

# Portland Community College Proposed Budget 2019-2021 Biennium

April 18, 2019  
Budget Overview  
PCC Finance & Administration  
Board - Work Session

# BOARD RESPONSIBILITIES

1. Convene as the College Budget Committee to conduct a public meeting regarding the Proposed Biennial Budget with public comment.
2. Consider and approve the Proposed Budget as presented by the President in accordance with the College President's Duties and Responsibilities (B213) and Board Duties and Responsibilities (B214).
3. Levy Property Taxes for the next two years.
4. Submit Budget to the Multnomah Tax Supervising and Conservation Commission (TSCC) for review and certification.

# TSCC RESPONSIBILITIES

## **Extensive Review of the Proposed Budget – Both Procedural & Substantive:**

1. Establish Compliance with Local Finance Laws and Local Budget Law.
2. Verify the Approved Tax Levies are within Constitutional Limits and Substantiated by Budget.
3. Ensure Public Notice Requirements are Met.
4. Validate Financial Information includes Sufficient Detail.
5. Review Program Content.
6. Confirm Reasonableness of Estimates.
7. Determine Coordination of Financial Planning among Units.
8. Conduct Public Hearing.

# BUDGET DEVELOPMENT PROCESS

- Began budget discussions and modeling - Summer 2018
- Developed budget in line with established budget principles.
- Developed the budget to strategically align with the President's Work Plan to improve opportunity and strive toward equitable student success.
- Leveraged resources for the implementation of key initiatives including Excellence in Teaching, DEI, YESS, and Strategic Enrollment Plan.
- Conducted eight budget forums, including three specifically for students.

# BUDGET ASSUMPTIONS

- Budget forecasting the Community College Support Fund at \$590 million consistent with the Joint Ways and Means preliminary budget framework.
- Forecast 4% decline in full-time equivalent (FTE) students in FY 2020 and an additional 3% decline in FY 2021.
- Plan for property tax revenues to grow approximately 3.5% each year of the biennium based on prior years' history.
- Reduce college expenses so that the majority of any budget shortfall does not fall on students through increases in tuition and fees.
- Build a General Fund unrestricted fund balance within the range of 9% to 18% of annual operating expenditures and transfers, to ensure institutional stability, and long-term fiscal integrity consistent with Board Policy B510 (Reserve Funds).

# BUDGET TIMELINE

- April 18** Board meets as Budget Committee to approve proposed biennial budget.
- April 23** Budget Office meets with TSCC in preparation for hearing.
- May 15** TSCC Public Hearing to approve and certify budget.
- June 20** Board approves FY'19 supplemental budget.  
(Public notice required due to pension obligation bonds.)
- June 20** Board holds public meeting to adopt the biennial budget and appropriations and approve resolution to levy taxes.
- July 15** File Property Tax Levy Forms & Adopted Budget with TSCC, County Assessors, and Oregon Department of Revenue.

# BUDGET HIGHLIGHTS - COMPREHENSIVE BUDGET

## College Utilizes 17 Funds to Account for Operations

Total Budget - ALL FUNDS	\$1,348,549,285
Total Budget - ALL FUNDS FY 2017-2019	\$1,165,891,587
• Increase in Budget	15.7%

# BUDGET HIGHLIGHTS - GENERAL FUND

## College's Primary Operating Account

General Fund– Total Appropriations	\$485,713,930
Unappropriated Ending Fund Balance:	\$ 22,733,321
Total General Fund	\$508,447,251

Total General Fund Budget - FY2017-2019	\$502,702,698
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- Increase in Budget 1.1%
- Tuition and Fees: \$185,403,990 represent **39%** of total GF operating revenues and roughly **34%** of the initial expected budget shortfall.
- State Sources: \$198,217,222 represent **42%** of total GF operating revenues.
- Unappropriated Ending Fund Balance is budgeted at **10%** of operating expenditures and transfers out.