



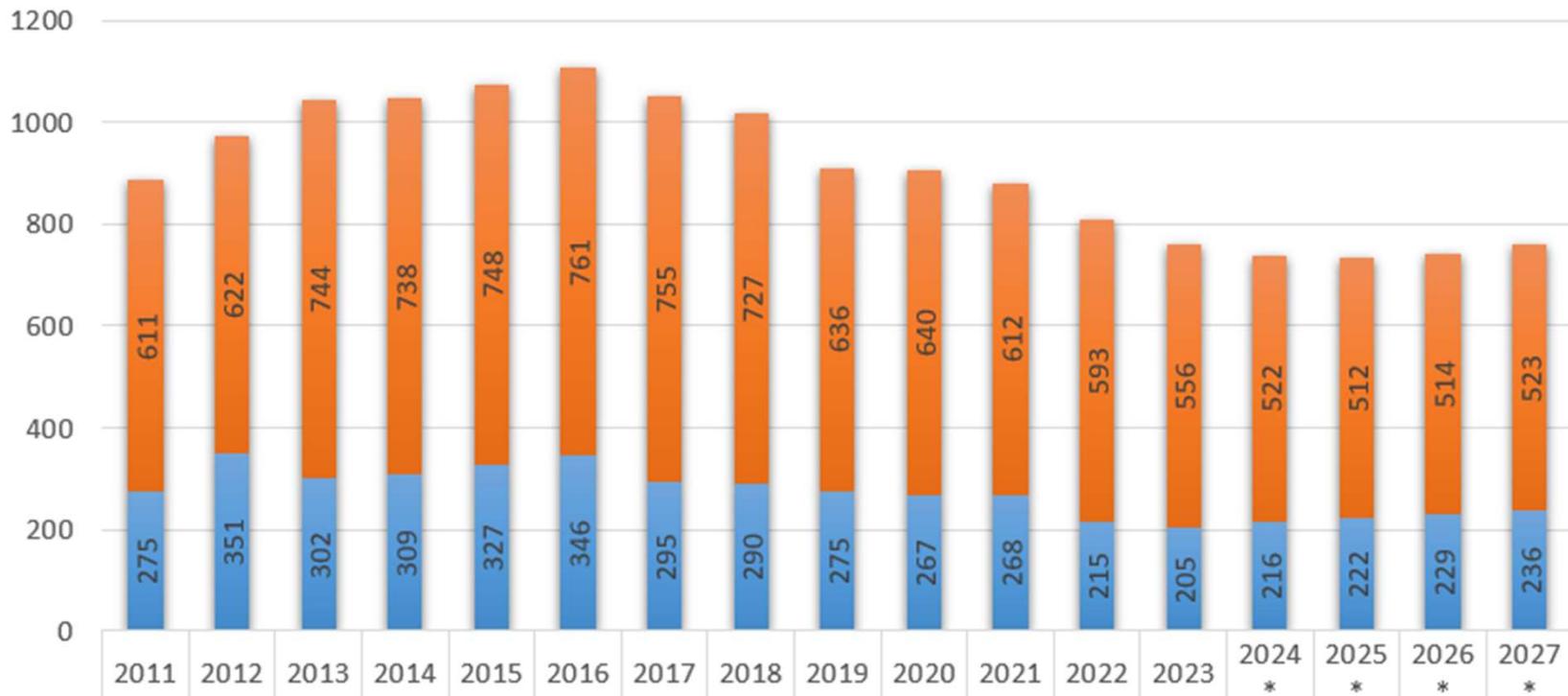
**California State University Maritime Academy  
Budget and Enrollment Update  
Budget Advisory Committee  
November 2023**

# Agenda

- Enrollment Update
- FY2023-24 Budget Update
  - a) State
  - b) CSU
  - c) Cal Maritime
- FY2024-25 CSU Support Budget Plan
- FY2024-25 Cal Maritime Budget
- Next Steps

# 2023-24 Enrollment Update

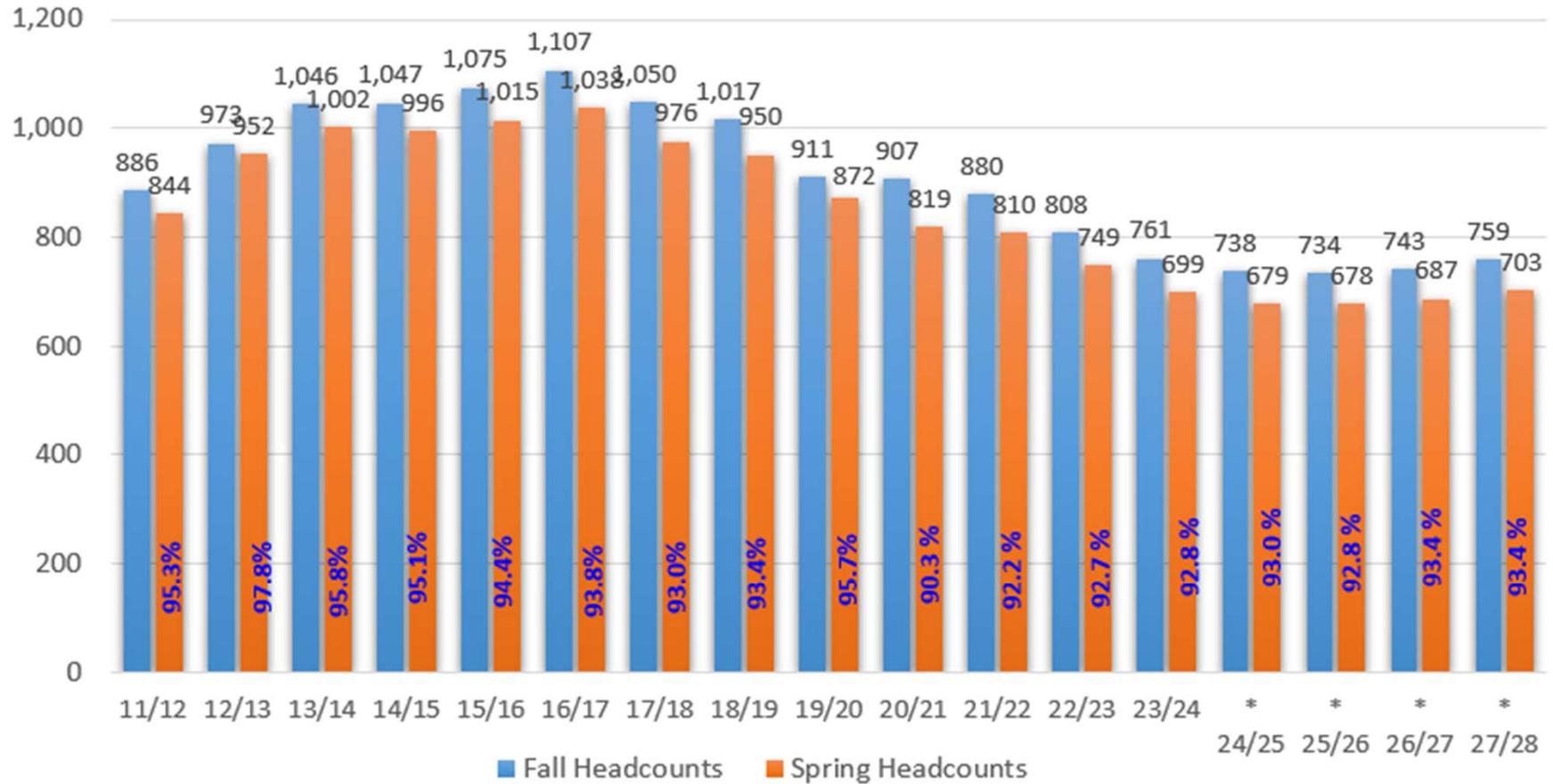
# CAL MARITIME ENROLLMENT UPDATE STUDENT HEADCOUNT FALL 2011 – FALL 2027



Continuing	611	622	744	738	748	761	755	727	636	640	612	593	556	522	512	514	523
New Students	275	351	302	309	327	346	295	290	275	267	268	215	205	216	222	229	236

