

July 09, 2019 Study Session

Operational Budget

The FY20 Operational Budget has been provided for the Board to consider. The budget increases revenue by \$250,630 and increases expenditures by \$816,324 over last year's operational budget. The budget was developed assuming flat enrollment for FY20.

As of the end of FY19, our cash reserves ended up at 54%. 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 FY19 with a carryover of \$1,398,018. This carryover was due to a reduction in enrollment which in turn reduced operational costs (salaries, benefits, operations).

A summary of the significant changes in the FY20 Budget is below for the Board's consideration:

						Requested	Tentative
Updated - 07/02/19		Budget Summary - DRAFT 4				\$8,582,056	\$1,206,414
Revenue	FY-20 Budget	Difference from FY19 Budget		Additional items included in this year's budget			
Tuition/Fees	\$12,960,000	(\$514,000)	No change in credit hours, reduced fee revenue due to increased scholarship offerings	1	5% of Salary budget for wage changes	\$700,000	\$700,000
Taxes	\$9,968,856	\$303,856	Reduction in Mill Levy, increase in valuation	2	Facility Requests - Dean	\$998,950	\$20,000
State Aid	\$8,226,730	\$418,774	Restoration of the 4% previously cut funds + additional funding	3	Athletic Requests - Rolfs	\$4,065,400	\$140,000
SB155 & AOK	\$230,000	\$20,000		4	Academic Plan - Simmons	\$1,888,766	\$207,374
Other	\$370,000	\$22,000		5	Student Support - Maddy	\$200,440	\$39,040
				6	Marketing initiative - Heilman	\$100,000	\$100,000
Total Revenue	\$31,755,586	\$250,630					
Expenses - Salaries & Benefits & Operations							
Salaries	\$16,953,894	(\$686,381)	Reduction in salaries due to canceled positions, retirements, & positions hired at lower rate, includes 0% change to base salary budget				
All Benefits (SS, Insurance, Unemployment, KPERS)	\$4,213,096	\$40,000	Increased cost due to out-of-state unemployment and work comp				
Operational Accounts	\$11,519,315	\$256,292	Includes increase in IT budget, parking lot replacement				
Additional Tentative Approved requests	\$1,206,414	\$1,206,414	Tentative requests				
Expenses	\$33,892,719	\$816,324					
Revenue versus Expenditures							
	(\$2,137,133)						

				July 23, 2019 Board Meeting	
				Operational Budget FY-20	
GENERAL, POSTSECONDARY TECHNICAL, AND EMPLOYEE BENEFITS				GENERAL, POSTSECONDARY TECHNICAL	
FUNDS FLOW ACTIVITY				& EMPLOYEE BENEFITS	
PERIOD ENDED JUNE 30, 2019				Operational Budget FY20	
	2018-19	PERIOD	YTD	2019-20	Difference from
	BUDGET	ENDED	AVAILABLE	BUDGET	18-19 Budget
		06/30/19			
Fund Balance, Beginning	16,293,239	16,293,239		17,691,255	
Tuition and Fees	13,474,000	12,710,195	763,805	12,960,000	-514,000
Tuition AR (difference between years)	0	95,350		0	
Local Taxes	8,465,000	8,950,753	-485,753	8,768,856	303,856
State Aid	8,017,956	8,085,301	-67,345	8,456,730	438,774
Other Taxes	1,200,000	1,199,189	811	1,200,000	0
Other	348,000	725,108	-377,108	370,000	22,000
Total Revenue	31,504,956	31,765,895	-165,590	31,755,586	250,630
Expenditures:					
Instruction (100)	14,920,716	13,559,644	1,361,072	14,787,018	-133,698
Academic Support (200, 400)	3,440,378	3,215,581	224,797	3,630,309	189,931
Student Services (300, 500, 800)	3,191,773	3,086,072	105,701	3,376,985	185,212
Institutional Support (600, 900)	7,484,427	6,986,574	497,853	8,025,880	541,453
Physical Plant Operations (700)	4,039,101	3,520,008	519,093	4,072,527	33,426
Total Expenditures	33,076,395	30,367,879	2,708,516	33,892,719	816,324
Fund Balance, Ending	14,721,800	17,691,255		15,554,122	
Change in Fund Balance Ending	-1,571,439	1,398,016		-2,137,133	