



GLENDALE COMMUNITY COLLEGE 2014-15 FINAL BUDGET

Presented By: Ron Nakasone
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OVERVIEW

- STATE BUDGET
- ENROLLMENT
- COLLEGE BUDGET
 - REVENUE ADJUSTMENTS
 - EXPENDITURE ADJUSTMENTS
 - BUDGET ACTIONS TAKEN
- RESERVES
- PENDING ISSUES
- BUDGET RISKS
- BUDGET FORECAST



2014-15 STATE BUDGET



State Budget Highlights

- Governor signed budget on June 20, 2014.
- 4TH year in a row state had an approved budget by June 30th
- State has addressed its structural budget deficit
- Reduce Debt
- Build up Reserves

Effect on Community Colleges

■ Budget Highlights

- \$47.3m COLA (0.85%)
- \$140.4m enrollment restoration (2.75%)
- \$100m for Student Success and Support Program
- \$70m for Student Equity Plans
- \$30m for DSP&S
- \$498 million for paying down deferral (\$94m remaining)
- \$148m for Deferred Maintenance/Instructional Equip.
- \$50m for Economic and Workforce Development (1X)
- \$49.5m for outstanding mandated cost claims
- CDCP funded at credit rate beginning 2015-16
- STRS rate increase to 8.88% (previously 8.25%)

Effect on Glendale Community College

- 0.85% COLA - \$622K
- 2.75% enrollment restoration - \$2M
- Student Success and Support Program - \$1.1M
- Student Equity Plans - \$750K
- DSP&S - \$340K
- Paying down deferral - \$7.7M
- Deferred Maintenance/Instructional Equip. - \$2M
- Economic and Workforce Development - \$650K
- Mandated cost claims - \$600K
- CDCP funded at credit rate - \$3.4M
- STRS rate increase to 8.88% - \$170K cost

ENROLLMENT



Enrollment Trends

Enrollment Categories	2010-11	2011-12	2012-13	2013-14
Funded Credit FTEs	13,185	12,194	12,276	12,508
Funded Non-Credit FTEs	394	364	343	362
Funded Career Dev/College Prep	2,376	2,194	2,331	2,422
Total Funded FTEs	15,955	14,752	14,950	15,292
Unfunded Credit FTEs	209	298	5	0
Unfunded Non-Credit FTEs	0	0	0	0
Unfunded Career Dev/College Prep	0	0	0	0
Total Unfunded FTEs	209	298	5	0
Non-Resident	616	623	640	772
Total FTEs	16,780	15,673	15,595	16,064

Enrollment

- Reported enrollment grew 342 FTEs
- Met enrollment target in 2013-14
 - Shifted 165 FTEs to 2012-13
 - Shifted 365 FTEs from 2014-15
- Larger 2014 summer session offered
 - Over 1,000 FTEs generated
- Non-Resident enrollment starting to increase again
 - Grew over 20% in 2013-14

COLLEGE BUDGET

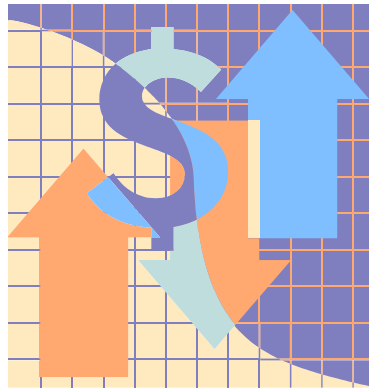


COLLEGE BUDGET DEVELOPMENT

Unrestricted General Fund

- Final Budget is balanced
- 2013-14 ending balance declined \$122K (6.01%)
- Includes 5% General Reserve
 - \$4.15 million reserve established (\$150K increase)
- Required the budgeting of 2014-15 growth revenues - \$1 million
- Adjunct faculty budget augmented \$1 million
- Classified Hourly to Permanent PT budgeted
- Salary Stabilization Reserve established
- “Must Do” Budget Requests funded

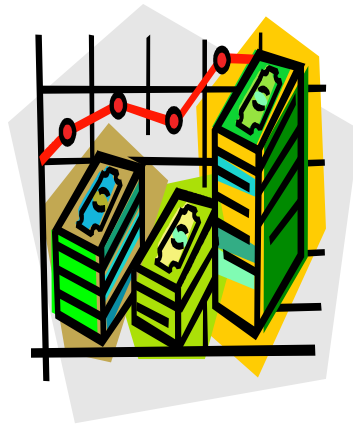
REVENUE ADJUSTMENTS



Revenue Adjustments

Category	Tent.	Final	Total
2012-13 Base/Unbudgeted Growth	\$0.317M	-	\$0.317M
2013-14 COLA (0.85%)	\$0.622M	-	\$0.622M
2014-15 Growth	\$1.000M	-	\$1.000M
Lottery	\$0.050M	\$0.050M	\$0.100M
Other State Revenues	(\$0.029M)	\$0.014M	(\$0.015M)
Non-Resident Tuition	\$0.350M	-	\$0.350M
Other Local Revenue/Fees	\$0.115M	\$0.039M	\$0.154M
Blue Shield Rebate	(\$0.095M)	\$0.005M	(\$0.090M)
Mandated Cost Claims	-	\$0.600M	\$0.600M
Total Revenue Adjustments	\$2.330M	\$0.708M	\$3.038M

