

Board of Trustees FY 2017-18 Budget Workshop

April 20, 2017

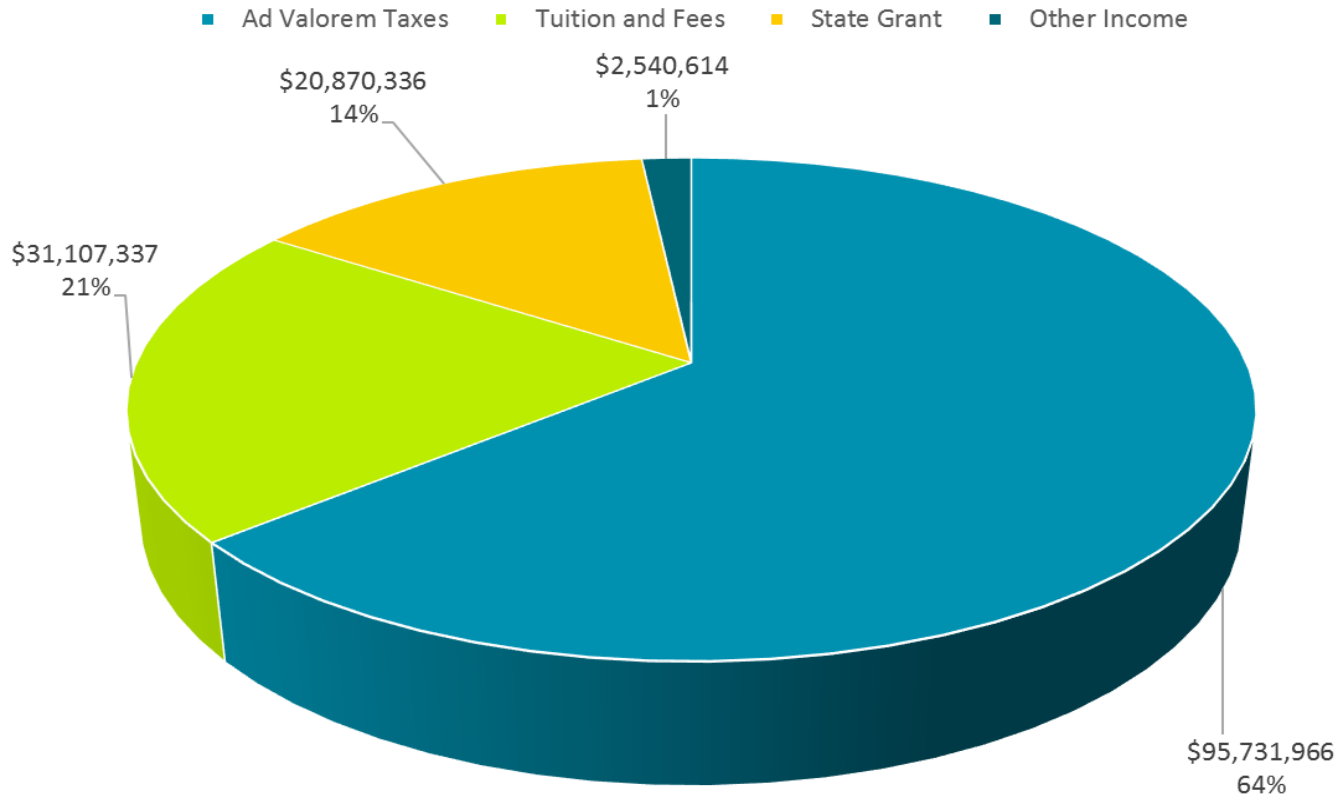
JOHNSON COUNTY[™]
COMMUNITY COLLEGE



FY 2017-18 Budget - Revenue

- General Fund revenue growth is generated by 7.5% increase in County assessed valuation and increased motor vehicle tax estimates
- Tuition revenue is budgeted to remain flat with the current year with no increase in student tuition and fees and no change in budgeted student credit hour enrollment
- State funding, which was cut 4% this year, will again be budgeted to allow for a potential 10% cut

