



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:	<u>12/13 AB</u>	<u>13/14 AB</u>
Unrestricted Fund	\$100.7 m	\$106.8 m
Restricted Fund	<u>19.0 m</u>	<u>19.2 m</u>
Total General Fund	\$119.7 m	\$126.0m
Other Funds	<u>30.7 m</u>	<u>418.4 m</u>
Total Budget	<u><u>\$150.4 m</u></u>	<u><u>\$544.4 m</u></u>



2013/2014 Budget State Overview

➤ No structural shortfall in 2013/14 or out years

- 2008-09 - \$14.5 billion
- 2009-10 - \$41.6 billion
- 2010-11 - \$19.9 billion
- 2011-12 - \$25.4 billion
- 2012-13 - \$ 9.2 billion
- 2013-14 \$ 0

➤ Invest in both K-12 and Higher Education

➤ Continue to pay down the Wall of Debt

- 2010-11 \$ 35.0 billion
- 2012-13 \$ 27.0 billion
- 2016-17 Goal \$ 4.7 billion



California Community Colleges

- \$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 \$1.3million

- 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

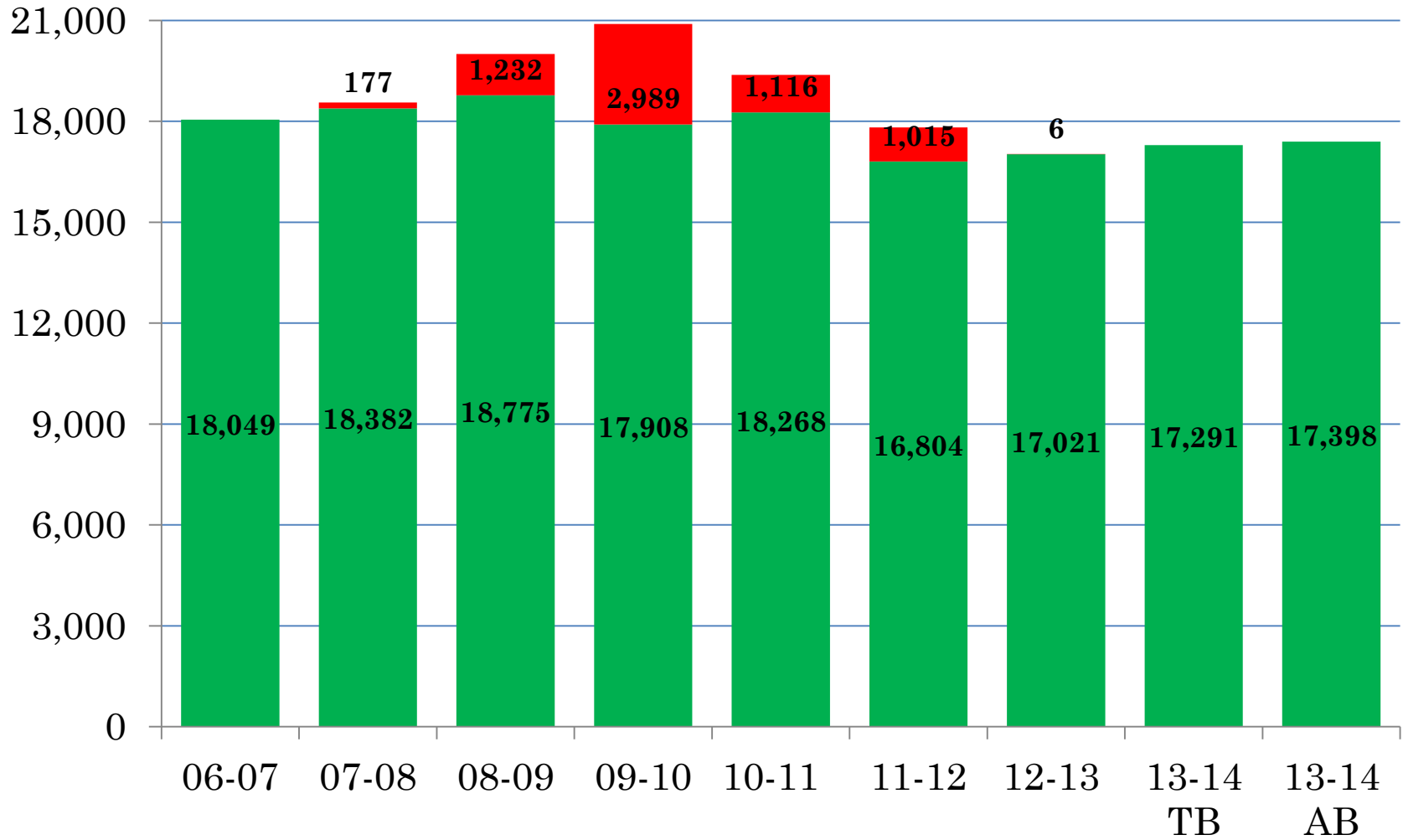


Summary of 2012-2013 Ending Balance

➤ Ending Balance at 6/30/2013	\$12.2 million
➤ Less:	
➤ 5% Contingency Reserve	\$4.7 million
➤ Purchase Orders (carried to next fiscal year)	\$2.3 million
➤ Ending Balance after Commitments	<u><u>\$5.2 million</u></u>



