

Barton Community College

FY 2009-10 Budget Implications and Reductions

Snapshot as of March 09

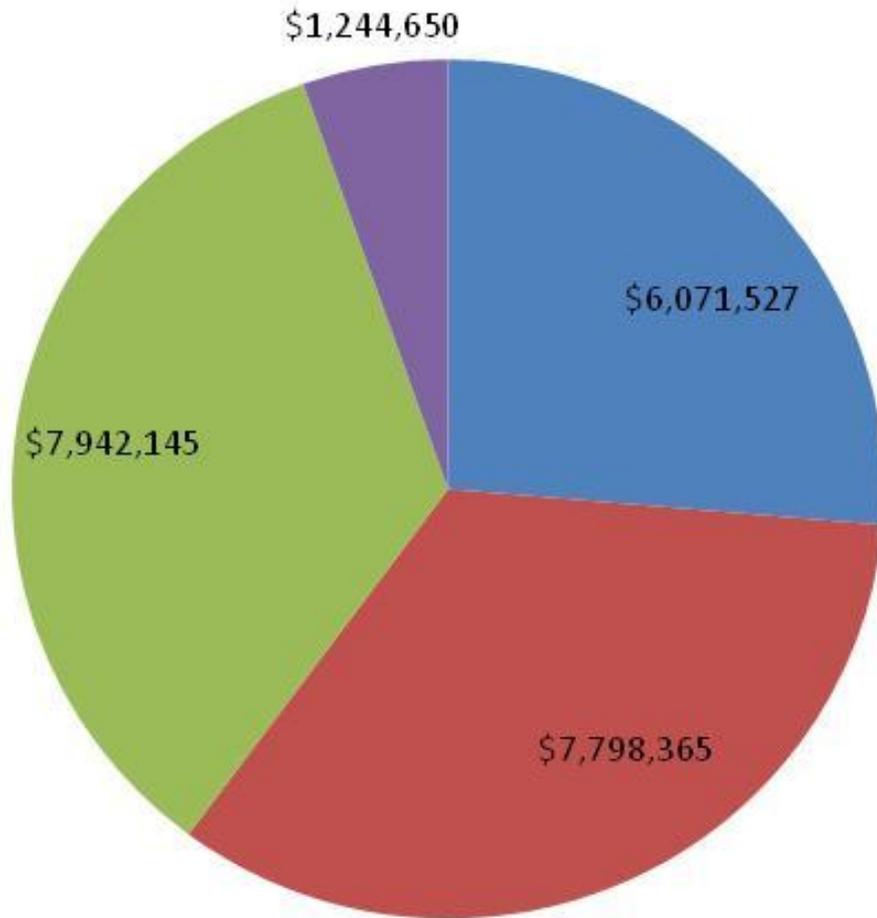
Events to Plan For

- Downturn in National & Local Economy
- Oil valuation dropped from \$74 to \$49
- Anticipate drop in local valuation to 07 levels
- Reduction of state aid of 4.25% for FY09 (-\$350,000)
- Reduction of state aid of an additional 10% for FY10 (-\$1,140,000)

- Possible mid-year reduction for FY10
- Market decline reduces Foundation scholarship contributions by approximately \$100,000.
- Reduction in interest received on cash
- Increase in minimum wage as of July 24, 2009 (\$6.55 to \$7.25)
- Increase in Food Service costs of 5.75%