\* Forecast are subject to change, Fcst 3% Annual New Student Increase

# CAL MARITIME ENROLLMENT UPDATE FALL AND SPRING HEADCOUNTS



\* Forecast

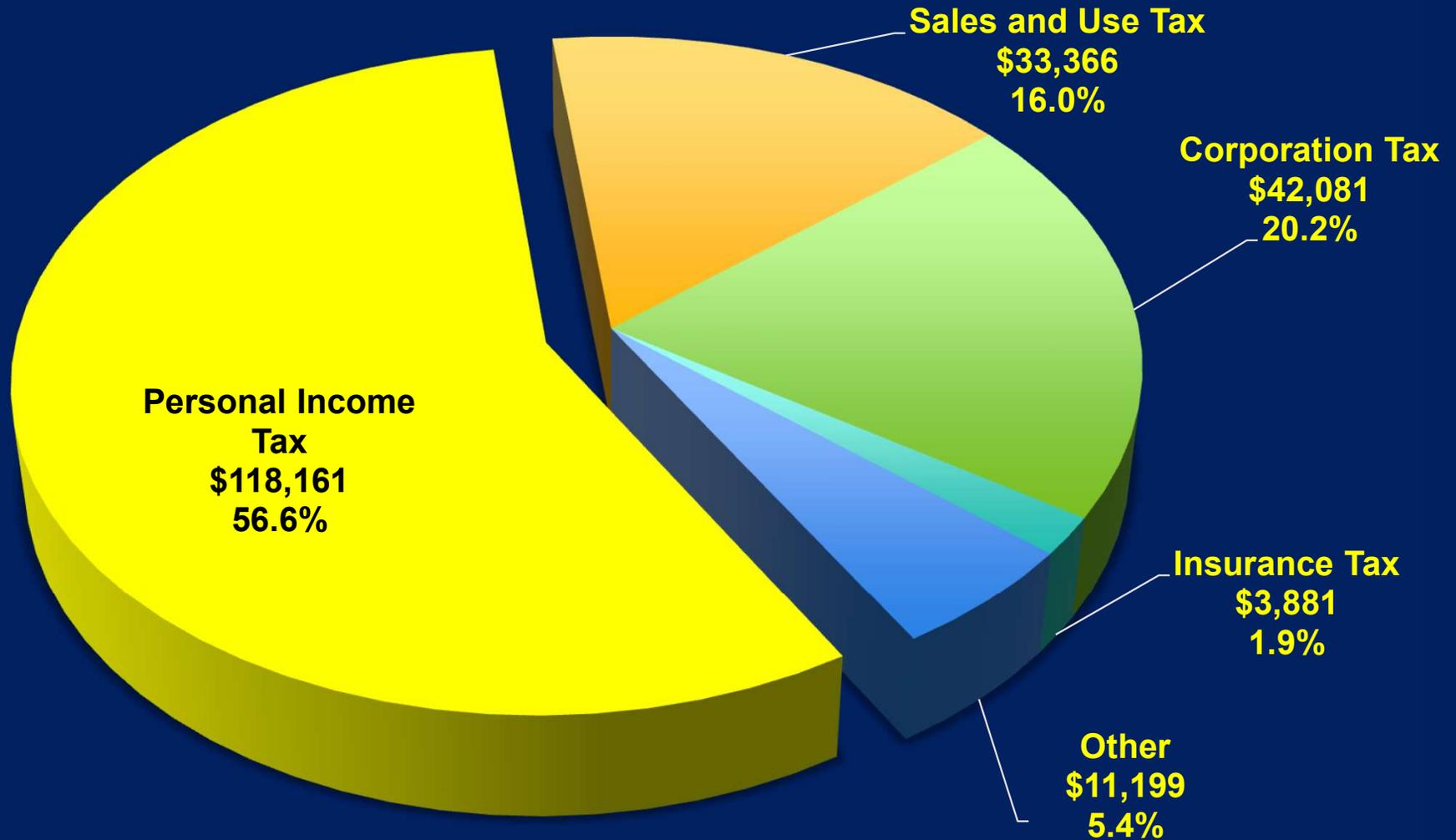
# 2023-24 Budget Update

# STATE OF CALIFORNIA

# FY 2023-24 GOVERNOR'S BUDGET SUMMARY

## GENERAL FUND TAX REVENUE SOURCES AND TRANSFERS\*

(DOLLARS IN MILLIONS)



**Total: \$208.7 Billion**

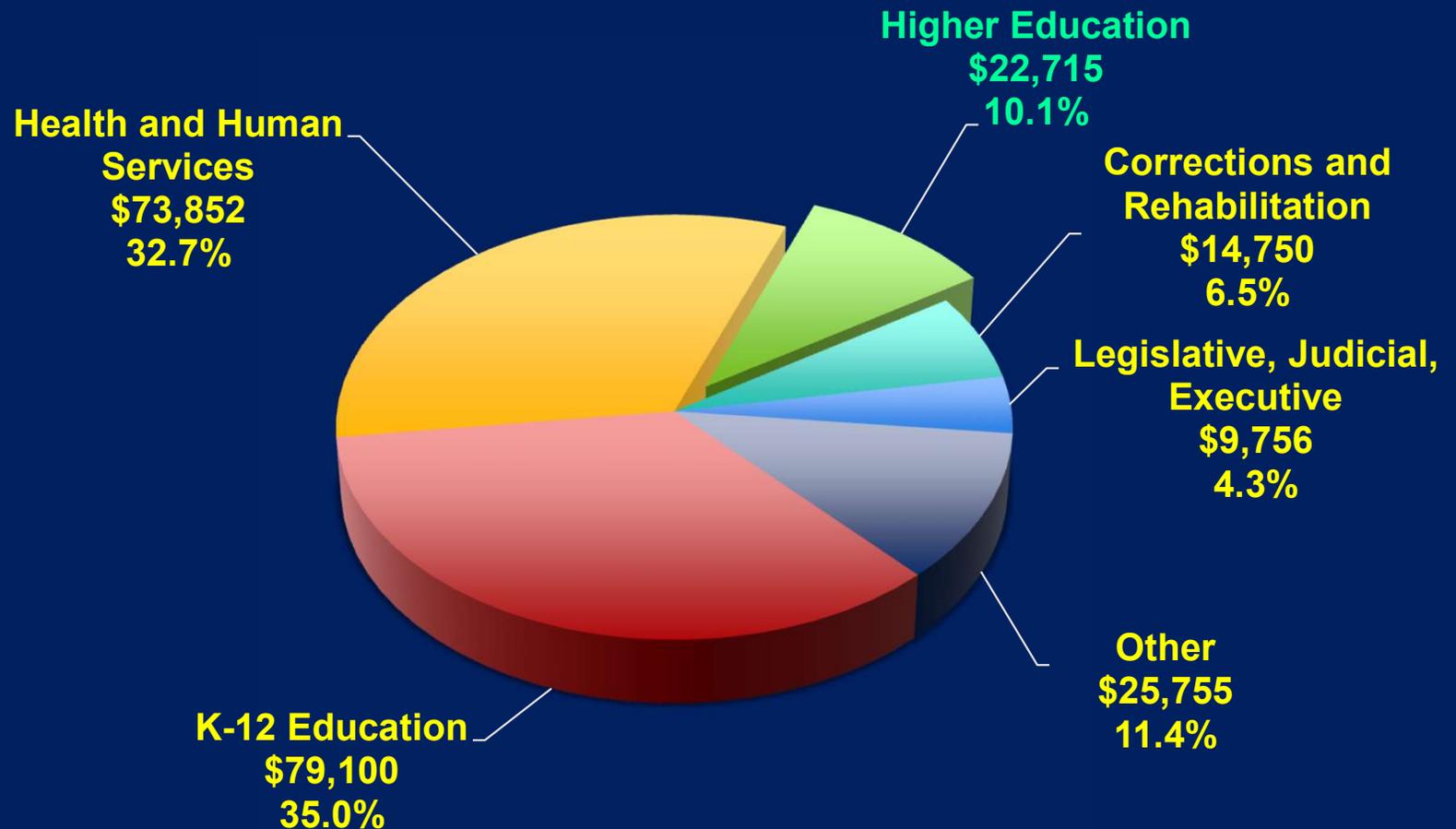
Note: Numbers may not add due to rounding

