

Fiscal Year 2016-2017 Budget Planning & Outlook

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Executive Vice Chancellor for Finance and Administration

Spring 2016

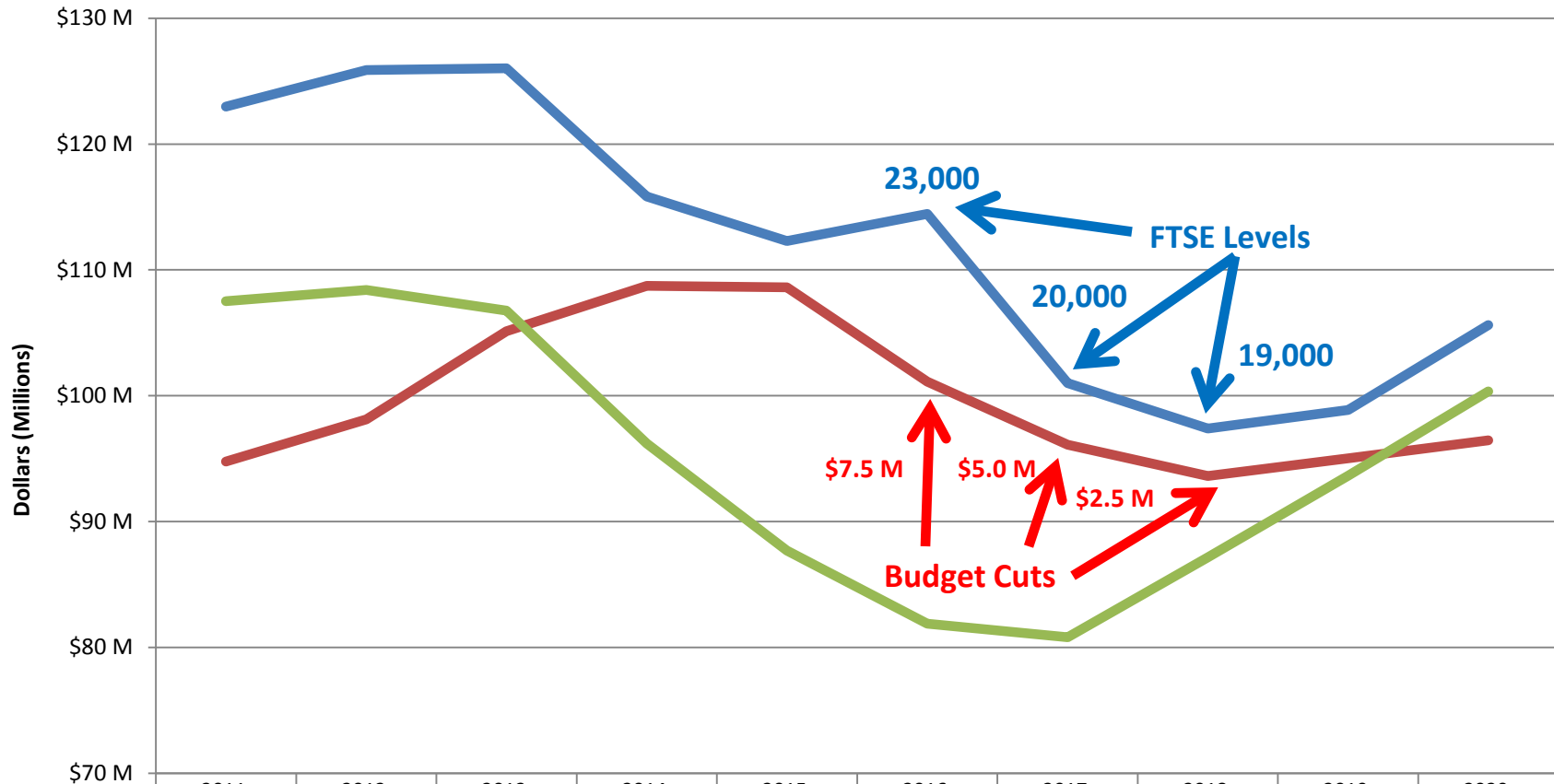


Major Factors Impacting Budget

- No State Appropriations
- Continued Enrollment Declines
- Expenditure Limitation Risk
- Ongoing College Reorganization