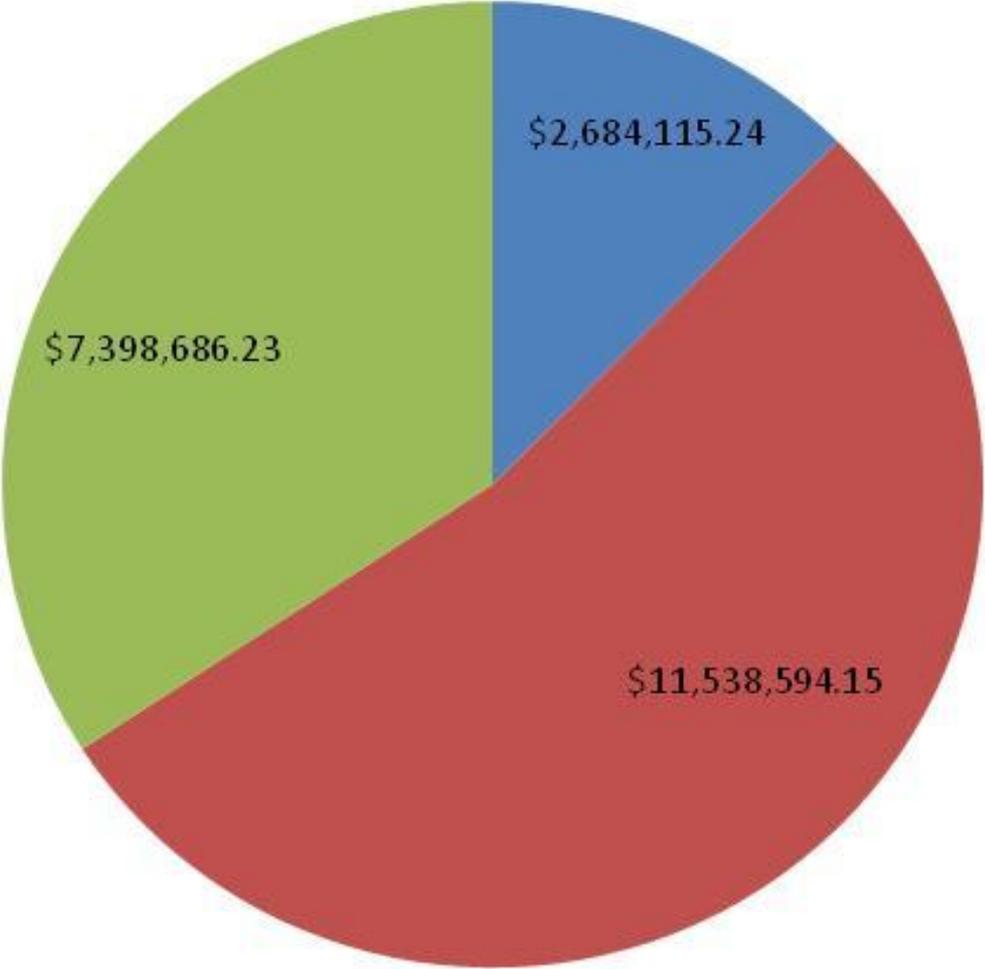
- Energy/utility costs, maintenance, supplies, technology enhancements, and insurance costs are expected to increase
- Anticipate 10% increase in Health Insurance costs
- Anticipate a 6 ½% reduction in M&E reimbursement (state) and possibly elimination of the second payment due to state revenues
- Elimination of the reinstated LAVTR (demand transfer) reimbursement
- Governor's budget for FY10 based on 3% growth

07-08 Revenue Sources



- Tuition & Fees = 26.3%
- State Operating Grant = 33.8%
- Taxes = 34.4%
- Other = 5.4%

07-08 Expenditures



- Benefits = 12.4%
- Salaries = 53.4%
- Operational = 34.2%

FY 2010 Estimated Loss in Revenue

- State Aid (estimated loss) - \$ 1,134,084
- Property Taxes (estimated loss) - \$ 397,166
- Interest (estimated loss) - \$ 51,000

- Total estimated loss in revenue - \$ 1,582,250

FY 2010 Budget Planning To Date (Revenue)

| | 08-09 Budget Revenue | 09-10 Budget Estimate | Difference | |
|-------------------------|-----------------------------|------------------------------|----------------------|----------------|
| Tuition/Fees/ Growth | \$ 6,308,000 | \$ 6,654,125 | \$ 346, 125 | 5.5% |
| Property Taxes | \$ 7,450,000 | \$ 7,052,834 | (\$ 397,166) | (5.3%) |
| State Aid | \$ 8,218,000 | \$ 7,083,916 | (\$1,134,084) | (13.8%) |
| Other taxes | \$ 870,000 | \$ 870,000 | \$ 0 | 0.0% |
| Other | \$ 707,000 | \$ 656,000 | (\$ 51,000) | (7.2%) |
| Total | \$23,553,000 | \$22,316,875 | (\$1,236,125) | (5.2%) |

