

July 26, 2016 Board Meeting Operational Budget

The FY17 Operational Budget has been provided for the Board to consider. The budget increases revenue by \$505,973 and increases expenditures by \$1,389,056 (option B) over last year's operational budget. The budget was developed assuming 2% decrease in enrollment for FY17.

As of the end of FY16, our cash reserves ended up at 55%. This was up from 44% the previous year. Our cash reserve takes more into account than actual cash within the General and PTE funds (General fund, PTE fund, accounts payable, misc. auxiliary accounts such as Aldrich, Capital Outlay, Student Salary, etc.) and is a calculation based on the current expenditure budget.

We ended FY16 with a cash carryover going into FY17. This carryover will be important as we will use this to offset the request for approximately \$20,000 less in taxes and a reduction in state aid. The carryover will also offset the FY17 budget deficit and any allotment that the Governor may request for next year.

The major changes to the FY17 budget include:

1	Information Technology (Replacement position + new position)	\$120,000
2	Information Technology - Increase in budget	\$29,600
3	Academic Requests - Facilities	\$96,800
4	Academic Requests - Faculty & Staff	\$243,000
5	Academic Requests - Professional Development	\$12,000
6	Academic Requests - Information Technology	\$20,000
7	Title IX - Travel/Training/Supplies	\$45,000
8	Golf and Tennis Increase (\$2,000 each)	\$4,000
9	Public Relations Dept. (Operational budget advertising increase request)	\$47,000
10	Part Time Wrestling Coach	\$20,000
11	Adjunct Faculty Salary Schedule increase	\$350,000
12	Faculty & Staff (increase of 4.0% in total regular salary budget)	\$478,000

			Option A - 3.5%	
			July 26, 2016 Board Meeting	
			Operational Budget FY17	
GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS			GENERAL, POSTSECONDARY TECHNICAL	
FUNDS FLOW ACTIVITY			& EMPLOYEE BENEFITS	
PERIOD ENDED JUNE 30, 2016		PERIOD	Operational Budget FY17	
	2015-16	ENDED	2016-17	Difference from
	BUDGET	06/30/16	BUDGET	15-16 Budget
Fund Balance, Beginning	12,888,581	12,888,581	15,296,783	
Tuition and Fees	13,570,538	14,041,001	14,142,820	572,282.69
Tuition AR (difference between years)	0	-188,646	0	0.00
Local Taxes	7,788,397	8,448,069	7,948,688	160,291.33
State Aid	8,135,034	8,117,352	7,798,433	-336,601.36
Other Taxes	1,100,000	1,255,581	1,225,000	125,000.00
Other	356,000	412,742	341,000	-15,000.00
Total Revenue	30,949,968	32,086,099	31,455,941	505,972.66
Expenditures:				
Instruction (100)	14,633,351	13,910,773	15,277,976	644,625.11
Academic Support (200, 400)	4,202,252	3,704,516	4,145,681	-56,571.67
Student Services (300, 500, 800)	2,920,563	2,746,456	3,059,627	139,063.34
Institutional Support (600, 900)	6,185,179	6,062,431	6,437,962	252,782.25
Physical Plant Operations (700)	3,950,854	3,253,720	4,332,671	381,817.56
Total Expenditures	31,892,200	29,677,897	33,253,916	1,361,716.58
Fund Balance, Ending	11,946,350	15,296,783	13,498,808	

			Option B - 4.0%	
			July 26, 2016 Board Meeting	
			Operational Budget FY17	
GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS			GENERAL, POSTSECONDARY TECHNICAL	
FUNDS FLOW ACTIVITY			& EMPLOYEE BENEFITS	
PERIOD ENDED JUNE 30, 2016		PERIOD	Operational Budget FY17	
	2015-16	ENDED	2016-17	Difference from
	BUDGET	06/30/16	BUDGET	15-16 Budget
Fund Balance, Beginning	12,888,581	12,888,581	15,296,783	
Tuition and Fees	13,570,538	14,041,001	14,142,820	572,282.69
Tuition AR (difference between years)	0	-188,646	0	0.00
Local Taxes	7,788,397	8,448,069	7,948,688	160,291.33
State Aid	8,135,034	8,117,352	7,798,433	-336,601.36
Other Taxes	1,100,000	1,255,581	1,225,000	125,000.00
Other	356,000	412,742	341,000	-15,000.00
Total Revenue	30,949,968	32,086,099	31,455,941	505,972.66
Expenditures:				
Instruction (100)	14,633,351	13,910,773	15,301,736	668,385.24
Academic Support (200, 400)	4,202,252	3,704,516	4,158,053	-44,199.42
Student Services (300, 500, 800)	2,920,563	2,746,456	3,066,179	145,615.52
Institutional Support (600, 900)	6,185,179	6,062,431	6,452,321	267,141.69
Physical Plant Operations (700)	3,950,854	3,253,720	4,337,150	386,296.43
Total Expenditures	31,892,200	29,677,897	33,315,439	1,423,239.46
Fund Balance, Ending	11,946,350	15,296,783	13,437,285	

			Option C - 4.5%	
			July 26, 2016 Board Meeting	
			Operational Budget FY17	
GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS			GENERAL, POSTSECONDARY TECHNICAL	
FUNDS FLOW ACTIVITY			& EMPLOYEE BENEFITS	
PERIOD ENDED JUNE 30, 2016			Operational Budget FY17	
	2015-16	PERIOD	2016-17	Difference from
	BUDGET	ENDED	BUDGET	15-16 Budget
		06/30/16		
Fund Balance, Beginning	12,888,581	12,888,581	15,296,783	
Tuition and Fees	13,570,538	14,041,001	14,142,820	572,282.69
Tuition AR (difference between years)	0	-188,646	0	0.00
Local Taxes	7,788,397	8,448,069	7,948,688	160,291.33
State Aid	8,135,034	8,117,352	7,798,433	-336,601.36
Other Taxes	1,100,000	1,255,581	1,225,000	125,000.00
Other	356,000	412,742	341,000	-15,000.00
Total Revenue	30,949,968	32,086,099	31,455,941	505,972.66
Expenditures:				
Instruction (100)	14,633,351	13,910,773	15,325,496	692,145.38
Academic Support (200, 400)	4,202,252	3,704,516	4,170,425	-31,827.17
Student Services (300, 500, 800)	2,920,563	2,746,456	3,072,731	152,167.71
Institutional Support (600, 900)	6,185,179	6,062,431	6,466,680	281,501.13
Physical Plant Operations (700)	3,950,854	3,253,720	4,341,629	390,775.29
Total Expenditures	31,892,200	29,677,897	33,376,962	1,484,762.34
Fund Balance, Ending	11,946,350	15,296,783	13,375,763	

Recommendation: Approve the operational budget (option B) as presented.