

2017-2018 Budget Presentation

Chemeketa Community College
April 12, 2017

Budget Publications

Budget Committee Reference Handbook

A handbook for Budget Committee members of reference materials that includes:

- Member roles and responsibilities
- Budget calendar
- Copies of PowerPoint slides for the first night

Proposed Budget

This document is a compilation of all General Fund units at the department level and budgets for other funds. It includes a narrative, two-year history, current-year budget, and proposed budget amounts. It also contains the president's message, a financial summary, budget assumptions, and explanations.

Adopted Budget

This document is the approved budget plus or minus any changes by the Board, formally adopted and appropriated in June.

Budget Committee Duties to comply with local budget law

- Meets publicly to review the proposed budget
- May not discuss or deliberate on the budget outside of a public meeting
- Budget Committee must have a quorum present in order to hold a meeting
- Receives the budget and budget message
- Provides an opportunity for the public to ask questions about and comment on the budget
- Approves the budget, rate of tax and amount of tax for General Obligation bonds.
- Any budget committee action must have the approval of a majority of its members

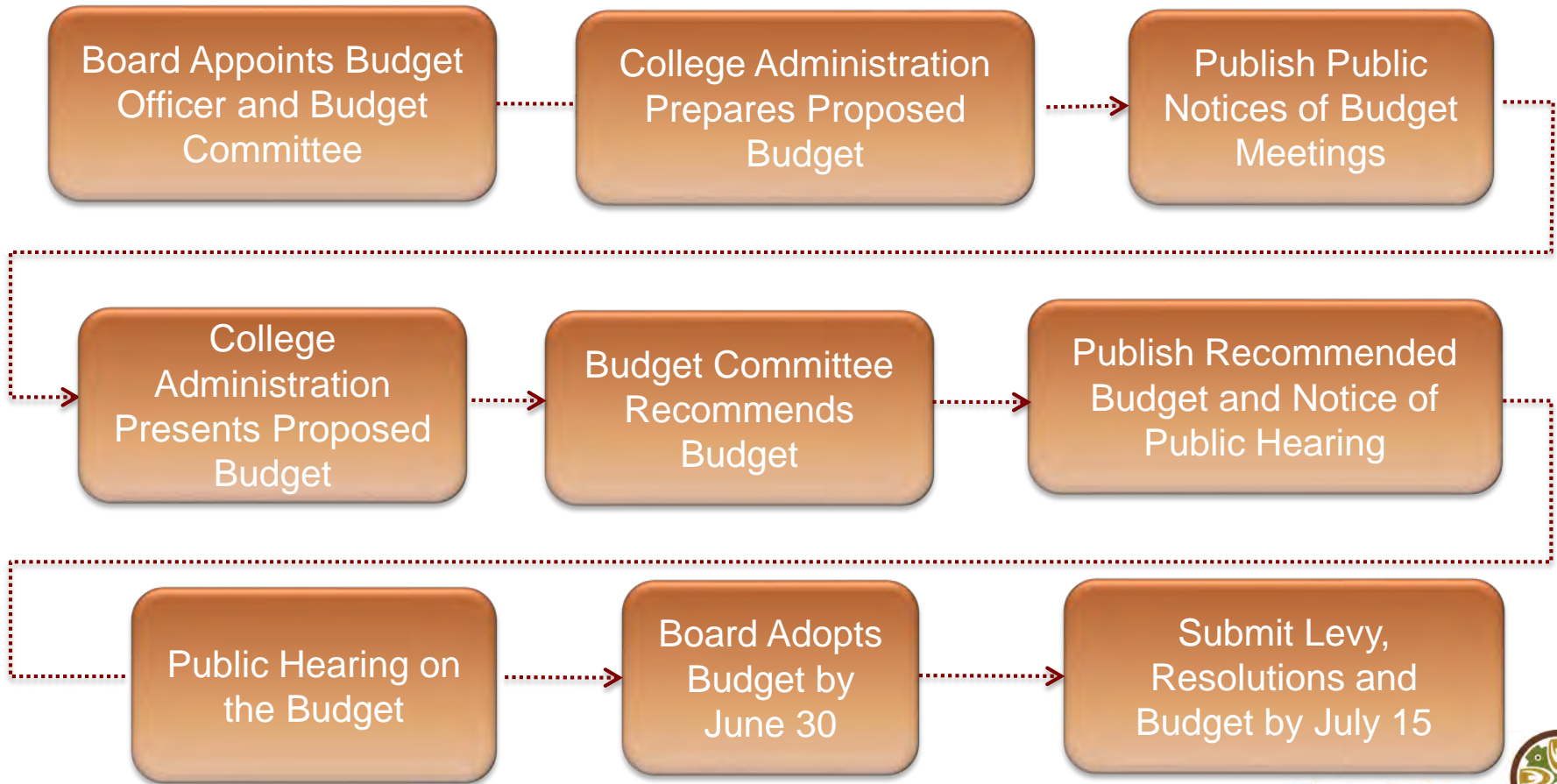
President's Budget Message

Julie Huckestein

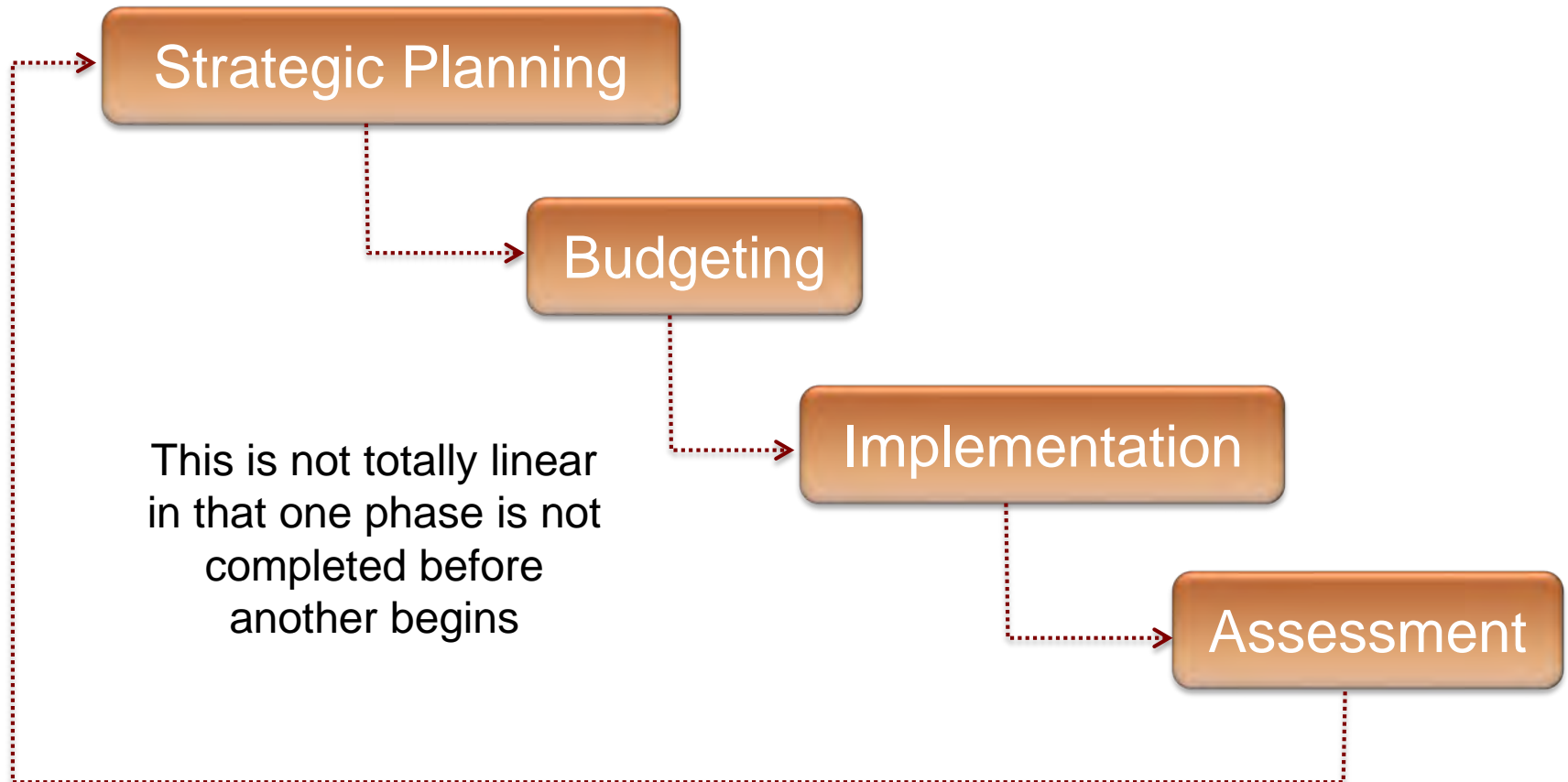
Budget Process

Miriam Scharer

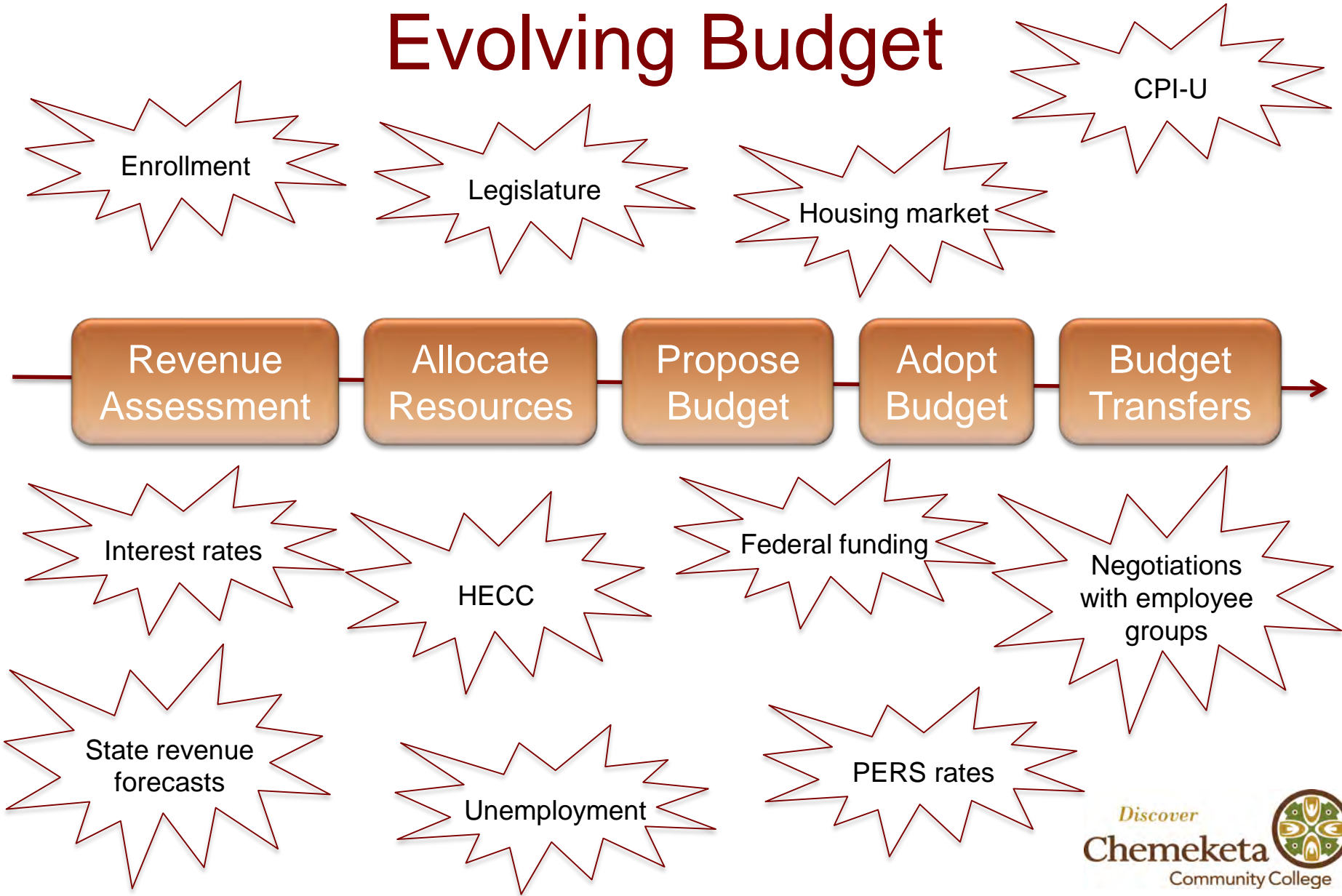
Budget Process Required by State Law



Process Flow



Evolving Budget



Budget Flowchart

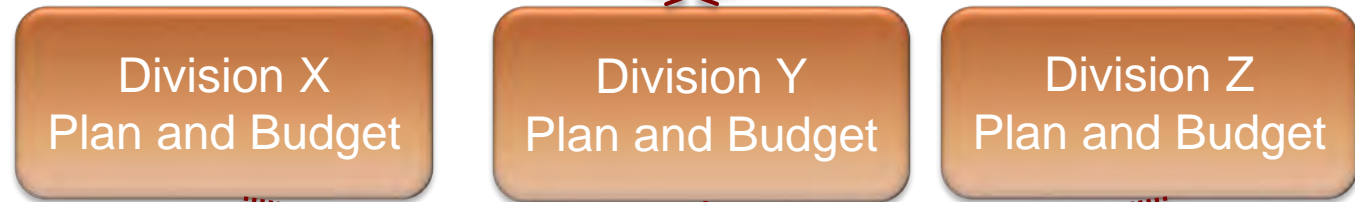
Sep-Oct - Program Level



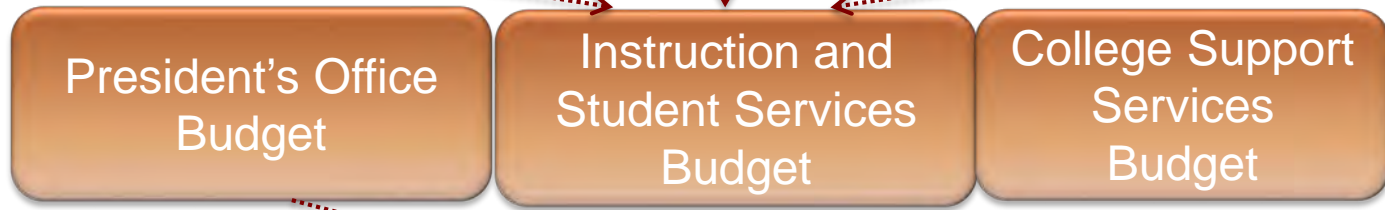
Oct-Nov - Department



Nov-Dec - Division



Dec-Jan - Area

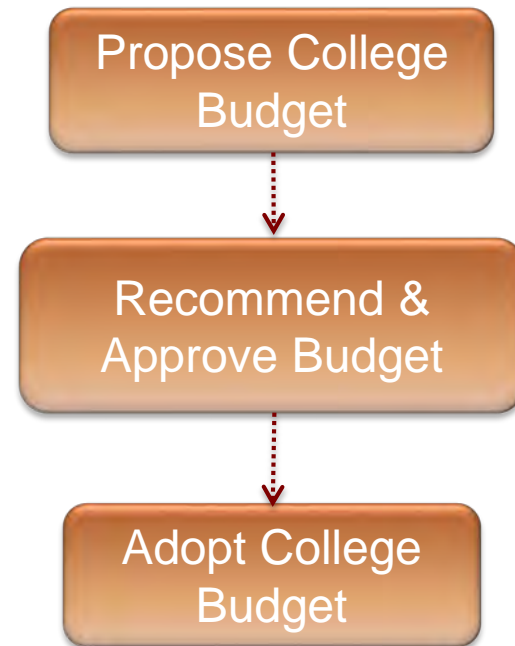


Budget Flowchart-*continued*

Feb – Executive Team

Apr – Budget Committee

Jun – College Board of Education

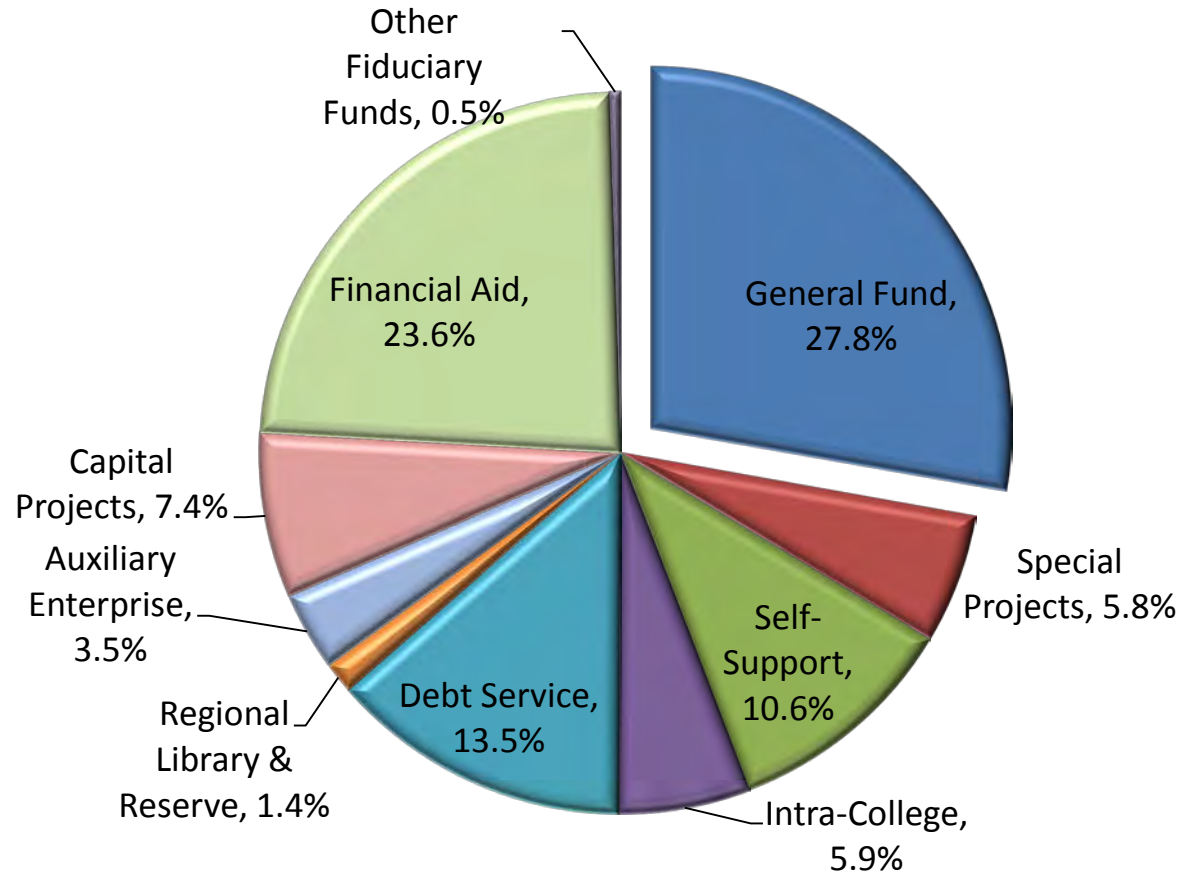


Budget Activity Highlights

Begin budget process	Nov 2016
Acceptance of 2015-16 audit	Dec 2016
Budget updates to staff	Jan, Mar & Apr 2017
Develop budget: Prioritize investments Analyze implications of proposed changes	Jan 2017 Feb 2017
Tuition and fees set by the Board	Feb 2017
Budget proposal finalized by Executive Team	Feb 2017
Presentation of budget	Apr 2017
Public comment on the budget	Apr 2017
Public hearing	May 2017
Board adoption	Jun 2017

