

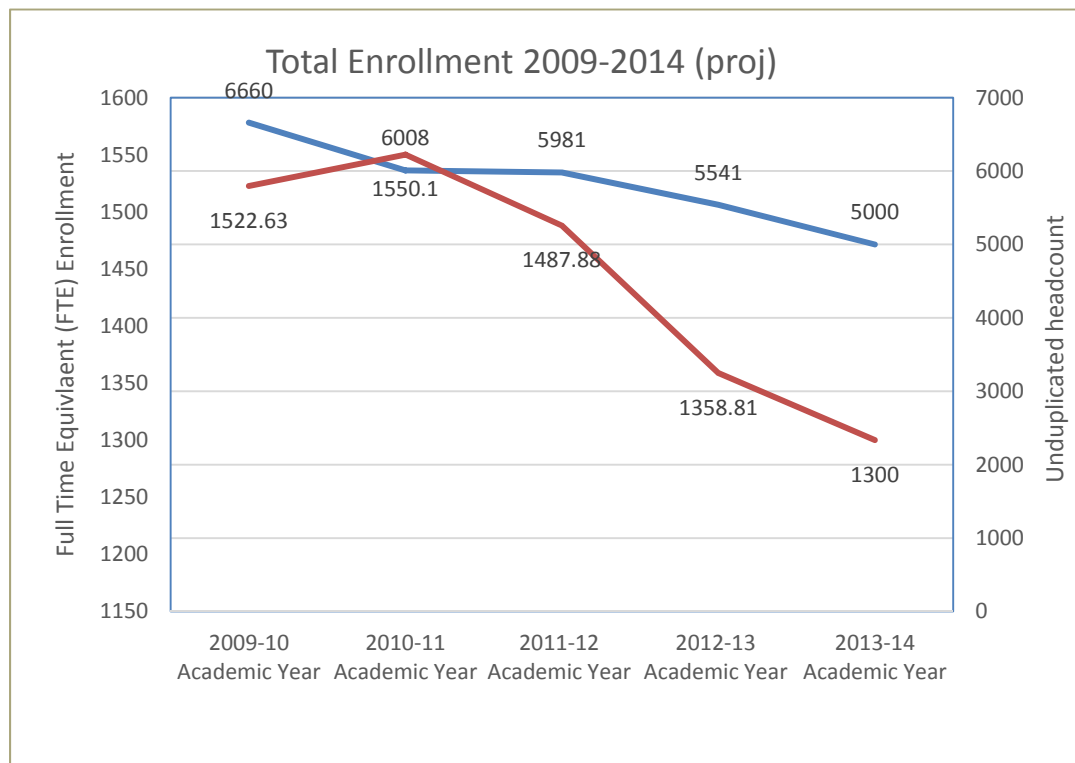
Budget Committee Meeting

May 6, 2014

Agenda

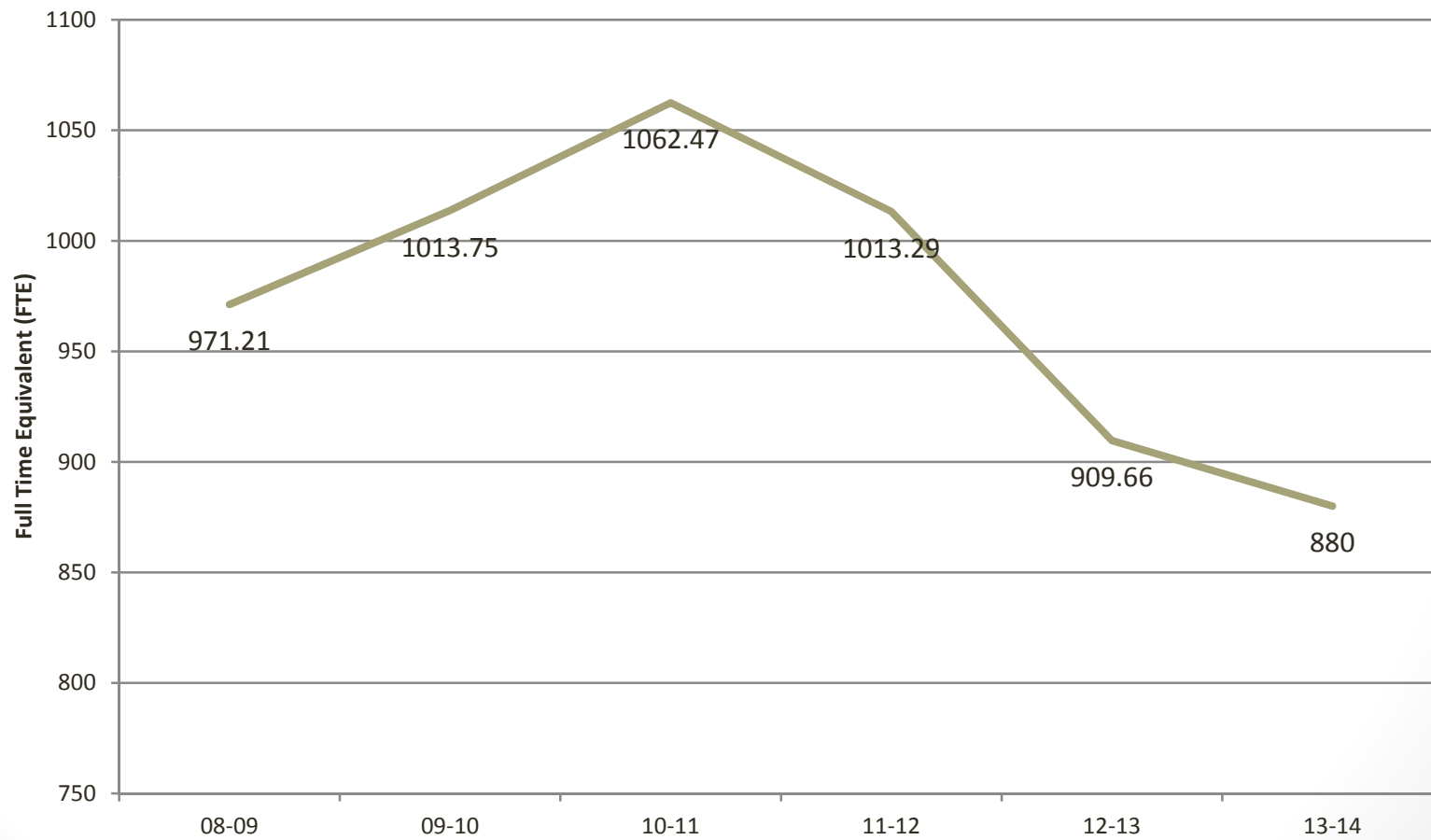
- Introductions
- Budget Message Overview
- Enrollment Trends
- 2013-14 General Fund Beginning Fund Balance
 - Budget versus actual
- 2013-14 Adopted Budget Review & Changes
 - State support
 - Budget versus anticipated actual
 - PERS rates
 - Collective bargaining impact
- 2014-15 Budget Development
 - Process and timeline
 - Guiding Principles
 - General fund historical expenditures by category

Enrollment Trend



Enrollment Trend (cont)

Credit Enrollment



2012-13 General Fund Revenue & Expenditures

(in thousands) as of 6/30/13

| Revenue | | Expenditures | |
|------------------|------------|--------------------|------------|
| • Tuition/Fees | \$3,562 | • Instruction | \$3,858 |
| • State Support | \$1,022 | • Acad. Support | 996 |
| • Property Taxes | 3,862 | • Student Srvs. | 957 |
| • Timber Taxes | 252 | • Institution Sup. | 2,343 |
| • Other | 497 | • Physical Plant | 1,030 |
| • Beg. Fund Bal. | <u>535</u> | • Scholarships | <u>203</u> |
| Total | \$9,730 | Total | \$9,387 |

Actual EFB \$343 Thousand

Community College & Workforce Development (CCWD)

Formula Allocation Worksheet, April 2014

includes \$15 million in FY2014-15

