

# Fiscal Year 2016-2017 Budget Planning & Outlook

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*Spring 2016*

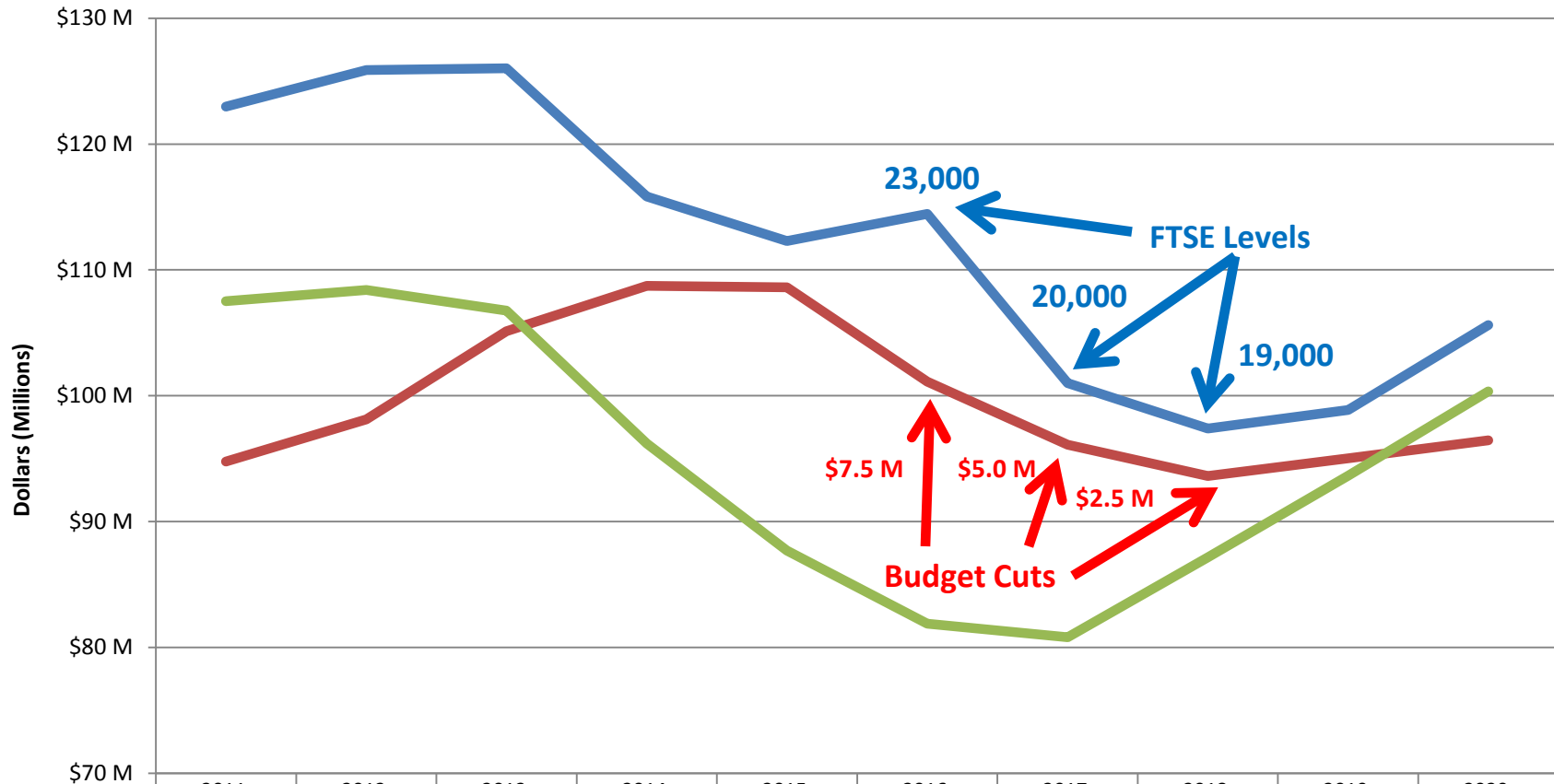


# Major Factors Impacting Budget

- 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.
- Adds additional exclusions for “local revenues”



