

# **Barton Community College**

## **July 27, 2021 Board Meeting**

### **Operational Budget**

The FY22 Operational Budget has been provided for the Board's consideration. The budget increases revenue by \$2,067,248 and increases expenditures by \$2,539,269 over last year's operational budget. Due to COVID, last year's operational budget was drastically reduced.

We ended FY21 with a carryover of \$710,022. This carryover was the result of various changes that occurred throughout the year:

- Unfilled positions due to the challenges of hiring faculty and staff.
- CARES Funding offset eligible expenditures.
- Reduction in state aid did not occur.
- Reduction in expenses due to COVID.
- Approximately \$386,202 reduction in UOF expenses due to lower enrollments at Riley/Leavenworth.

A summary of the significant changes in the FY22 Budget is below for the Board's consideration:

Updated - 07/08/21	General & PostSecondary Fund		Budget Summary		Potential Challenges to Plan for:
<b>Revenue</b>	<b>FY-22 Budget</b>	<b>Difference from FY-21 Budget</b>		<b>1</b>	FY21 -Decreases in on-campus enrollment for Summer, Fall, Spring - resulting in decreased Tuition and Fee revenue. Anticipate lower T&F revenue for Fall of 22.
Tuition/Fees	\$12,843,500	(\$121,500)	Credit Hour production calculated as being flat. T&F unchanged from FY21.	<b>2</b>	Property Taxes - Barton typically collects approximately 95% of taxes levied. Small valuation increase, however SB13 limits any additional tax revenue unless publication process is followed (Revenue Neutral). Delays budget process and forces the Trustees to increase or decrease the mill levy to remain revenue neutral.
Taxes	\$9,826,520	\$236,580	Estimated increase in valuation due to oil valuation increases from \$23 to \$38.	<b>3</b>	Stimulus dollars are restricted to specific uses (Federal). 50% of the dollars must be refunded directly to the students.
State Aid	\$8,846,635	\$951,064	Planned reduction for FY21 did not occur	<b>4</b>	3% of Salary budget for Regular (FT/PT) wage changes, 10% for base adjunct wage changes (\$600 per credit hour changing to \$660 per credit hour) - Heilman - \$730,997. Adjunct wage level have not changed since 2016. Option B and C provided to the Trustees for regular employees.
Misc.	\$1,421,304	\$1,001,104		<b>5</b>	Changes to the KDOC contract increase costs and reduce revenue.
<b>Total Revenue</b>	<b>\$32,937,959</b>	<b>\$2,067,248</b>			

Updated - 07/08/21	General & PostSecondary Fund		Budget Summary
<b>Expenses - Salaries &amp; Benefits &amp; Operations</b>			
Salaries	\$18,268,779	\$1,338,317	Includes new positions, replacement positions, and strategic plan additions
All Benefits ( SS, Insurance, Unemployment, KPERS)	\$4,168,000	\$235,000	
Operational Accounts	\$11,842,928	\$965,952	Includes strategic plan additions
<b>Expenses</b>	<b>\$34,279,707</b>	<b>\$2,539,270</b>	
Revenue versus Expenditures	(\$1,341,748)		