FTES History & Projections



■ Funded FTES

■ Unfunded FTES



State General Apportionment Payment Deferrals

Fiscal Year	Statewide Deferral	GCCCD Deferral
2007/2008	\$200 M	\$ 3.1 M
2008/2009	\$540 M	\$ 8.4 M
2009/2010	\$703 M	\$10.9 M
2010/2011	\$832 M	\$13.4 M
2011/2012	\$961 M	\$15.1 M
2012/2013	\$776M	\$ 12.5 M
2013/2014	\$592 M	\$ 10.1 M



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

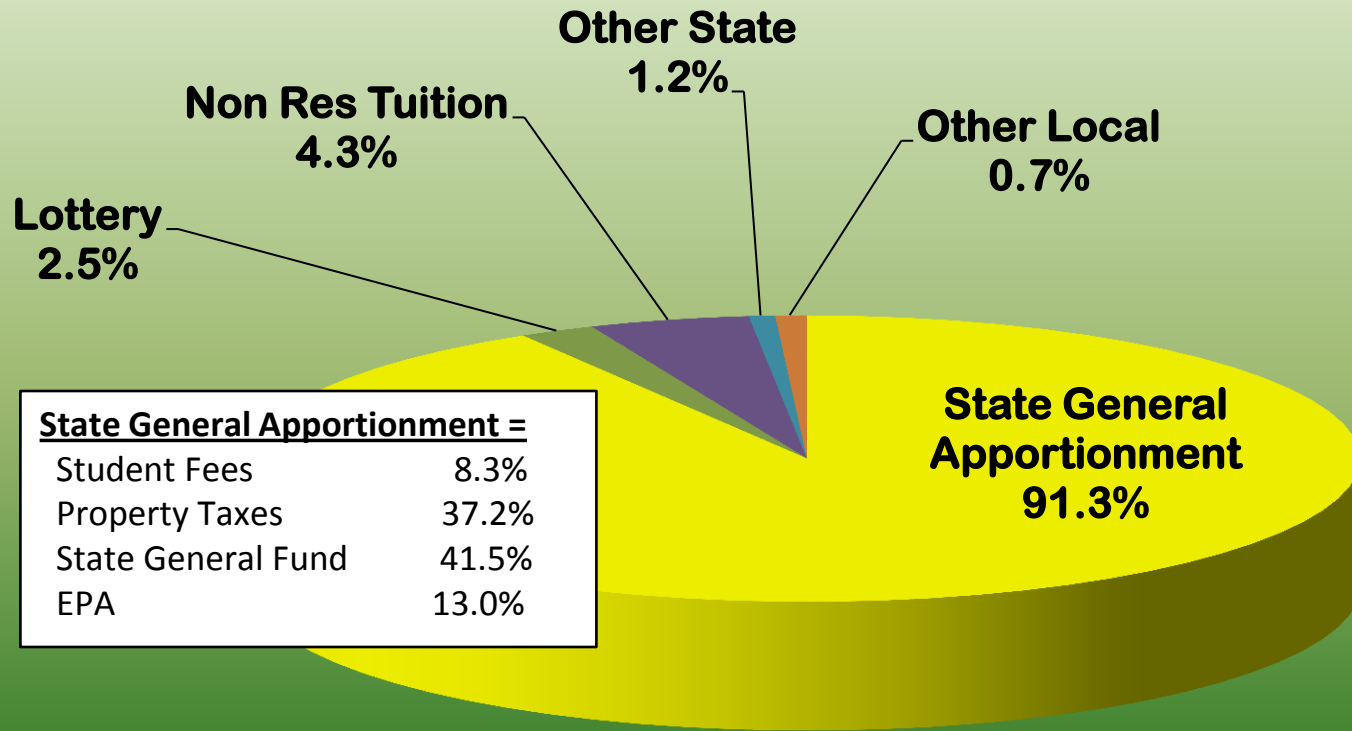
Unrestricted General Fund

Total Funds Available	\$ 106,840,917
Less 5% Contingency Reserve	(4,594,351)
Total Formula Allocation	<u>\$ 102,246,566</u>