General/PTE Funds Revenue Budget 2017-2018



FY 2017-18 Budget - Expenses

Salaries and Benefits Budgets:

- Salary budgets reflect average 2.75% salary increase for faculty and staff
- Budget includes no increase in net full time positions
- Certain positions have been reallocated between departments or programs

FY 2017-18 Budget - Expenses

Operating Budgets:

- Operating budgets recommended by budget administrators
- Budgets are generally consistent with prior year with exception of increases in costs such as insurance and software licenses
- Non-capital furniture and equipment budgets (\$2.2 million) are now included in Operating category instead of Capital

FY 2017-18 Budget - Expenses

Capital Budgets:

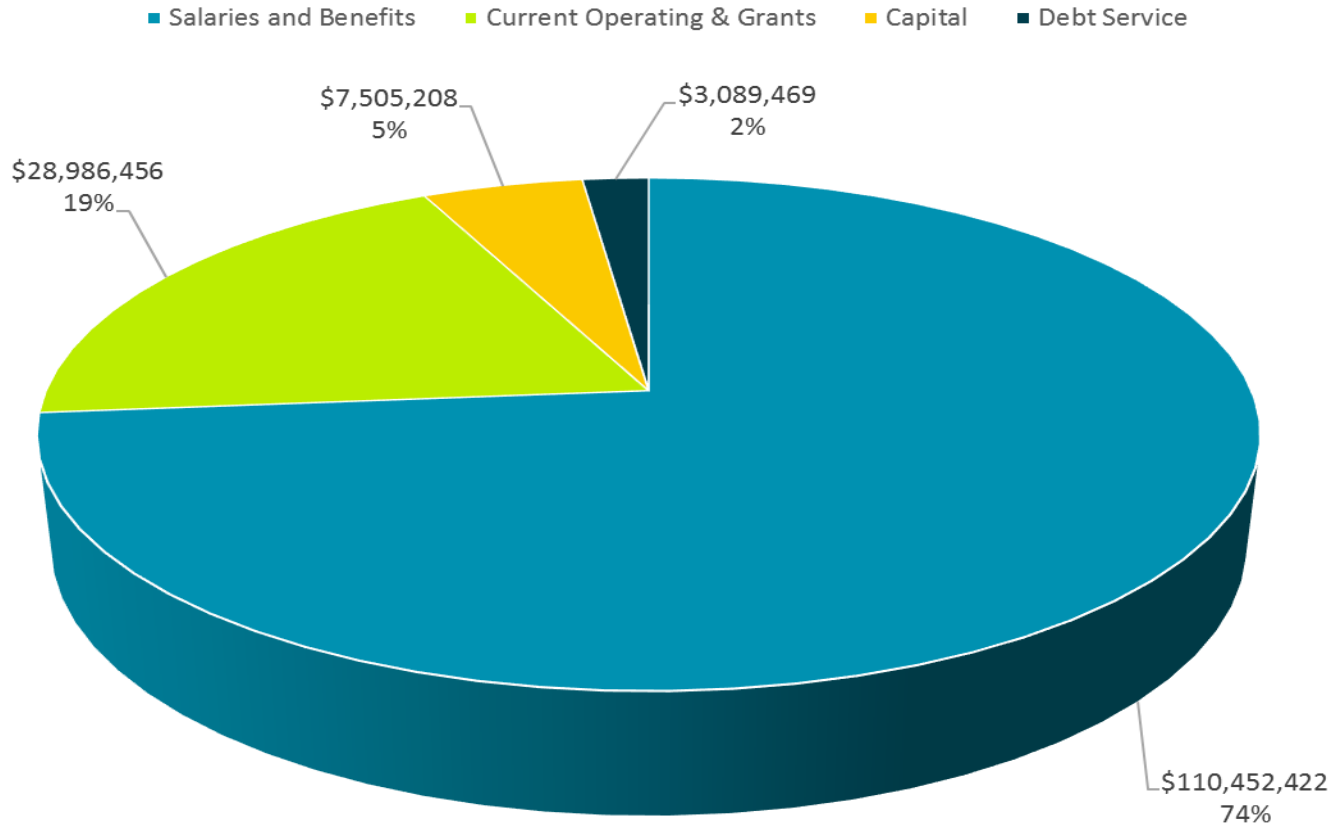
- Capital budgets include funding for equipment, technology, office/classroom painting and carpeting, and other remodel requests
- An additional \$1 million allocation for Active Learning Classrooms
- Capital allocation of \$3 million for priorities identified in the \$102 million facilities master plan