Source: <https://ebudget.ca.gov/2023-24/pdf/BudgetSummary/SummaryCharts.pdf>

# FY 2023-24 GOVERNOR'S BUDGET SUMMARY

## GENERAL FUND EXPENDITURES BY AGENCY

(DOLLARS IN MILLIONS)



**Total: \$225.9 Billion**

Note: Numbers may not add due to rounding

Source: <https://ebudget.ca.gov/2023-24/pdf/BudgetSummary/FullBudgetSummary.pdf>

# UNPREDICTABLE CAPITAL GAINS

**Capital Gains Revenue**  
**As a Percent of General Fund Tax Revenues**  
(Dollars in Billions)

Calender Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>e/</sup>	2022 <sup>e/</sup>	2023 <sup>e/</sup>
Capital Gains Realizations	\$29	\$55	\$52	\$100	\$80	\$116	\$120	\$113	\$144	\$154	\$145	\$203	\$293	\$198	\$174
Tax Revenues from Capital Gains	\$2.3	\$4.7	\$4.2	\$10.4	\$7.6	\$11.3	\$11.8	\$11.5	\$14.1	\$15.4	\$14.5	\$20.3	\$30.4	\$20.2	\$17.6
Fiscal Year	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22 <sup>e/</sup>	22-23 <sup>e/</sup>	23-24 <sup>e/</sup>
Tax Revenues from Capital Gains	\$3.0	\$4.5	\$6.0	\$9.6	\$8.7	\$11.5	\$11.7	\$12.3	\$14.4	\$15.1	\$16.3	\$23.6	\$27.4	\$19.4	\$17.4
Total General Fund Tax Revenues <sup>1/</sup>	\$87	\$92	\$85	\$98	\$103	\$114	\$119	\$122	\$135	\$144	\$145	\$187	\$223	\$211	\$210
Capital Gains Percentage	3.4%	4.9%	7.1%	9.8%	8.5%	10.1%	9.9%	10.0%	10.7%	10.4%	11.2%	12.6%	12.3%	9.2%	8.3%

<sup>e/</sup> Estimated

<sup>1/</sup> Excluding transfers

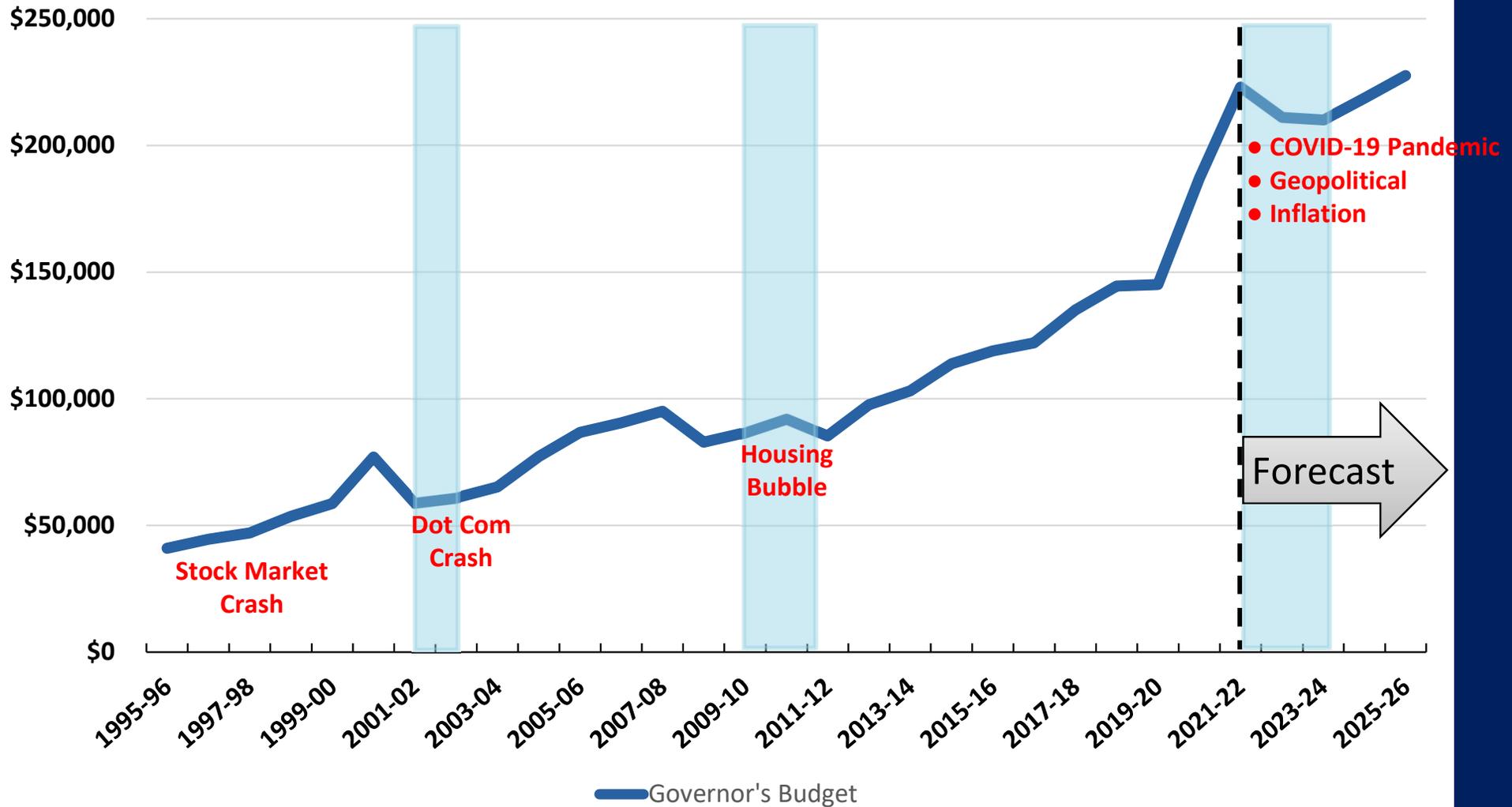
Source: California Department of Finance, 2023-24 Governor's Budget Forecast.

