GROSSMONT-CUYAMACA
Community College District

2013/14 Adoption Budget Workshop
September 3, 2013
Linking Strategic Planning to Budget

Values Students, Employees, & Community

- **Student Access**
  - Students first

- **Learning and Student Success**
  - Protecting the learning core

- **Value and Support of Employees**
  - Balance needs of employees with needs of students

- **Economic and Community Development**
  - Maximize potential revenues

- **Fiscal and Physical Resources**
  - Fund structural commitments and fixed increases
  - Address Accreditation, legal & fiscal stability challenges
Total Adoption Budget

Today’s Workshop
- PowerPoint Presentation
- Adoption Budget Packet

Total Budget $544,485,322
- General Fund:
  - Unrestricted Fund: $100.7 m / $106.8 m
  - Restricted Fund: 19.0 m / 19.2 m
  - Total General Fund: $119.7 m / $126.0 m
- Other Funds: 30.7 m / 418.4 m
- Total Budget: $150.4 m / $544.4 m
2013/2014 Budget
State Overview

➢ No structural shortfall in 2013/14 or out years
  o 2008-09  - $14.5 billion
  o 2009-10  - $41.6 billion
  o 2010-11  - $19.9 billion
  o 2011-12  - $25.4 billion
  o 2012-13  - $  9.2 billion
  o 2013-14  $  0

➢ Invest in both K-12 and Higher Education

➢ Continue to pay down the Wall of Debt
  o 2010-11  $ 35.0 billion
  o 2012-13  $ 27.0 billion
  o 2016-17 Goal  $  4.7 billion
$87.5 million (1.57%) Cost-of-living adjustment
- COLA raises the dollars per FTES we receive from the State and does not require the District to serve more FTES
- The last COLA was received in FY 2007-08. Since then the dollars per FTES has been $4,565 per credit FTES. Now it is $4,636 per credit FTES

$89.4 million (1.63%) Enrollment Restoration/Access
- Restoration funding provides the opportunity for the District to increase its base funding and serve more FTES
- Does not increase the dollars per FTES but allow the District to receive more funds for more FTES

Deferrals are down to $592 million from $776 million last year and $961 million 2 years ago
GCCCD Adoption Budget

- 1.57% Cost-of-Living adjustment $1.3 million
- 2.25% Enrollment Restoration $1.8 million
  - FTES CAP 17,398
  - 383 additional FTES
- 4% Budget Deficit Factor $3.7 million
  - Set aside for possible state revenue shortfall in property taxes and/or enrollment fees
- One-time funds dedicated from Prior Year $2.3 million
- Beginning balance $12.2 million
Summary of 2012-2013 Ending Balance

- Ending Balance at 6/30/2013: $12.2 million

- Less:
  - 5% Contingency Reserve: $4.7 million
  - Purchase Orders: $2.3 million (carried to next fiscal year)

- Ending Balance after Commitments: $5.2 million
# State General Apportionment Payment Deferrals

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Statewide Deferral</th>
<th>GCCCD Deferral</th>
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<tbody>
<tr>
<td>2007/2008</td>
<td>$200 M</td>
<td>$3.1 M</td>
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<tr>
<td>2008/2009</td>
<td>$540 M</td>
<td>$8.4 M</td>
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<tr>
<td>2009/2010</td>
<td>$703 M</td>
<td>$10.9 M</td>
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<tr>
<td>2010/2011</td>
<td>$832 M</td>
<td>$13.4 M</td>
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State General Apportionment Payment Deferrals

- Deferrals are paid to the District by July of next fiscal.

- January to June apportionment payments are reduced by the deferral amount.

- Impacts of Deferral:
  - Significant challenges with cash flow
  - Cost of borrowing to meet operational expenses of the District
## Site Allocations
### Unrestricted General Fund

<table>
<thead>
<tr>
<th>Total Funds Available</th>
<th>$106,840,917</th>
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<tbody>
<tr>
<td>Less 5% Contingency Reserve</td>
<td>(4,594,351)</td>
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<td><strong>Total Formula Allocation</strong></td>
<td><strong>$102,246,566</strong></td>
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<table>
<thead>
<tr>
<th>College</th>
<th>Allocation</th>
<th>Page</th>
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<tbody>
<tr>
<td>Grossmont College</td>
<td>$60,487,274</td>
<td>14</td>
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<tr>
<td>Cuyamaca College</td>
<td>25,968,407</td>
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<td>District Services</td>
<td>9,970,735</td>
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<td>Districtwide Commitments</td>
<td>5,820,150</td>
<td>26</td>
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<tr>
<td><strong>Total Allocations</strong></td>
<td><strong>$102,246,566</strong></td>
<td></td>
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</tbody>
</table>
Unrestricted General Fund
Revenue - $92.3 m – Page 6

State General Apportionment =
- Student Fees 8.3%
- Property Taxes 37.2%
- State General Fund 41.5%
- EPA 13.0%

Total State Revenue 95%
Budget Challenges

- Redevelopment Agency (RDA) backfill

- Proposition 30 is temporary tax increase
  - Sales tax increase terminates at the end of 2016
  - Income tax increase terminates at the end of 2018

- Community Colleges face significant challenges in improving economic times
  - The demand for services goes down as the funding is available to increase those demands
  - District must be aggressive in its course offerings to meet FTES goals

- Even though budget is brighter this year still we are still below our 2008/09 funding level by 1,377 FTES
SUMMARY

➤ Tentative Budget
  Approved 6/18/2013

➤ Update Ending Balances
  Year End completed

➤ Today Adoption Budget Workshop
  Board to Consider 9/10/2013
Questions?

**District Strategic Planning & Budget Committee Members:**

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