FY 2017-18 Budget - Expenses

Debt Service Budgets:

- General fund debt service budget includes scheduled principal and interest payments on Series 2009 Certificates of Participation (Olathe Health Education Center) as well as estimated principal and interest on planned Series 2017 financing related to construction of new Arts and Career and Technical Education Buildings

General/PTE Funds Expense Budget 2017-2018



JOHNSON COUNTY COMMUNITY COLLEGE

BUDGET COMPARISONS

GENERAL/PTE FUNDS

	Adopted Budget FY 2017	Proposed Budget FY 2018	% Change
Revenue:			
Ad Valorem (Property Taxes)	\$ 87,460,211	\$ 95,731,966	9.5%
Tuition and Fees	31,107,337	31,107,337	0.0%
State Aid	20,870,336	20,870,336	0.0%
Other Income	2,420,685	2,460,400	1.6%
Investment Income	78,641	80,214	2.0%
Use of Reserves	4,771,286	-	-100.0%
	146,708,496	150,250,253	2.4%
Expense:			
Salaries and Benefits	\$ 111,866,284	\$ 110,452,422	-1.3%
Current Operating & Grants	27,349,946	28,986,456	6.0%
Capital	6,526,138	7,505,208	15.0%
Debt Service	966,128	3,089,469	219.8%
	146,708,496	150,033,555	2.3%
Contribution to/(Use of) Reserves	\$ -	\$ 216,698	

