

Fiscal Year 2021-2022 Proposed Budget and Compensation Discussion

ACES

May 18, 2021

Presented by: Dr. David Bea



PimaCommunityCollege

Fiscal Year 2022 Budget summary

- Establishes the maximum spending capacity for FY22
 - Does not require all funds to be expended if fewer programs or services are needed
 - Allows for future reductions based on lower revenue projections
- Reflects increased spending capacity due to Prop 481 and the Higher Education Emergency Relief Funds
- Prioritizes employee compensation
- Includes significant increase in capital outlay per Centers of Excellence plans

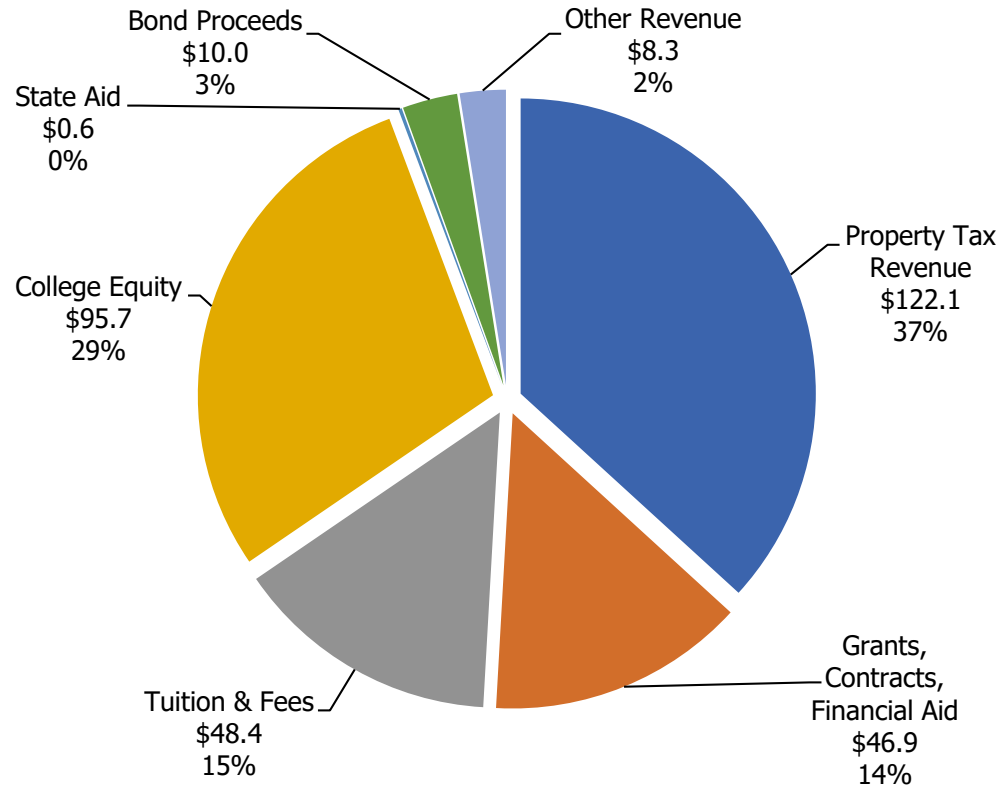


Projected Revenues

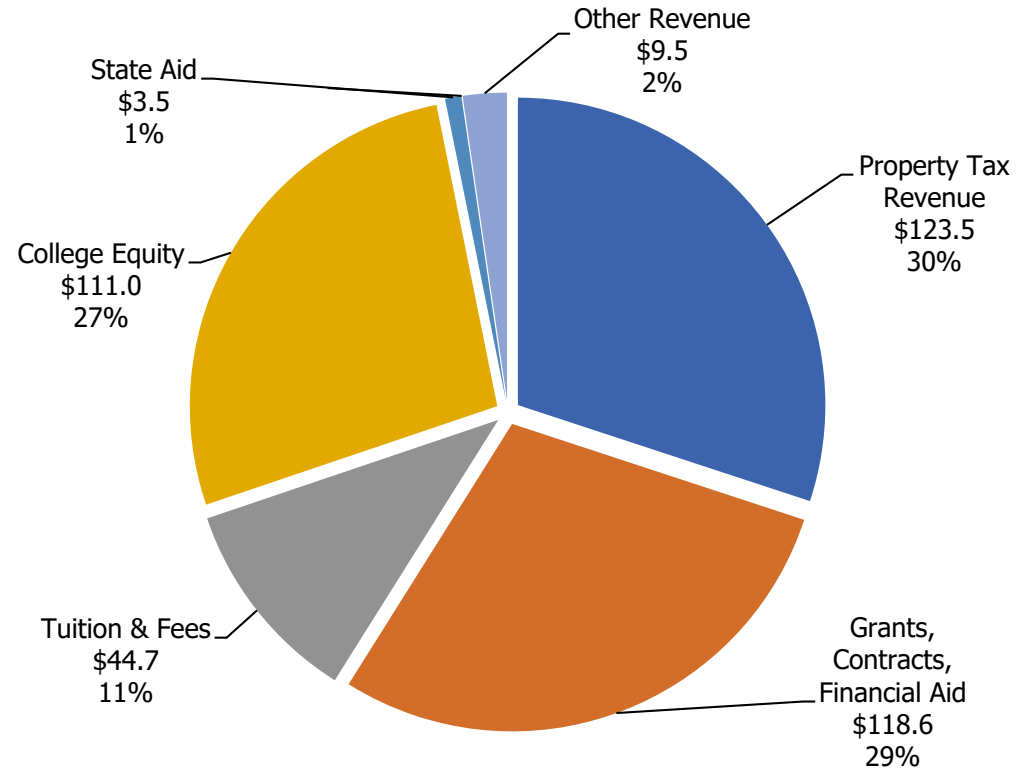
- Approved tuition and fees
 - Maintaining \$87.00 per credit in-state resident rate
 - Providing Success Support Courses at no cost for tuition and service fees
- Levy neutral property taxes
 - No increase to property tax rate
 - Growth of existing property, +\$1.35M over FY 2021
- Federal grant funding
 - Higher Education Emergency Relief Funds – HEERF II and HEERF III
 - Other new grant opportunities