Grossmont College	\$ 60,487,274	Page 14
Cuyamaca College	25,968,407	Page 18
District Services	9,970,735	Page 22
Districtwide Commitments	5,820,150	Page 26
Total Allocations	<u>\$ 102,246,566</u>	



Unrestricted General Fund Revenue - \$92.3 m – Page 6

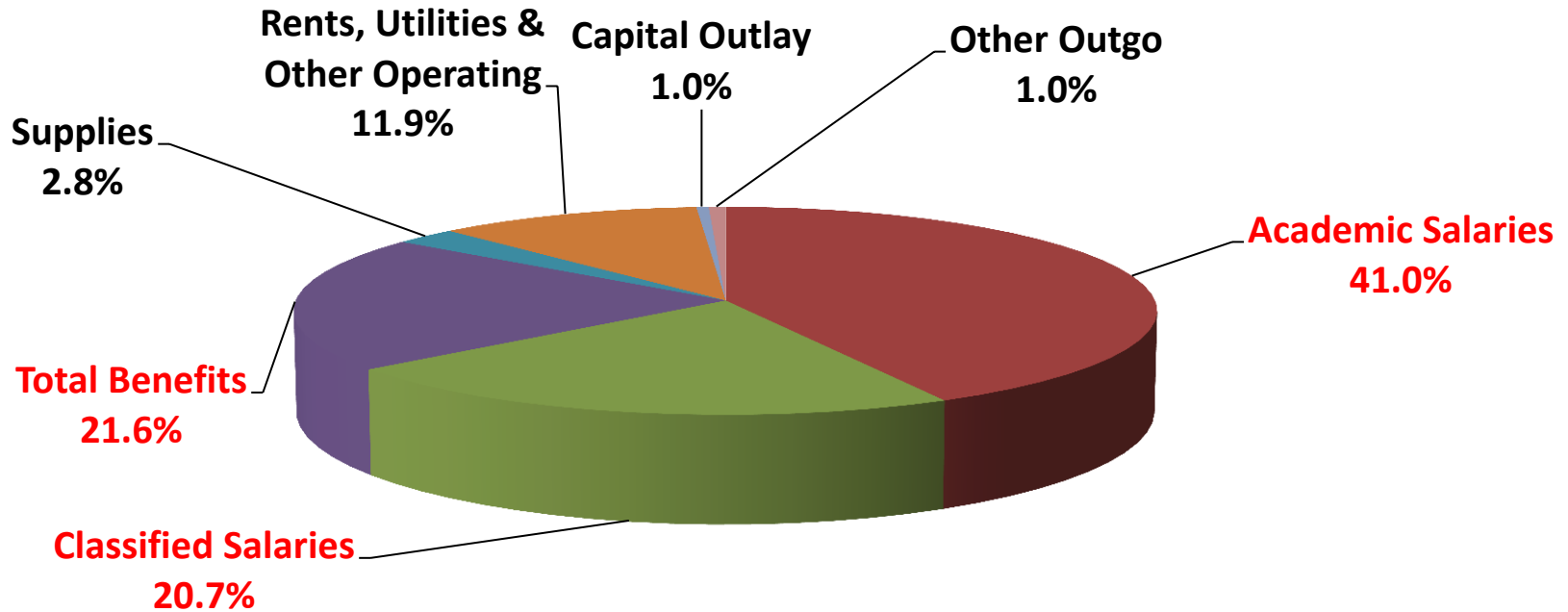


<u>State General Apportionment =</u>	
Student Fees	8.3%
Property Taxes	37.2%
State General Fund	41.5%
EPA	13.0%

Total State Revenue 95%



Unrestricted General Fund Budget Expenditures – Page 10

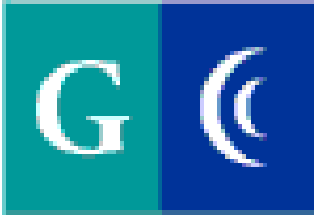


Operational Costs	16.7%
Total Compensation	83.3%



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:

Alicia Munoz

Anne Krueger

Arleen Satele

Avelina Mitchell

Brian Nath

Chris Tarman

Cindy Miles

Esau Cortez

Jaclyn Marlow

Jeff Baker

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Jim Mahler

John Valencia

Katrina Vanderwoude

Kim Widdes

Linda Jensen

Mark Zacovic

Marsha Edwards

Michael Barendse

Michael Copenhaver

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Teresa McNeil

Tim Corcoran

Tim Flood

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