Summary of All Funds

Total: \$303,390,000

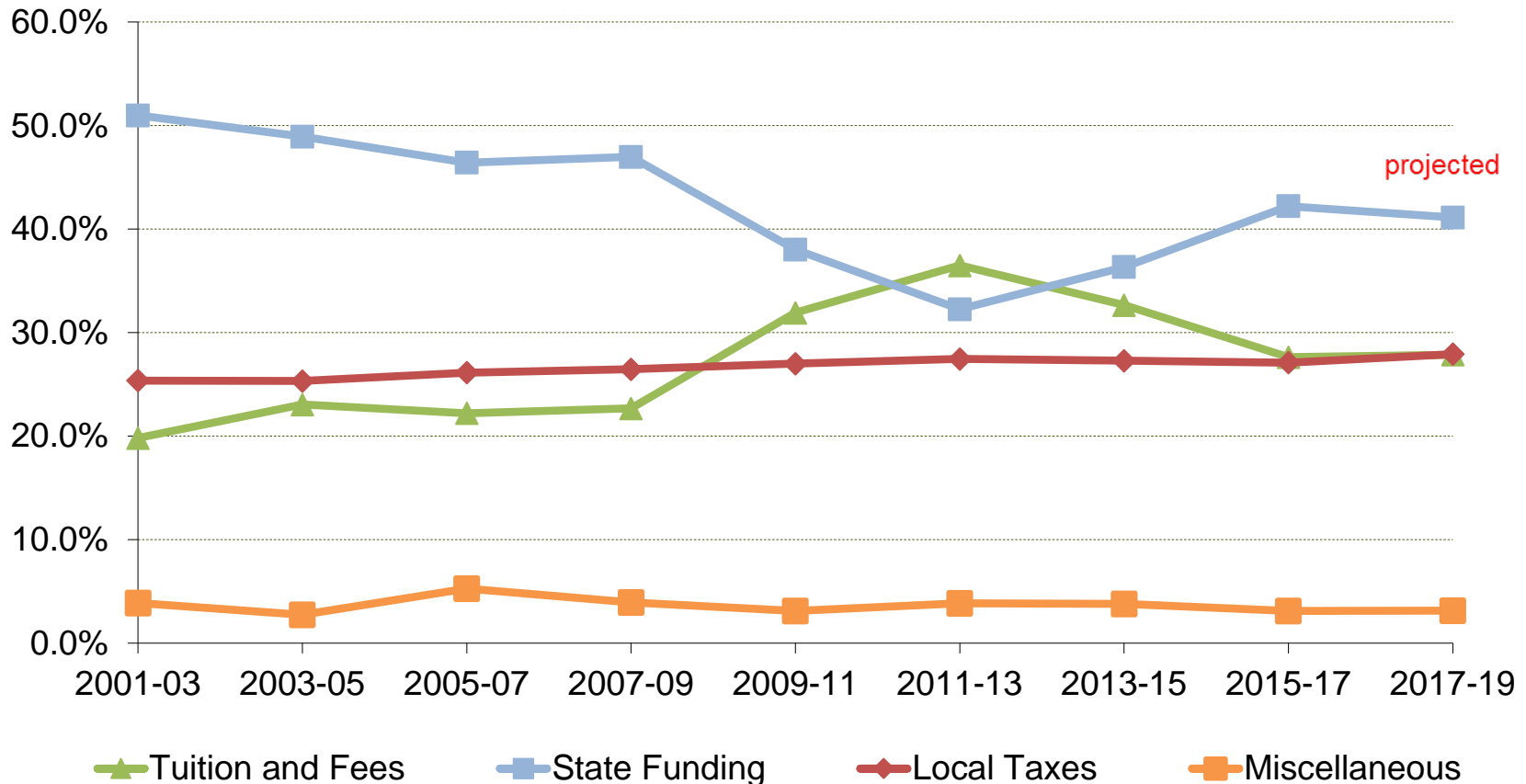


General Fund

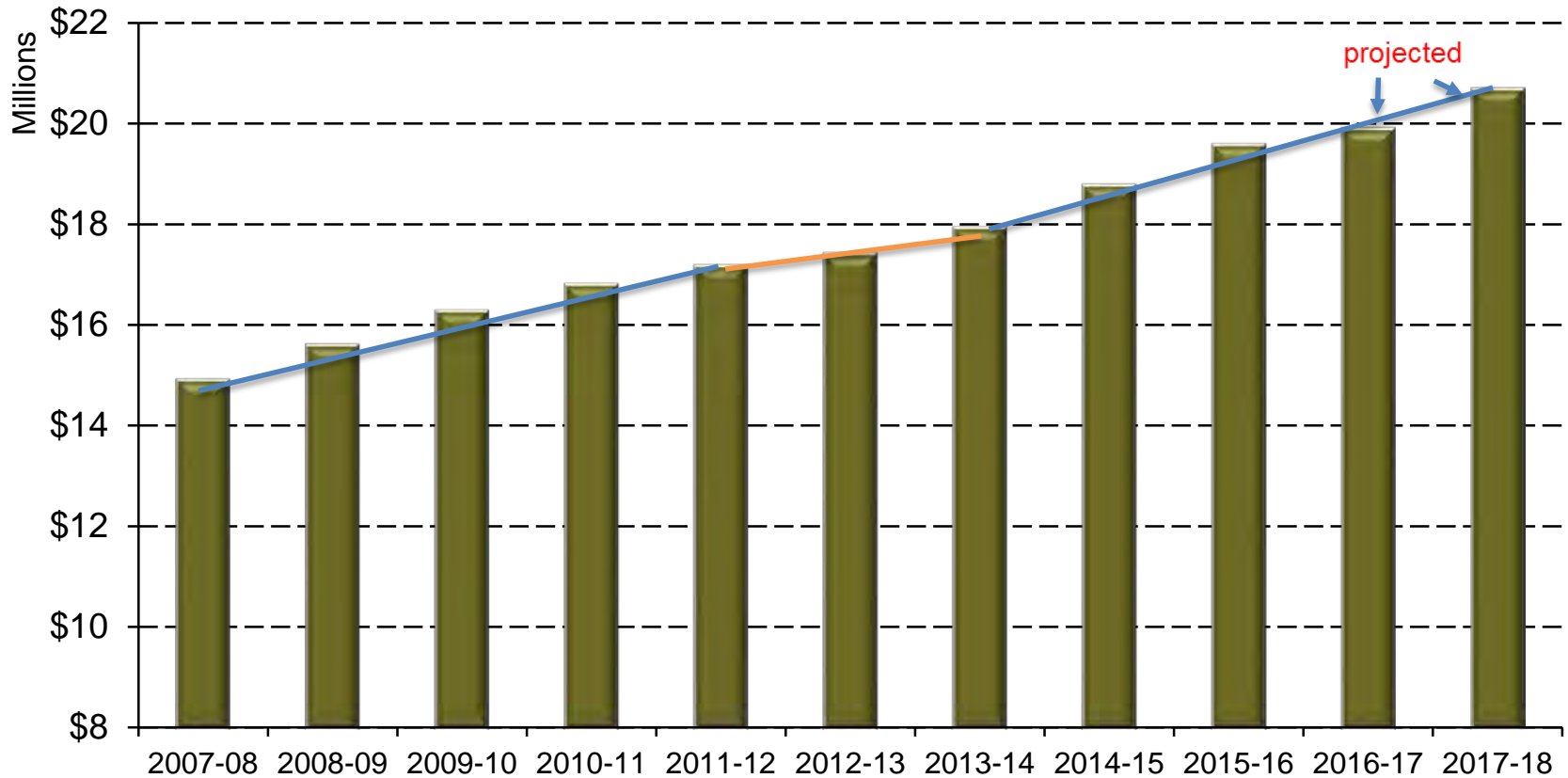
Funding Sources

Rich McDonald

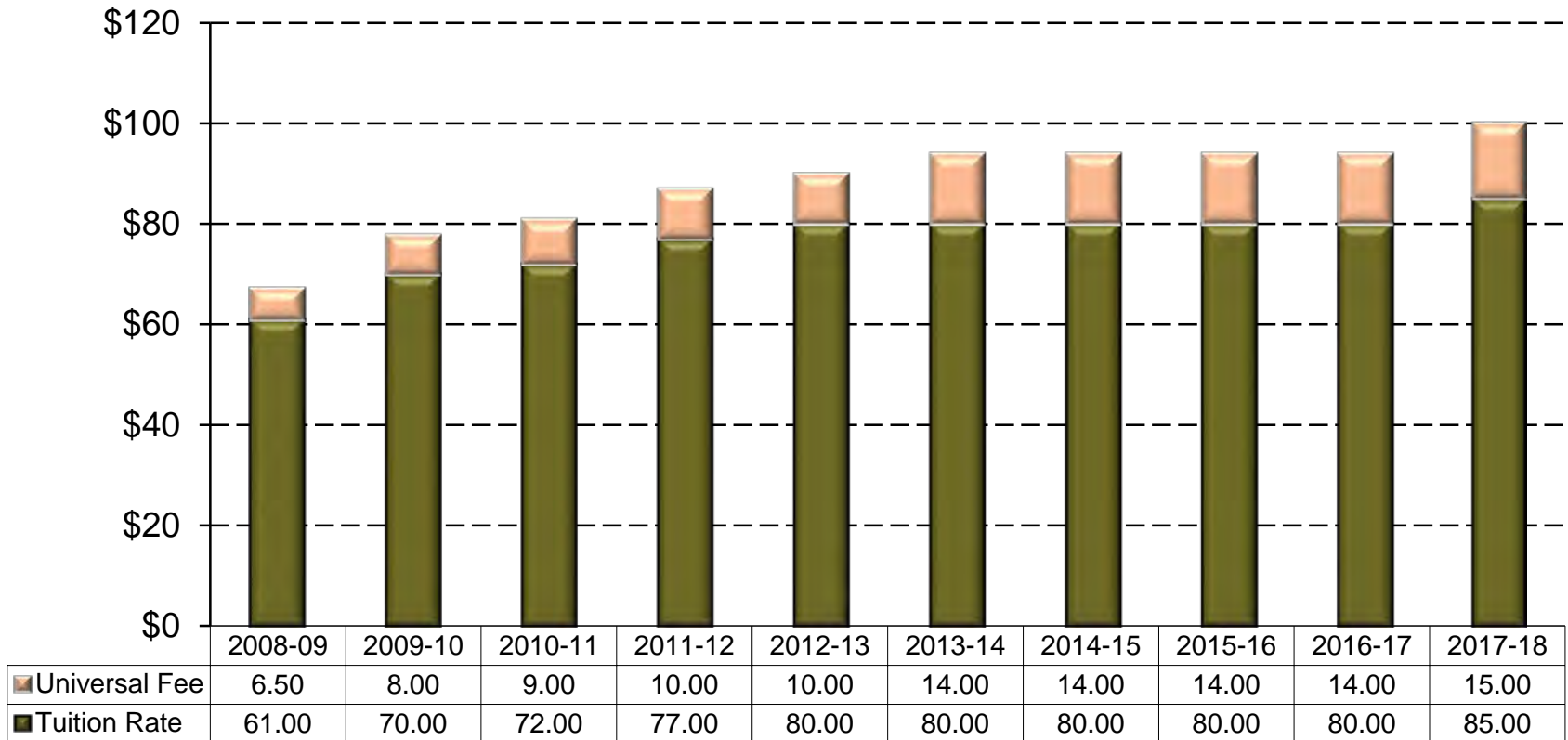
General Fund Sources of Revenue



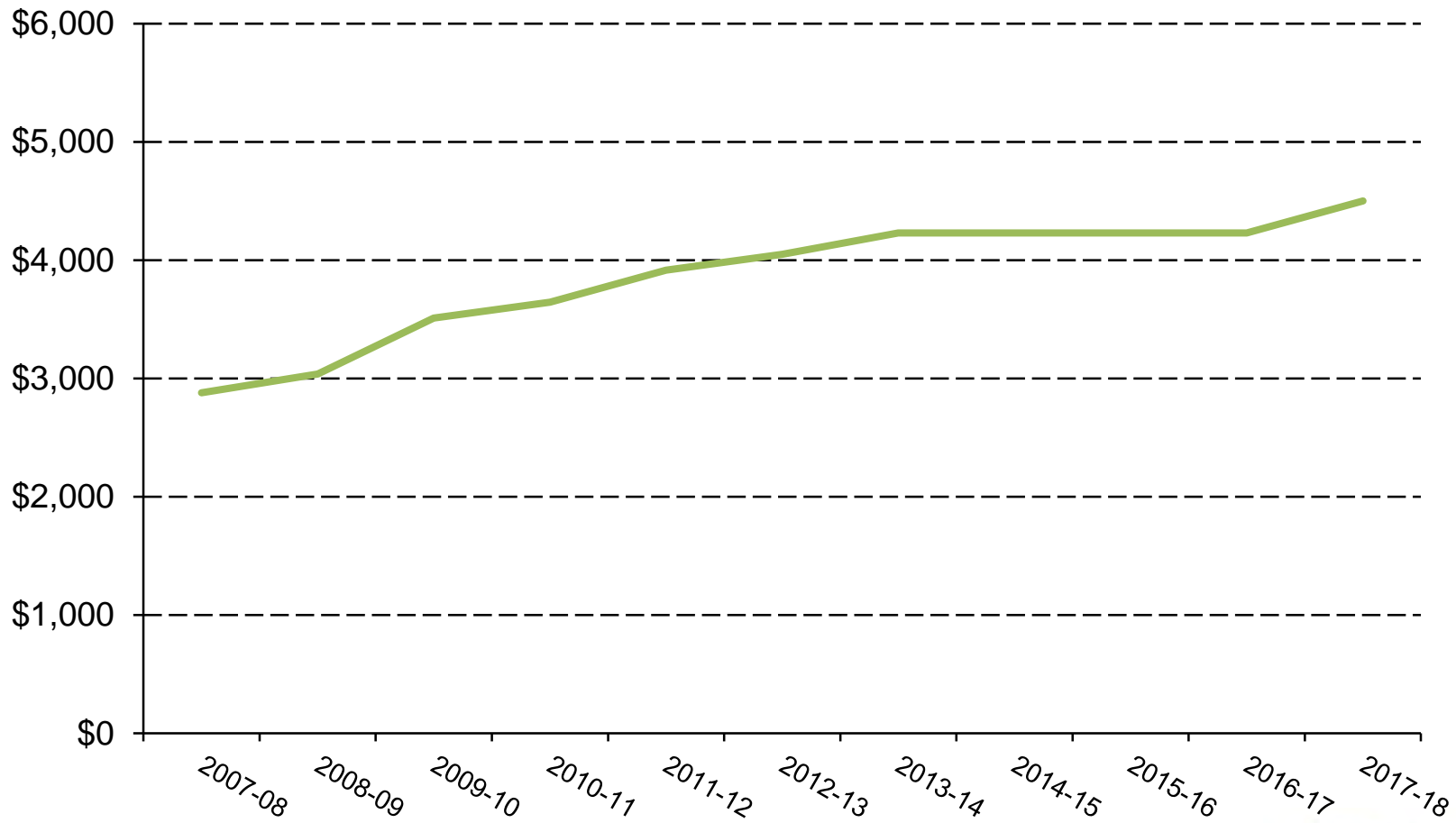