# 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>	<b>Preliminary estimates</b>
Property Tax Levy	\$ 104.3	\$ 2.0	1.89% - FY 2016 Growth
		\$ 2.1	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 = \$450,000 additional revenue, presented at March Board Meeting
Other Revenue	0.7		
College Equity	0.5		
	<hr/>		
<b>Total Resources</b>	<b>\$ 152.2</b>		



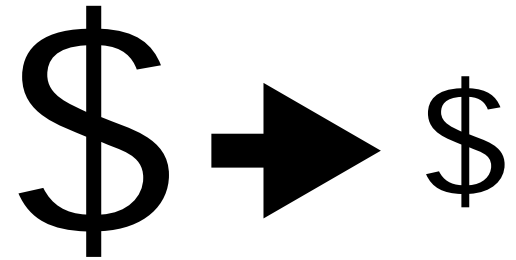
# Preliminary Budget Estimates: FY 2017 – General Fund Expenses (\$ millions)

	<u>FY 16</u>	<u>FY 17</u>	<b>Preliminary Estimates</b>
Personnel	\$ 90.1		
Fringe	27.0	\$ 2.0	Benefits (Health, Retirement, Other)
<b>Subtotal</b>	<b>\$ 117.1</b>		
Operations	\$ 27.7	\$ 0.5	Contractual Services and Utilities
Capital	0.4		
Transfers (net)	1.3	\$ 0.5	Athletics
Reserves	5.7		
<b>Total</b>	<b>\$ 152.2</b>		



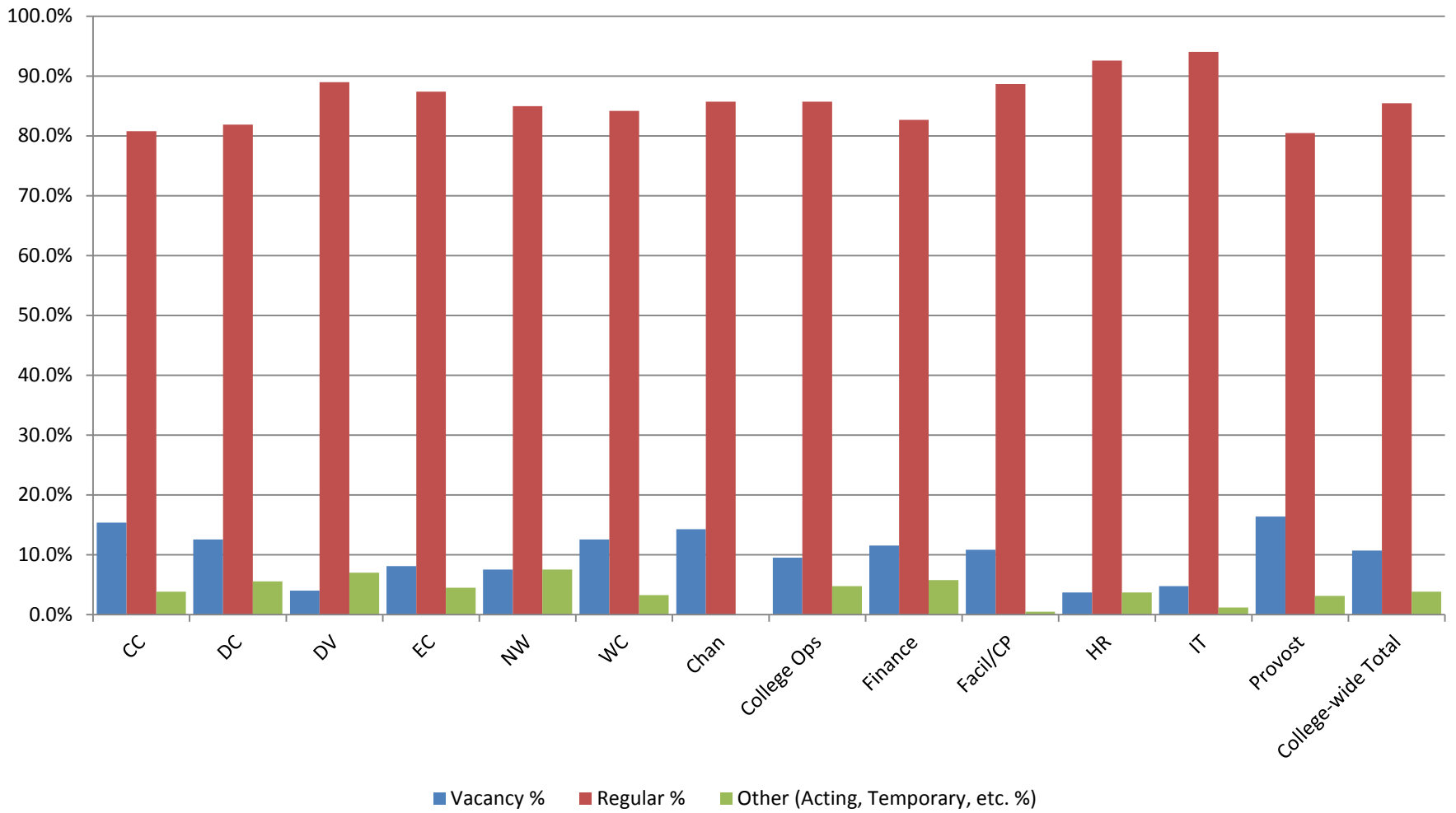
# Expenditure Limitation (EL) Cost Reduction Strategies

