



## College expecting more cuts from state

Posted: Saturday, June 23, 2012 11:04 pm | Updated: 12:16 am

By Rebecca Unger, Hi-Desert Star



Rebecca Unger photo

### New trustee

Adam Falossi is sworn in as the student trustee on the Copper Mountain College Board of Trustees by Vice Chairwoman Dr. Rita Ramirez-Dean Thursday, June 21.

JOSHUA TREE — Copper Mountain College is bracing for a potential \$642,376 deficit during its 2012-13 fiscal year. Chief Business Officer Meredith Plummer gave the trustees the news at their meeting Tuesday, June 19.

The trustees approved Plummer's proposed tentative budget, which she will bring back for adoption at the Sep. 26 regular meeting with any needed adjustments.

The college's projected revenues of \$11 million are down \$100,563 from 2011-12.

Its reserves of 9.71 percent have shrunk from 15.72 percent. Spending is \$11.9 million, up by \$479,817 over last year. A last-minute 0.22 percent increase in the Public Employee Retirement System rate could change that figure.

Community colleges rely heavily on state funding that is apportioned according to enrollment of full-time equivalent students, but that revenue is capped regardless of the actual enrollment. For Copper Mountain College, the cap is at 1,537, but historically enrollments have exceeded that figure.

Gov. Jerry Brown's proposed 2012-13 budget includes the \$6.9 billion assumption that two temporary tax increases will be approved by voters in November. One is an increase of up to 2 percent on the wealthiest Californians, and the other is a sales tax increase of 0.5 percent that everyone will pay.

If the temporary tax increases fail, Copper Mountain College's full-time equivalent student cap would fall by 112, resulting in a funding shortfall of \$428,824.

Without the tax revenues, several projects such as upgrades to computer technology for the district and the classrooms will not get done. If the increases pass, the extras will not pad reserves, but will fund the projects.

"Our aim is not to affect salaries or enact furloughs, but to just take the hit," Plummer said. "We did the reorganization to personnel in previous budget cycles."

In a process that Plummer admits "is complicated," the state releases revenue to colleges when the governor passes the budget. However, it is not released in one lump sum, but is doled out monthly. And since the economic downturn, portions of the allotments have been deferred to the following year.

For the Joshua Tree college, that means of the expected 2012-13 apportionment of \$10.7 million, only about \$8 million will come through in monthly payments over the fiscal year — and not in the same amount each month.

“If tax increases pass, then deferrals will probably be reduced by \$218 million statewide,” Plummer estimated. “For us, it was a deferral of \$2.4 million last year, so it would only defer about \$1.6 million this year.”

Plummer said CMC has been fortunate that the school’s foundation has money from the Bell family endowment, which can be used like a line of credit from the foundation. The “credit card” has to be paid back, with interest, when the first apportionment comes in July.

### **Tuition fees should stay stable**

The [California Community College League](#) sees no new increases to enrollment fees for students in Brown’s budget. Students should keep paying \$46 per unit next year.

The league also states no reductions are proposed for California’s community colleges, as long as voters approve the November tax hikes. Should voters balk, community colleges will be subject to significant trigger cuts in the middle of the year that could total \$482.3 million.

“This will be the biggest cut year,” Plummer said.

“If the state doesn’t correct itself, we’re in deep weeds,” Trustee Liz Meyer commented.