			<b>July 27, 2021 Board Meeting</b>	
			<b>Operational Budget FY-22</b>	
			<i>Option A - 3%</i>	
<b>GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS</b>			<b>GENERAL, POSTSECONDARY TECHNICAL</b>	
<b>FUNDS FLOW ACTIVITY</b>			<b>&amp; EMPLOYEE BENEFITS</b>	
<b>PERIOD ENDED JUNE 30, 2021</b>		<b>PERIOD</b>	<b>Operational Budget FY22</b>	
	<b>2020-21</b>	<b>ENDED</b>	<b>2021-22</b>	<b>Difference from</b>
	<b>BUDGET</b>	<b>06/30/21</b>	<b>BUDGET</b>	<b>20-21 Budget</b>
<b>Fund Balance, Beginning</b>	<b>18,786,245</b>	<b>18,786,245</b>	<b>19,496,267</b>	
Tuition and Fees	12,965,000	11,545,811	12,843,500	-121,500
Tuition AR (difference between years)	0	-112,437	0	
Local Taxes	8,389,939	8,581,405	8,431,520	41,580
State Aid	7,895,571	8,622,387	9,787,739	1,892,168
Other Taxes	1,200,000	1,133,349	1,395,000	195,000
Other	420,200	2,052,996	480,200	60,000
<b>Total Revenue</b>	<b>30,870,710</b>	<b>31,823,511</b>	<b>32,937,959</b>	<b>2,067,248</b>
<b>Expenditures:</b>				
Instruction (100)	13,723,576	12,422,939	14,361,602	638,026
Academic Support (200, 400)	3,281,233	3,071,287	3,516,179	234,946
Student Services (300, 500, 800)	3,070,686	3,092,394	3,518,994	448,308
Institutional Support (600, 900)	7,612,223	8,060,175	8,119,486	507,263
Physical Plant Operations (700)	4,052,720	4,466,694	4,763,446	710,726
<b>Total Expenditures</b>	<b>31,740,438</b>	<b>31,113,489</b>	<b>34,279,707</b>	<b>2,539,269</b>
Fund Balance, Ending	<b>17,916,518</b>	<b>19,496,267</b>	<b>18,154,519</b>	
Change in Fund Balance Ending	-869,727	710,022	-1,341,748	

			<b>July 27, 2021 Board Meeting</b>	
			<b>Operational Budget FY-22</b>	
			<b>Option B - 5%</b>	
<b>GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS</b>			<b>GENERAL, POSTSECONDARY TECHNICAL</b>	
<b>FUNDS FLOW ACTIVITY</b>			<b>&amp; EMPLOYEE BENEFITS</b>	
<b>PERIOD ENDED JUNE 30, 2021</b>		<b>PERIOD</b>	<b>Operational Budget FY22</b>	
	<b>2020-21</b>	<b>ENDED</b>	<b>2021-22</b>	<b>Difference from</b>
	<b>BUDGET</b>	<b>06/30/21</b>	<b>BUDGET</b>	<b>20-21 Budget</b>
<b>Fund Balance, Beginning</b>	<b>18,786,245</b>	<b>18,786,245</b>	<b>19,496,267</b>	
Tuition and Fees	12,965,000	11,545,811	12,843,500	-121,500
Tuition AR (difference between years)	0	-112,437	0	
Local Taxes	8,389,939	8,581,405	8,431,520	41,580
State Aid	7,895,571	8,622,387	9,787,739	1,892,168
Other Taxes	1,200,000	1,133,349	1,395,000	195,000
Other	420,200	2,052,996	480,200	60,000
<b>Total Revenue</b>	<b>30,870,710</b>	<b>31,823,511</b>	<b>32,937,959</b>	<b>2,067,248</b>
<b>Expenditures:</b>				
Instruction (100)	13,723,576	12,422,939	14,491,950	768,375
Academic Support (200, 400)	3,281,233	3,071,287	3,552,639	271,406
Student Services (300, 500, 800)	3,070,686	3,092,394	3,547,794	477,108
Institutional Support (600, 900)	7,612,223	8,060,175	8,169,363	557,141
Physical Plant Operations (700)	4,052,720	4,466,694	4,777,668	724,947
<b>Total Expenditures</b>	<b>31,740,438</b>	<b>31,113,489</b>	<b>34,539,414</b>	<b>2,798,977</b>
Fund Balance, Ending	<b>17,916,518</b>	<b>19,496,267</b>	<b>17,894,811</b>	
Change in Fund Balance Ending	-869,727	710,022	-1,601,456	