- Reorganization/Reductions
  - Campus/Department Consolidation
  - Hiring / Recruitment Reviews
  - Eliminate Positions
- Reduce Capital Budget
  - Lease purchase equipment vs. purchase
- Tuition Increase
- Tax Levy ➔ Fund future capital needs
  - Program innovation
  - Resource reallocation/consolidation

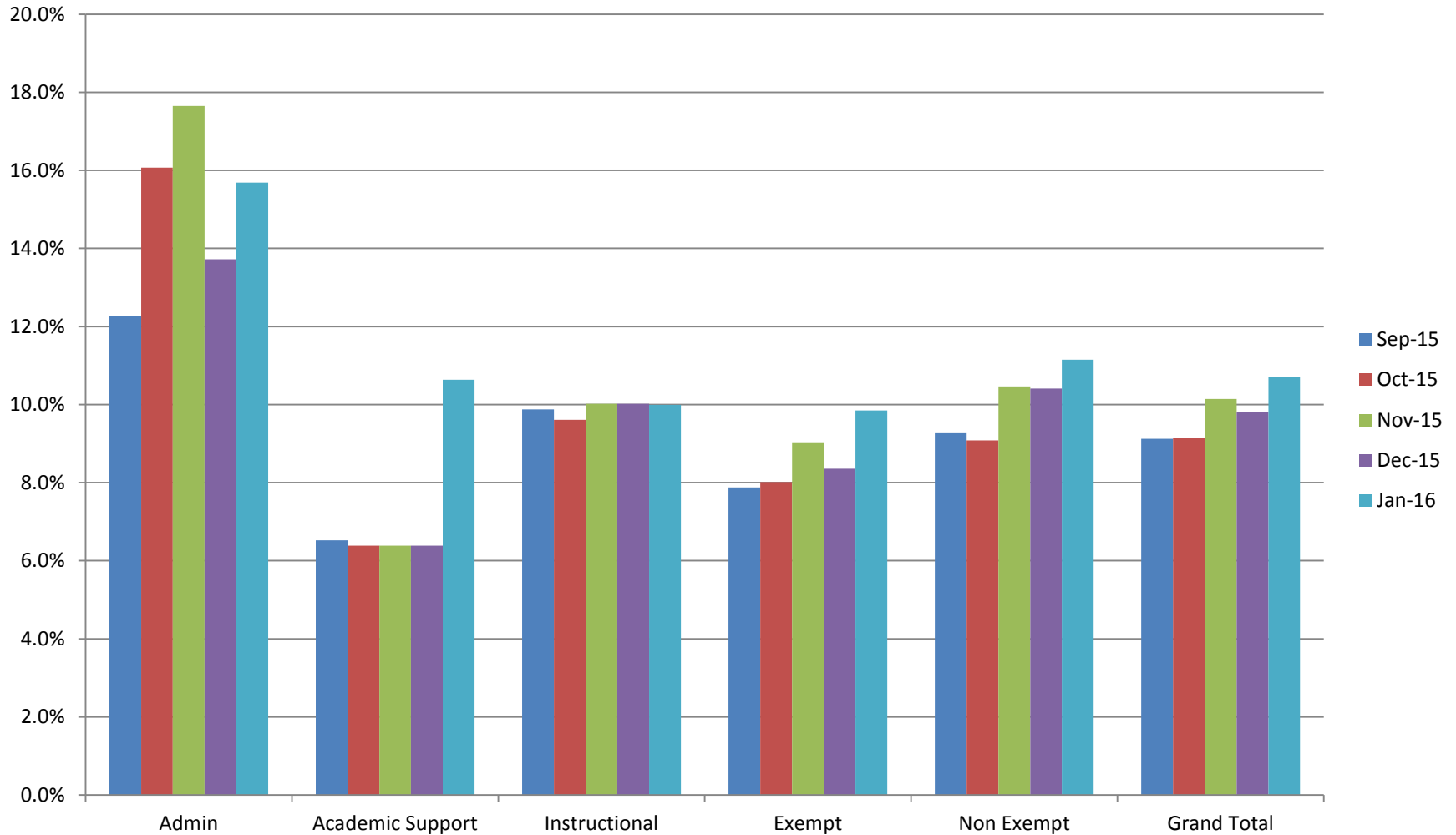




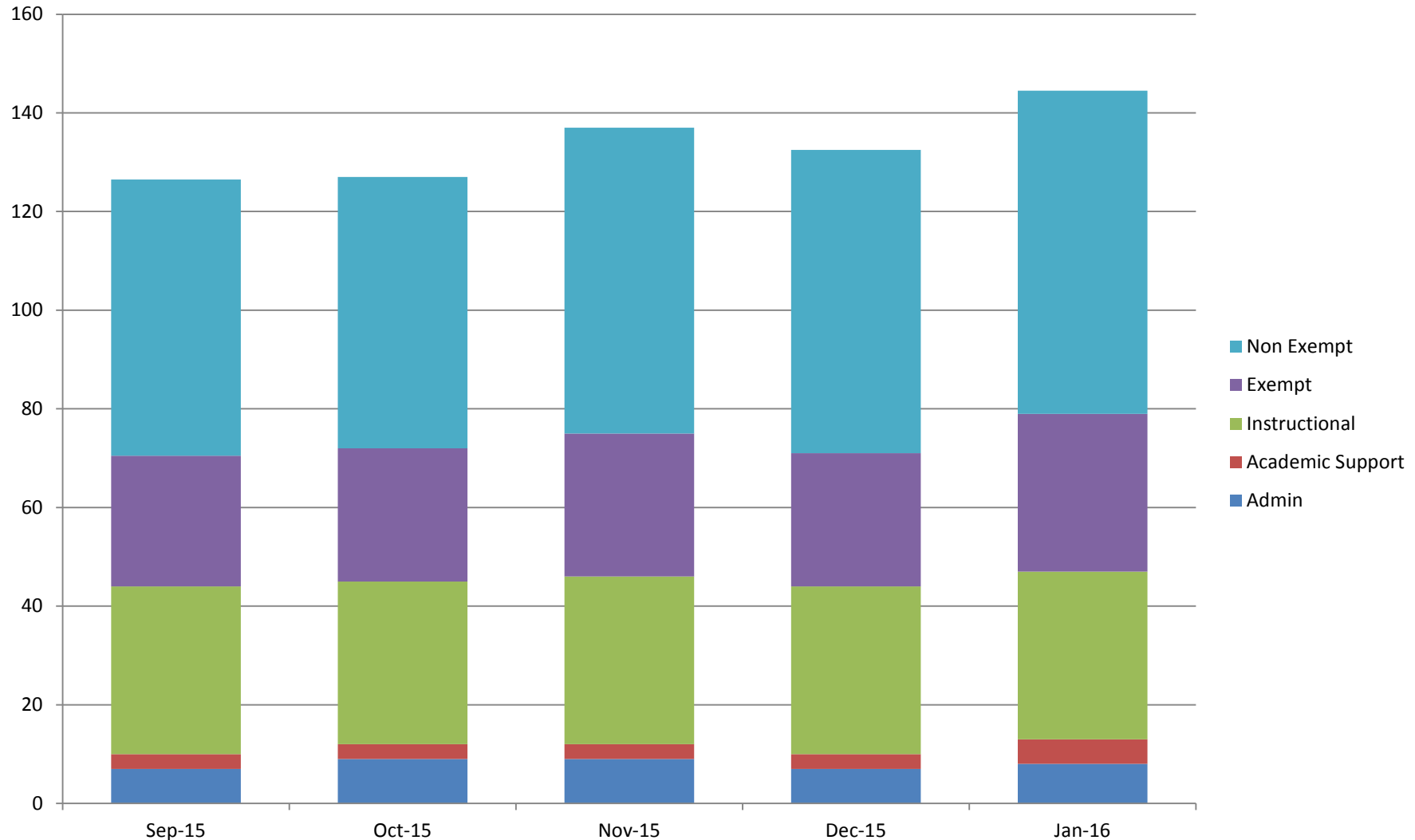
# Percent of Positions Vacant and Filled Regular by College Unit (January 2016 data)