Budget Comparison – Adopted Fiscal Year 2021 vs. Proposed Fiscal Year 2022

FY2021



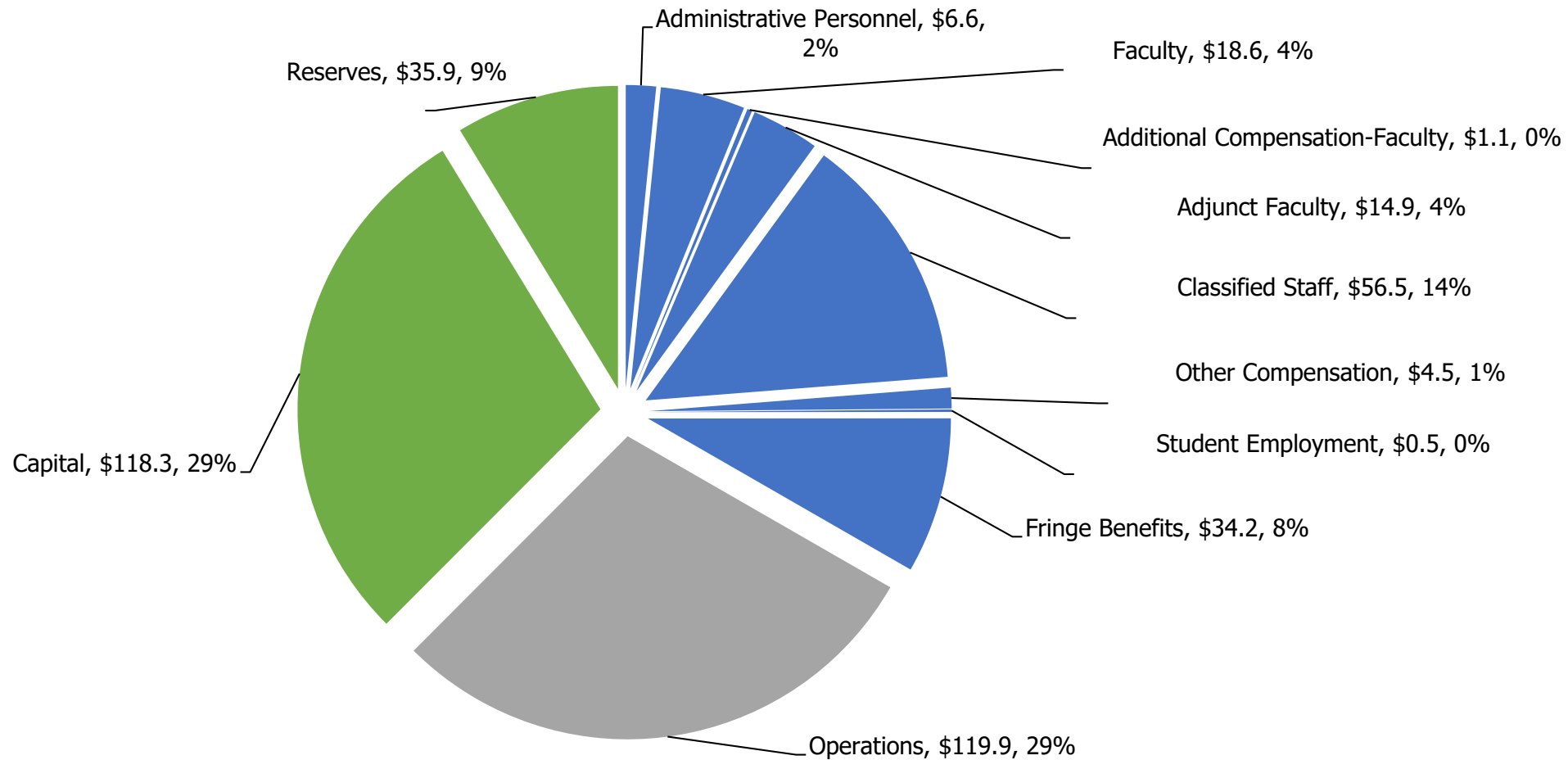
FY 2022 - Proposed



Expenditure Priorities

- Salaries and Wages - Approximately \$5.5M
 - 2% increase to salary pools; +\$1,000 for Full Time Employees
 - 3.1% increase to adjunct faculty load rate (to \$870 per load hour)
 - Benefits increases absorbed by the College
- Capital and IT Infrastructure Commitments - \$47.9M
 - IT Infrastructure enhancements
 - Centers of Excellence
 - Deferred maintenance
- Strategic Plan 2021-2025 and Chancellor's Goals
 - Prop 481 initiatives