Note: Numbers may not add due to rounding

Source: Governor's Budget 2023-24 (Proposed Budget Summary) <https://ebudget.ca.gov/2023-24/pdf/BudgetSummary/RevenueEstimates.pdf>

# UNPREDICTABLE CAPITAL GAINS

Annual Revenue Could Drop by  
Tens of Billions of Dollars in a Typical Recession Scenario  
(Dollar in Millions)



# STATE BUDGET OUTLOOK

## FINAL BUDGET 2023-24

### Short Term

- \$31.7 billion revenue deficit
- State tax revenue lower than expected (2022-23 and 2023-24)
- Balances this with one-time: delays (\$7.9b), reductions (\$8.1b), fund shifts (\$9.3b), trigger reductions (\$.3b), borrowing (\$6.1b)

### Long Term

- Tax revenue estimate = +2% average growth (2024-25 through 2026-27)

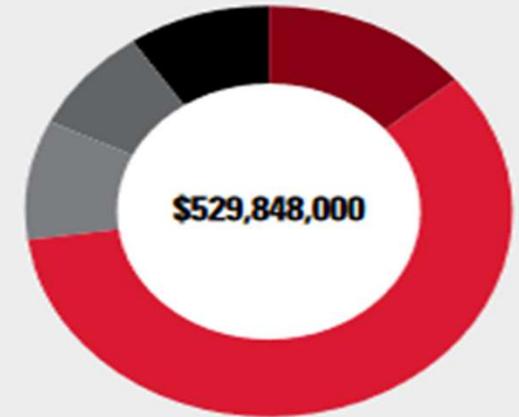
# CALIFORNIA STATE UNIVERSITY

# CSU FY 2023-24 BOT REQUEST

SOURCES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
<b>Incremental New Revenue</b>			
State General Fund: Compact	\$227,302,000		\$227,302,000
Tuition from Strategic Resident Enrollment Growth	16,068,000		16,068,000
State General Fund: Above Compact		\$286,478,000	286,478,000
<b>TOTAL NEW SOURCES</b>	<b>\$243,370,000</b>	<b>\$286,478,000</b>	<b>\$529,848,000</b>

USES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
<b>Incremental New Expenditures</b>			
GI 2025 & Basic Needs	\$30,000,000	\$45,000,000	\$75,000,000
Workforce Investments			
Faculty & Staff Compensation Pool	92,466,000	168,444,000	260,910,000
Health Premium Increases	50,524,000		50,524,000
Academic Facilities and Infrastructure		50,000,000	50,000,000
Strategic Resident Enrollment Growth	50,648,000		50,648,000
Required Operational Costs			
Maintenance of New Facilities	6,032,000		6,032,000
Liability and Property Insurance Premium Increases	13,700,000		13,700,000
Inflation on Non-Personnel Costs		23,034,000	23,034,000
<b>TOTAL NEW USES</b>	<b>\$243,370,000</b>	<b>\$286,478,000</b>	<b>\$529,848,000</b>

## USES OF FUNDS



- GI 2025 & Basic Needs: Equitable Student Outcomes \$75M
- Workforce Investments \$311.4M
- Strategic Resident Enrollment Growth \$50.6M
- Required Operational Costs \$42.8M
- Academic Facilities & Infrastructure \$50M

# CALIFORNIA STATE UNIVERSITY

## FY 2020-21 TO FY 2023-24

### GOVERNOR'S BUDGET

(NEW ONGOING FUNDING)

	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Final	Final	Final	Final
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	(in Millions)			
Base Adjustments	199.0			
Contingent GF Reductions	(498.1)			
Restoration of 2020-21 General Fund Reductions		299.0		
Graduation Initiative 2025: Highest Campus Priorities		120.0		
Graduation Initiative 2025: Basic Needs Initiative		15.0	10.0	
Graduation Initiative 2025: Student Mental Health		15.0		
Graduation Initiative 2025			35.0	30.0
Foster Youth Support			12.0	
Enrollment Growth			123.5	51.1
Faculty & Staff Compensation Pool				92.5
Mandatory Costs Increase:				
Health Benefits		23.8		50.1
Maintenance of New Facilities		15.2		6.0
Liability and Property Insurance Premiums				13.7
AB 1460 Ethnic Studies		16.3		
Operating Costs for Polytechnic Transition at Humboldt		25.0		
Other Program Adjustments		14.8		
Other Specific Investments			16.3	
Summer Term Financial Aid		6.0		
Undesignated	-	-	211.1	-
<b>Total Incremental Expenditures</b>	<b>(\$299.1)</b>	<b>\$550.1</b>	<b>\$407.9</b>	<b>\$243.4</b>

# 2023-24 CAL MARITIME BUDGET

**CALIFORNIA STATE UNIVERSITY - Maritime Academy  
FY2022-23 to FY2023-24 Operating Budget Summary**

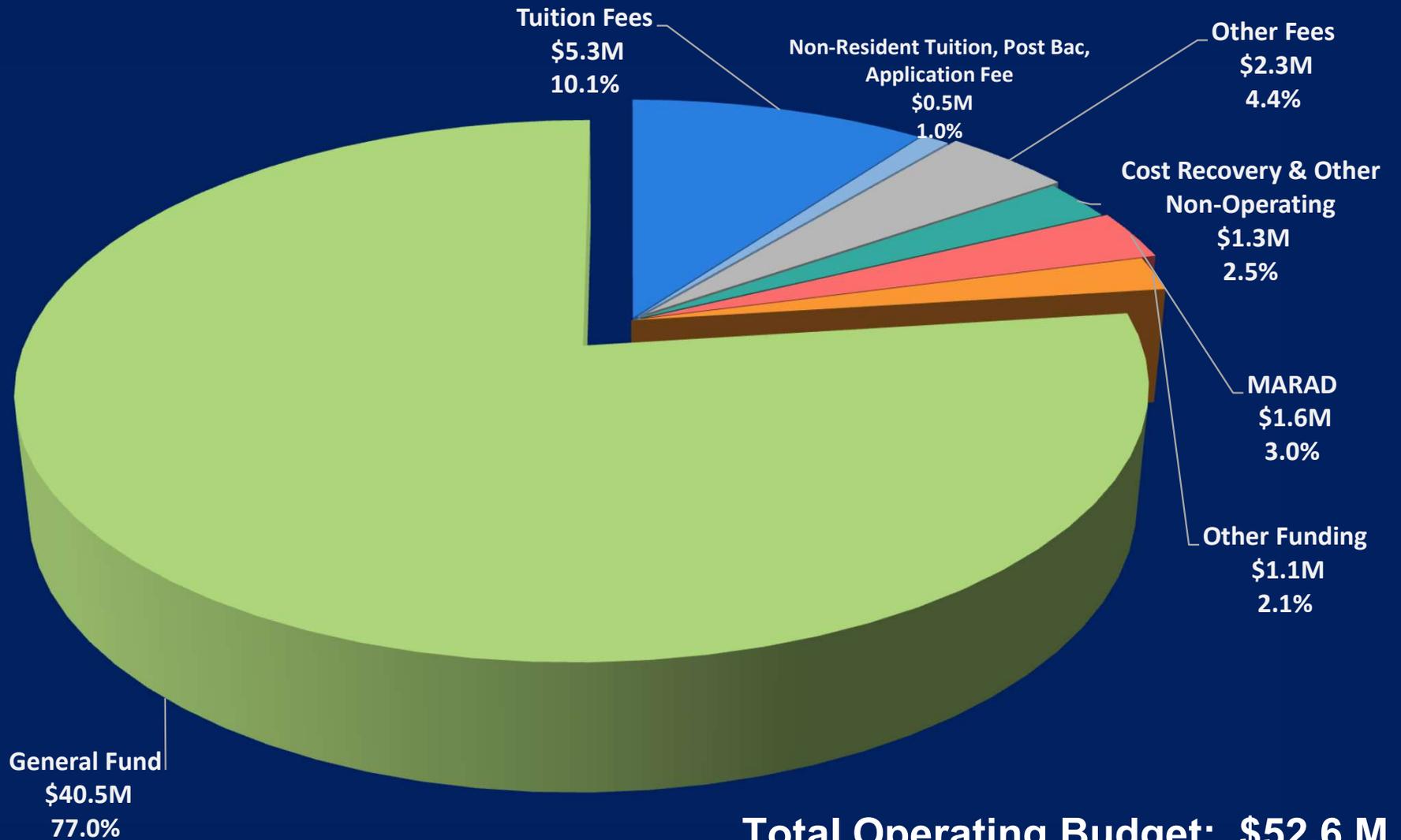
	B-Memo 2023-01		
	FY22-23	FY23-24	Difference
Budgeted Resident FTES	1,418	1,418	
<b>Sources</b>			
Adjusted Allocation State Appropriation	\$ 36,840,000	\$ 39,350,000	
Retirement Adjustment	(43,000)	530,000	530,000
Benefits - Health & Dental	94,000	346,000	346,000
Operations & Maintenance of New Facilities	277,000		
Bargained Compensation	2,092,000		
Graduation Initiative		150,000	150,000
Student Basic Needs		9,000	9,000
New Positions (Grant Writer / Transfer Coord)		337,000	337,000
Property & Liability Insurance Premiums		184,000	184,000
Foster Youth	173,000		
State University Grant (SUG) Systemwide Redistribution	(83,000)	(359,000)	(359,000)
<b>State Appropriations</b>	<b>\$ 39,350,000</b>	<b>\$ 40,547,000</b>	<b>\$1,197,000</b>
<b>Receipts and Other Sources</b>			
Tuition Fee	\$ 5,605,713	\$ 5,278,419	(327,294)
Non-resident Tuition Fee	457,380	457,380	
Post Baccalaureate Fee	18,642	18,642	
Application Fee	50,000	50,000	
Other Revenues	2,217,476	2,246,135	28,659
Cost Recovery Plan	1,570,000	1,301,600	(268,400)
Medical Insurance	571,000	571,000	
Other Non-Operating Revenues	44,672	44,672	
MARAD	1,630,000	1,630,000	
Lottery, Interest	681,000	264,000	(417,000)
IRA	100,000	-	(100,000)
Campus Rec Fee	204,500	182,750	(21,750)
Workstudy	25,077	25,077	
Cal Maritime Academy Foundation Annual Support	1,060,666		(1,060,666)
One-time Funds	877,408		(877,408)
<b>Receipts &amp; Other Sources</b>	<b>\$ 15,113,534</b>	<b>\$ 12,069,675</b>	<b>\$ (3,043,859)</b>
<b>Total Sources</b>	<b>\$ 54,463,534</b>	<b>\$ 52,616,675</b>	<b>\$ (1,846,859)</b>