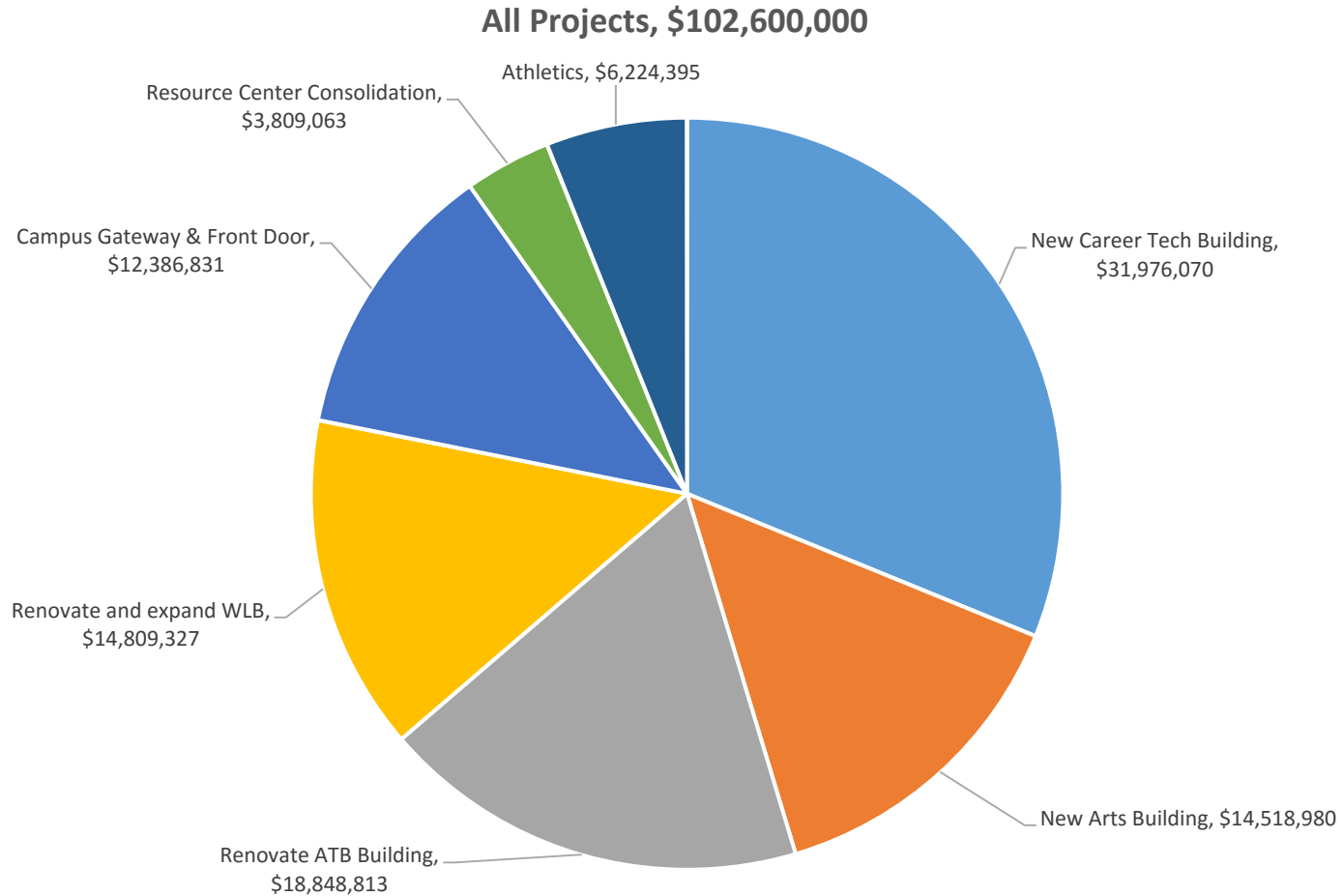
JOHNSON COUNTY COMMUNITY COLLEGE

ACTUAL COMPARISONS

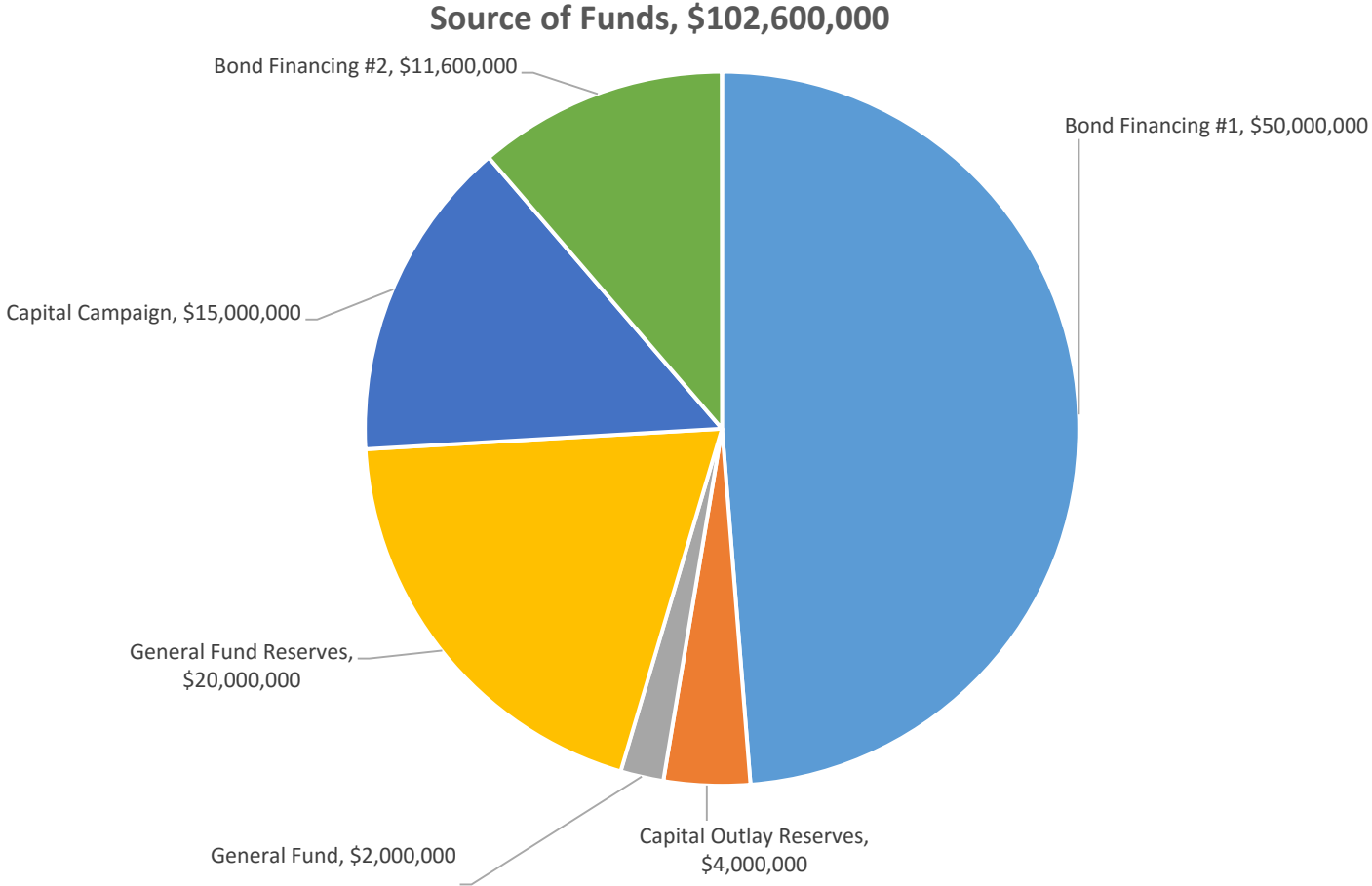
GENERAL/PTE FUNDS

	Actual FY 2016	Estimated FY 2017	Estimated FY 2018	% Change '18 to '17	% Change '18 to '16
Revenue:					
Ad Valorem (Property Taxes)	\$ 85,397,219	\$ 87,460,211	\$ 95,731,966	9.5%	12.1%
Tuition and Fees	30,110,838	31,107,337	31,107,337	0.0%	3.3%
State Aid	23,271,590	22,340,000	20,870,336	-6.6%	-10.3%
Other Income	2,625,407	2,420,685	2,460,400	1.6%	-6.3%
Investment Income	184,775	78,641	80,214	2.0%	-56.6%
Use of Reserves		-	-		
	141,589,829	143,406,874	150,250,253	4.8%	6.1%
Expense:					
Salaries and Benefits	\$ 103,612,762	\$ 106,272,970	\$ 108,243,374	1.9%	4.5%
Current Operating & Grants	21,633,178	25,982,449	28,406,727	9.3%	31.3%
Capital	7,986,786	6,199,831	7,355,104	18.6%	-7.9%
Debt Service	977,181	966,128	3,089,469	219.8%	216.2%
	134,209,907	139,421,378	147,094,673	5.5%	9.6%
Contribution to/(Use of) Reserves	\$ 7,379,922	\$ 3,985,496	\$ 3,155,580		
	*actual 94% exp rate	*est 95% exp rate	*est 98% exp rate		

