




Budget Committee

September
2024

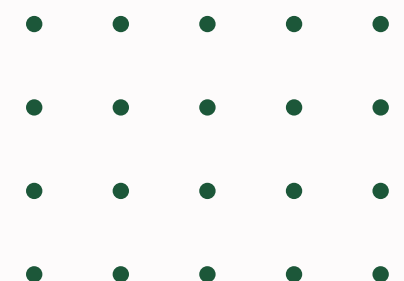
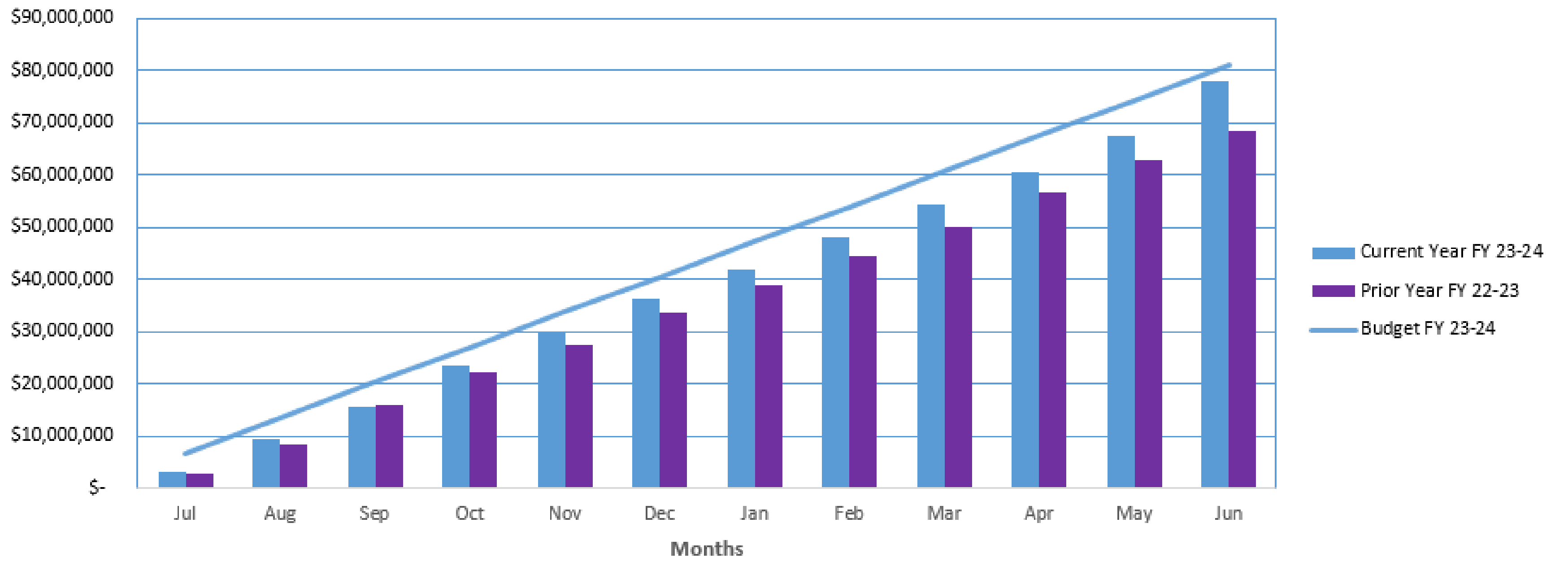