 - Marketing and Enrollment Management
- Student Success Enhancements

FY 2022 Proposed Budget Expenditures, \$410.8M (All Funds, in \$Millions)



Budget Calendar - Next Steps

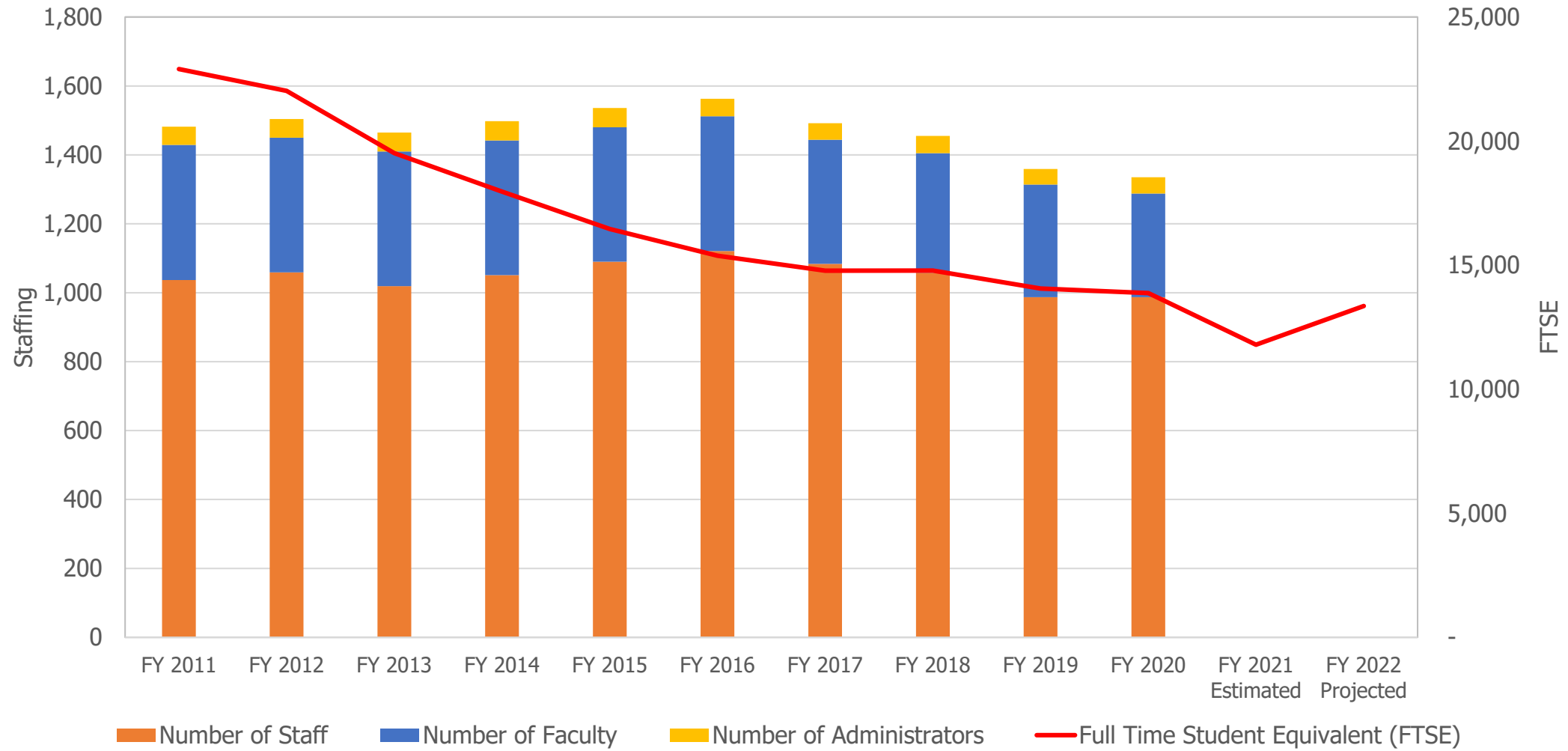
- May 2021
 - Review [proposed FY 2022 Budget](#) and provide approval for publication on May 24th and May 31th in the *Arizona Daily Star*
 - Press release on the proposed budget on May 24th
- June 2021
 - Public Hearing and Special Meeting on June 9th to adopt the Fiscal Year 2022 Budget and set property tax rates and levies
 - Review and approve contractual obligations and insurances