Facilities Master Plan

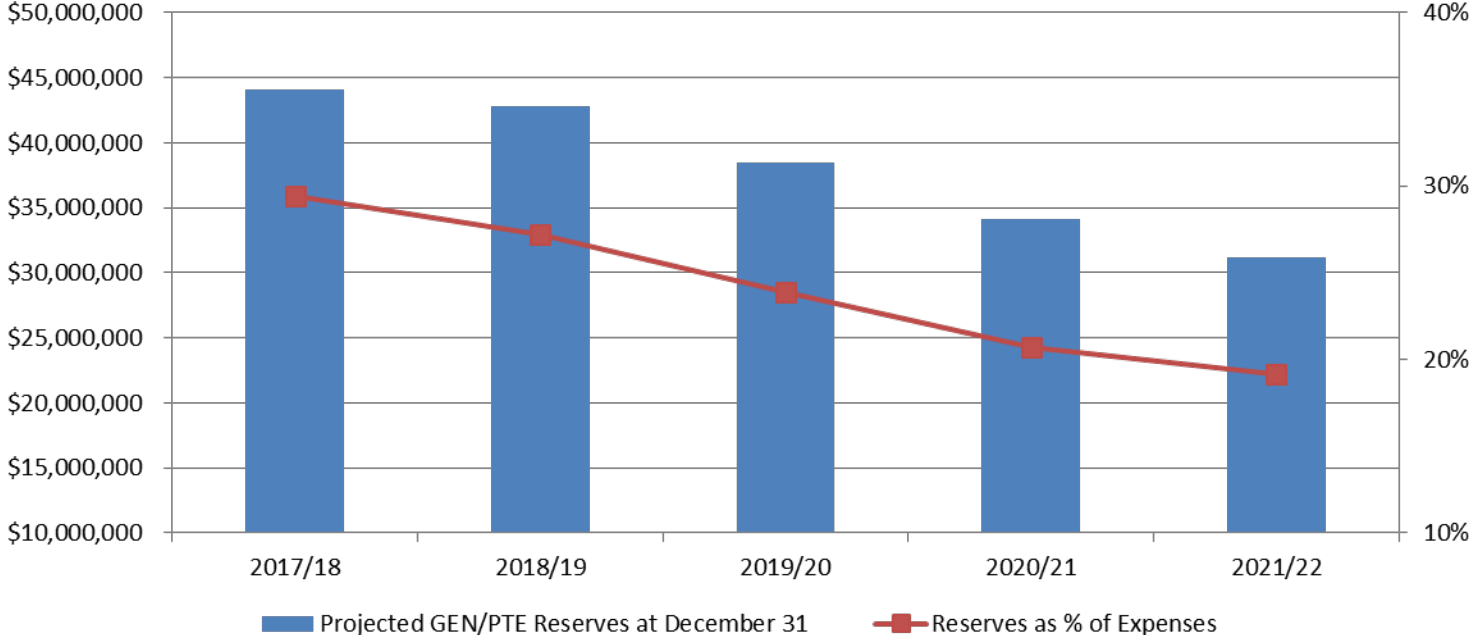


Facilities Master Plan



Reserve Projections – GEN/PTE Funds

Projected GEN/PTE Reserves (\$) and Reserves as % of Budgeted Expenses



*Assumes use of \$20,000,000 in General Fund reserves over 3 years, beginning in FY 2018-19

