

Dallas County Community College District

Update

Multi-Year Financial Outlook and Plan
FY 2009 – FY 2011

DCCCD Board Work Session
July 21, 2009

2009 – 2011 Revenue Assumptions

	<u>FY 2010</u>	<u>FY 2011</u>
Credit Enrollment	4.0% increase	4.5% increase
Tuition Rate	no change	TBD
State Funding	9.5% increase	no change
Tax Base	4.7% Decrease	no change
Tax Rate – M&O	Return to \$0.0778	TBD

2009 – 2011 Expenditures Assumptions and Provisions

	<u>FY 2010</u>	<u>FY 2011</u>
New Square Footage	854,328 s.f.	208,097 s.f.
Provision - expanded facilities (colleges & district ops)	\$4,400,000	\$9,030,612
Increase - community campuses	\$1,260,174	\$1,738,194
Visiting Scholar Provision	\$2,069,000	\$2,069,000
Mid-Year Growth Provision	\$1,000,000	\$1,000,000
Provision for Retention Initiatives*	\$1,000,000	\$1,000,000
Technology "Edge" Provision	\$500,000	\$1,000,000
Provision for ATB Salary Adjs - FY11	-0-	\$1,900,000
Provision for Job Reclassifications	\$250,000	\$250,000
Provision for Planned Maintenance – Facilities (fund balance)	-0-	\$5,000,000

* may be integrated into allocation formula for FY 2011

2009 – 2011 Fund Balance Minimums

Board policy requires a minimum of 4 months expenditures in fund balance.

Estimated Requirement for FY Ending 8/31/10 \$101,543,000

Estimated Requirement for FY Ending 8/31/11 \$105,079,000

Estimated Revenue 2009 - 2011

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
State Revenue	89,646,724	98,142,608	98,142,608
Federal Funds	887,169	887,169	887,169
Tuition	70,494,177	74,356,363	77,702,400
Taxes	126,851,795	123,216,795	123,216,795
Investment Revenue	5,990,572	5,400,000	5,400,000
Other Revenue	2,759,379	2,627,346	2,700,000
Transfers In – Other Funds	2,616,651	-0-	-0-
Use of Fund Balance	<u>30,255,317</u>	<u>15,162,443</u>	<u>10,000,000</u>
Total	329,501,784	319,792,724	318,048,972

Estimated Expenditures 2009 - 2011

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
College Operations:			
Allocation	263,397,564	246,297,845	248,297,845
Community Campuses	5,647,404	6,907,578	7,186,289
Expanded Facilities	0	4,400,000	9,030,612
Less Use of Fund Balance	<u>(16,415,643)</u>	<u>-0-</u>	<u>-0-</u>
Total College Operations	\$252,629,325	257,605,423	264,514,746
Percent of Change		2.0%	2.7%
College Use of Fund Balance	16,415,643	-0-	-0-
District Operations	28,917,446	26,748,891	27,248,891
Reserve		<u>1,320,640</u>	<u>500,000</u>
Total District Operations	28,917,446	28,069,531	27,748,891
Percent of Change		-2.9%	-1.1%
Virtual College Operations	3,947,305	3,181,000	3,181,000
Reserves and Transfers	<u>27,592,065</u>	<u>30,936,770</u>	<u>38,000,000</u>
Total	329,501,784	319,792,724	333,444,637

Gaps Using Assumptions

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Estimated Revenue	329,501,784	319,792,724	318,048,972
Estimated Expenditures	<u>329,501,784</u>	<u>319,792,724</u>	<u>333,444,637</u>
Estimated Operations Gap	0	0	15,395,655
Est. Fund Balance Gap Based on Policy		<u>0</u>	<u>0</u>
Total Gap		0	15,395,655
Tuition Rate - In District	41	41	TBD
Tuition Rate - Out of District	76	76	TBD
Tuition Rate - Out of State	121	121	TBD
M & O Tax Rate Needed	0.07590	0.0778 (?)	TBD

Considerations for Discussion

- Increase Transfer to Auxiliary Fund for Student Programs in 2010-11? (2009-10 amount not increased)
- Provide for Transfer to Enterprise Scholarships (FY10 and/or FY11?)
- Replace \$400K transfer to quasi-endowment to assist NLC with South Community Campus (beginning in FY10?)?
- Reinstate New Program Development Provision (maybe not in FY11, but when possible)?
- FY11 Provision for salary adjustments (COLA, scales, re-evaluation cycles) only 1% of FY 08/09 FT salaries) – is this enough?
- Integrate FY11 Retention Initiative into Budget Allocation Formula?
- Funding for Major Facilities Repairs & Rehabilitations, Green/Energy Efficiency projects?

Other Considerations?

Disclaimer

The projections are based on most current information available and best guesses possible to date. Management will use resulting Board conversation as guidance in focusing next iteration of multi-year financial plan.

Not the End