5/14/21 Study Session Agenda

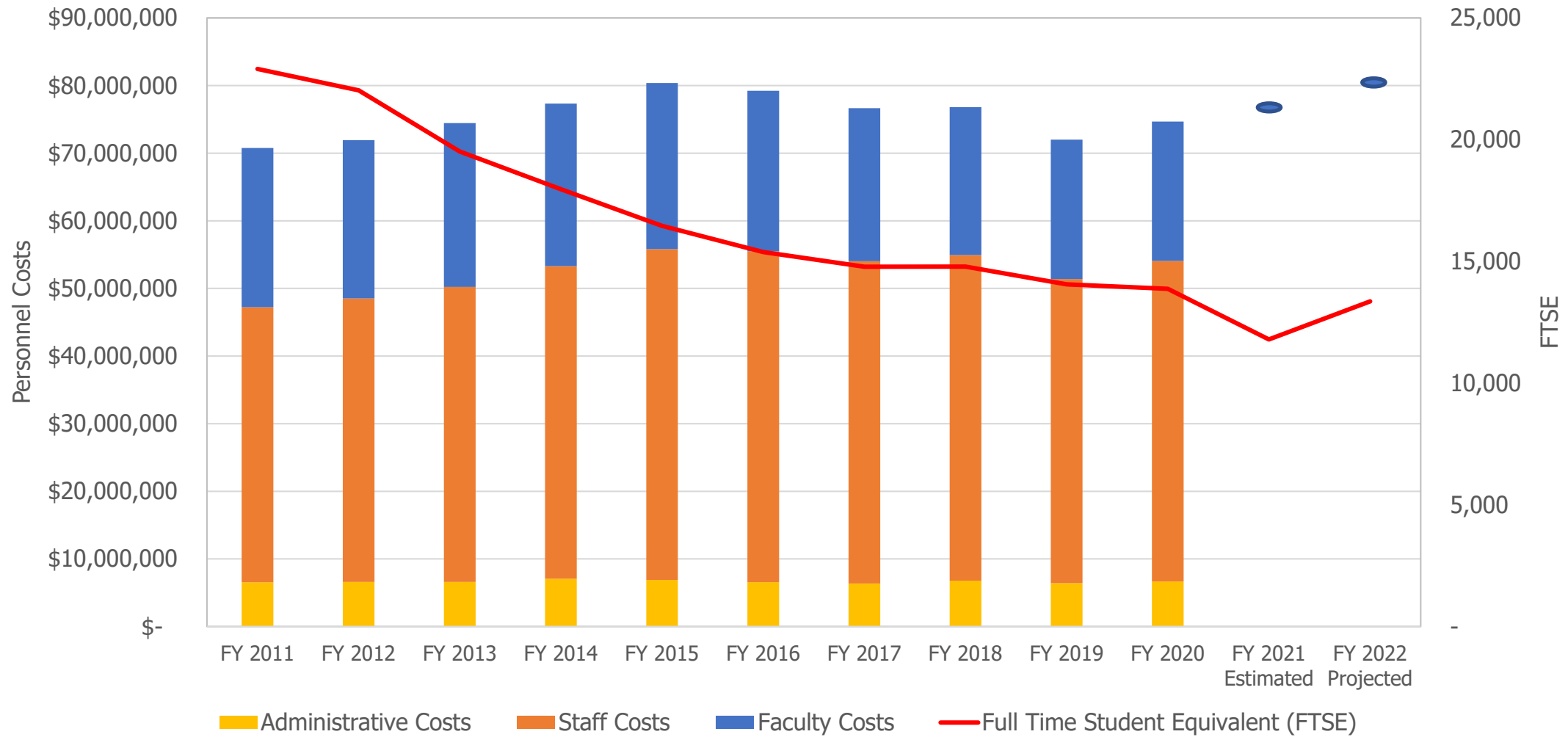
- Compensation Strategies
 - Context and Considerations
 - FY 2022 salary and wage expenditure projections
 - Employee benefits
 - Inflation – Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)
 - Recent Challenges & Financial Sustainability
 - Budget Reductions and Expenditure Limitation
 - Proposed adjustments to FY 2022 salaries and wages
 - Classification and Compensation Study
- Funding the Strategic Plan 2021-2025 and College Priorities



