

FY24 College Council

Mid Year Budget Update & CUNY Mandated Deficit Reduction Plan

February 27, 2024

FY24 CUNY Mandated Deficit Reduction Plan

- In December 2023, KCC was notified of being one of nine CUNY schools to have a projected deficit for fiscal year 2024 based on the Mayor’s citywide budget reductions (PEG (Program to Eliminate the Gap)) to all agencies and KCC’s budget structural deficit.
- NYC imposed 3 PEGs to all city agencies.
 - November 2023 – 5% - resulted in Mandated CUNY Deficit Plan; to be baselined in FY25.
 - January 2024 – 5% - amount to be determined (University trying to absorb reduction centrally); potential additional \$2.3 million to be baselined in FY25.
 - April 2024 – cancelled
- Budget Reductions from FY23-FY25

Savings Target/Mandated Reductions	Amount
FY23 CUNY Savings Target	1,684,000
FY24 CUNY Savings Target	4,298,000
FY24 NYC PEG	3,000,000
FY24 Mandated Savings Target	2,300,000
FY25 Mandated Savings Target	2,300,000
Total Budget Reductions	\$13,494,000

FY24 CUNY Mandated Deficit Reduction Plan Cont'd

- The impact of the NYC PEGs resulted in Deficit Reduction Plan of \$2.3 million for FY24 and an additional \$2.3 million for FY25. Requiring our campus to have a year end balance of \$1.907 million deficit in FY24 and mitigating the remaining deficit in FY25.
- A plan was submitted on additional resources and cost savings to comply with the CUNY mandate.
- Due to an increase in the deficit from the first Quarter to the Mid Year, an additional \$1.236 million had to be submitted. Total Deficit Plan submitted included \$3.536 million in resources and cost savings.

FY24 Mid Year Projection including CUNY Mandated Deficit Reduction Plan

1 <i>Projected Resources:</i>				
		Mid Year Projection (Excluding Deficit Plan)	Deficit Plan Submitted	Mid Year Projection including Deficit Plan
2	Allocation*	102,705	1,000	103,705
3	CUTRA			-
4	CUNY Revenue Target Reduction	(537)		(537)
5	NYC PEG	(3,000)		(3,000)
6	KCC Revenue Target FY24 <u>\$29,717</u> – Projected Revenue \$32,256	2,539		2,539
7	Centrally Administered Funds (Fringes, Energy, & Financial Aid)	55,120		55,120
8	Total Resources	156,827	1,000	157,827
9 <i>Projected Expenses:</i>				
		Mid Year Projection (Excluding Deficit Plan)	Deficit Plan Submitted	Mid Year Projection including Deficit Plan
10	PSR (Faculty HC - 324 Staff HC – 540, total 864)	76,096	1,003	75,093
11	Teaching Adjuncts (HC 481)	15,529	450	15,079
12	PS Temp (NTA-276, CLT-43, CA-229,SA-8)(includes Special Programs)	6,479	600	5,879
13	OTPS Expenses	9,045	483	8,562
14	Centrally Administered Costs	55,120		55,120
15	Total Expenses	162,270	2,536	159,734
16 <i>Summary:</i>				
17	Projected Resources	156,827	1,000	157,827
18	Projected Expenses	162,270	2,536	159,734
19	Projected Balance/(Shortfall)	(5,443)	3,536	(1,907)

FY24 and FY25 Planning

- A Town Hall will be held in March to discuss further impact on our campus and budget planning to ensure compliance with the CUNY mandate.