| <u>College</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2013-14</u> | <u>2014-15</u> |
|-----------------------|---------------------------|---------------------------|---------------------|---------------------|
| Blue Mountain | \$4,048,047 | \$4,438,241 | 1.79% | 1.83% |
| Central Oregon | \$6,734,634 | \$7,352,825 | 2.98% | 3.03% |
| Chemeketa | \$23,796,486 | \$26,068,240 | 10.54% | 10.73% |
| Clackamas | \$12,841,199 | \$13,697,249 | 5.69% | 5.64% |
| <u>Clatsop</u> | <u>\$1,520,900</u> | <u>\$1,713,574</u> | <u>0.67%</u> | <u>0.71%</u> |
| Columbia Gorge | \$3,843,716 | \$3,961,067 | 1.70% | 1.63% |
| Klamath | \$4,524,846 | \$4,909,068 | 2.00% | 2.02% |
| Lane | \$30,309,379 | \$32,976,976 | 13.42% | 13.57% |
| Linn Benton | \$17,847,260 | \$18,679,897 | 7.90% | 7.69% |
| Mt. Hood | \$23,318,451 | \$25,042,135 | 10.32% | 10.31% |
| Oregon Coast | \$1,385,541 | \$1,503,361 | 0.61% | 0.62% |
| Portland | \$64,371,236 | \$69,485,933 | 28.50% | 28.59% |
| Rogue | \$7,428,441 | \$8,356,163 | 3.29% | 3.44% |
| Southwestern Oregon | \$5,670,527 | \$6,274,885 | 2.51% | 2.58% |
| Tillamook Bay | \$961,664 | \$1,016,979 | 0.43% | 0.42% |
| Treasure Valley | \$6,186,587 | \$6,651,938 | 2.74% | 2.74% |
| Umpqua | \$11,073,043 | \$10,876,285 | 4.90% | 4.48% |
| Totals | \$225,861,959 | \$243,004,817 | 100% | 100% |