		<u>FY22-23</u>	<u>FY23-24</u>	<u>Difference</u>
<b><u>Uses</u></b>				
Academic Affairs		13,960,594	12,960,274	(1,000,320)
Marine Programs		3,406,002	3,256,365	(149,637)
Cadet Leadership and Development		4,225,442	3,927,212	(298,230)
Athletics		2,216,853	2,089,729	(127,124)
Administration & Finance		8,992,866	8,456,240	(536,626)
University Advancement		964,403	880,609	(83,794)
Office of the President		1,465,850	1,468,817	2,967
	<b>Divisions</b>	<b>\$ 35,232,010</b>	<b>\$ 33,039,246</b>	<b>\$ (2,192,764)</b>
<b><u>University Wide</u></b>				
Benefits Pool		\$ 13,996,994	\$ 12,938,437	(1,058,557)
Health Premium Increase			346,000	346,000
Retirement Adjustment			530,000	530,000
IT Computer Refresh Program		40,000	40,000	-
State University Grant		1,584,000	1,225,000	(359,000)
Telecommunications		49,555	49,555	-
Communications-Mail Services		15,000	15,000	-
Utilities		1,711,025	2,194,244	483,219
Print /Copy		46,000	46,000	-
Risk Management		1,039,873	1,285,116	245,243
GI 2025			150,000	150,000
Student Basic Needs			9,000	9,000
Medical Insurance		571,000	571,000	-
Firefighting		153,000	153,000	-
Workstudy		25,077	25,077	-
	<b>Academy Wide</b>	<b>\$ 19,231,524</b>	<b>\$ 19,577,429</b>	<b>\$ 345,905</b>
	<b>Total Uses</b>	<b>\$ 54,463,534</b>	<b>\$ 52,616,675</b>	<b>\$ (1,846,859)</b>
	<b>Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# CAL MARITIME FY23-24 BUDGET RECAP

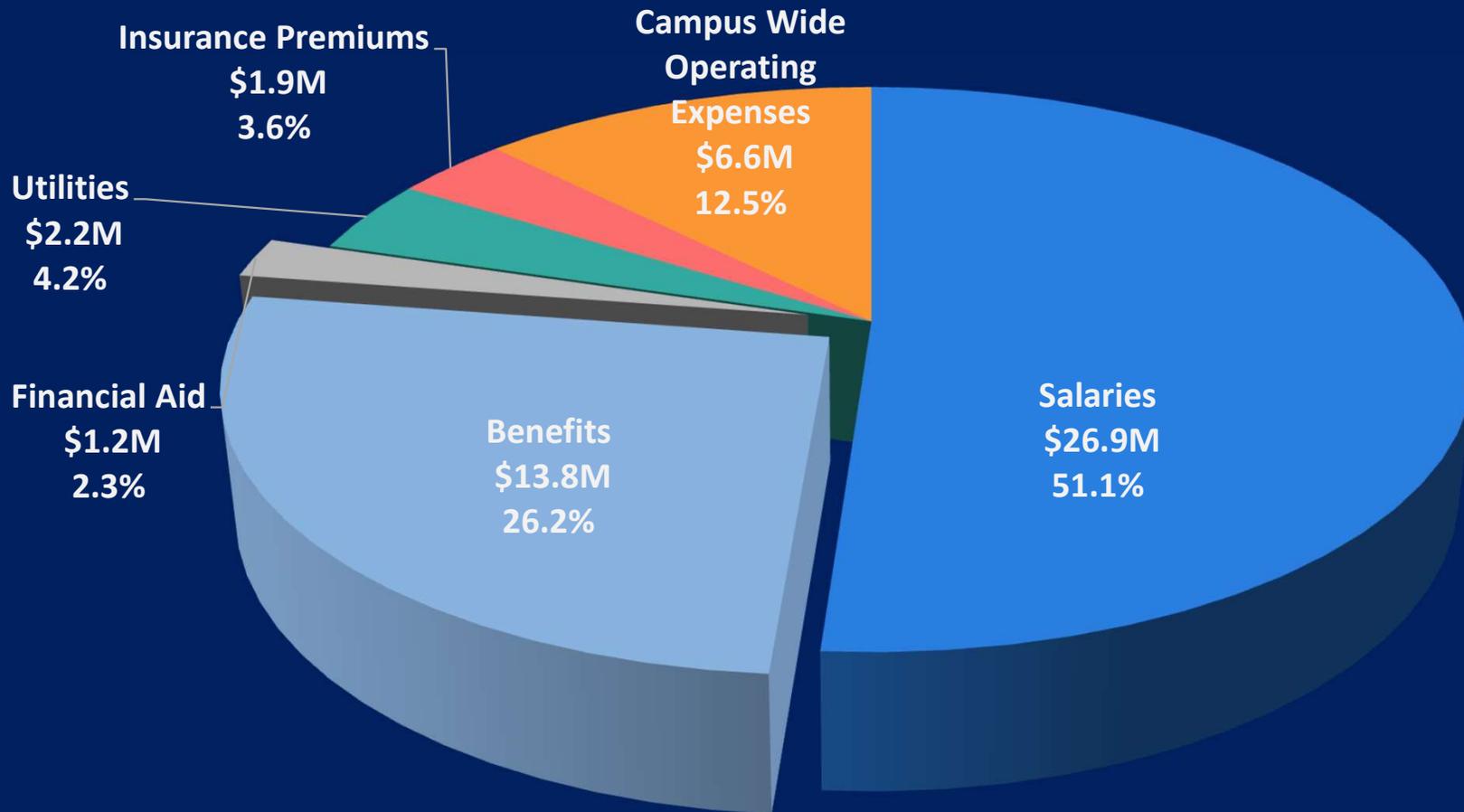
Type	A	B	A+B = C	D
	FY22-23 Budget	FY22-23 Budget Adjustments	FY22-23 Budget Revised	FY23-24 Proposed Annual Budget Rev3
Salaries & Wages	12,429,823	105,000	12,534,823	11,526,258
Operating Expense	1,530,771		1,530,771	1,434,016
<b>ACADEMIC AFFAIRS Total</b>	<b>13,960,594</b>	<b>105,000</b>	<b>14,065,594</b>	<b>12,960,274</b>
Salaries & Wages	1,429,572		1,429,572	1,582,845
Operating Expense	787,280		787,280	506,883
<b>ATHLETICS Total</b>	<b>2,216,852</b>		<b>2,216,852</b>	<b>2,089,728</b>
Salaries & Wages	3,353,737		3,353,737	3,029,894
Operating Expense	871,705		871,705	897,318
<b>CADET LEADERSHIP &amp; DEVELOPMENT Total</b>	<b>4,225,442</b>		<b>4,225,442</b>	<b>3,927,212</b>
Salaries & Wages	1,682,736		1,682,736	1,623,688
Operating Expense	1,723,267		1,723,267	1,632,678
<b>MARINE PROGRAMS Total</b>	<b>3,406,003</b>		<b>3,406,003</b>	<b>3,256,366</b>
Salaries & Wages	7,502,914	130,569	7,633,483	7,062,963
Operating Expense	1,489,952		1,489,952	1,393,277
<b>ADMINISTRATION &amp; FINANCE Total</b>	<b>8,992,866</b>	<b>130,569</b>	<b>9,123,435</b>	<b>8,456,240</b>
Salaries & Wages	942,303		942,303	858,489
Operating Expense	22,101		22,101	22,101
<b>UNIVERSITY ADVANCEMENT Total</b>	<b>964,404</b>		<b>964,404</b>	<b>880,590</b>
Salaries & Wages	1,127,833		1,127,833	1,170,246
Operating Expense	318,445		318,445	298,571
<b>OFFICE OF THE PRESIDENT Total</b>	<b>1,446,278</b>		<b>1,446,278</b>	<b>1,468,817</b>
Salaries & Wages	25,077		25,077	25,077
Operating Expense	19,226,018	688,980	19,914,998	19,552,371
<b>UNIVERSITY WIDE Total</b>	<b>19,251,095</b>	<b>688,980</b>	<b>19,940,075</b>	<b>19,577,448</b>
<b>Grand Total</b>	<b>54,463,534</b>	<b>924,549</b>	<b>55,388,083</b>	<b>52,616,675</b>