			<b>July 27, 2021 Board Meeting</b>	
			<b>Operational Budget FY-22</b>	
			<b>Option C - 7%</b>	
<b>GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS</b>			<b>GENERAL, POSTSECONDARY TECHNICAL</b>	
<b>FUNDS FLOW ACTIVITY</b>			<b>&amp; EMPLOYEE BENEFITS</b>	
<b>PERIOD ENDED JUNE 30, 2021</b>		<b>PERIOD</b>	<b>Operational Budget FY22</b>	
	<b>2020-21</b>	<b>ENDED</b>	<b>2021-22</b>	<b>Difference from</b>
	<b>BUDGET</b>	<b>06/30/21</b>	<b>BUDGET</b>	<b>20-21 Budget</b>
<b>Fund Balance, Beginning</b>	<b>18,786,245</b>	<b>18,786,245</b>	<b>19,496,267</b>	
Tuition and Fees	12,965,000	11,545,811	12,843,500	-121,500
Tuition AR (difference between years)	0	-112,437	0	
Local Taxes	8,389,939	8,581,405	8,431,520	41,580
State Aid	7,895,571	8,622,387	9,787,739	1,892,168
Other Taxes	1,200,000	1,133,349	1,395,000	195,000
Other	420,200	2,052,996	480,200	60,000
<b>Total Revenue</b>	<b>30,870,710</b>	<b>31,823,511</b>	<b>32,937,959</b>	<b>2,067,248</b>
<b>Expenditures:</b>				
Instruction (100)	13,723,576	12,422,939	14,622,299	898,723
Academic Support (200, 400)	3,281,233	3,071,287	3,589,098	307,865
Student Services (300, 500, 800)	3,070,686	3,092,394	3,576,595	505,908
Institutional Support (600, 900)	7,612,223	8,060,175	8,219,241	607,018
Physical Plant Operations (700)	4,052,720	4,466,694	4,791,889	739,169
<b>Total Expenditures</b>	<b>31,740,438</b>	<b>31,113,489</b>	<b>34,799,122</b>	<b>3,058,684</b>
Fund Balance, Ending	<b>17,916,518</b>	<b>19,496,267</b>	<b>17,635,104</b>	
Change in Fund Balance Ending	-869,727	710,022	-1,861,163	

			<b>July 27, 2021 Board Meeting</b>	
			<b>Operational Budget FY-22</b>	
			<i>Option D - 10%</i>	
<b>GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS</b>			<b>GENERAL, POSTSECONDARY TECHNICAL</b>	
<b>FUNDS FLOW ACTIVITY</b>			<b>&amp; EMPLOYEE BENEFITS</b>	
<b>PERIOD ENDED JUNE 30, 2021</b>		<b>PERIOD</b>	<b>Operational Budget FY22</b>	
	<b>2020-21</b>	<b>ENDED</b>	<b>2021-22</b>	<b>Difference from</b>
	<b>BUDGET</b>	<b>06/30/21</b>	<b>BUDGET</b>	<b>20-21 Budget</b>
<b>Fund Balance, Beginning</b>	<b>18,786,245</b>	<b>18,786,245</b>	<b>19,496,267</b>	
Tuition and Fees	12,965,000	11,545,811	12,843,500	-121,500
Tuition AR (difference between years)	0	-112,437	0	
Local Taxes	8,389,939	8,581,405	8,431,520	41,580
State Aid	7,895,571	8,622,387	9,787,739	1,892,168
Other Taxes	1,200,000	1,133,349	1,395,000	195,000
Other	420,200	2,052,996	480,200	60,000
<b>Total Revenue</b>	<b>30,870,710</b>	<b>31,823,511</b>	<b>32,937,959</b>	<b>2,067,248</b>
<b>Expenditures:</b>				
Instruction (100)	13,723,576	12,422,939	14,817,821	1,094,246
Academic Support (200, 400)	3,281,233	3,071,287	3,643,787	362,555
Student Services (300, 500, 800)	3,070,686	3,092,394	3,619,795	549,109
Institutional Support (600, 900)	7,612,223	8,060,175	8,294,057	681,835
Physical Plant Operations (700)	4,052,720	4,466,694	4,813,221	760,501
<b>Total Expenditures</b>	<b>31,740,438</b>	<b>31,113,489</b>	<b>35,188,683</b>	<b>3,448,245</b>
<b>Fund Balance, Ending</b>	<b>17,916,518</b>	<b>19,496,267</b>	<b>17,245,543</b>	
<b>Change in Fund Balance Ending</b>	<b>-869,727</b>	<b>710,022</b>	<b>-2,250,724</b>	

**Recommendation – Approve one of the four options of the Operational Budget as presented.**