Property Taxes



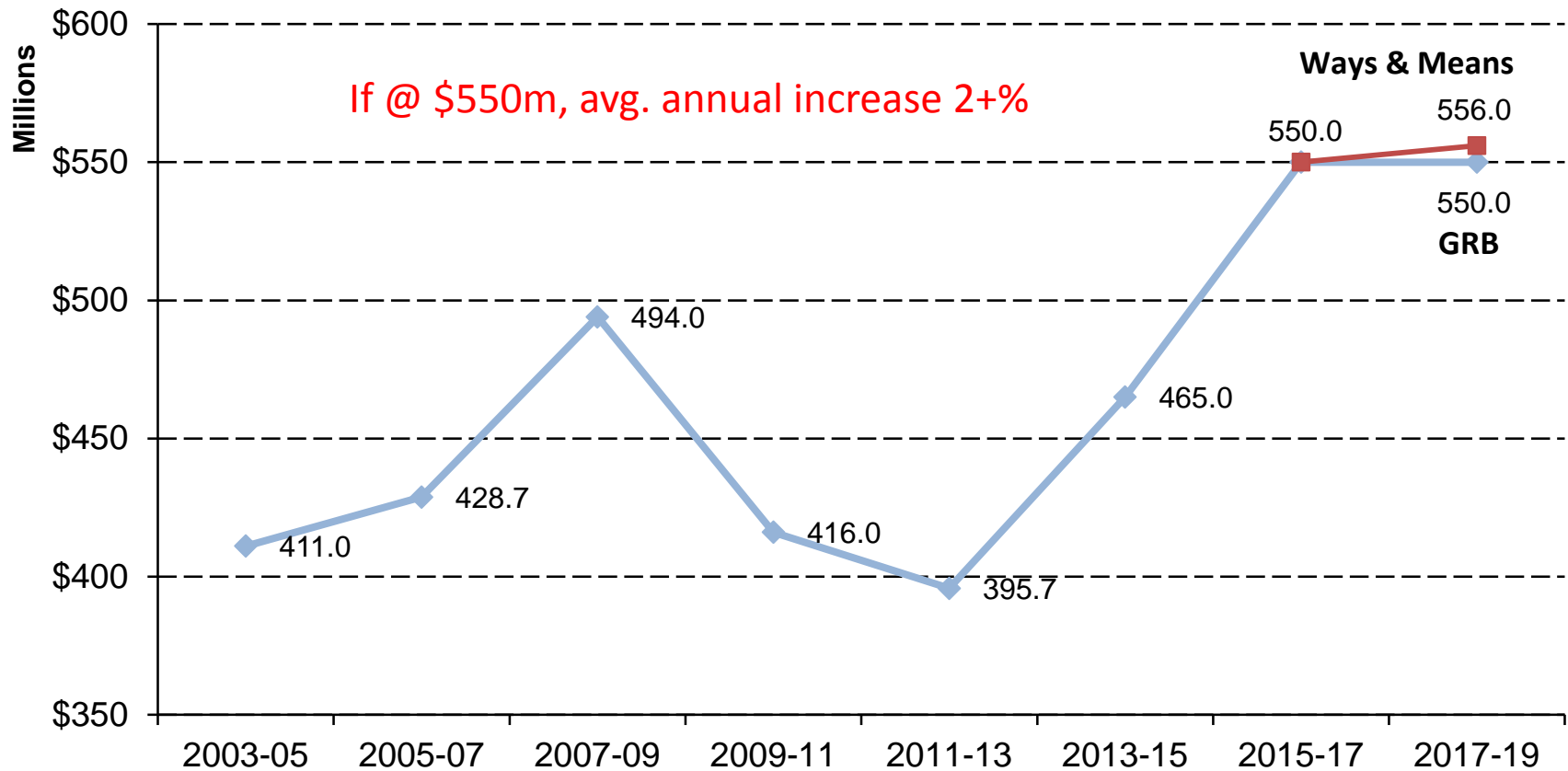
Tuition Rate plus per Credit Fees



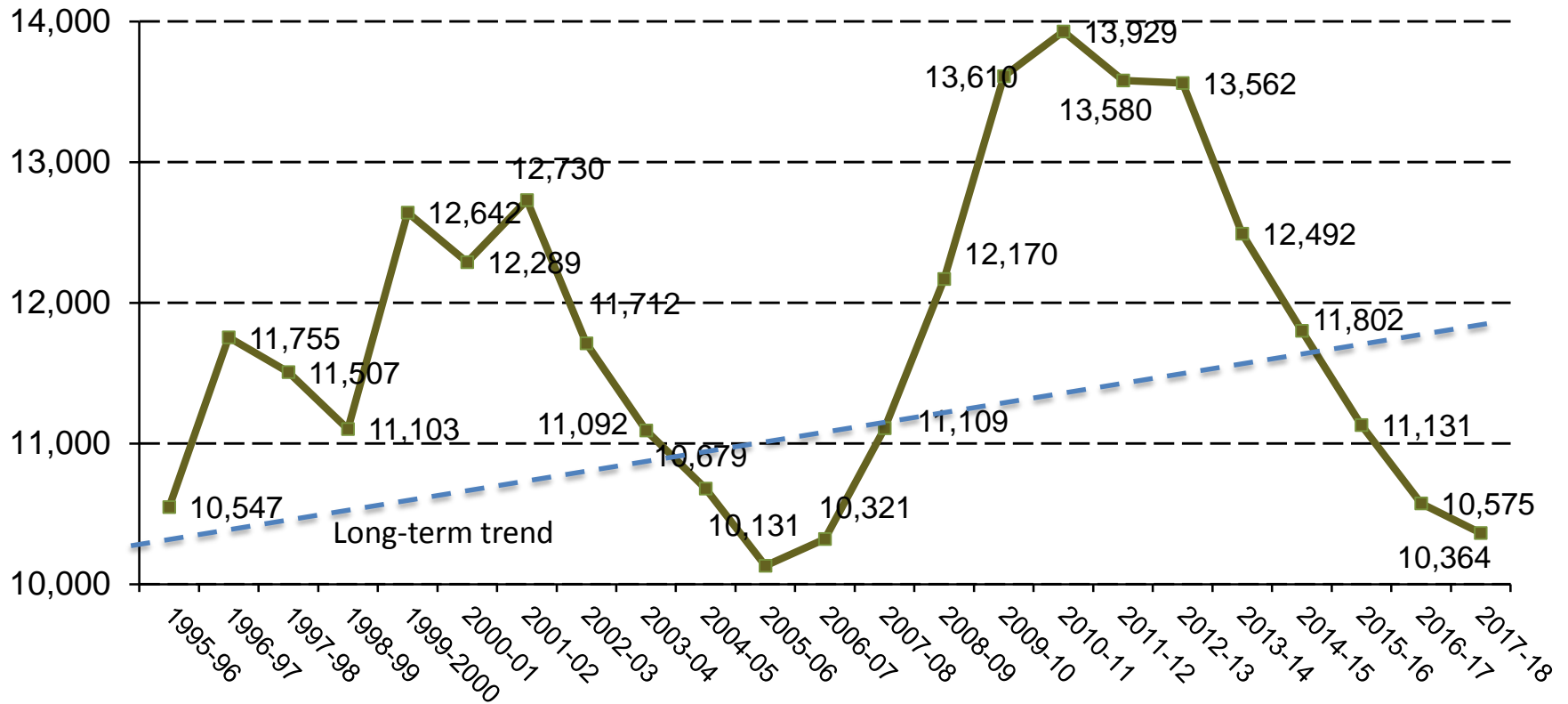
Annual Tuition and Fees for a Student Taking 45 Credit Hours per Year



State Allocation to Community Colleges