# CAL MARITIME FY23-24 OPERATING BUDGET REVENUE SOURCES



**Total Operating Budget: \$52.6 M**

# CAL MARITIME FY23-24 OPERATING BUDGET



**Total Operating Budget: \$52.6 M**

**CALIFORNIA STATE UNIVERSITY**

**FY 2024-25**

**SUPPORT BUDGET PLAN**

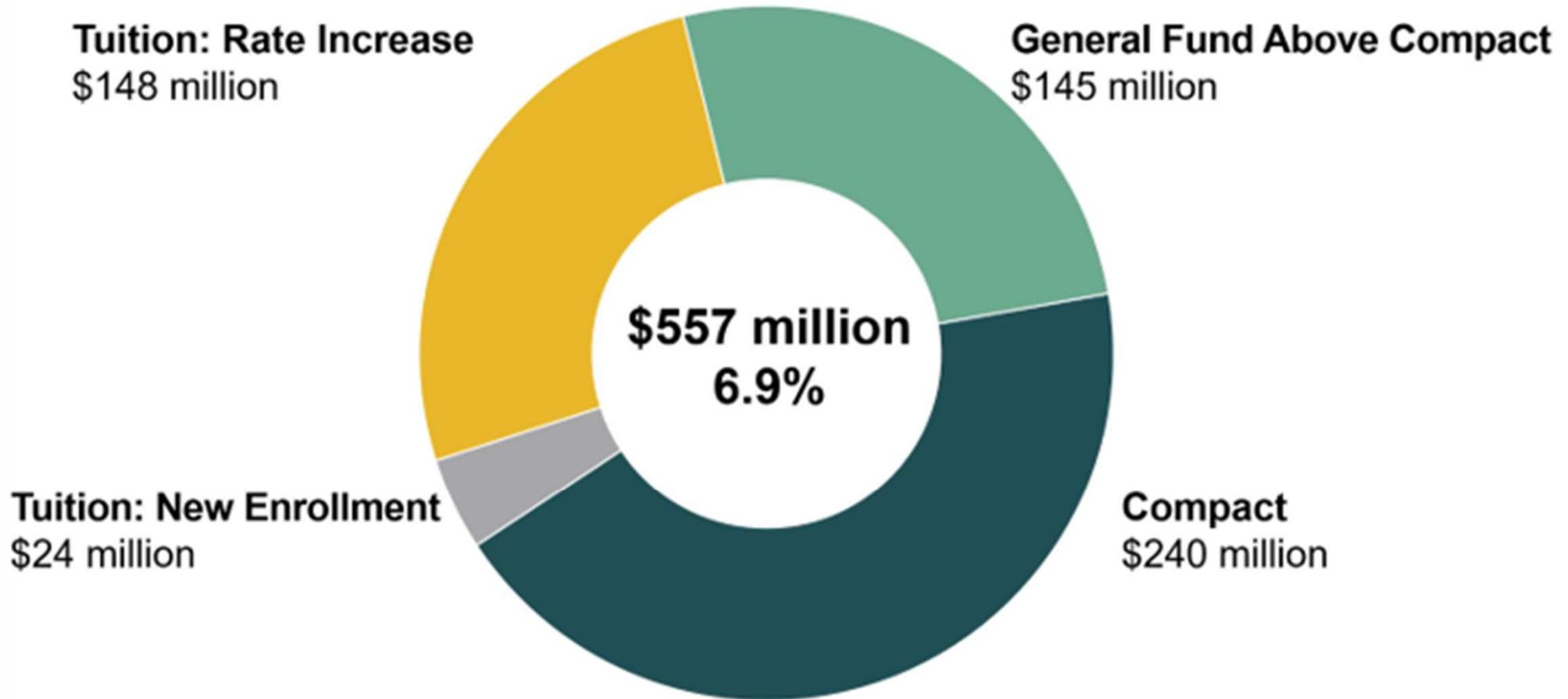
# CSU FY 2024-25 BOT REQUEST

**CSU** The California State University

## 2024-25 Expenditure Plan

USES OF FUNDS (Incremental New Expenditures)	TUITION & WITHIN COMPACT	ABOVE COMPACT	BUDGET PLAN
<b>Student Access &amp; Success</b>			
Financial Aid			
State University Grant — Tuition Rate Increase	\$49,443,000		\$49,443,000
State University Grant — Enrollment Increase	8,093,000		8,093,000
Student Access and Enrollment	54,957,000		54,957,000
Graduation Initiative		30,000,000	30,000,000
Student Basic Needs and Mental Health	3,000,000	4,000,000	7,000,000
<b>Institutional Support</b>			
Title IX and DHR Programs	7,900,000	8,000,000	15,900,000
State and Federal NAGPRA Compliance	2,250,000	2,000,000	4,250,000
Maintenance of New Facilities	12,548,000		12,548,000
Liability and Property Insurance Premium Increases	22,635,000		22,635,000
Inflation on Non-Personnel Costs		28,506,000	28,506,000
Debt Service on Academic Facilities & Infrastructure	10,000,000	15,000,000	25,000,000
<b>CSU Workforce Investments</b>			
Faculty and Staff Compensation Pool	163,664,000	57,040,000	220,704,000
Health Premium Increases	78,361,000		78,361,000
<b>TOTAL NEW USES</b>	<b>\$412,851,000</b>	<b>\$144,546,000</b>	<b>\$557,397,000</b>