# Percent Vacancy by Personnel Account Code and Month



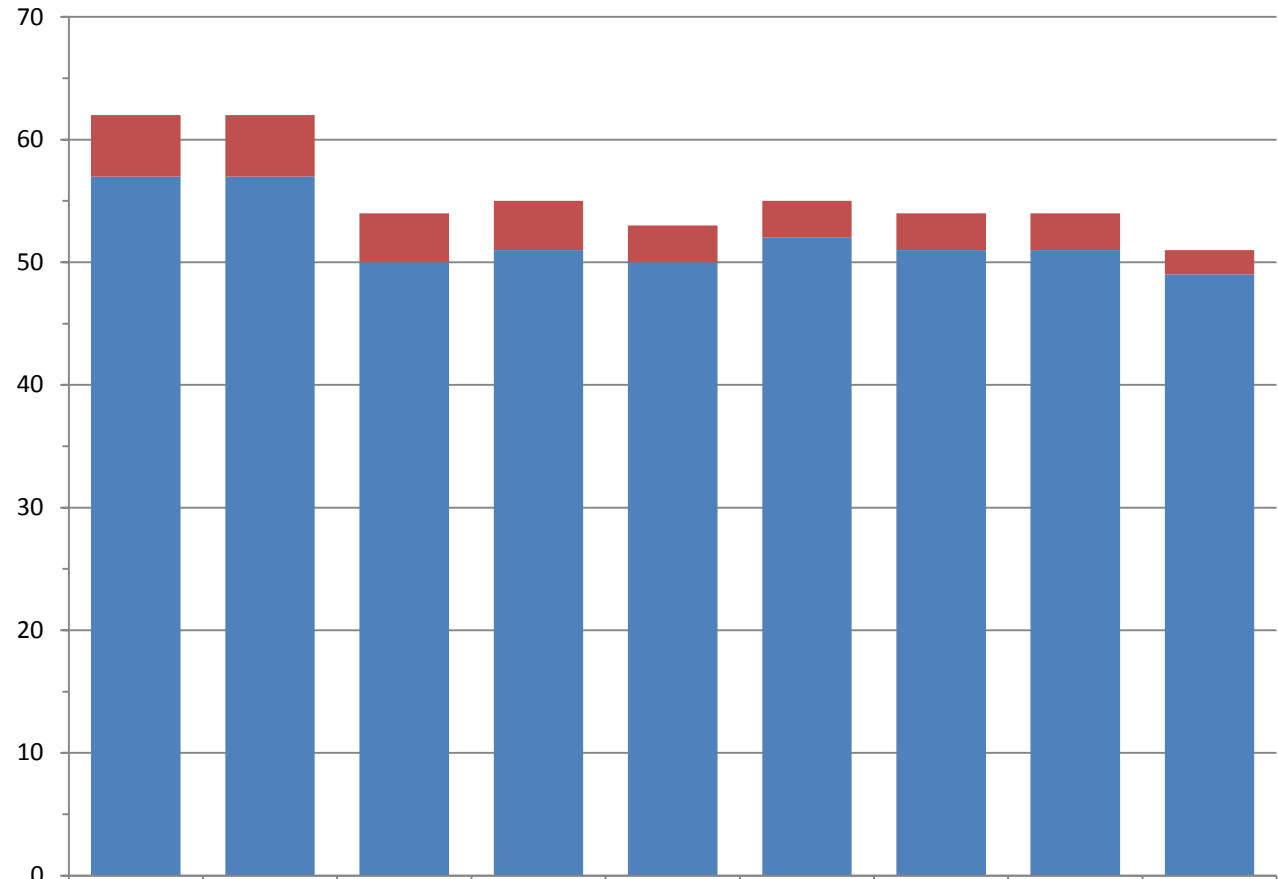
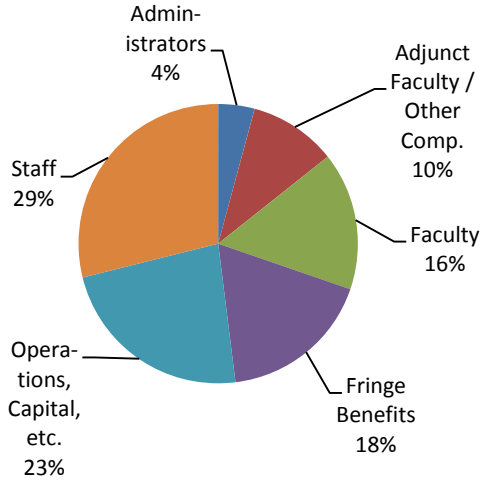
# Change in Number of Vacant Positions by Month and Personnel Account Code



# PCC Administrator Positions

(FY 2008-2016, All Funds)

PCC General Fund Budget Expenses, FY 2016



# Administrator Positions - Other Funds	5	5	4	4	3	3	3	3	2
# Administrator Positions - General Fund	57	57	50	51	50	52	51	51	49

Total 62 62 54 55 53 55 54 54 51



# FY 2017 Priorities for Discussion

- Health Benefit Costs
- Contractual Obligations
- Athletics
- Depreciation / Capital Project Funding
- Strategic Resource Reallocation
  - Personnel Reductions
  - Tuition/Enrollment Initiatives



# Tuition Options under Consideration

- Traditional In-State Tuition increase
  - \$1 per unit = \$450,000
- Tuition cap
- Lifelong learning program discount for 55+
- Out of State Tuition
- International Tuition
- Other Differential Tuition?



Questions?

Feedback?

