

2004-05 General Fund Budget Gap

As mentioned in the prior page, the net General Fund reduction for 2004-05 was approximately \$5.5 million. This amount is comprised of the \$12.1 million in reductions offset by the \$6.6 in revenue increases. However, in developing the budget plans for the University we must also consider unfunded cost increases.

These unfunded cost increases including risk pool insurance, compensation and health care premiums totaled approximately \$2.0 million for 2004/05. These unfunded cost increases were built into our final budget bringing the total budget shortfall/gap to approximately \$7.4 million. This represents 4.3 percent of our prior year budget.

CALIFORNIA STATE UNIVERSITY, FRESNO 2004-05 General Fund Budget Gap

2004/05 Budget Reductions & Changes	
5.0% Enrollment Reduction	(6,529,000)
1.8 % Enrollment Increase	2,493,000
Prorata Reduction	(2,362,700)
Governor's Reduction - Offset to Fee Increase	(5,216,700)
Remove 2003-04 One-Time Allocations	(430,400)
Sub-Total Reductions	<u>(12,045,800)</u>
2004-05 Offsets to Reductions	
Net Fee Increase (14% / 20%)	6,871,000
Change in Student Mis	675,000
Financial Aid Set Aside	(950,000)
Sub-Total Offsets to Reductions	<u>6,596,000</u>
Sub-Total Net Reductions and Offsets	(5,449,800)
2004-05 Unfunded Cost Increases	
Risk Pool Premium Increase	(416,540)
Compensation Increases	(400,000)
2003-04 Health Care Cost Increase	(750,000)
2004-05 Health Care Cost Increase	(450,566)
Sub-Total Unfunded Costs Increases	<u>(2,017,106)</u>
Total 2004-05 Budget Gap (Shortfall)	<u>(7,466,906)</u>
Shortfall as Percent of Prior Year Budget	(4.3%)