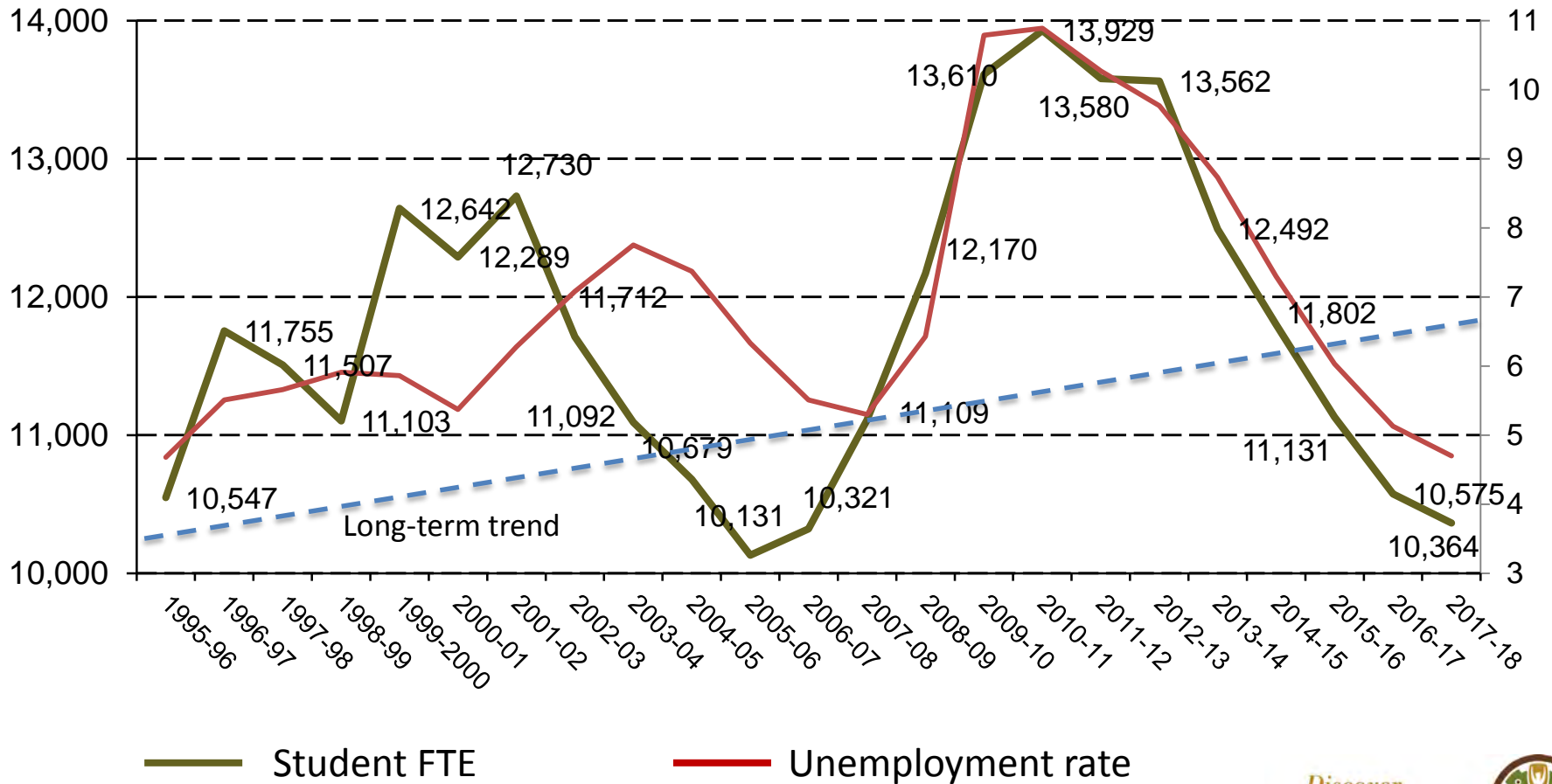


Chemeketa Student FTE



Chemeketa Student FTE

Avg. annual unemployment rate for Marion County



Funding Based on FTE

Funding Formula 61.4%

Driven by FTE

Amount available set by legislature and constitution
(includes state support and property taxes)