PCC FTSE vs. Staffing Levels – FY 2011 to FY2020 w/Projected FTSE



PCC FTSE vs. Annual Personnel Costs – FY 2011 to FY 2020 w/Projected FTSE





Building on Our Culture of Care

Governing Board Meeting
May 12, 2021

Presented by: Dr. Dolores Durán-Cerda and Dr. David Bea



PimaCommunityCollege

Culture of Care – The Holistic Foundation

- Employee Compensation
 - Class/Comp Program
 - Market assessments
 - Position Reviews
 - Class/Comp Review
 - Paid Leave
 - Sick Leave
 - Annual Leave
 - Holiday/Recess Pay
 - Wellness Program
- Employee Benefits
 - Health, Dental, and Vision Care
 - Plan Choices
 - Dependent Support
 - Flexible Spending Program
 - Short Term/Long Term Disability
 - Life Insurance
 - Retirement Plans
 - ASRS/PSPRS/ORP
 - Supplemental Plans
 - Employee Assistance Program
- Other Support
 - Professional Development (PD)
 - PCC tuition waiver
 - PD Funds
 - Monitoring
 - Turnover
 - Recruitment Success
 - Employee Relations/Dispute Resolution



In Consideration - Recognizing our Employees

- Day of Relief
- Addressing meeting/email stress
- Extended/expanded use of leave
- August Day of Wellness
 - Activities to help employees return refreshed, including optional activities with other Pima employees, virtual yoga, etc.





Compensation Strategies



FY 2022 Salary and Wage Expenditure Projections

Budget Base

- Annual analysis of faculty salaries under Step 6 = +\$42K
- Faculty educational attainment adjustments
- Position review adjustments
- Retirements/Recruitments/Position Adjustments

Budget Proposal Parameters

- A 1.0% increase in salaries and wages = \$1.1M
- A 1.0% increase to the adjunct faculty load rate = \$200K

Employee Compensation

College to absorb +\$2.1M in benefits costs compared to FY 2021

- Additional contribution to fund the liability for the Public Safety Personnel Retirement System
- Improvements to short-term disability program
- Increase in medical/pharmaceutical costs

	Salary Increase	Percent Increase
FY 2015	Yes	3.0%
FY 2016	No	N/A
FY 2017	No	N/A
FY 2018	Yes	2.5%
FY 2019	No	N/A
FY 2020	Yes	1.5%
FY 2021	Yes	1.0%
FY 2022	TBD	TBD

