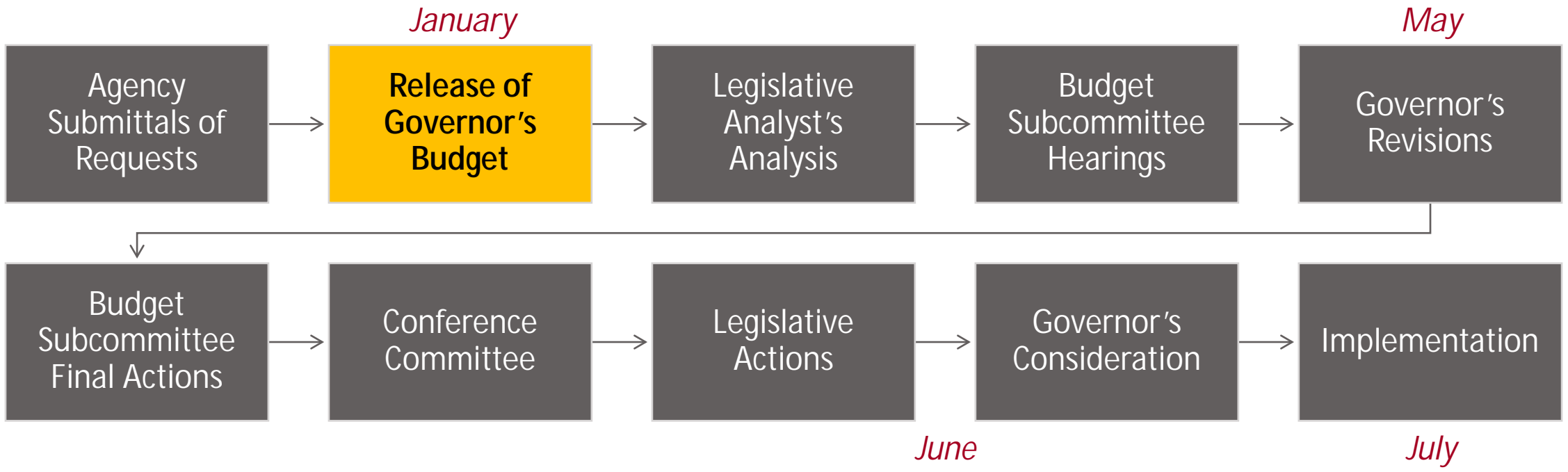


Governor's Proposed 2024-2025 Budget

Business Services Team Meeting
01/30/2024

State Budget Development Process



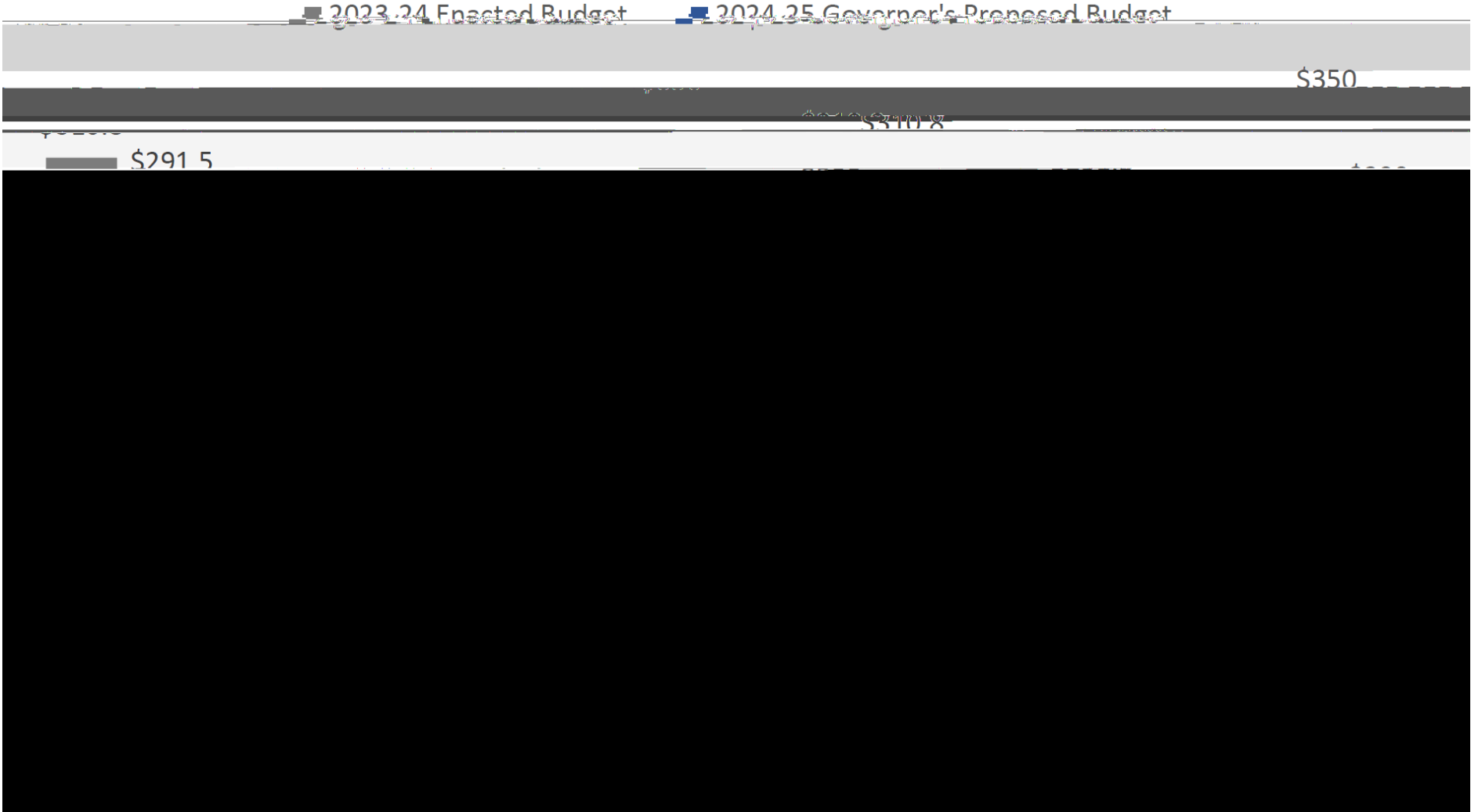
2024-25 Proposed Budget Priorities

- Maintain fiscal stability
- Continue efforts to address priority issues, such as:
 - Homelessness
 - Combatting effects of climate change
 - Avoid harmful cuts in programs essential to the well-being of Californians

2024-25 Proposed Budget Features

- Identifies developments over last two (2) years generating budget shortfall facing lawmakers:
 - Substantial decline in the stock market that drove down revenues in 2022
 - Unprecedented delay in critical income tax collections
- Projected \$37.9B budget gap
 - Reserves (\$13.1B)
 - Reductions (\$8.5B)
 - Revenue/Internal Borrowing (\$5.7B)
 - Delays (\$5.1B)
 -

2024-25 Proposed Budget vs. 2023-24 Enacted Budget



Proposition 98 Funding by Source (In Millions)

| Source | Revised 2024-25 | Revised 2025-26 | Proposed 2024-25 | Change From Revised 2024-25 | Change From Revised 2025-26 |
|--------------------|-----------------|-----------------|------------------|-----------------------------|-----------------------------|
| State General Fund | 10,740 | 10,740 | 10,740 | 0 | 0 |
| Local Government | 10,740 | 10,740 | 10,740 | 0 | 0 |
| Federal | 10,740 | 10,740 | 10,740 | 0 | 0 |
| Private | 10,740 | 10,740 | 10,740 | 0 | 0 |
| Other | 10,740 | 10,740 | 10,740 | 0 | 0 |
| Total | 43,960 | 43,960 | 43,960 | 0 | 0 |

CCC Student Centered Funding Formula (SCFF)



Questions?