Tuition and Fees 24.8%

Driven by FTE

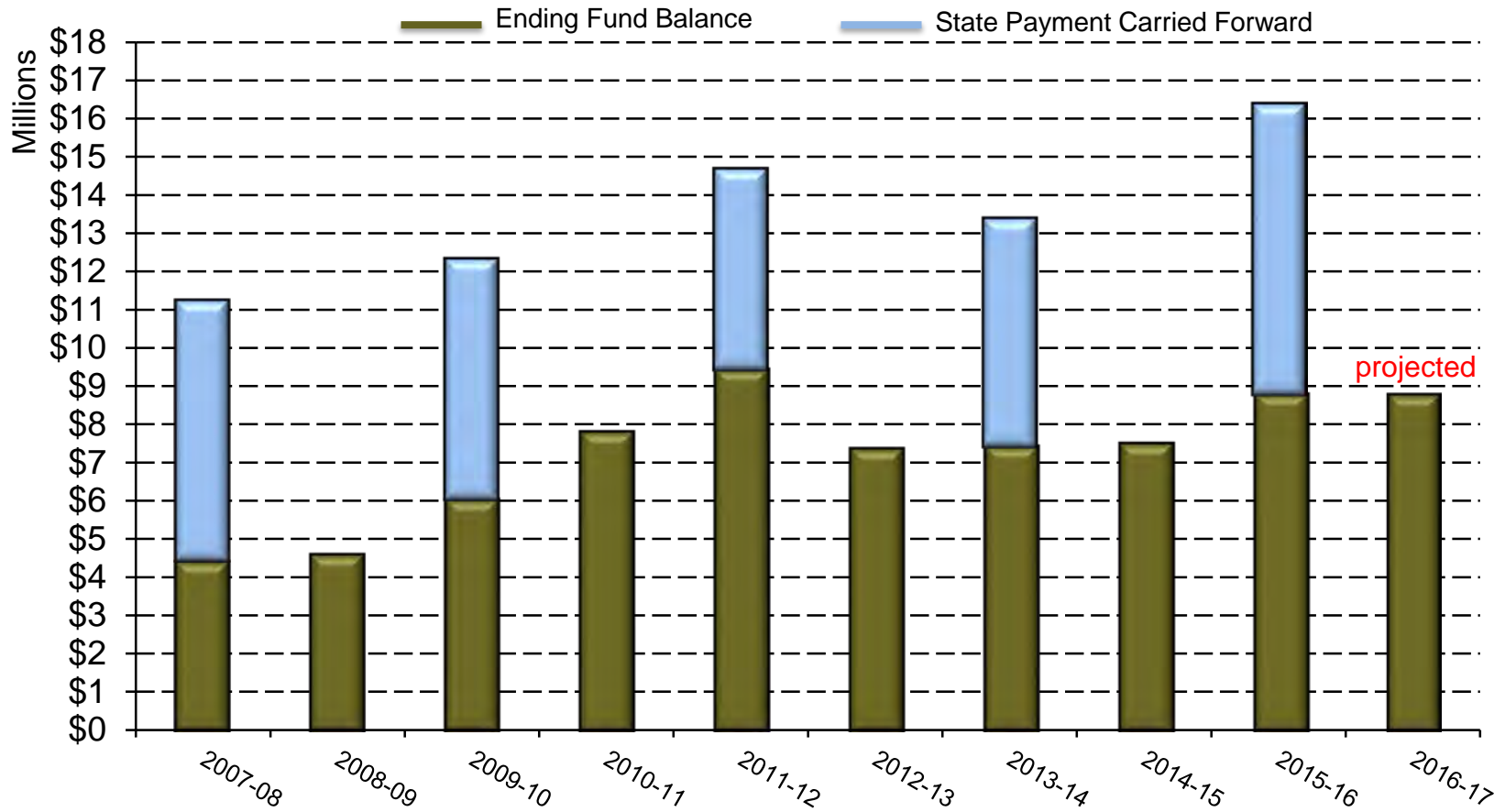
X

Rate set by Chemeketa Board

Funding Based on FTE 86.2%

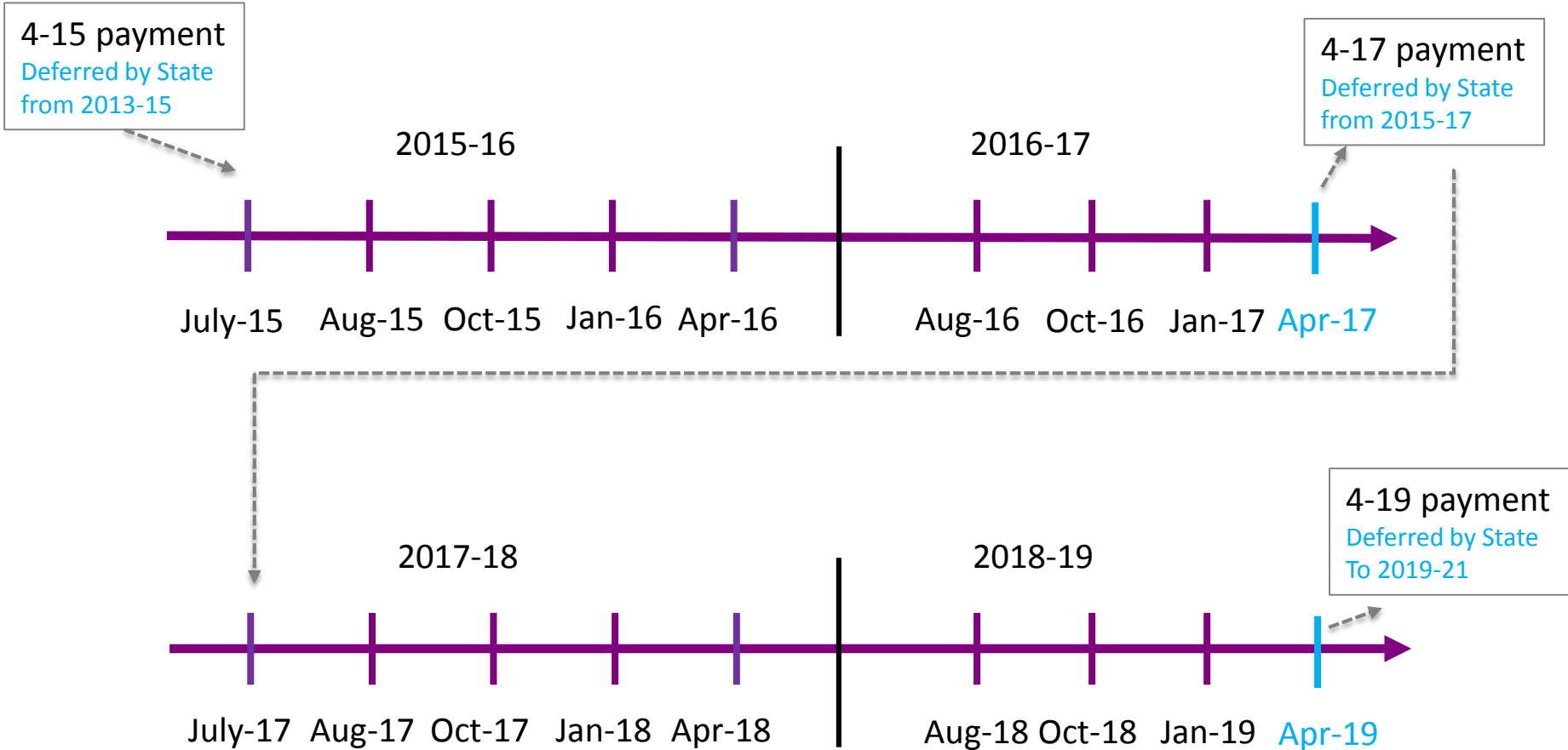
Ending Fund Balance

Audited



State Payment Cycle

5/3 payments



Budget Development FY 2017-18

Rich McDonald

Budget Principles 2017-18

- 1) Ensure the college's strategic priorities and mission are fulfilled through the core themes:
 - Academic Quality
 - Access
 - Community Collaborations
 - Student Success

- 2) Consider investment and reduction decisions through the college's values of:
 - Collaboration
 - Diversity
 - Equity
 - Innovation
 - Stewardship

Budget Principles 2017-18

continued

3) Maintain the following:

- Enrollment, progression and completion targets
- Staffing and facilities at sufficient levels to protect the college's infrastructure and ensure compliance with regulations and laws
- Sufficient fund balance to –
 - Protect against unanticipated resource declines or cost increases that could jeopardize the future of Chemeketa
 - Provide the flexibility to take advantage of opportunities
- A balanced operating budget to ensure the long-term fiscal health of the college

Budget Principles 2017-18

continued

- 4) Invest in initiatives, strategies, programs and operations that will positively impact student completion and success.

- 5) Seek cost sharing and revenue producing opportunities that support our mission and strategic priorities such as grants, partnerships, self-support ventures and foundation assistance that may augment operations.

Funding Scenarios

State Appropriation	Tuition Rate	Universal Fee
\$550 million or less	+\$5/credit hour	+\$1/credit hour
Greater than \$550 million	+\$4/credit hour	+\$1/credit hour

For 2016-17 base tuition is \$80 & universal fee is \$14

Funding Scenarios

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For 2016-17 base tuition is \$80 & universal fee is \$14

Budget Assumptions and Decisions

Resources

- State funding: used \$550 million as in the Governor's recommended budget, co-chairs of Ways and Means proposed slightly higher, slight decrease of college's share due to distribution of funds
- Tuition
 - Tiered approach to the tuition rate
 - Slight decrease in tuition dollars due to anticipated 2% enrollment decline
 - Increased by \$450,000 due to trial status positions.
- Current local taxes-projected a 3% rate of growth.
- Reduced Prior local taxes-since the collection rate has returned to normal there are fewer outstanding property taxes
- Indirect, Interest & Miscellaneous revenue-combined reduction of \$20,000 and changed the distribution
- No change in transfer in from Self-Support.
- Increased beginning fund balance by \$500,000 to reflect projected ending fund balance (EFB) for current year (2016-17).

Budget Changes-Resources

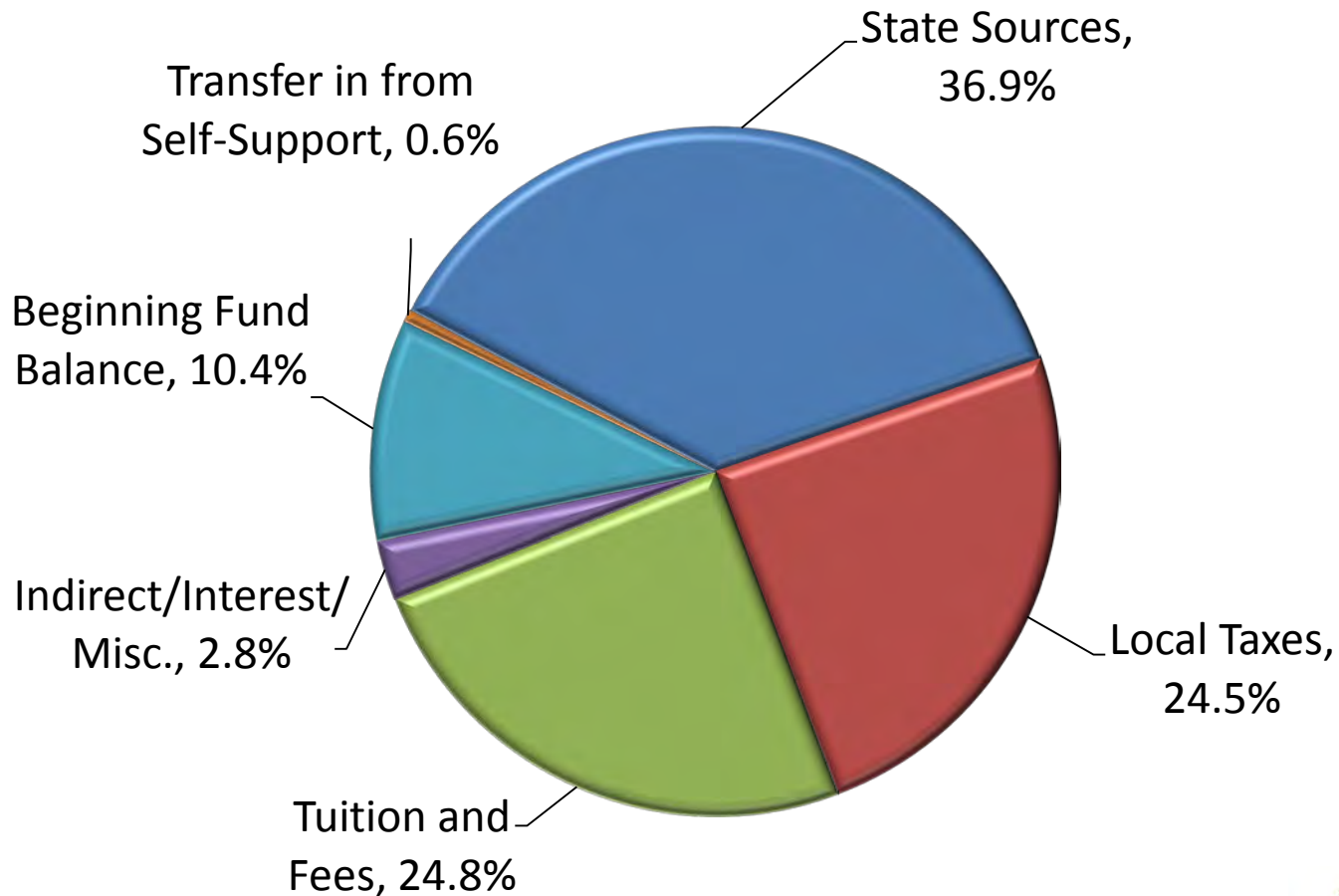
RESOURCES:	
FY2016-17 Adopted Budget	\$82,220,000
State revenue	-\$250,000
Net tuition and fees	+\$1,100,000
Current and prior local taxes	+\$790,000
Indirect Recovery/Interest/Miscellaneous revenue	-\$20,000
Increased budgeted carryover	<u>+\$500,000</u>
Total	+\$2,120,000
FY 2017-18 Proposed Budget	\$84,340,000

FY2017-18 General Fund Resources³³

Source	Amount
State Funding	\$31,080,000
Tuition and fees	\$20,950,000
Current and Prior Local Taxes	\$20,690,000
Indirect Recovery/Interest/Miscellaneous	\$2,320,000
Transfer in from Self-Support	\$500,000
Beginning Fund Balance	\$8,800,000
Total Resources	\$84,340,000

General Fund Resources 2017-18

Total: \$84,340,000



Budget Assumptions and Decisions ³⁵

Expenditures

- All eligible classified employees will receive a step increase. A 1.5% increase to the classified salary table per the bargaining agreement.
- Increases to exempt employees generally mirror the classified contract but must be approved by the board.
- Faculty association is currently in negotiations.
- A 2.1% increase for the employer-paid portion of medical, dental and vision insurances (classified and exempt).
- Reduced adjunct budget by \$175,000 (plus fringes) due to reduced enrollment
- A 2% increase for hourly and student budgets.
- A 2% increase for materials and services and capital budgets.
- Other investment and reduction decisions
- Increased non-mandatory transfers to fund the tuition increase affecting athletic/leadership scholarships and the Chemeketa Scholars.
- Reduced contingency and unappropriated ending fund balance.

