

# Cabrillo approves 'status quo' budget

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APTOS — The Cabrillo College governing board Monday approved a "status-quo" budget for this year, but agreed that the worst was yet to come.

The \$26.6 million budget, unanimously approved by the board at its monthly meeting, will overshoot the college's expected income this year by some \$665,000. That deficit will be made up with money that was set aside two years ago in anticipation of declining state funds.

It is the second year in a row that Cabrillo has used those reserved funds to make up a deficit.

Funding for most programs was left intact, although all departments were asked to trim 3 percent

from their budgets to create a reserve fund that can be used this year or next year.

John Roberts, assistant superintendent of business, told trustees that the reserve was necessary because there are aspects to the budget he found "troubling," namely those figures that rely on "overly-optimistic" income projections by the state.

Cabrillo's budget includes the higher fees that will be charged starting in January: students will pay \$10 per unit and have no 10-unit cap on the number of units they pay for; students with a bachelor's degree will pay \$50 a unit and will have last priority in registering for classes.

But even with higher fees, Roberts noted several assumptions at the state level that will reduce the

amount of money Cabrillo will have:

- The state has planned for as many as half of the students with bachelor's degrees to drop out of community colleges this spring, but it expects other enrollment to stay the same, even with the \$4 hike per unit in fees. If enrollment doesn't meet statewide expectations, which Roberts said is a "real probability," the deficit will be passed on to the individual colleges to pay.

- The state has budgeted for a 6.6 percent increase in property taxes, a figure board members said was amazingly optimistic, considering the state of the recession and dropping property values.

If tax revenues fall short, the college won't get the cash. Last year, Cabrillo had to pay \$240,000 for its

share of the property tax shortfall.

- The county will allocate \$190 million in tax revenues the state shifted from local jurisdictions to schools. Roberts said the system for distributing the money is "arcane" and "confused" and could jeopardize how much money the school actually gets.

- To make up for money cut from schools' base funding, state legislators approved a \$241 million loan to community colleges. That loan, about \$2.4 million for Cabrillo, will help make ends meet this year, but will have to be paid back in the next two years.

With that loan looming on the horizon, President John Hurd said, the college business staff will move right into planning for 1993-94, where the situation may be more grim.