

BUDGET UPDATE

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BUDGET UPDATE

Statewide Items

- Overall, Not Good News.
- Budget deficit of \$31 billion for 2023-24.
- State General Fund spending decreases by more than 3% from prior year or \$226 billion.

BUDGET UPDATE

- **Statewide Items**

- Contrast, Good News for Education

- All education segments received funding increases this year.

- Administration's goal is to have 70% of working-age Californians possess a degree or credential by 2030.

BUDGET UPDATE

Community College Funding Items

- \$678M: 8.22% Cost-of-living adjustment (COLA) -\$10M for GCCCD
- 2% Revenue Deficit = **-\$2.8 million**
- \$26.4M: 0.5% enrollment growth
- \$92.5M: 8.22% COLA for select categorical programs (EOPS, DSPS, CalWORKs, and CARE)

BUDGET UPDATE

Community College Funding Items

- \$14M: Workforce Training grants focused on meeting workforce needs to fight wildfires
- **-\$500M**: Reduction to prior year deferred maintenance & instructional equipment funds of \$840M

BUDGET UPDATE

Community College Funding Items

- So, Good Funding News This Year
- ... and We Expect Good Funding News Next Year

BUDGET UPDATE

Community College Funding Items

- However, Not Good News in 2025/26
- State Funding Protections END in 2025/26
- NO COLA on Hold Harmless Funds in 2025/26

BUDGET UPDATE

GROSSMONT NEEDS TO START TO PREPARE FOR 2025/26

- Without enrollment increases and strategic expenditure reductions, we will need to make major budget cuts.

Resident FTES Summary

	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>
	Actuals	Actuals	Actuals	Actuals	Actuals
Grossmont College	12,211	11,404	9,527	8,192	8,634
Cuyamaca College	5,486	5,364	4,770	4,362	4,655
Total FTES Earned	17,697	16,768	14,297	12,554	13,289
Increase/Decrease from PY		-5.2%	-14.7%	-12.2%	+5.9%
Cumulative Increase/Decrease					-22.7%

Supplemental Allocation Summary

	<u>2018/19</u> Actuals	<u>2019/20</u> Actuals	<u>2020/21</u> Actuals	<u>2021/22</u> Actuals
Pell Grant Recipients	8,209	8,084	6,524	5,762
AB540 Students	625	671	558	550
CPG Recipients <small>(Calif. Promise Grant)</small>	18,243	16,983	14,339	11,804
Total Headcount	<u>27,077</u>	<u>25,738</u>	<u>21,421</u>	<u>18,116</u> -33%

FTES Projections

Scenario	FTES Growth	Supplemental & Student Success Growth	Budget Reduction in 2025/26	Budget Reduction in 2026/27
Scenario A	10% every year for the next 3 years	3% every year for the next 5 years	0	0
Scenario B	5% every year for the next 5 years	3% every year for the next 5 years	\$5 million	0
Scenario C	3% every year for the next 5 years	2% every year for the next 5 years	\$5 million	\$5 million

BUDGET UPDATE

Developed Draft Multi-Year Budget Plan for the College (combines revenue increases and expenditure reductions)

- Increase new enrollments and improve retention rates each year
- Increase Financial Aid outreach to Pell & Promise Students
- Continue to reduce costs including not filling certain vacant positions and being more efficient across all departments/programs