Budget Changes-Expenditures

EXPENDITURES:	
FY 2016-17 Adopted Budget	\$82,220,000
Estimated Cost of Increases to Employee Salaries and Benefits	+\$1,963,530
2% increase to M&S and capital	+\$151,443
Total Investments	+\$450,778
Total Reductions	-\$413,371
Move Trial Status positions from Self-Support to General Fund	+\$443,120
Transfers	+\$124,500
Contingency	-\$450,000
Unappropriated Ending Fund Balance	<u>-\$150,000</u>
Total	+\$2,120,000
FY 2017-18 Proposed Budget	\$84,340,000

FY 2017-18 General Fund Expenditures

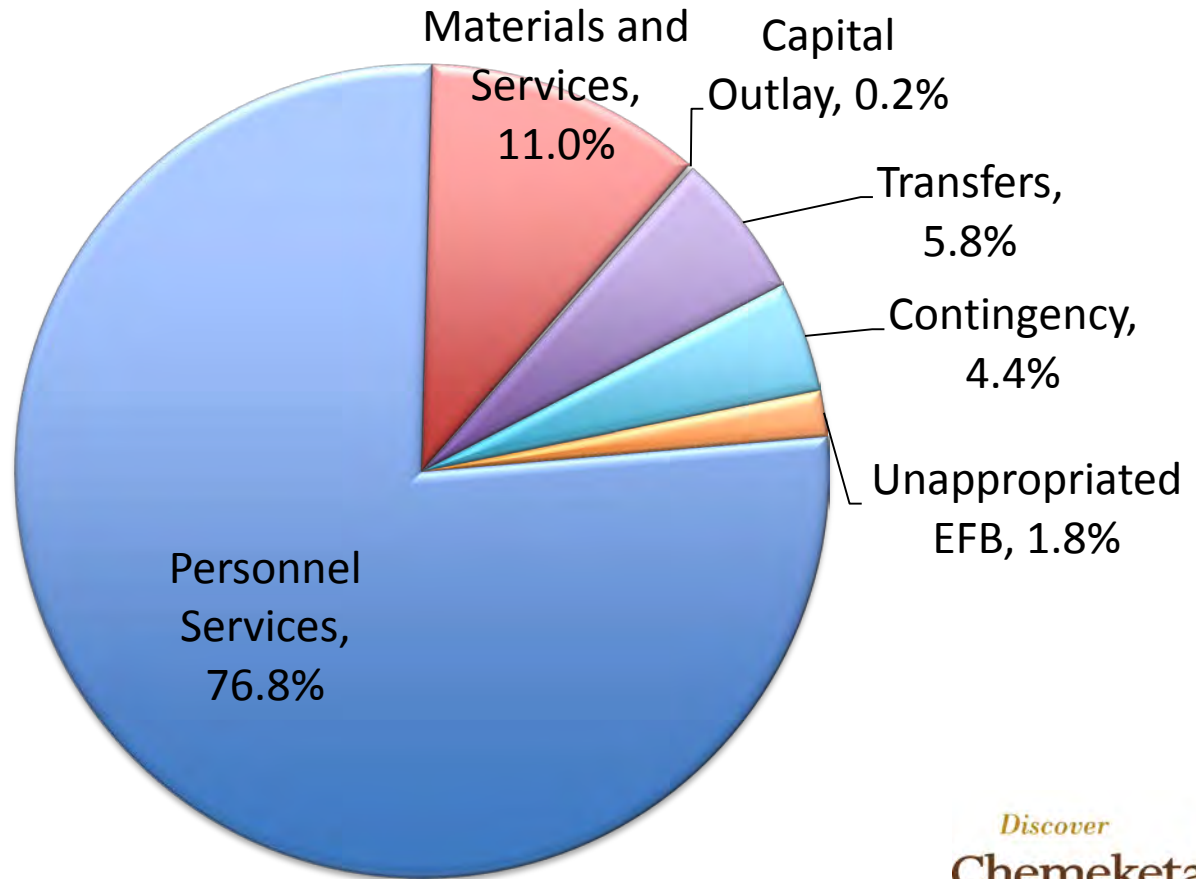
Expenditures	Amount
Personnel Services	\$64,757,751
M & S	\$9,273,847
Capital	\$158,402
Transfers	\$4,900,000
Contingency	\$3,750,000
Unappropriated Ending Fund Balance	\$1,500,000
Total Expenditures	\$84,340,000

General Fund Expenditures 2017-18

Expenditures by Type

Total: \$82,840,000

Unappropriated EFB: \$1,500,000

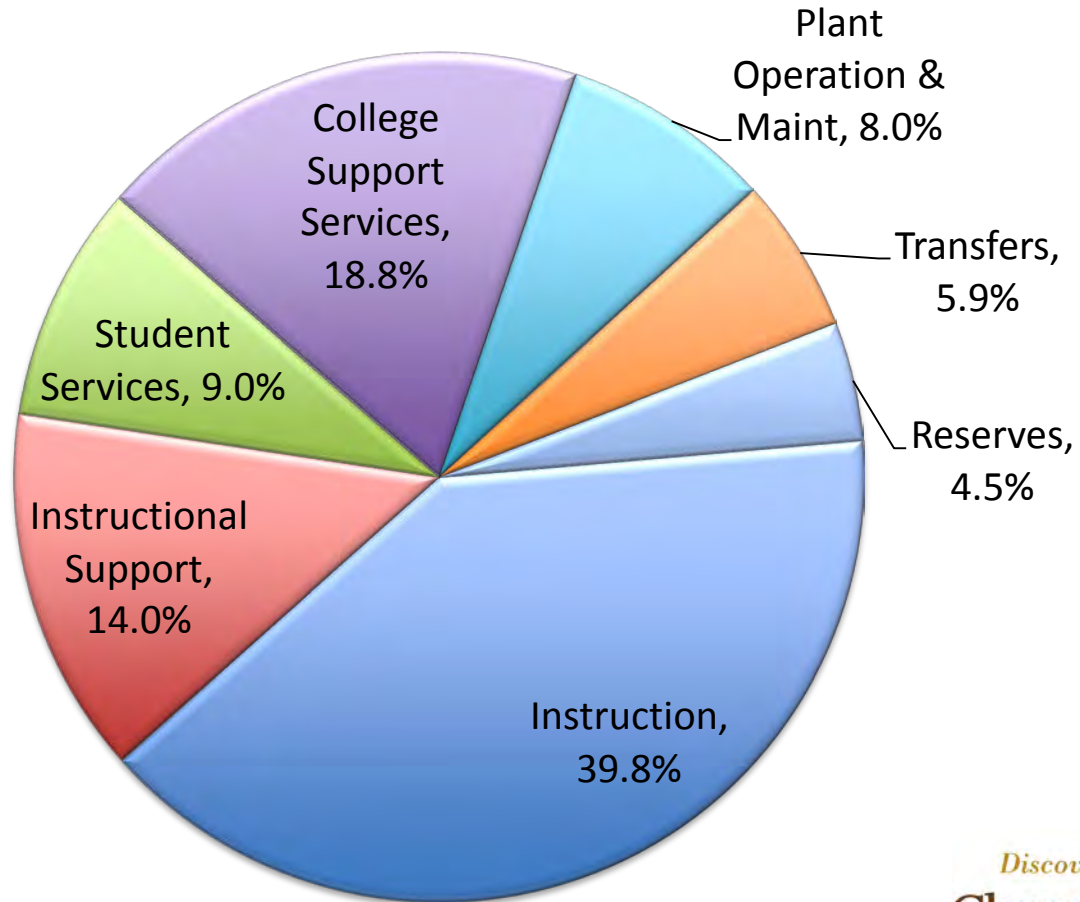


General Fund Expenditures 2017-18

Expenditures by Function

Total: \$82,840,000

Unappropriated EFB: \$1,500,000



Investments and Reductions

Jim Eustrom

Definitions

Acronym	Name
APRES	Academic Progress and Regional Education Services (including Yamhill Valley Campus as of 7-1-17)
CCBI	Chemeketa Center for Business and Industry
CSSD	College Support Services Division
CTE	Career and Technical Education
G&A	Governance and Administration
GETS	General Education and Transfer Studies
ISS	Instruction and Student Services
PO	President's Office
SDLR	Student Development and Learning Resources

President's Office and Governance Investments and Reductions

Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
G&A	Human Resources	N/A	Increase funding for licenses and professional services	M&S	\$30,000	All
G&A	Marketing, Public Relations & Student Recruitment	N/A	Reduction in Advertising	M&S	-\$30,000	All
	TOTAL PO & G				\$0	

College Support Services Investments

Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
CSSD	Budget & Finance/Business Services	1.00	Shared new position to build capacity for finance needs	Classified	\$76,890	All
CSSD	Public Safety	1.00	Dispatcher-from 100% Auxiliary Services Fund to 100% General Fund	Classified	\$52,704	All
	TOTAL CSSD	2.00			\$129,594	

