

Grossmont Budget Committee

May 2024



Agenda:

- ▶ Routine Business (15 min)
 - ▶ Public Comment
 - ▶ Welcome and Introductions
 - ▶ Additions/Deletions
 - ▶ Approve Prior Meeting Notes
- ▶ Negotiations Update (10 min)
- ▶ Governor's May Revise (10 min)
- ▶ 2024-25 Budget Assumptions (30 min)
 - ▶ Income Allocation Model
 - ▶ 3 Year Strategic Budget Plan Update
- ▶ Technology Spending Plan Update (10 min)
- ▶ Future Meetings (5 min)

Committee Members:

Co-Chairs	Associated Students	Classified Senate	Academic Senate	Administrators Association	Advisory
Dawn Heuft	Asuka Mogi	Juliana Bertin	Jennifer Bergovoy	Loren Holmquist	Agustin Albarran
Sheree Stopper	Evelyn Villa	Melissa Benton	Sara Ferguson	Genie Montoya	Marsha Gable
		Dawn Heuft	Todd Meyer	Luma Shamon	

Negotiations Update

Bargaining Group	Description	Status	2324 Cost
AFT	Faculty	On Going Negotiations	\$1,480,628
CSEA	Classified	Ratified by Governing Board	\$697,498
CONF	Confidential Classified	Ratified by Governing Board	\$62,372
AA	Administrators' Association	Ratified by Governing Board	\$284,873

Governor's May Revise

<i>(in billions)</i>	2324 Enacted Budget	January Proposal	May Revise	Change in May
California State Budget				
State Budget	\$311	\$291	\$288	-7%
Budget Deficit		\$38	\$45	+\$7
Cost of Living Adjustment (COLA)	3.94%	0.76%	1.07%	+0.31%
Growth Funding		0.50%	0.50%	--
California Community Colleges				
Budget	\$13.5	\$13.2	\$13.8	+\$0.6

2024-25 Budget Assumptions

Budgeting assumptions are critical variables and factors that influence the current year budget forecasts, true up the prior year, and estimate the two subsequent years.

Revenue:

- The revenue budget should contain the assumptions made about the future and the factors being used to drive various standard revenue allocations.

Expense:

- The expense budget should contain the assumptions made about the fixed costs, like labor and long-term commitments; as well as variable costs, like supplies and equipment.

Net Spending:

- The budgeted amount of revenue is compared to the budgeted amount of expenses to determine if the revenues are adequate to sustain immediate operational needs.

Assumptions are still just estimates until the State enacts the budget (by July 1)

Revenue Assumptions

	2324	2425	Change
COLA	8.22%	0.76%	-3.18%
Subsequent Year 1 (SY1)	3.94%	2.73%	
Subsequent Year 2 (SY2)	3.29%	3.11%	
Growth Factor	0.50%	0.50%	
State Deficit	2.00%	2.00%	
Prior Year Deficit	0.00%	3.55%	1.55%
Interest	4.16%	3.68%	-0.48%
Unrestricted Lottery	\$177	\$177	
Restricted Lottery	\$72	\$72	
Mandated Block Grant	\$35.37	\$35.64	\$0.27
SCFF Basic Increase	\$0.00	\$0.00	
SCFF Base Funding Increase	\$0.00	\$0.00	

Assumptions are still just estimates until the State enacts the budget (by July 1)

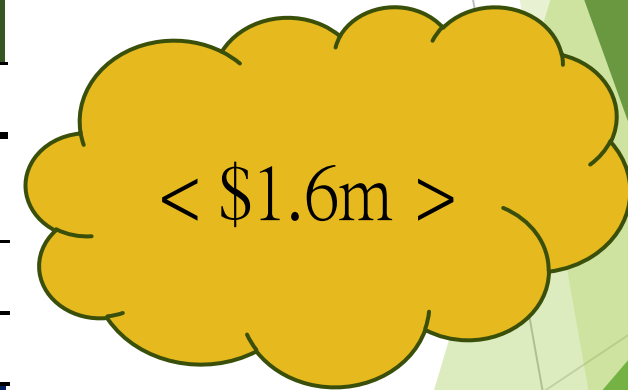
Income Allocation Model (IAM)

Proportionate Share of FTES

	Actuals		P2
	2021/22	2022/23	2023/24
Resident FTES			
Cuyamaca College			
Summer	330	338	445
Fall	2,001	2,091	2,375
Spring	1,967	2,146	2,443
Summer Pullback	-	-	0
Total	4,298	4,575	5,264
Factored FTES	64	80	92
Total Resident FTES	4,362	4,655	5,356
Grossmont College			
Summer	637	559	690
Fall	3,955	3,971	4,513
Spring	3,496	3,984	4,515
Summer Pullback			
Total	8,088	8,514	9,718
Factored FTES	103	120	154
Total Resident FTES	8,192	8,634	9,872
Combined			
Summer	967	897	1,135
Fall	5,956	6,061	6,888
Spring	5,463	6,130	6,958
Summer Pullback	-	-	-
Total	12,386	13,089	14,982
Factored FTES	168	200	246
Total Resident FTES	12,554	13,289	15,228

