

## **Grossmont-Cuyamaca Community College District 2013-2014 Second Principal Apportionment Summary**

- Chancellor's Office released 2013-14 Second Principal Apportionment on 6/18/2014
  
- P2 allocations are based on:
  - Each district's certified April 30<sup>th</sup> FTES 320 report,
  - The County's April 15<sup>th</sup> estimate of current year district property tax,
  - Estimate of enrollment fee revenue
  
- The statewide deficit at P2 is \$89 million, at P1 the deficit was \$226 million
  
- The majority of the large decrease in deficit from P1 to P2 is due to:
  - The State Controller's Office directing the Chancellor's Office to distribute more EPA funds than originally estimated
  - This increase will be offset by a reduction in State General Fund revenue
  
- Two adjustments are expected to be made by the Recalc to be issued in February 2015:
  - The Chancellor's Office expects to receive \$108 million for the RDA backfill
  - A decrease of \$79 million to offset the increased EPA funding
  - Net reduction of deficit is approximately \$29 million
  - Leaving a potential deficit of \$60 million or just over 1% at the end of the year
  
- Deficits arise from shortfalls in various sources of revenue:
  - Property taxes as estimated by the counties in April 2014 came in approximately \$178 million lower than the Department of Finance estimate at the beginning of the fiscal year
  - This amount includes the \$108 million from RDA to be backfilled
  - There is no promise of the backfill of \$70 million of regular property taxes
  - Enrollment fees reported by the districts also came in lower than DOF estimated at the beginning of the fiscal year by approximately \$12 million, there is no guaranteed backfill
  
- Deferrals have been reduced to \$592 million in 2013-14.
  - GCCCD deferrals is \$11.2 million to be received in July 2014
  
- The 2013-14 total actual statewide FTES for P2 have been decreased by .3% from P1
  - GCCCD total funded FTES is 17,502
  
- P2 is an estimate and things will change at Recalc