Expenditure Limitation Plan: Update



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Estimated EL	\$123.0 M	\$125.9 M	\$126.0 M	\$115.8 M	\$112.3 M	\$114.4 M	\$101.0 M	\$97.4 M	\$98.9 M	\$105.6 M
Actual \$	\$94.8 M	\$98.1 M	\$105.1 M	\$108.7 M	\$108.6 M	\$101.1 M	\$96.1 M	\$93.6 M	\$95.0 M	\$96.4 M
Actual FTSE EL	\$107.5 M	\$108.4 M	\$106.8 M	\$96.2 M	\$87.7 M	\$81.9 M	\$80.8 M	\$87.1 M	\$93.7 M	\$100.3 M

Dollars (Millions) by Fiscal Year



Senate Bill 1322 – Community College Expenditure Limitation (EL)

- Modifies, calculations of community college's expenditure limits, the calculation of full-time equivalent student enrollment, career and technical education (CTE) course weights and excludable revenues.
- CTE course weighting = 1.3
- Changes to FTSE calculation to permit one of the following FTSE estimates for EL purposes:
 - the most recent audited FTSE count;
 - the average of the five most recent audited FTSE counts; or
 - a FTSE count up to 5 percent more than the most recent audited FTSE count if the current Fall semester 45th day actual FTSE count exceeded the previous Fall semester 45th day actual FTSE count.
 - Allows, as session law, a community college district to submit the average of the ten most recent audited FTSE for the next three years.



FY 2017 Budget Supports PCC's Mission, Strategic Planning, and Assessment



Preliminary Budget Estimates: FY 2017 – General Fund Revenues (\$ millions)

	<u>FY 16</u>	<u>FY 17</u>	Preliminary estimates
Property Tax Levy	\$ 104.3	\$ 4.0	1.89% - FY 2016 Growth 2.00% - Requires Truth in Taxation process in May
State Appropriations	0.0	0.0	
Tuition and Fees	46.7		\$1.00 credit hour increase = \$500,000 additional revenue, presented at March Board Meeting
Other Revenue	0.7		
College Equity	<u>0.5</u>		
Total Resources	\$ 152.2		



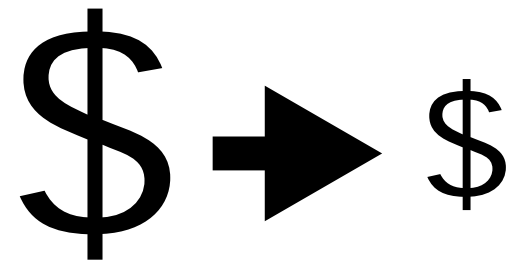
Preliminary Budget Estimates: FY 2017 – General Fund Expenses (\$ millions)

	<u>FY 16</u>	<u>FY 17</u>	Preliminary Estimates
Personnel	\$ 90.1		
Fringe	27.0	\$ 1.5	Benefits (Health, Retirement, Other)
Subtotal	\$ 117.1		
Operations	\$ 27.7	\$ 0.5	Contractual Services and Utilities
Capital	0.4		
Transfers (net)	1.3		
Reserves	5.7		
Total	\$ 152.2		

