



Board Budget Committee

- **Work Session**
- **Budget Hearing**

April 20, 2017

Budget Book Overview

- Budget message
- College Overview
- Budget Process and Structure
- Summarized Budget Information
- Debt Summary
- Capital Improvements Summary
- Individual Fund Budgets
- Budget Process and Legal Forms
- Financial Policies

Budget Book Overview

- Summarizes the thousand page working budget.
- As information is summarized, not every department is delineated in the budget book.
- Covers the time period from July 1, 2017 through June 30, 2019.

Board Responsibilities

- Discuss the budget, as the Budget Committee, hold the public meeting and approve the budget and tax levy for submission to the Multnomah Tax Supervising and Conservation Commission (TSCC).
- On May 17th TSCC will hold a public hearing on the budget, make any recommendations and approve the budget.
- At the June 15th Board meeting the Board approves the budget, appropriation levels and tax levies.

Budget Overview

- Budget includes all 17 Funds of the College, not just the General Fund.
- Budgeted expenditures for the Biennium, inclusive of all Funds, totals \$1,165,891,587.
- The General Fund is the primary operating fund of the College.
- Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes and include:
 - Auxiliary - Contracts and Grants - CEU/CED
 - Student Activities - Student Financial Aid Funds

Budget Overview

- The College also maintains Capital Projects funds relating to the acquisition, construction and remodeling of capital facilities. This includes both the Capital Projects and Capital Construction Funds (Bond Program).
- Enterprise Funds are for operations which are financed and operated in a manner similar to private businesses and includes:
 - Bookstore,
 - Food Services
 - Parking Operations Funds.
- Internal Services Funds are utilized for the financing of goods or services provided by one department to other departments on a cost reimbursement basis and include:
 - Print Center
 - PERS Reserve
 - Risk Management Funds.

Budget Overview

- Fiduciary Funds account for assets held by the College in a trustee capacity or as an agent of others. The Early Retirement Fund falls in this category.
- Debt Service Funds account for the repayment of principal and interest on the College's bonded debt obligations. The College maintains both a General Obligation Bond Fund and a PERS Debt Service Fund.

General Fund

- State funding is uncertain, CCSF has been budgeted at \$550 million.
- Beginning fund balance of \$27,166,999. If funds are spent and projects are completed in FY15-17 Biennium the fund balance will be reduced accordingly.
- Budgeted revenues and transfers in of \$475,535,699.
- Budgeted expenditures and transfers out of \$481,317,742

General Fund

- Expenditures include \$38,631,860 in contingency
- Contingency must cover:
 - Bargained salary increases
 - Benefit increases
 - Campus margin allocations
 - Implementation of the strategic plan initiatives,
 - Unplanned emergencies
 - Replenishing the fund balance
- Unappropriated Ending Fund balance budgeted at \$21,384,956

General Fund

Other key revenue assumptions:

- \$7/\$7 per credit hour tuition rate increase.
- No enrollment increase or decrease each year of the biennium
- Continued modest property tax growth
- Goal to replenish the fund balance and allow for the implementation of strategic plan initiatives.

Auxiliary Fund

- This fund accounts for a variety of pilot programs and other College sponsored activities.
- Major revenue sources are facilities usage charges and other campus activities.
- Major expenditures are costs associated with facility rentals and other campus activities.
- Budgeted expenditures of \$1,391,734
- Ending Fund Balance of \$323,348

CEU/CED (1900) Fund

- This fund was established to provide a separate accounting of revenues and expenditures for self-improvement and non-traditional credit courses.
- Registration fees are the primary revenue source.
- Budgeted expenditures of \$19,017,019

Contracts and Grants Fund

- This fund accounts for federal, state, and local grants and contracts which fund various training and literary programs, the development and operation of experimental programs, and the improvement and enhancement of existing programs.
- This fund is experiencing growth as funding increases from outside sources and agencies.
- Expenditures are dictated by the terms agreed upon with the granting agencies.
- Budgeted expenditures of \$67,558,017

Student Activities Fund

- This fund was established to account for programs and activities related to student functions, including student government, legislative intern program, diversity center augmentation, intramural activities, and the Phi Beta Kappa national honor society.
- A \$.95/credit hour increase in student fees was approved by the Board. Itemized increases listed below:
 - Minimum wage \$.15/credit hour
 - Food and Housing Insecurity \$.20/credit hour
 - Diversity Retention Center \$.20/credit hour
 - ASPCC \$.40/credit hour
- Overall projected increase in funding sources this biennium \$1,342,423.
- Budgeted expenditures \$5,890,246.