Prior Year
Budget to
Actuals

GROSSMONT COLLEGE GENERAL FUND EXPENDITURE OVERVIEW 4TH QUARTER FISCAL YEAR 2023/24

Working Budget					
Expenditures Through: June 30, 2024	Year to Date	Current Yr.	Prior Year	Prior Year	Expense %
	<u>Expenses</u>	<u>Budget</u>	<u>Expenses</u>	<u>Budget</u>	<u>Change</u>
ACADEMIC SALARIES	\$37,474,754	\$36,394,651	\$32,153,040	\$36,336,850	17%
CLASSIFIED SALARIES	\$11,335,338	\$12,121,535	\$10,560,102	\$12,338,833	7%
BENEFITS	\$19,769,311	\$21,665,298	\$17,704,683	\$21,072,716	12%
SUPPLIES	\$634,279	\$865,181	\$606,767	\$1,205,072	5%
RENTS, UTILITIES & OTHER OPERATING	\$5,681,216	\$7,174,585	\$4,662,430	\$2,902,916	22%
CAPITAL OUTLAY	\$158,140	\$404,883	\$167,051	\$231,960	-5%
OTHER OUTGO	\$2,794,018	\$2,381,015	\$2,636,733	\$1,915,015	6%
TOTAL EXPENDITURES	\$77,847,056	\$81,007,148	\$68,490,806	\$76,003,362	
Expenditure % of Total					
SALARY & BENEFITS EXPENSES	88.1%	86.6%	88.2%	91.8%	
ALL OTHER EXPENSES	11.9%	13.4%	11.8%	8.2%	
	100.0%	100.0%	100.0%	100.0%	
% OF BUDGET SPENT YEAR TO DATE	96.1%				
% OF BUDGET SPENT PRIOR YEAR TO DATE	90.1%				

Total Unrestricted Expenditures Year-to-Date





Tentative Budget

Revenue Projections

Factors that impact the resources available to the College for sustaining normal operations



1.07% COLA

The 2024-25 State Enacted Budget includes ongoing adjustments to the Student Centered Funding Formula (SCFF) for a 1.07% cost-of-living adjustment (COLA).



65% IAM

The District Income Allocation Model (IAM) formula moves from a 5-year historical model to a 3-year historical model when analyzing proportionate share of FTES between colleges.



(\$2.3M)

The resulting revenue change from the increase in COLA and the decrease in FTES proportionate share is a loss of \$2.3 million in operating revenues

Operational Expenses

Factors that impact the resources available to the College for sustaining normal operations



19%+ Rate Increases

- CalPERS rate increase of 1.12%
- Health rates increase by about 8-12%
 - Utility rates increase by about 10%



7% Salary

Negotiations with represented and unrepresented employee classifications increase compensation costs



(\$ 1.8 M)

The resulting net spending change from the decrease in revenues and increase in operating expenses is a \$1.8m budget deficit



Recent
Adopted Budget
Adjustments

Context for 2024-25 State Budget

Framed by multi-year budget deficit.

- **\$45 billion** in 2024-25.
- **\$30 billion** for 2025-26.

Cuts to government operations, reductions to programs, and pauses new investments.

Includes **NO major core reductions** to community college programs or services.

- Draws on reserves and operational savings to ensure fiscal stability.

An increase of **\$113.3 million** in Proposition 98 funds to support a 1.07% **COLA** for apportionments and select categorical.

An increase of approximately **\$28.1 million** ongoing Proposition 98 General Fund to support a 0.5% enrollment growth.

Financial Aid Administration: Includes **\$20 million** one-time Proposition 98 funds to assist colleges with unexpected workload due to FAFSA delays and to facilitate extra support for students.

Part-time Faculty Office Hours Program: Increases the reimbursement rate from 50% to 90% to encourage increased usage of the program by districts.

Context for 2024-25 District/College Budgets

Updated budgets based on 2023-24 Unaudited Actuals

- \$4.5 million in Interest Revenue
- 2022-23 State Deficit reduced to 0%

SCFF Funding increased for **COLA**

- **Stability Funding** of \$300k

No State Deficit budgeted for 2024-25

Using **one-time transfers** to eliminate current year deficit spending

PT Faculty Reimbursements budgeted at 90%

Conservative **Interest** projections of \$2 million

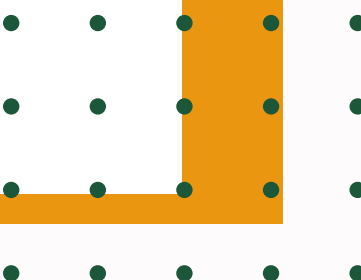
2023-24 P2 FTES finalized with summer pullback

Income Allocation Model

- 64.94% Grossmont (TB 65%)
- 35.06% Cuyamaca (TB 35%)

Health Benefits rate increases published (5.4% - 6.8%)

CalPERS Rate 27.05% and increase of 0.4% (TB 27.80%)



Thank you