2024/25	
Prior 3 Year Average	
Cuyamaca	35.00%
Grossmont	65.00%
Combined	100.00%

2023/24	
Prior 5 Year Average	
Cuyamaca	33.02%
Grossmont	66.98%
Combined	100.00%



Income Allocation Model (IAM)

State Revenue

	2023/24	^	2024/25
	AB	Change	TB
Basic Allocation - based on college size	7,512,807	57,097	7,569,904
FTES Allocation - based on residents FTES %	84,525,115	(1,660,747)	82,864,368
2015/16 Full-Time Faculty Hiring - GC 10/CC 5	869,376	0	869,376
Revenue Reduction (State Deficit)	(1,894,876)	37,878	(1,856,998)
Total State Apportionment	91,012,422	(1,565,772)	89,446,650
2018/19 Full-Time Faculty Hiring - GC 6/CC 6	381,563	0	381,563
2021/22 Full-Time Faculty Hiring - GC 11/CC	725,775	0	725,775
Total State Revenue	92,119,760	(1,565,772)	90,553,988

►Reference: [DSP&BC May IAM](#)

Income Allocation Model (IAM)

Total Site Allocation

	2023/24	^	2024/25
	AB	Change	TB
Total State Revenue	92,119,760	(1,565,772)	90,553,988
Other State Revenue	4,175,137	166,423	4,341,560
Local Revenue	2,467,670	0	2,467,670
Plus: Transfers In			
OPEB	0	0	0
Restricted	0	1,500,000	1,500,000
Less: Transfers Out			
Adjunct Benefits	(1,042,134)	(258,107)	(1,300,241)
Parking Fund	(406,320)	406,320	0
Less: District Commitments	(17,044,476)	1,010,526	(16,033,950)
Plus: Estimated 23/24 EFB	7,512,556	(3,636,606)	3,875,950
Total Site Allocations	87,782,193	(2,377,215)	85,404,977

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Expense Assumptions

	2324	2425	Change
CalSTRS	19.10%	19.10%	
CalPERS	26.68%	27.80%	1.12%
Unemployment Insurance	0.05%	0.05%	
Workers Compensation Ins	1.04%	1.04%	
Consumer Price Index	3.36%	2.83%	-0.53%
Step & Column	1.50%	1.50%	
Health Benefits - Subsequent Years	2%	2%	
Kaiser	13%	12%	-1%
United Healthcare	10%	8%	-2%
VEBA	10%	8%	-2%
Retiree Health Benefits (OPEB)	2%	2%	
Minimum Wage	\$16.00	\$16.50	\$0.50
Early Retirement (SERP)	\$495,662	\$495,662	

Assumptions are still just estimates until the State enacts the budget (by July 1)

Net Spending

	2023/24	2024/25
	AB	TB
2024-25 Site Allocation	87,747,343	85,404,977
Less: One-Time Funds		
Beginning Balance	7,512,556	3,875,950
Transfers In	0	1,500,000
Total On-Going Allocation	80,234,787	80,029,027
Total Expenditures	80,284,343	81,837,225
Total Net Spending	(49,556)	(1,808,198)

Assumptions are still just estimates until the State enacts the budget (by July 1)

Grossmont College – 3-Year Strategic Budget Plan Update

Revenue Strategy

- ▶ **FTES Retention:** *Improve retention of current students by 7% over the next 3 years.*

Retaining students semester over semester reduces the new enrollments needed

- ▶ **FTES Enrollment:** *Improve enrollments by 10% each year over next 3 years*

2023-24 FTES = 9,872 (as of P2) an increase of 14%

- ▶ **Financial Aid:** *Increase outreach to financially needy students (Pell, Promise and AB 540 Students); The state incentivizes colleges to reach more of these students.*

Expenditure Strategy

- ▶ **Expenses:** *Continue to reduce costs including not filling certain vacant positions across the college (frozen) delay hiring (vacancy savings), etc*

Review reassigned time— goal is to reduce by \$100K by 2024/2025

Technology 3-Year Plan Update

- ▶ From Tate:
- ▶ Focus on 2324 implementation
- ▶ Plan for 2425
- ▶ We budgeted funds in 23/24 for Facilities and Technology Improvements, along with some one-time funds. This is an update on the use of those funds.
- ▶ [Academic Rollover Plan](#)
- ▶ [College Wide Technology Plan](#)

Future Meeting Dates:

Meeting Frequency: 2nd Thursday of Month
Meeting Time: 11:00 am-12:30 pm

#	Month	Date
1	September	9/12
2	October	10/10
3	November	11/14
4	December	No Mtg
5	January	1/9
6	February	2/13
7	March	3/13
8	April	4/10
9	May	5/8