Investments-Personnel

Instruction and Student Services

Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
APRES	High School Partnerships	0.50	Academic advising and transition services in College Credit Now – 1.0 FTE (50% General Fund/50% Self-Support)	Classified	\$32,206	Academic Quality
APRES	Yamhill Valley Campus	0.25	Move remaining 25% of position from Self-Support to General Fund	Classified	\$18,336	Access
CTE	Health Sciences	1.00	New Dental Assisting position to meet faculty/student ratio	Faculty	\$79,294	Academic Quality
ISS	Instruction and Student Services	1.00	New Dean position for strategic initiatives	Exempt	\$122,848	Student Success
	TOTAL ISS	2.75			\$252,684	

Investments-M&S

Instruction and Student Services

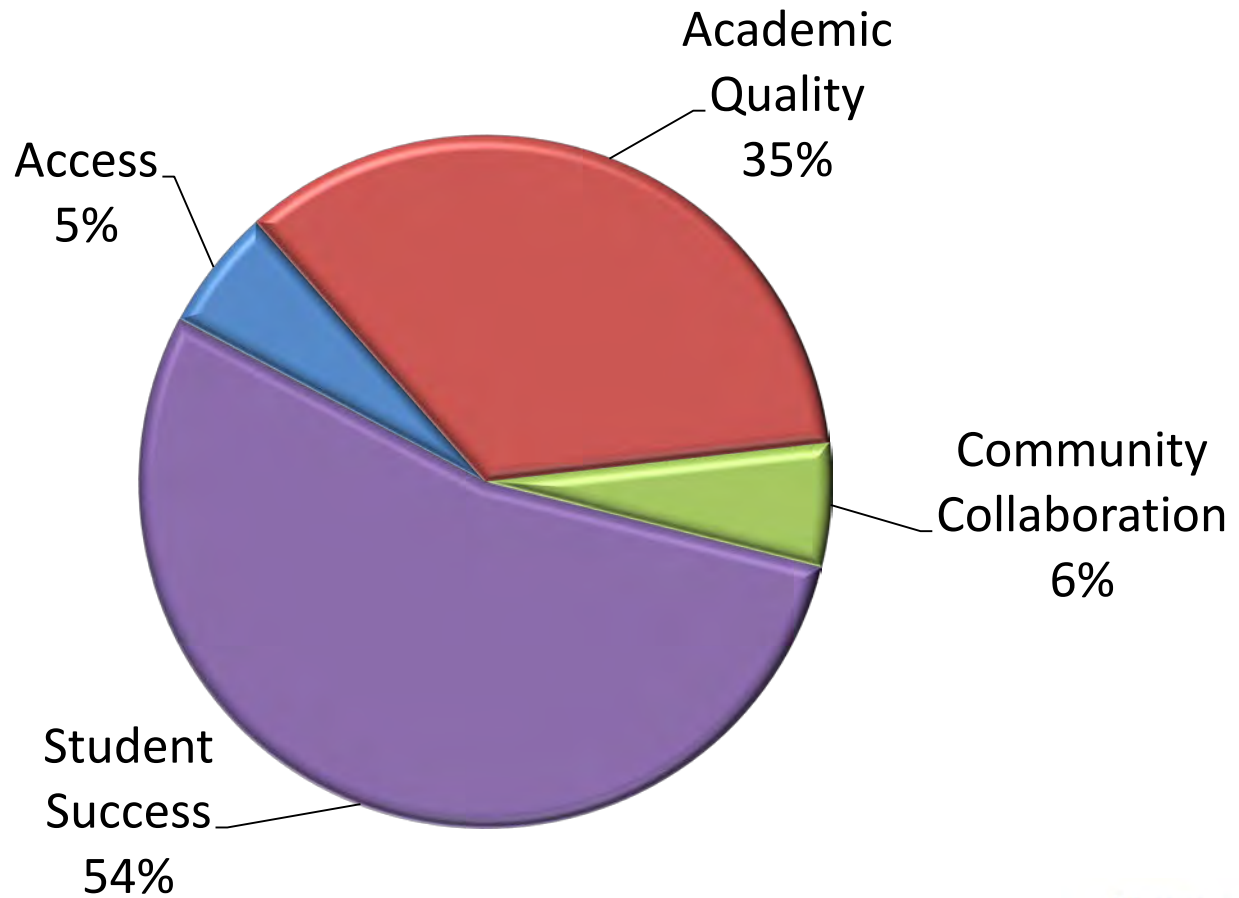
Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
CTE	CTE Administration	N/A	Contracted services for event scheduling at CCBI	M&S	\$18,500	Community Collaboration
SDLR	Financial Aid and Veterans	N/A	Contracted services to reduce cohort default rate	M&S	\$50,000	Student Success
	TOTAL ISS				\$68,500	
	TOTAL INVESTMENTS	4.75			\$450,778	

Reductions-Personnel

Instruction and Student Services

Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
APRES	Woodburn Center	-1.00	Eliminate English/Writing instructor position due to low enrollment	Faculty	-\$86,709	Access
APRES	Yamhill Valley Campus	-1.00	Eliminate Wine Business and Marketing instructor position due to low enrollment	Faculty	-\$108,262	Access
ISS	multiple	N/A	Reduce adjunct faculty (\$175,000 plus fringes) due to reduced enrollment	Adjunct	-\$218,400	Access
	TOTAL REDUCTIONS	-2.00			-\$413,371	

General Fund Investments by Core Themes



Trial Status Positions From Self-Support to General Fund Instruction and Student Services

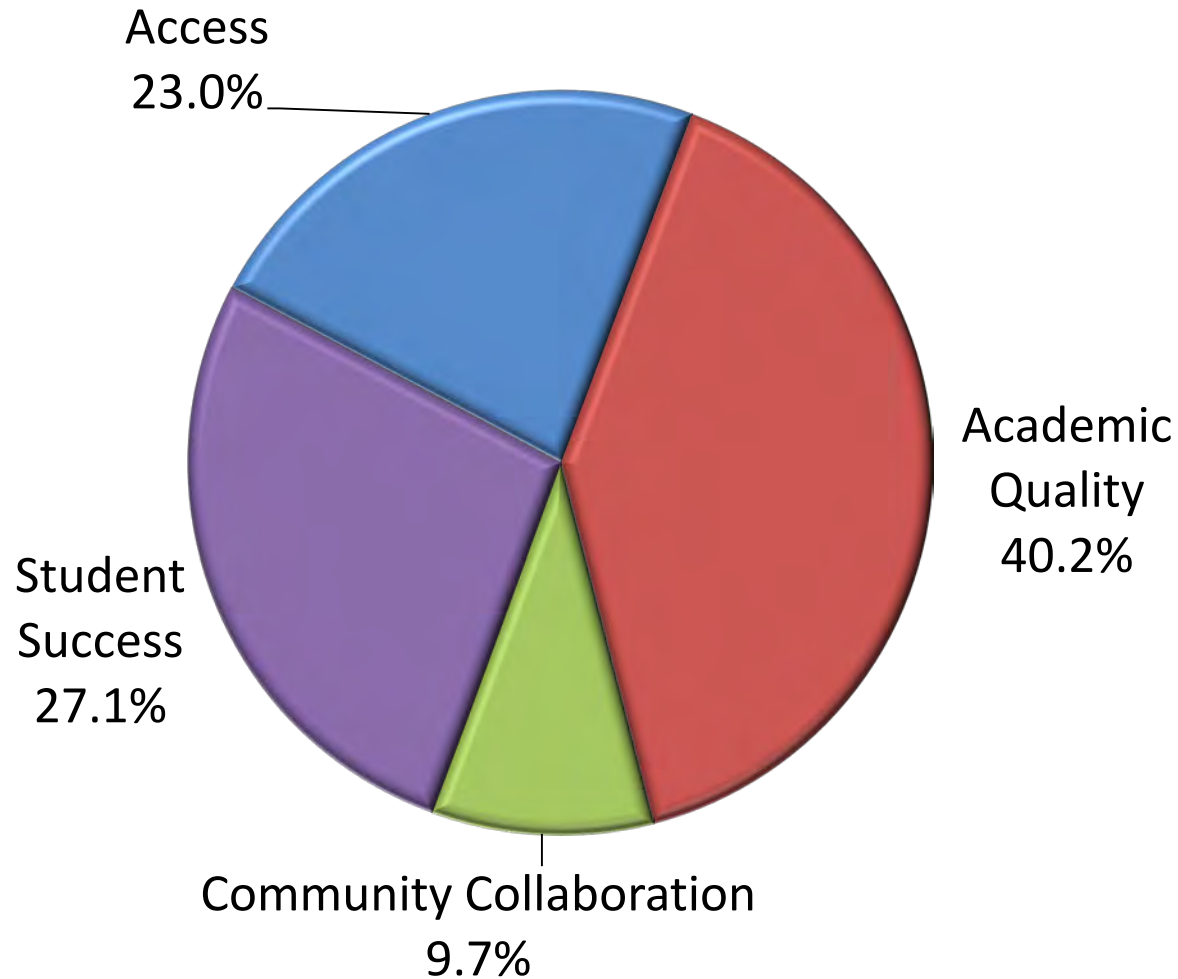
Area/ Div.	Department	FTE	Purpose	Category	Amount	Core Theme
ISS	Applied Technologies	1.00	Instructor Electronics	Faculty	\$80,944	Academic Quality
ISS	Applied Technologies	1.00	Instructor Welding	Faculty	\$89,342	Academic Quality
ISS	Education and Humanities	1.00	Instructor Japanese	Faculty	\$83,629	Academic Quality
ISS	Education and Humanities	1.00	Instructor Bilingual Education	Faculty	\$105,576	Academic Quality
ISS	Math, Science and Engineering	1.00	Instructor Physical Science	Faculty	\$83,629	Academic Quality
	TOTAL TRIAL STATUS TO GENERAL FUND	5.00			\$443,120	

General Fund FTE Changes

FY2016-17 to FY2017-18

	Adopted FY2016-17	Changes FY2016-17	Proposed FY2017-18	Total FY2017-18
Classified	258.52	-2.65	2.75	258.62
Exempt	85.62	2.00	1.00	88.62
Faculty	207.30	0.50	4.00	211.80
Total	551.44	-0.15	7.75	559.04

General Fund Budget by Core Themes



Budget Committee Questions on General Fund?

Next Week-Other Funds Presentation

April 19th

4:30 pm