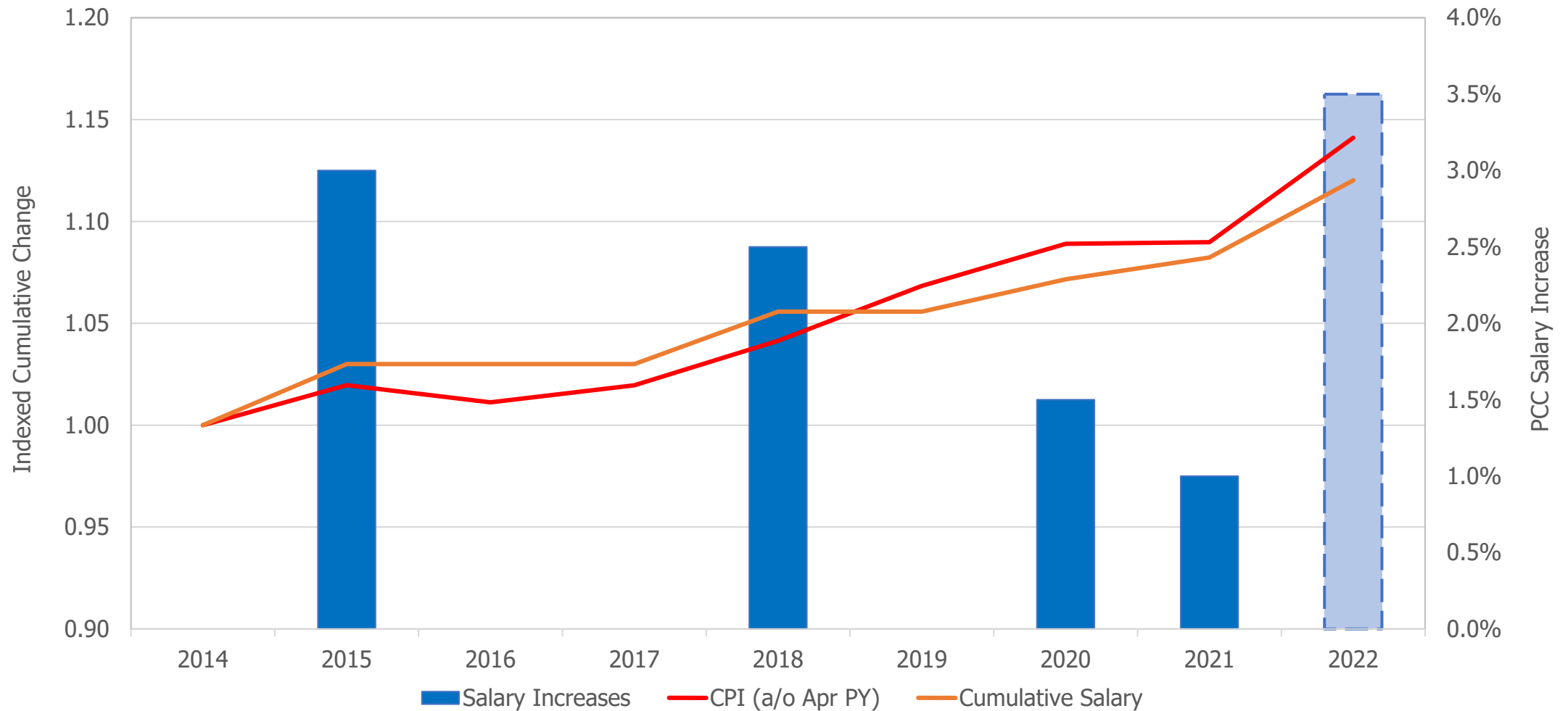
Additional Considerations

- Feedback from the Governing Board to prioritize compensation
- Survey of the Arizona Community College Business Officials Council
- Employee suggestions reviewed/discussed
 - [Student loan repayment assistance/tuition assistance benefit](#)
 - Proportional increases to salaries/wages
 - Stipends for work from home costs