Student Financial Aid Fund

- This fund was established to provide for a separate accounting of student financial assistance.
- Federal and state student aid programs are the primary revenue source.
- Federal sources including Perkins, Pell Grant and direct student loans are projected to decrease by approximately \$20 million over the biennium.
- Budgeted expenditures of \$284,543,110.

Capital Projects Fund

- This fund was established to account for expenditures for minor construction projects, remodeling, maintenance of facilities, deferred maintenance and replacement of major equipment.
- The primary revenue source is a transfer from the General Fund. This includes spending for contracted specialized projects managed by Facility Management Services.
- Budgeted expenditures of \$6,386,691.
- The ending fund balance is expected to be zero by the end of the biennium.

Capital Construction Fund (Bond Program)

- This fund was established to account for major construction projects funded by voter approved bond authority.
- The major revenue sources are proceeds from bond sales and interest on investments.
- Budgeted expenditures of \$60,630,000. This does not include budgeting for funding that may result from the Bond ballot measure scheduled for November 2017.
- Ending fund balance of \$374,611.

Bookstore Fund

- The College Bookstore operation provides students and staff with books and instructional supplies needed to carry out their educational programs.
- The major revenue source is proceeds from sale of merchandise.
- The major expenditures are staff costs and the cost of merchandise.
- Budgeted expenditures of \$36,290,817.

Food Services Fund

- This fund accounts for the operation of the cafeterias and related food services.
- The major revenue source is proceeds from the sale of food items.
- The major expenditures are staff costs and the cost of food service products.
- Budgeted expenditures of \$13,205,796.

Parking Operations Fund

- This fund accounts for the College parking program and transportation program.
- The major revenue sources are from the sale of parking permits and a student transportation fee.
- Resources are expended for alternative transportation options (subsidized TriMet passes) and maintenance of the parking lots.
- Budgeted expenditures of \$13,416,791.

Print Center Fund

- This fund was established to account for expenses related to printing and photocopying.
- The major revenue source is charges for services to the College's operating funds.
- Budgeted expenditures of 2,844,561.
- Ending fund balance of \$113,668

PERS Internal Services Reserve Fund

- This fund was established to centrally manage and account for the additional PERS employer rate.
- The primary source of revenue is from charges to the College's operating funds on all salaries subject to PERS.
- The primary expenditure is a transfer of accumulated charges to pay for the principal and interest on the PERS Debt Service Bond Issue.
- \$2.5 million per year of the fund balance is being used to pay down the debt over the next 10 yrs.
- Budgeted expenditures \$24,612,318.
- Ending fund balance of \$19,416,512.

Risk Management Fund

- This fund was established for expenses relating to the College's management of its property, casualty, liability, unemployment and worker's compensation insurance.
- The primary source of revenue is from charges to the College's operating funds and a transfer from the General Fund.
- The primary expenditures are the payment of policy premiums and the settlement of claims.
- Budgeted expenditures of \$6,385,588.
- Ending fund balance of \$5,943,505.

Early Retirement Fund

- This fund was established to account for the accumulation of resources to meet future obligations of the early retirement program.
- The primary source of revenue is a transfer from the General Fund.
- The primary expenditures are the payment of policy premiums and the settlement of claims.
- Budgeted expenditures of \$1,539,812.
- Ending fund balance of \$310,998.

Debt Service - General Obligation Bond Fund

- This fund was established to account for the accumulation of resources for the payment and principal and interest on the general obligation bonds.
- The primary source of revenue is property taxes.
- The primary expenditures are the payment of principal and interest on the general obligation bonds.
- Budgeted expenditures of \$71,556,726.
- Ending fund balance of \$2,165,493.

Debt Service - PERS

- This fund was established to account for the accumulation of resources for the payment of principal and interest on the PERS bonds.
- The primary source of revenue is the transfer from the PERS Internal Service Reserve Fund.
- Budgeted expenditures of \$19,112,318.
- PERS Debt Service will be paid off in the 2027 fiscal year.