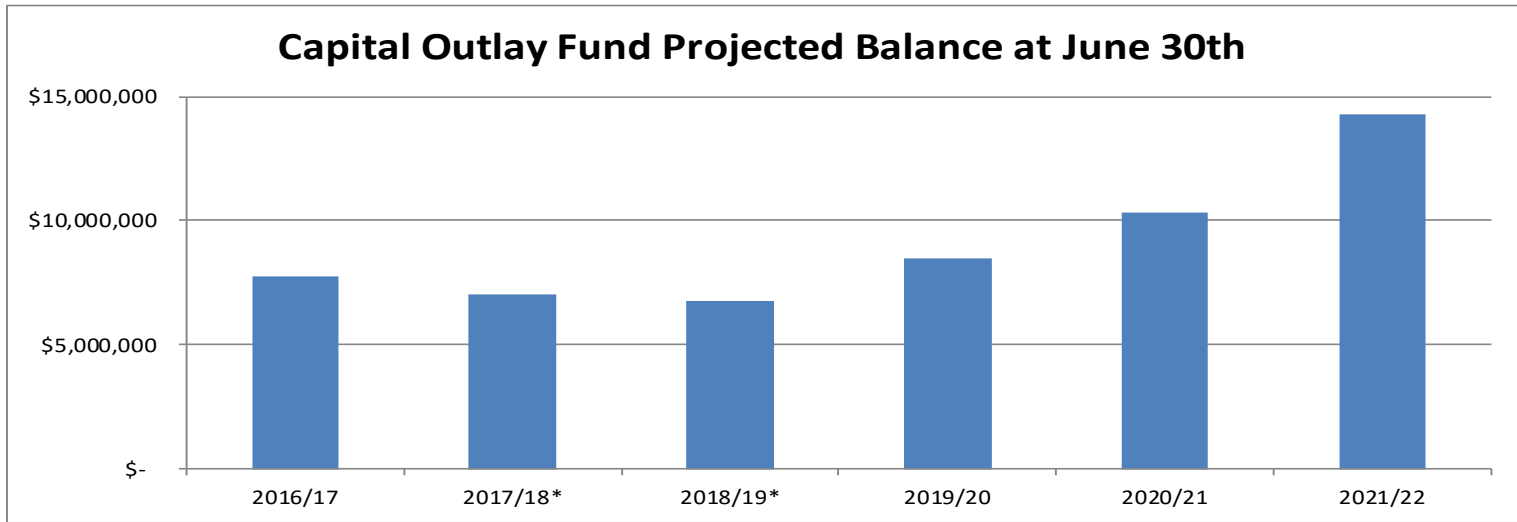


FY 2017-18 Capital Outlay Fund Budget

- Campus infrastructure annual maintenance = \$2 million
- Debt service on Series 2016 Capital Outlay Bonds = \$2 million for year 2 of 5 year maturity
- Consolidation of Math, Science, Academic Achievement, Language and Writing Resource Centers in first floor of Billington Library = \$2 million for year 1 of 2 year project

**JCCC FIVE YEAR BUDGET PROJECTION
CAPITAL OUTLAY FUND RESERVE ANALYSIS
FISCAL YEARS ENDING JUNE 30, 2018 TO 2022**

	Budget	PROJECTED BUDGETS				
	2016/17	2017/18*	2018/19*	2019/20	2020/21	2021/22
Significant Assumptions:						
Ad Valorem Property Taxes	\$ 4,904,648	\$ 5,299,231	\$ 5,512,370	\$ 5,662,736	\$ 5,817,783	\$ 5,977,482
Budgeted Capital Outlay Expenditures	\$ 4,202,108	\$ 5,994,950	\$ 5,787,375	\$ 3,982,500	\$ 3,978,250	\$ 2,000,000
Mill Levy	9.469	9.473	9.473	9.473	9.473	9.473
Capital Outlay Levy	0.501	0.501	0.501	0.501	0.501	0.501
Est. Assessed Valuation Increase	6.5%	7.5%	3.0%	3.0%	3.0%	3.0%



*Includes \$2.0 million in '18 and \$1.8 million in '19 for consolidation of Resource Centers

Remaining Budget Timeline

- May 11, 2017 Board of Trustees meeting – Board votes to approve 2017-18 Management Budget. This allows the College to conduct business effective July 1 in the new fiscal year.
- June, 2017 – College administration receives updated information from the county on assessed valuation. No Board action.
- July, 2017 Board of Trustees meeting – Board votes to approve & publish a one-page portion of the 2017-18 Legal Budget (Notice of Public Hearing).
- August, 2017 Board of Trustees meeting – Public hearing during which attendees may address the Board about the Legal Budget. Board votes to approve the 2017-18 Legal Budget. Legal Budget documents are filed with State and County, after which the mill levy is officially set.
- October/November, 2017 – County provides final assessed valuation for 2017. If valuation is different than provided in June, County may adjust mill levy amount applied to tax bills accordingly.