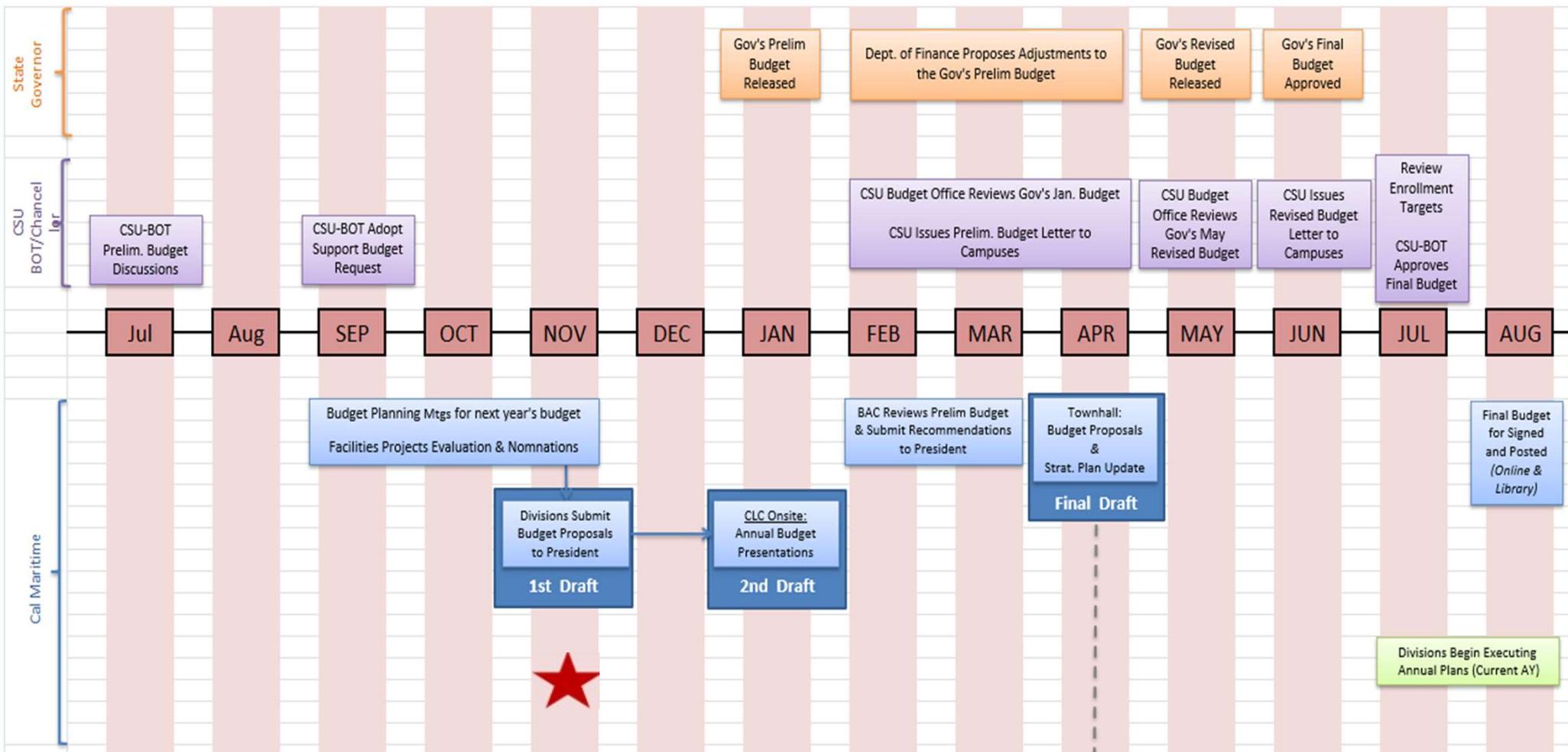
# CSU FY 2024-25 OPERATING FUND INCREASE



# 2024-25 CAL MARITIME BUDGET

# CAL MARITIME BUDGET PROCESS

Cal Maritime Annual Planning & Budget Development Timeline



# Budget Challenges

- **Enrollment Decline**
- **Enrollment and Budget Reallocation Plan**
- **Unfunded Compensation resulting from collective bargaining**

# CAL MARITIME BUDGET CHALLENGES CUMULATIVE

## Fiscal Year 2023/24 - 2026/27 Operating Budget

	2023/24 Revised	2024/25 Planning	2025/26 Planning	2026/27 Planning
Enrollment and Other Inflation Adjustments	(\$108,268)	(\$61,196)	(\$46,857)	\$109,591
Cost Recovery Reduction		(395,000)		
Enrollment Realignment GF Reduction		(631,900)	(596,300)	(569,600)
Unfunded Collective Bargaining - Campus Funded	(798,818)	(838,759)	(820,320)	
Total Estimated Budget Shortfall	(\$907,086)	(\$1,926,855)	(\$1,463,477)	(\$460,009)
Cumulative Budget Reduction	(\$907,086)	(\$2,833,941)	(\$4,297,418)	(\$4,757,427)