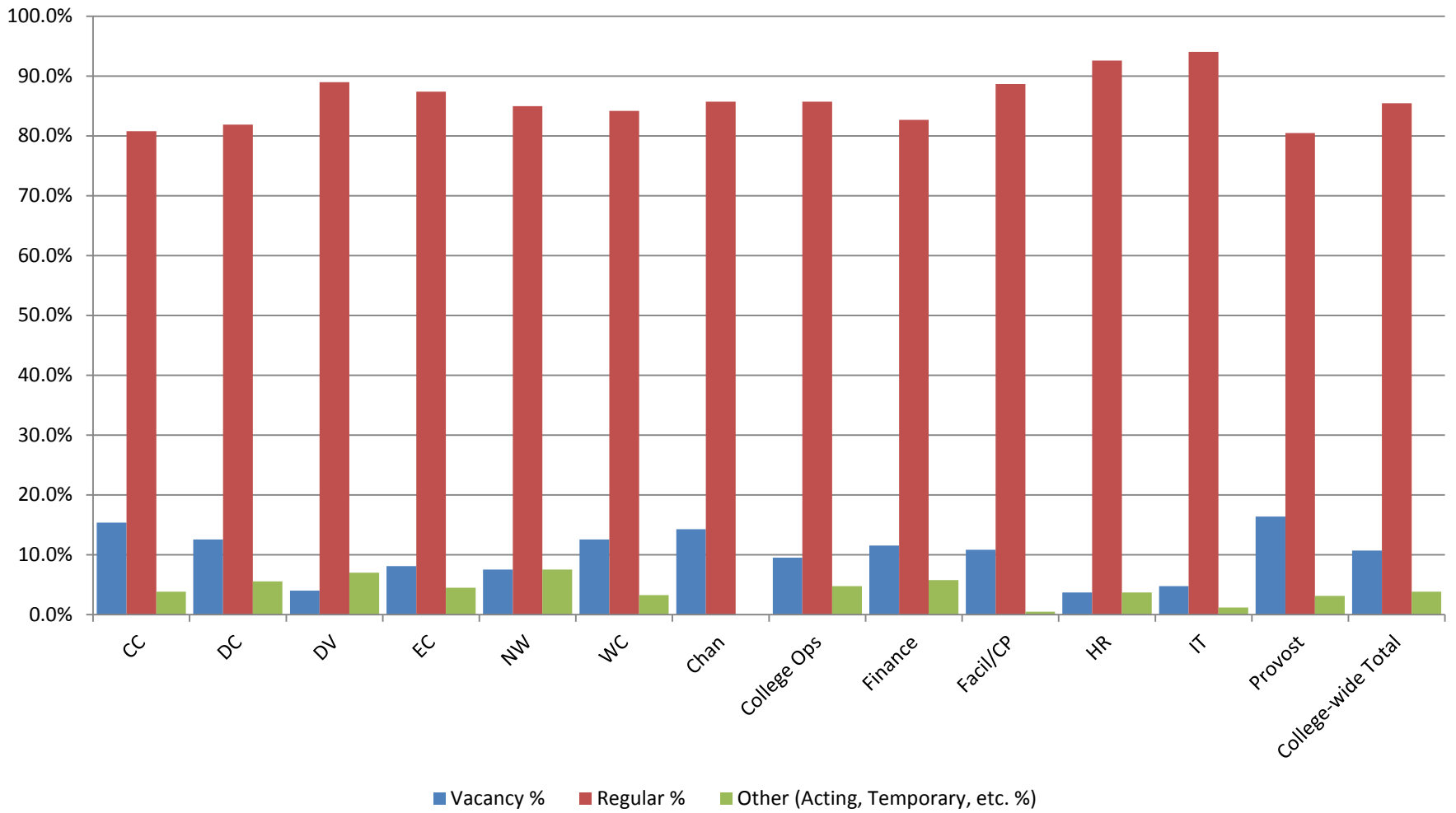


Expenditure Limitation (EL) Cost Reduction Strategies - \$5 million

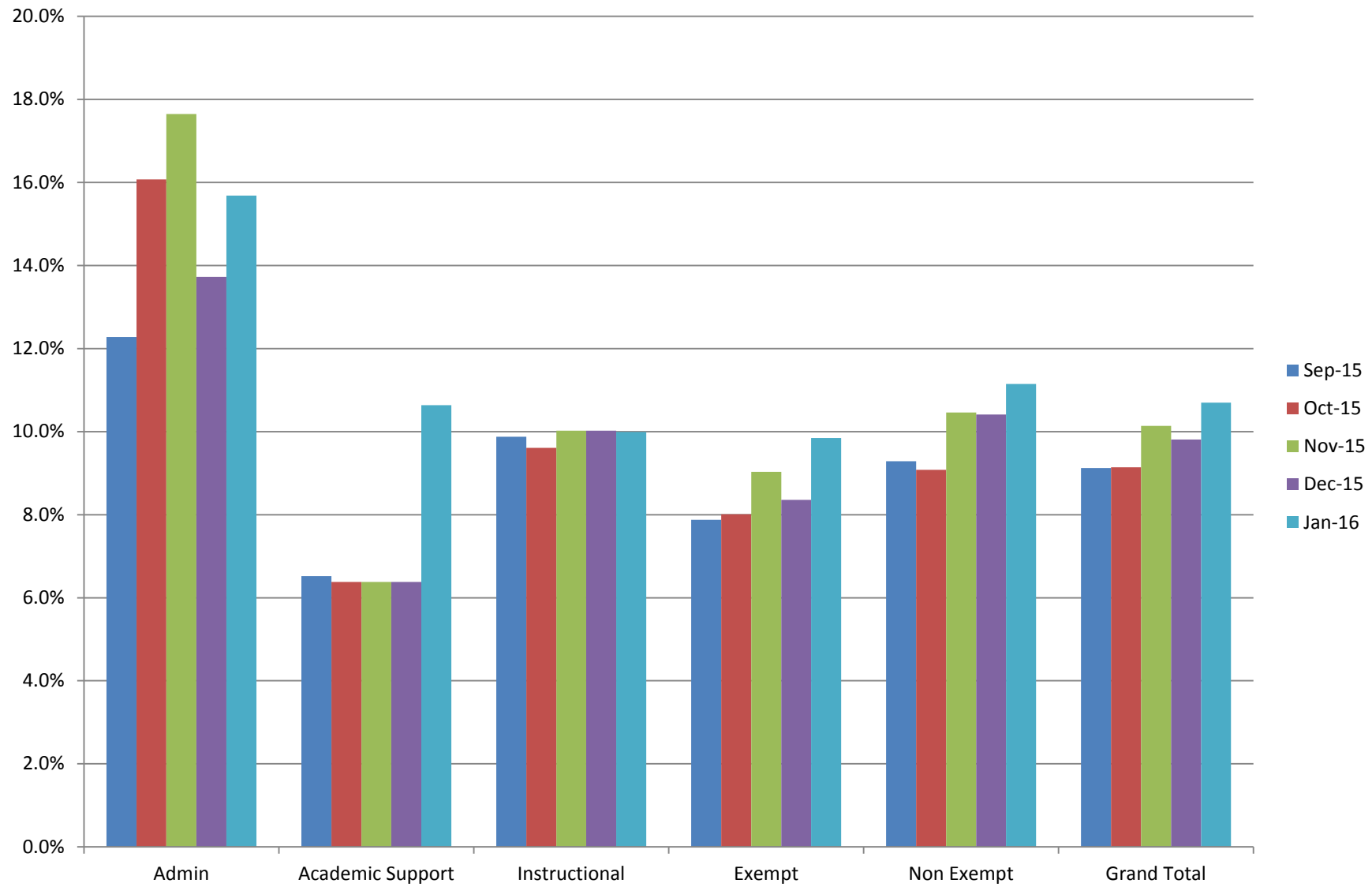
- Reorganization/Reductions
 - Campus/Department Consolidation
 - Hiring Freeze
 - Eliminate Positions
- Reduce Capital Budget
 - Lease purchase equipment vs. purchase
- Tuition Increase
- Tax Levy ➡ Fund future capital needs