FY 2010 Budget Planning To Date

Expenditures

| | 08-09 Budget Expenditures | 09-10 Budget Estimate | Difference | |
|----------------------|----------------------------------|------------------------------|-------------------|--------|
| Salaries | \$12,088,095 | \$11,952,848 | (\$135,247) | (1.1%) |
| Benefits | \$ 3,189,088 | \$ 3,159,088 | (\$ 30,000) | (0.9%) |
| Operational Expenses | \$ 8,077,673 | \$ 7,769,910 | (\$307,763) | (3.8%) |
| Total | \$23,354,856 | \$22,881,846 | (\$473,010) | (2.0%) |

**BARTON COUNTY COMMUNITY COLLEGE
GENERAL, VOCATIONAL, AND EMPLOYEE BENEFITS**

| | PLANNING | | ESTIMATE | | Snapshot as of March 2009-10 BUDGET |
|----------------------------------|---------------------------|-------------------------------------|---------------------------|-------------------------------------|--|
| | 2007-08 BUDGET | PERIOD ENDED 6/30/08 | 2008-09 BUDGET | PERIOD ENDED 6/30/09 | |
| Fund Balance, Beginning | 5,627,000 | 5,627,000 | 7,062,291 | 7,062,291 | 6,907,435 |
| Tuition and Fees | 5,971,000 | 6,071,527 | 6,308,000 | 6,308,000 | 6,654,125 |
| Property Taxes | 6,905,000 | 7,056,458 | 7,450,000 | 7,450,000 | 7,052,834 |
| State Aid | 7,798,000 | 7,798,365 | 8,218,000 | 7,865,000 | 7,083,916 |
| Other Taxes | 870,000 | 885,687 | 870,000 | 870,000 | 870,000 |
| Other | 382,000 | 1,244,650 | 707,000 | 707,000 | 656,000 |
| Total Revenue | 21,926,000 | 23,056,687 | 23,553,000 | 23,200,000 | 22,316,875 |
| Expenditures: | | | | | |
| Instruction (100) | 9,300,215 | 9,792,262 | 8,577,492 | 8,577,492 | 8,483,818 |
| Academic Support (200, 400) | 1,449,621 | 3,120,285 | 1,532,011 | 1,532,011 | 2,765,421 |
| Student Services (300, 500, 800) | 2,695,842 | 2,315,343 | 2,743,455 | 2,743,455 | 1,922,417 |
| Institutional Support (600, 900) | 6,289,767 | 4,359,173 | 7,526,791 | 7,526,791 | 6,732,739 |
| Physical Plant Operations (700) | 2,562,075 | 2,034,333 | 2,975,107 | 2,975,107 | 2,977,451 |
| Total Expenditures | 22,297,520 | 21,621,396 | 23,354,856 | 23,354,856 | 22,881,846 |
| | | | | | (564,971) |
| Fund Balance, Ending | 5,255,480 | 7,062,291 | 7,260,435 | 6,907,435 | 6,342,464 |

* Expenditures are divided by program. Program distinctions are recognized by all higher ed institutions. Federal reports are reported by program.

** Cash reserve at the end of the year needs to be maintained at 24% of the budget (change in dates that we receive property taxes inflates the percentage)

FY- 2009 & 2010

- Increase in Tuition & Fees
- Increase special fees for courses requiring additional supplies
- Increase in Student Housing rates
- Reduction in Operational budgets
- Reduction in Student Employment budgets
- Reduction in number and amounts of scholarships

- Wage freeze
- Reduced early retirement benefits
- Delay filling positions when possible
- Analyze all programs and services
- Increase Daycare services fees
- Eliminate beverage/meals in conjunction with staff/faculty/public meetings

- Cancel miscellaneous service/membership agreements for 2009 & 2010
- Reduce Library hours
- Close Classroom Building for summer operations & relocate classes and office staff
- Maintain warmer summer building temperatures
- Maintain cooler winter building temperatures
- Revise guidelines for payment and participation in professional/association memberships

- Reduce weekend building usage over the summer
- 4 ½ - day workweek for summer 2009
- 4 - day workweek for summer 2010
- Other considerations
- Impact of Federal Stimulus on Higher Education unknown at this time

Any Questions?