- Sustainability

Proposed Adjustments to FY 2022 Salaries and Wages

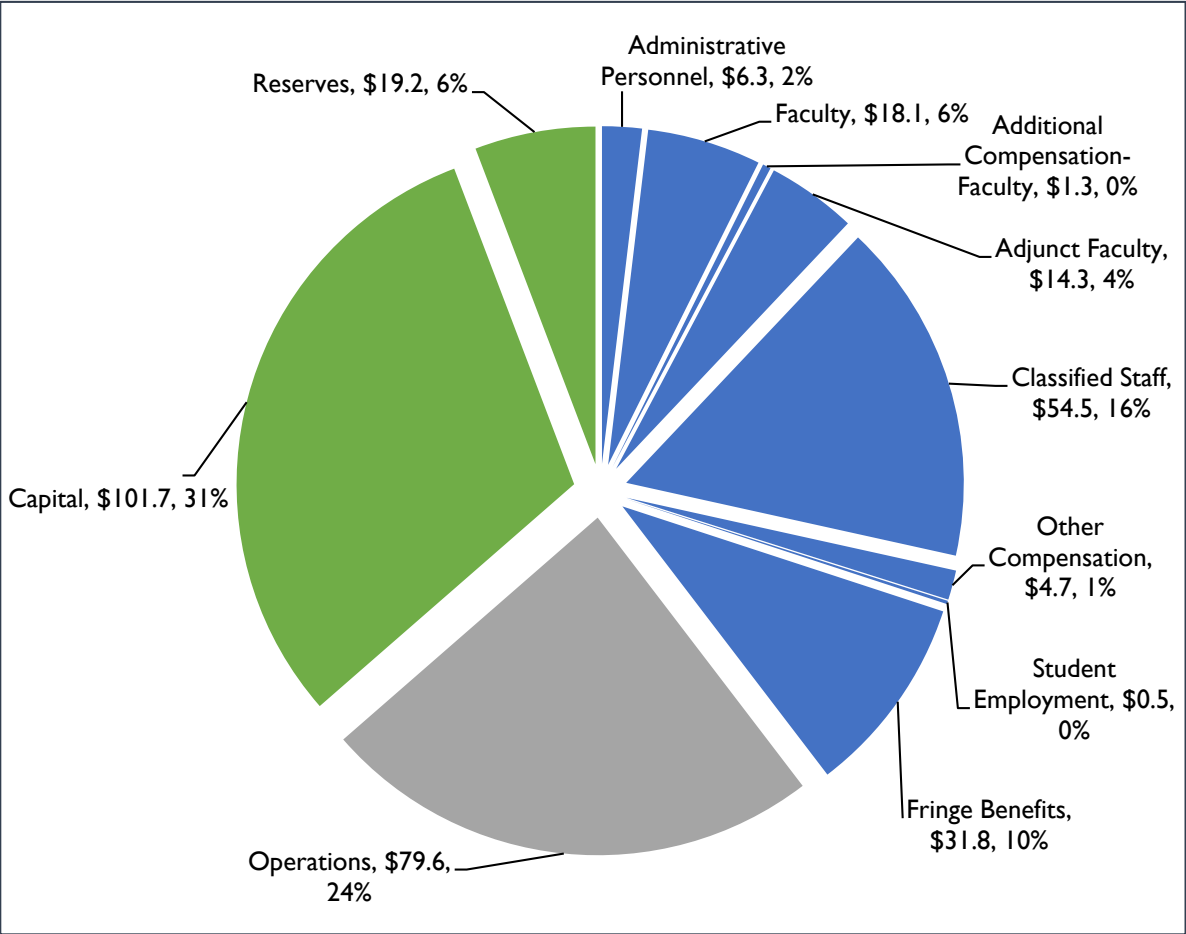
- Allocation of \$5.5M for salaries and wages
- Regular employees:
 - 2.0% increase to salary scales
 - \$1,000 one-time
- Lift A11 classification to a minimum of \$15.00 per/hour
- Adjunct faculty
 - 3.1% increase (to \$870.00 per load hour)
- Day of Relief concept (~\$120K)