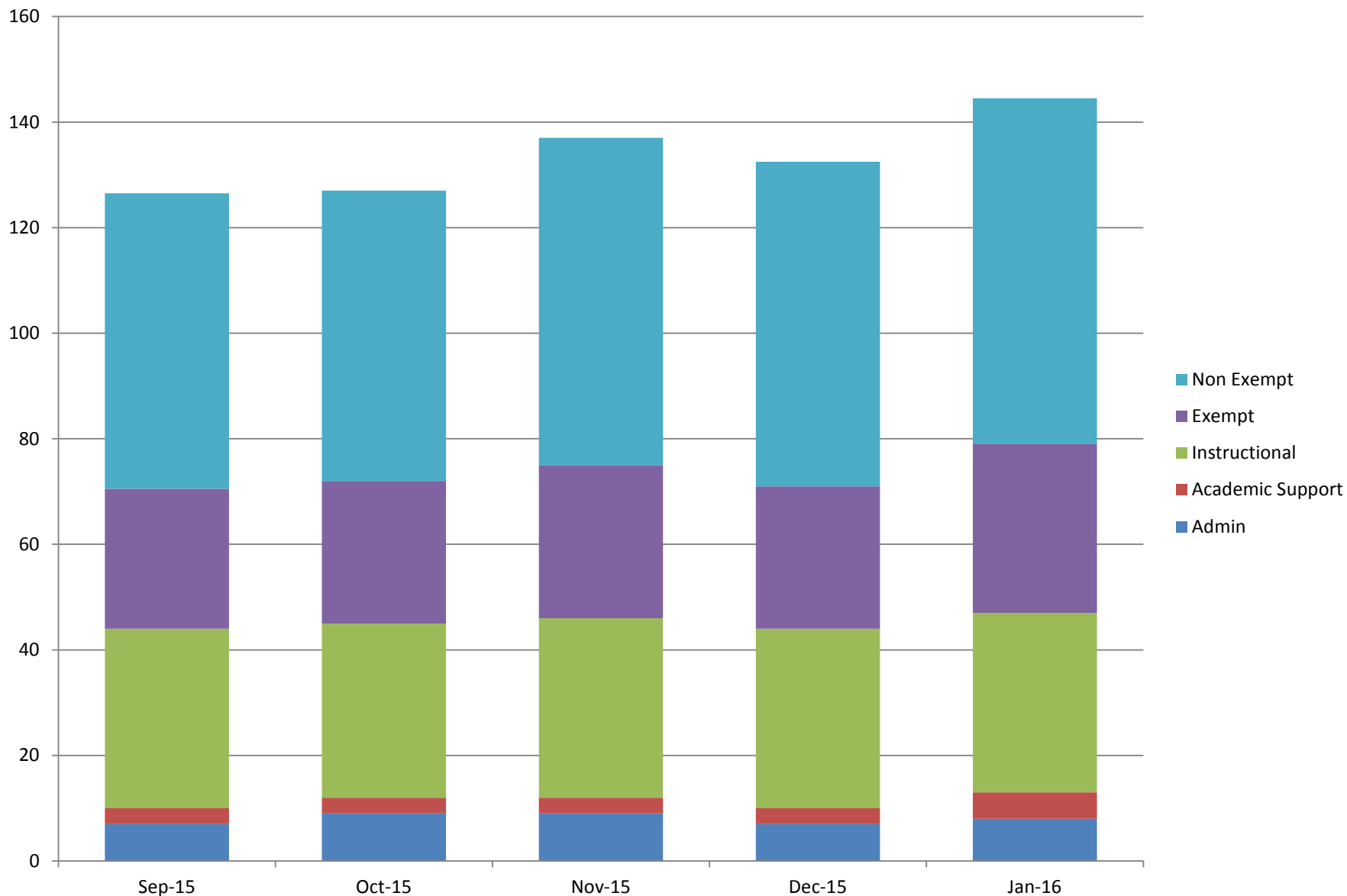
Percent of Positions Vacant and Filled Regular by College Unit (January 2016 data)