EXPENDITURE ADJUSTMENTS



Exempt Cost Adjustments

Line Item	Tent.	Final	Total
Step & Column	\$567K	-	\$567K
Utilities	\$195K	-	\$195K
Health Insurance	-	-	-
Postage	(\$20K)	-	(\$20K)
Student Insurance	\$10K	-	\$10K
STRS	-	\$191K	\$191K
PERS	\$91K	\$70K	\$161K
Medicare	\$39K	-	\$39K

Exempt Cost Adjustments – cont.

Line Item	Tent.	Final	Total
State Unemployment Insurance	(\$75K)	-	(\$75K)
Retiree Benefits	(\$75K)	-	(\$75K)
11 Full Time Faculty hires	\$385K	-	\$385K
2% increase to Full Time Faculty Pay	\$300K	-	\$300K
Additional Hourly Faculty	\$1,000K	-	\$1,000K
Reallocation Reserve	\$50K	-	\$50K
Salary Stabilization Reserve	-	\$30K	\$30K
Total Expenditure Adjustment	\$2,467K	\$291K	\$2,758K

Budget Actions Taken

Budget Action	Tent.	Final	Total
New Revenue	\$391K	\$408K	\$799K
Budget Reallocation Committee	\$1,533K	(\$42K)	\$1,491K
Vacant Positions	\$360K	\$103K	\$463K
DSP&S Support	-	\$74K	\$74K
Cadets/0.5 FTE Police Officer	-	\$125K	\$125K
Total Budget Adjustments	\$2.284M	\$0.668M	\$2.952M

2014-15 “Must Do” Requests

Augmentation	Final
DSP&S Assistive Tech software	\$7,637
Architect software license	2,553
Master Cam software	4,500
ESL-FL software license	2,100
Math software	5,810
Music LogicProX software	2,692
Total “Must Do” items funded	\$25,292

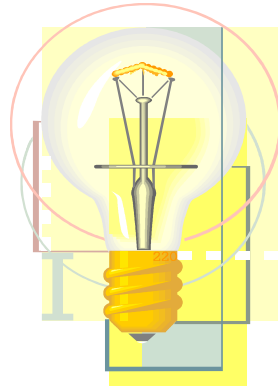
RESERVES



2014-15 COLLEGE UNRESTRICTED GENERAL FUND RESERVES

Reserve	On-Going	One-Time	Total
General Reserve (5.02%)		\$4,150,000	\$4,150,000
Contingency Reserve (0.48%)	\$400,000		400,000
Subtotal Mandatory (5.50%)	\$400,000	\$4,150,000	\$4,550,000
Reallocation Reserve	50,000	-	50,000
Salary Stabilization	30,000	-	30,000
Total Reserves	\$480,000	\$4,150,000	\$4,630,000

PENDING ISSUES



PENDING BUDGET ACTIONS

- 2015 Health Plan Renewal Rates
 - Blue Shield PPO – ?%
 - Blue Shield HMO – ?%
 - Kaiser – ?%
- 2014-15 Collective Bargaining
 - COLA for staff
 - Health Plan Changes
 - 2013 Blue Shield Rebate (\$496K)
- 2014-15 Budget Requests

BUDGET RISKS

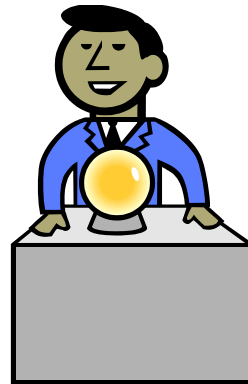




BUDGET RISKS

- 2013-14 STATEWIDE DEFICIT
 - Property Tax/Enrollment Fee Shortfall
- Collective Bargaining
- 2014-15 GROWTH TARGET (2.75%)

BUDGET FORECAST



Budget Forecast

- State economy is improving and with Prop 30, additional funding should be available for community colleges
- Prop 30 is in effect for a limited time so economy must improve for continued funding in the future
- Governor used conservative revenue estimated in developing budget
- Enrollment may become an issue in meeting growth targets
- CDCP funding rate scheduled to increase in 2016-17