

July 11, 2017 Study Session

Operational Budget

The FY18 Operational Budget has been provided for the Board to consider. The budget increases revenue by \$82,599 and decreases expenditures by \$372,665 (option A – 2% added to salary budget) over last year's operational budget. Option B (4% added to the salary budget) would add \$250,000 to the expenditures. The budget was developed assuming flat enrollment for FY18.

As of the end of FY17, our cash reserves ended up at 51.15%. 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, Investments, etc.) and is a calculation based on the current expenditure budget.

We ended FY17 with a cash carryover going into FY18. This was due to a reduction in expenses (primarily instructional) as well as accounts receivable was better than expected. This carryover will be important as the carryover may be needed to offset the deficit in the proposed FY18 budget.

A summary of the significant changes in the FY18 Budget (option A) is below:

Updated - 7/3/17			Budget Summary		Included in Budget
Revenue	FY-18 Budget	Difference from FY17 Budget		Additional Requests	\$1,245,800
Tuition/Fees	\$13,782,317	(\$360,503)		1 Academic Requests	\$400,000
Taxes	\$9,616,791	\$443,103	No change in Mill Levy	2 Banner User Specialist (HR, Finance, F/A, Enrollment Services)	\$55,000
State Aid	\$7,598,433	\$0		3 Admissions Rep	\$35,000
SB155 & AOK	\$200,000	\$0		4 Admissions Texting software	\$6,000
Other	\$341,000	\$0		5 PR - Staff member	\$45,000
				6 Faculty & Staff Wage changes	\$350,000
				7 Professional Development Coordinator (1/2 year)	\$25,000
				8 Title IX/Attorney fees	\$25,000
Total Revenue	\$31,538,540	\$82,599		9 Information Technology	\$65,000
				10 Security	\$70,000
				11 Athletics	\$47,000
				12 Marketing/PR	\$103,000
Expenses - Salaries & Benefits & Operations				13 Institutional Research	\$19,800
				14	
Salaries	\$17,454,315	(\$475,989)		15	
				16	
All Benefits (SS, Insurance, Health Care Reform, Unemployment, 403B)	\$4,222,000	(\$239,000)		17	
				18	
Operational Accounts	\$11,266,459	\$342,324		19	
				20	
Expenses	\$32,942,774	(\$372,665)		21	
				22	
Revenue versus Expenditures	(\$1,404,234)			23	

			July 25, 2017 Board Meeting	
			Operational Budget FY18	
			Option A	
GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS			GENERAL, POSTSECONDARY TECHNICAL	
FUNDS FLOW ACTIVITY			& EMPLOYEE BENEFITS	
PERIOD ENDED JUNE 30, 2017			Operational Budget FY18	
	2016-17	PERIOD	2017-18	Difference from
	BUDGET	ENDED	BUDGET	16-17 Budget
		06/30/17		
Fund Balance, Beginning	15,296,783	15,296,783	16,396,915	
Tuition and Fees	14,142,820	12,919,958	13,782,317	-360,503
Tuition AR (difference between years)	0	-24,979		
Local Taxes	7,948,688	7,768,182	8,391,791	443,103
State Aid	7,798,433	7,748,417	7,798,433	0
Other Taxes	1,225,000	1,099,342	1,225,000	0
Other	341,000	710,610	341,000	0
Total Revenue	31,455,941	30,221,530	31,538,541	82,599
Expenditures:				
Instruction (100)	15,301,736	13,442,146	14,687,009	-614,727
Academic Support (200, 400)	4,158,053	3,245,042	3,508,207	-649,847
Student Services (300, 500, 800)	3,066,179	2,843,484	3,190,061	123,883
Institutional Support (600, 900)	6,452,321	6,330,310	6,933,056	480,735
Physical Plant Operations (700)	4,337,150	3,260,416	4,624,442	287,292
Total Expenditures	33,315,439	29,121,398	32,942,774	-372,665
Fund Balance, Ending	13,437,285	16,396,915	14,992,681	
	-1,859,498	1,100,132	-1,404,234	

Option B (4% added to the salary budget) would add \$250,000 to the expenditures.