\$1.338 million adopted in June 2013 based on \$428 million allocation

2013-14 Changes after Budget Adoption

- PERS rates
 - Adopted at 22 percent and reduced to 18.2 percent
- State Support Funding – New Biennium
 - \$450 million approved in June 2013
 - Additional \$15 million approved in September 20, 2013
 - CCC's share of \$15 million is ~\$190 thousand to be received in FY2014-15. Legislative note requires additional funding to be used to lower planned tuition increases.

Budget Advisory Committee Membership

- Jesse Fulton
- Carolyn Cazee
- Becki Haglund
- Nathan Williams
- Hazel Martinez
- Miguel Velasco, ASG President
- Lawrence Galizio
- Donna Larson
- Margaret Antilla
- Evon Jacobson
- Pat Schulte
- JoAnn Zahn
 - First meeting November 21, 2013

Budget Development

Guiding Principles

- What's in the best interest of our students?
- Effectiveness and efficiency in decision making
- Evaluate/consider College-wide reduction impact on all aspects of the organization
- Student centric focus/evaluate technology
- New programs
 - Honors program scholarships (reallocated budget)

Budget Advisory Committee Priorities

- Reallocate part-time budget to 1.0 FTE Automotive Faculty, new funding ~\$15,000
- Reallocate part-time budget to 1.0 FTE Enrollment Coordinator, new funding ~\$15,000

2014-2015 General Fund Budget Assumptions

Revenue

- \$350,000 beginning fund balance
- \$400,000 Timber tax
- Reimbursable enrollment stable
- Property tax 3% growth
- State Support at \$1.7 million

Expenditure

- PERS rate remains at 18.2%
- Steps for eligible employees
- Cost of living increase per agreement(s)
- Employee insurance \$864 cap (5% increase)
- Utilities and insurance adjustments (+/-)

General Fund Historical Expenditures by Category 3 Years

| <i>General Fund Description (per Audit)</i> | <i>FY2012-13</i> | <i>Percent % of Total</i> | <i>FY2011-12</i> | <i>Percent % of Total</i> | <i>FY2010-11</i> | <i>Percent % of Total</i> |
|---|------------------|-------------------------------|------------------|-------------------------------|------------------|-------------------------------|
| <i>Instruction</i> | 3,858,059 | 41.17% | 4,174,717 | 44.57% | 4,289,368 | 41.81% |
| <i>Instructional Support</i> | 996,125 | 10.63% | 824,357 | 8.80% | 1,171,564 | 11.42% |
| <i>Student Services (includes Public Service)</i> | 957,490 | 10.22% | 951,338 | 10.16% | 1,138,851 | 11.10% |
| <i>Institutional Support</i> | 2,325,720 | 24.82% | 2,223,931 | 23.74% | 2,350,362 | 22.91% |
| <i>Operation and Maintenance of Plant</i> | 1,030,381 | 11.00% | 1,001,307 | 10.69% | 1,091,800 | 10.64% |
| <i>Scholarship</i> | 202,650 | 2.16% | 191,005 | 2.04% | 216,829 | 2.11% |
| Total | 9,370,425 | 100.00% | 9,366,655 | 100.00% | 10,258,774 | 100.00% |
| | | | | | | |
| <i>Instruction and Instruction Support Total</i> | 4,854,184 | 51.80% | 4,999,074 | 53.37% | 5,460,932 | 53.23% |
| | | | | | | |
| | | | | | | |

Next Steps

February – June 2014

- Budget Planning & Discussions (November – February)
 - Staff meetings, College Council, Budget Forums
 - Identify equipment needs
 - Annual renewal updates – reports to budget managers now
 - Fiscal forecasting & projections (revenues & expenditures)
- Prepare Proposed Budget (March – April)
 - Salary/Fringe adjustments
 - Materials & services adjustments as provided by budget managers
 - Prepare budget message
- Budget Committee Meetings
 - **May 6, 2014 – First meeting**
 - May 20, 2014 – Second meeting
 - May 27, 2014 – Third meeting
 - Budget Committee approves 2014-15 budget
- Board Adopts 2014-15 Budget
 - June Board meeting

Questions