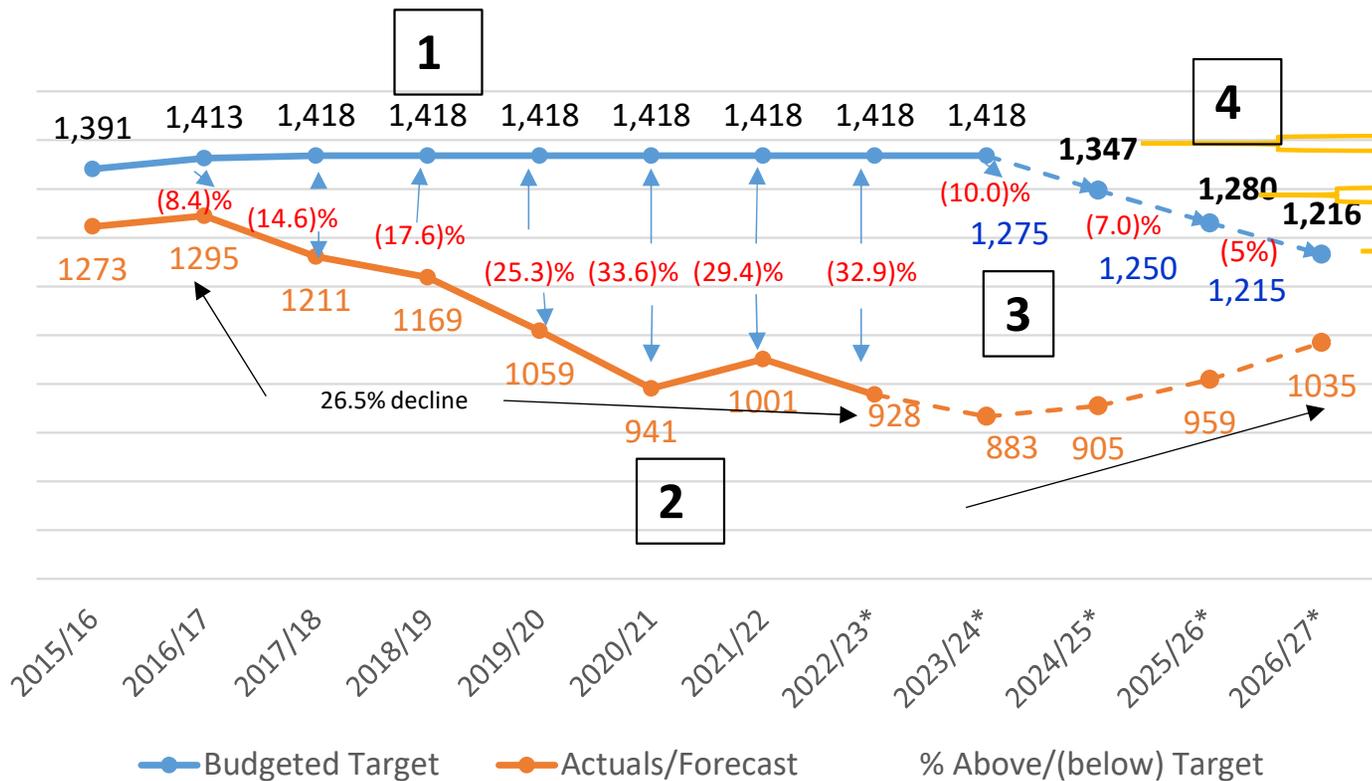
# ENROLLMENT TARGET AND BUDGET REALLOCATION PLAN

# CSU ENROLLMENT TARGET AND BUDGET REALLOCATION PLAN

- New allocations to campuses meeting and exceeding current target
- Phased Re-Allocations: College Year 2023-24 through 2026-27
  - 1) No reallocation for plan's first year (2023-24)
  - 2) Proposed thresholds for 5% reallocations in subsequent years
    - 10% or more below prior year target (2024-25)
    - 7% or more below prior year target (2025-26)
    - 5% or more below prior year target (2026-27)

Reallocation Plan: FTES and GF funding will be reallocated from campuses who are below prior year target, to campuses that are above prior year target

# Cal Maritime Resident Enrollment (FTES)



1 FTE = \$8,900 of State funding

**FY24/25:**  
Loss of (71) FTES = (\$631,900) Revenue shortfall

**FY25/26:**  
Loss of (67) FTES = (\$596,300) Revenue shortfall

**FY26/27:**  
Loss of (64) FTES = (\$569,600) Revenue shortfall

**Total reduction of (202) FTES = (\$1,797,800) reduction in State funding**

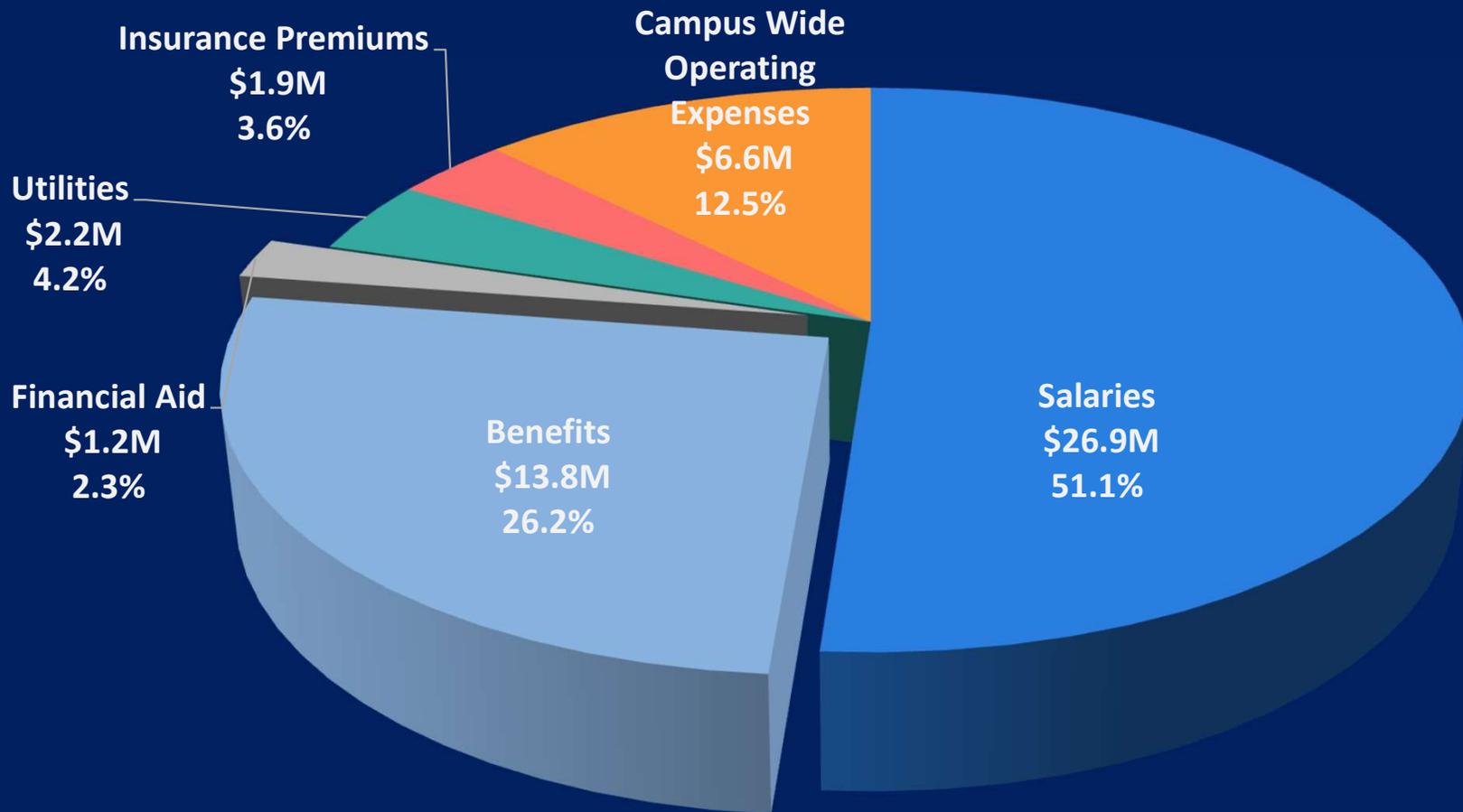
Beginning 2024/25, campuses will be penalized 5% of their enrollment budget if they did not meet at least 90% of their 2023/24 enrollment target, 93% in 2024/25 and 95% in 2025/26

1. Current Budgeted Resident FTES – Systemwide FTES Target
2. Current Actuals & Projections Resident FTES
3. Threshold targets
4. Potential Revised Resident FTES Budgets

# Budget Reduction Strategies

## Discussion

# CAL MARITIME FY23-24 OPERATING BUDGET



**Total Operating Budget: \$52.6 M**

# PROGRAMMATIC AND REGULATORY REQUIREMENTS

- Title 9
- Federal higher education act
- USCG
- MARAD
- US Department of Education
- CSU requirements
- California Dept of Education
- WASC
- ABET
- Police (campus 911 & dispatch services)
- NAIA / CalPac
- Etc...

**DISCUSSION**

**NEXT STEPS**

# RESOURCES:

## CSU Budget Memo B-2023-01

<https://www.calstate.edu/csu-system/about-the-csu/budget/Pages/coded-memos.aspx>

## Enrollment Reallocation Plan

<https://www.calstate.edu/csu-system/board-of-trustees/past-meetings/2023/Documents/ED-POL-FIN-Jan-24-25-2023.pdf>,

<https://www.calstate.edu/csu-system/board-of-trustees/past-meetings/2023/Pages/January-24-25-2023.aspx>

**THANK YOU**