 3,167,678         | \$ 3,000,000         | \$ 3,000,000         | \$ 3,000,000         |
| Miscellaneous Trust         | \$ 5,000,000         | \$ 4,500,000         | \$ 4,000,000         | \$ 4,000,000         |
|                             | <b>\$ 63,070,206</b> | <b>\$ 75,549,917</b> | <b>\$ 80,648,160</b> | <b>\$ 78,682,403</b> |

# Balance the Budget – *Two Year Plan (7% - \$15M reduction)*

- ▣ *<7%>* reduction to divisions
- ▣ *<\$15M>* reduction to “uses”
- ▣ \$1.8M use of Reserves at 6/30/25
- ▣ \$5.6M increase to Reserves at 6/30/26

| Don't Plan | 2024/25      | 2025/26      | 2026/27      |
|------------|--------------|--------------|--------------|
| Sources    | 286,057,000  | 293,250,000  | 301,250,000  |
| Uses       | 302,909,611  | 317,651,757  | 333,215,757  |
| Net        | (16,852,611) | (24,401,757) | (31,965,757) |

| Two Year Plan | 2024/25     | 2025/26     | 2026/27     |
|---------------|-------------|-------------|-------------|
| Sources       | 286,057,000 | 293,250,000 | 301,250,000 |
| Uses          | 287,909,611 | 287,651,757 | 303,215,757 |
| Net           | (1,852,611) | 5,598,243   | (1,965,757) |

|                             | <u>6/30/24 Est.</u>  | <u>6/30/25 Est.</u>  | <u>6/30/26 Est.</u>  | <u>6/30/27 Est.</u>  |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| G1006 Operating Fund        | \$ 54,902,528        | \$ 53,049,917        | \$ 58,648,160        | \$ 56,682,403        |
| Central Investment Earnings | \$ 3,167,678         | \$ 3,000,000         | \$ 3,000,000         | \$ 3,000,000         |
| Miscellaneous Trust         | \$ 5,000,000         | \$ 4,500,000         | \$ 4,000,000         | \$ 4,000,000         |
|                             | <b>\$ 63,070,206</b> | <b>\$ 60,549,917</b> | <b>\$ 65,648,160</b> | <b>\$ 63,682,403</b> |

# Balance the Budget – *Three Year Plan (5% - \$10M reduction)*

- ▣ **<5%>** reduction to divisions
- ▣ **<\$10M>** reduction to “uses”
- ▣ \$6.8M use of Reserves at 6/30/25
- ▣ \$4.4M use of Reserves at 6/30/26

| Don't Plan | 2024/25      | 2025/26      | 2026/27      |
|------------|--------------|--------------|--------------|
| Sources    | 286,057,000  | 293,250,000  | 301,250,000  |
| Uses       | 302,909,611  | 317,651,757  | 333,215,757  |
| Net        | (16,852,611) | (24,401,757) | (31,965,757) |

| Three Year Plan | 2024/25     | 2025/26     | 2026/27     |
|-----------------|-------------|-------------|-------------|
| Sources         | 286,057,000 | 293,250,000 | 301,250,000 |
| Uses            | 292,909,611 | 297,651,757 | 303,215,757 |
| Net             | (6,852,611) | (4,401,757) | (1,965,757) |

|                             | 6/30/24 Est.         | 6/30/25 Est.         | 6/30/26 Est.         | 6/30/27 Est.         |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| G1006 Operating Fund        | \$ 54,902,528        | \$ 48,049,917        | \$ 43,648,160        | \$ 41,682,403        |
| Central Investment Earnings | \$ 3,167,678         | \$ 3,000,000         | \$ 3,000,000         | \$ 3,000,000         |
| Miscellaneous Trust         | \$ 5,000,000         | \$ 4,500,000         | \$ 4,000,000         | \$ 4,000,000         |
|                             | <b>\$ 63,070,206</b> | <b>\$ 55,549,917</b> | <b>\$ 50,648,160</b> | <b>\$ 48,682,403</b> |

# Next Steps

# Questions?

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Information available on University Budget website

[csuchico.edu/bud/transparency-reporting.shtml](https://csuchico.edu/bud/transparency-reporting.shtml)

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