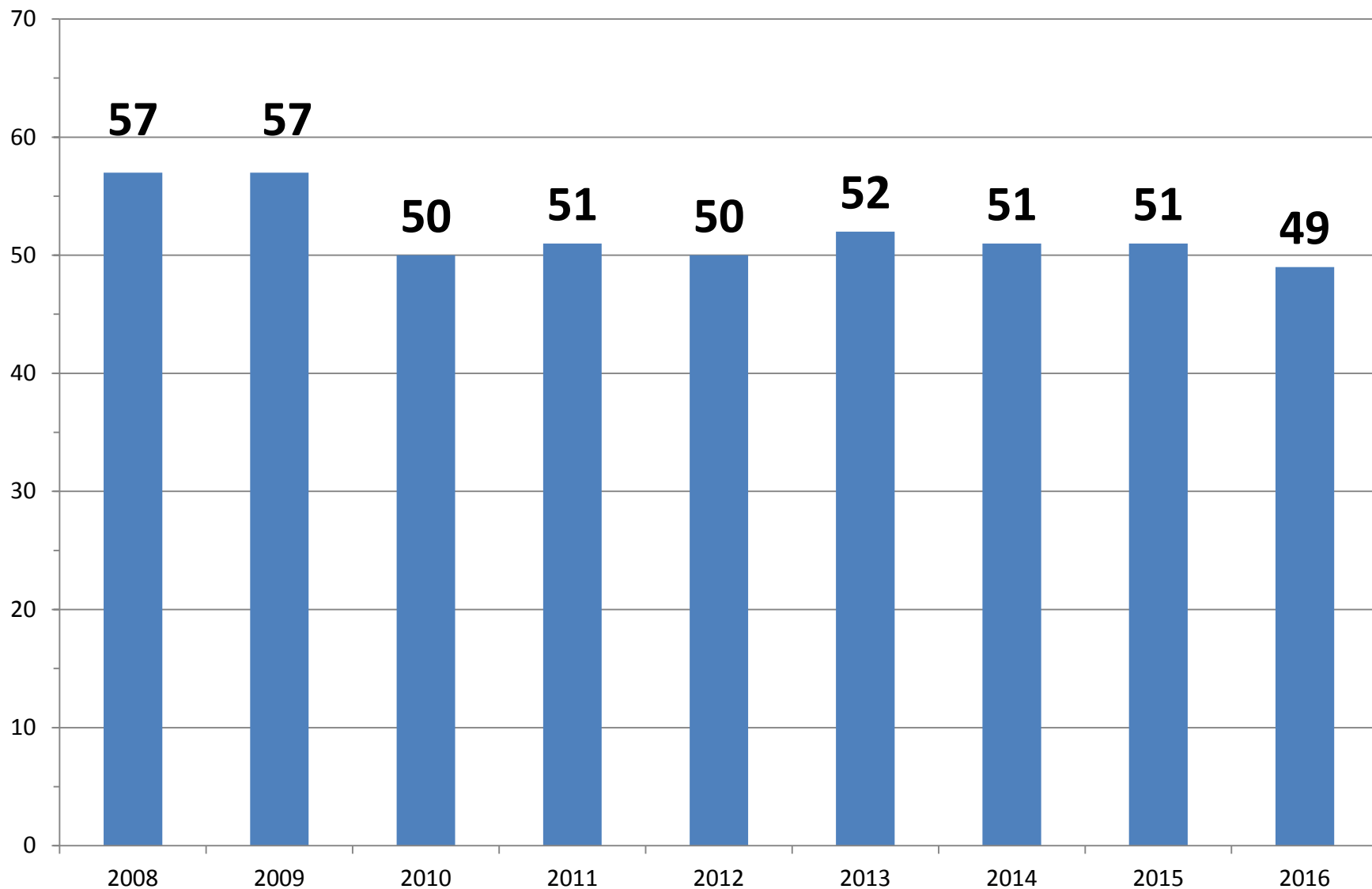
Percent Vacancy by Eclass and Month



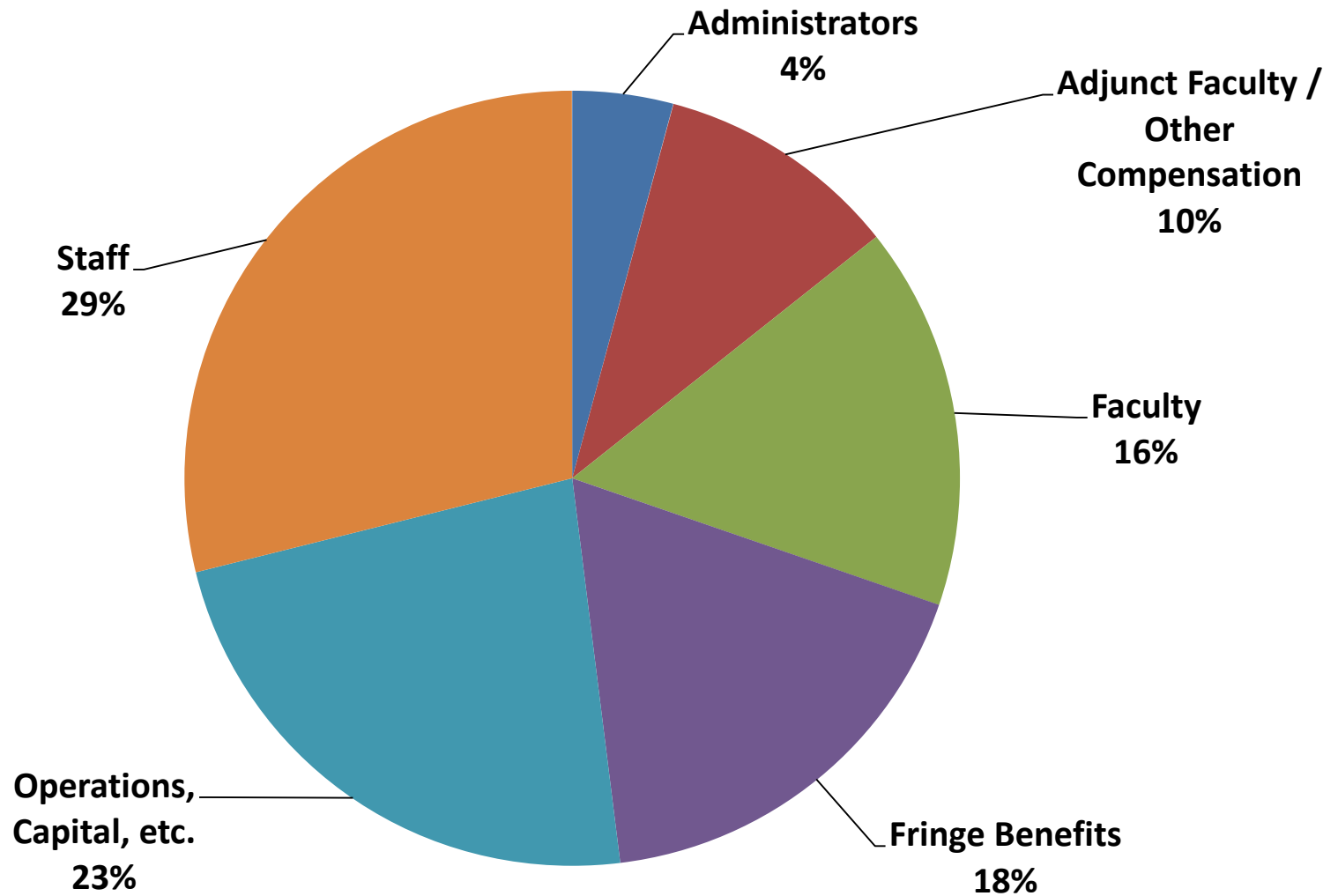
Change in Number of Vacant Positions by Eclass



PCC Administrator Positions



PCC General Fund Budget Expenses, FY 2016



FY 2017 Priorities for Discussion

- Continued Budget Reductions
- Athletics
- Depreciation / Capital Project Funding
- Strategic Initiatives
- Tuition Options



Questions?