PCC Salary Increases vs. CPI-W, 2015-2022

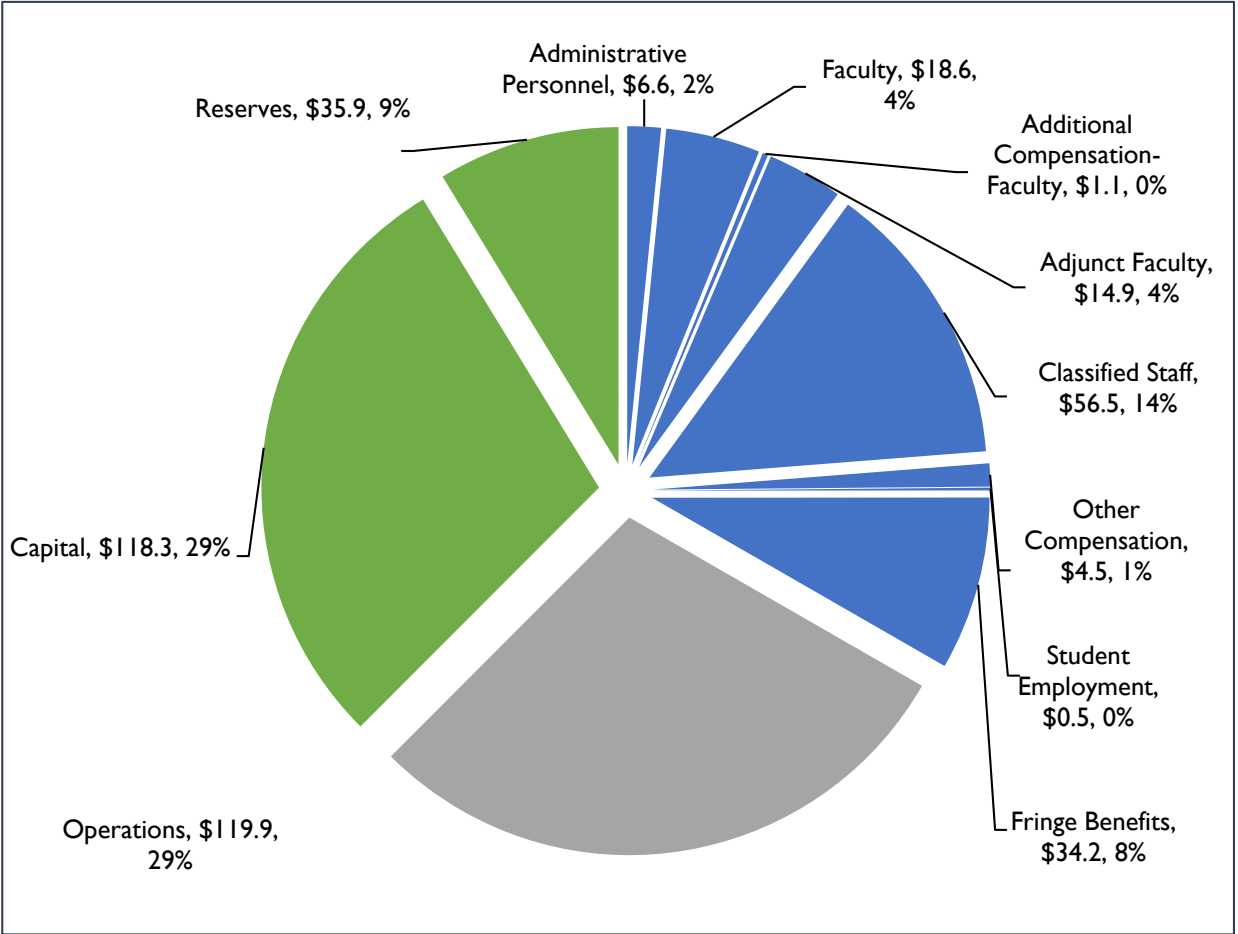


Budget Expenditures Comparison – FY's 2021 & 2022 (All Funds, in \$Millions)

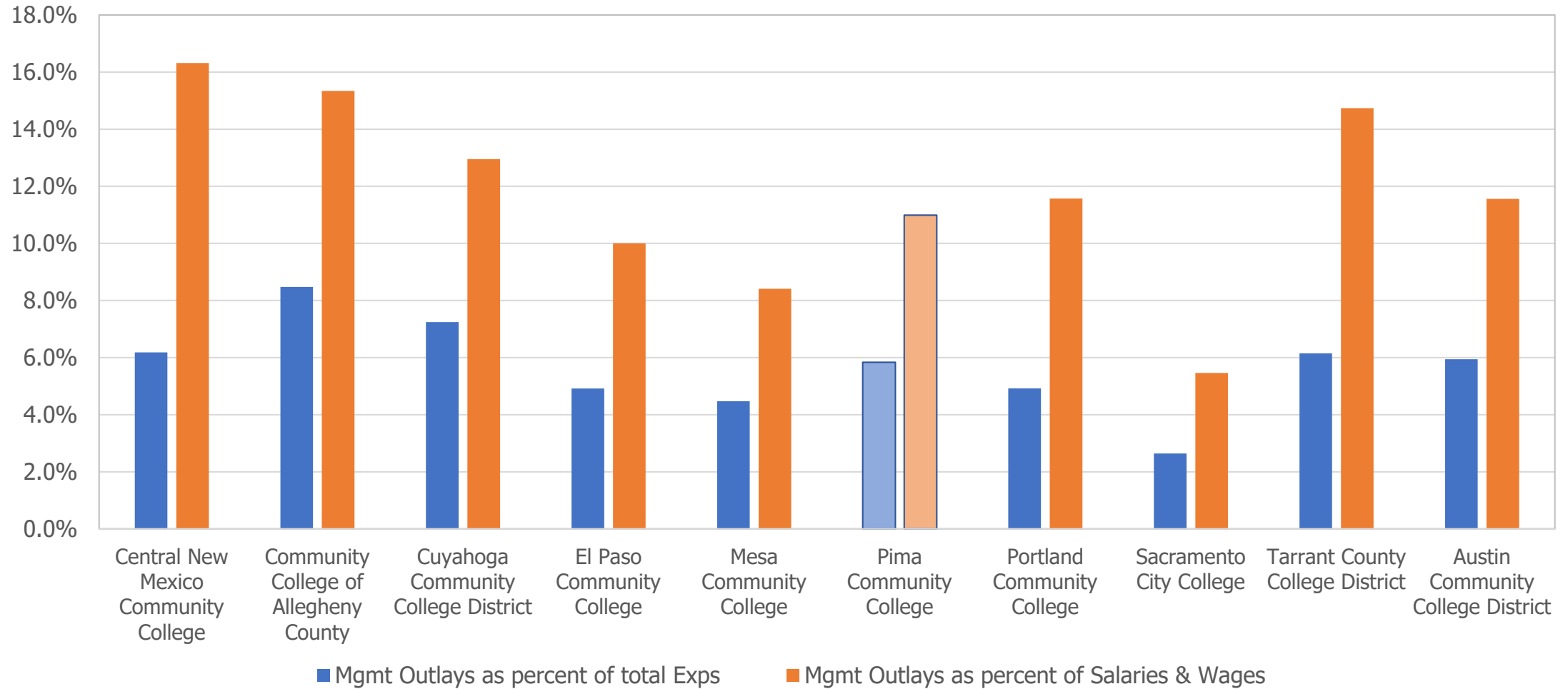
FY2021 \$332.0M



FY 2022 – Proposed \$410.8 M



PCC to Peer Institutions (IPEDS) – Management Outlays – Percent of Salaries/Wages and Total Expenses





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/// **Keep striving.**