

**BOARD OF TRUSTEES  
PLANNING AND BUDGET COMMITTEE MEETING  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL  
R.L. Thornton, Jr. Administration Building  
701 Elm Street  
Dallas, TX 75202  
Board Room (4<sup>th</sup> floor)  
November 18, 2008  
3:15 PM**

**Agenda**

1. Certification of Posting of Meeting Wright Lassiter
  
2. Fall Revision of the 2008-09 Budget Ed DesPlas  
Committee Action: Motion for approval and submission  
at the December 16, 2008 Board of Trustees meeting.
  
3. Planning Assumptions for 2009-10 Budget Ed DesPlas
  
4. Three-year Financial Plan Ed DesPlas
  
5. Executive Session: The Board may conduct an executive session as  
authorized under §551.074 of the Texas Government Code to deliberate on  
personnel matters, including commencement of annual evaluation of the  
chancellor, election of Board officers, and any prospective employee who is  
noted in Employment of Contractual Personnel.

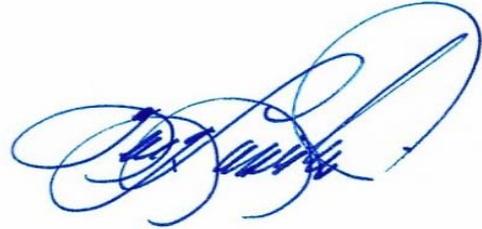
As provided by §551.072 of the Texas Government Code, the Board of Trustees may conduct an executive session to deliberate regarding real property since open deliberation would have a detrimental effect upon negotiations with a third person.

The Board may conduct an executive session under §551.071 of the Texas Government Code to seek the advice of its attorney on an investigation of an alleged ethics violation and/or on a matter in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with the Open Meetings Act. The Board may seek or receive its attorney's advice on other legal matters during this executive session.

6. Adjournment

**CERTIFICATION OF POSTING OF NOTICE NOVEMBER 18, 2008  
PLANNING & BUDGET COMMITTEE MEETING OF THE  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL  
BOARD OF TRUSTEES**

I, Wright L. Lassiter, Jr., Secretary of the Board of Trustees of the Dallas County Community College District, do certify that a copy of this notice was posted on the 14<sup>th</sup> day of November, 2008 in a place convenient to the public in the R.L. Thornton, Jr. Administration Building, and a copy of this notice was provided on the 14<sup>th</sup> day of November, 2008 to John F. Warren, County Clerk of Dallas County, Texas, and the notice was posted on the bulletin board at the Frank Crowley Courts Building, all as required by the Texas Government Code, §551.054.



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Wright L. Lassiter, Jr., Secretary

# Fall Budget Revision

## November 18, 2008

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Dallas County  
Community College District

IT ALL BEGINS HERE.

# *Current Funds*

The majority of adjustments in the Fall budget revision are caused by one of two things:

1. Through use of fund balance, departmental accounts are increased to provide for encumbrances that have been carried forward from the prior fiscal year, and
2. Salary increases are reallocated from a reserve account to departmental accounts



# *Current Funds*

## **Significant Adjustments** (*p. 1 of 2*)

### Unrestricted Fund

- Net tuition is increasing due to
  - \$200,000 increase in credit tuition
  - \$805,693 increase in continuing education tuition
- General Revenue is increasing due to
  - \$436,453 increase in miscellaneous revenue (mainly lease income)
  - \$45,657 increase in other charges (mainly installment plan charges)



# *Current Funds*

## **Significant Adjustments** (*p. 2 of 2*)

### Unrestricted Fund

- Investment Income is decreasing \$400,000
- Use of fund balance is increasing due to
  - \$8,726,618 for carry forward of encumbrances & requisitions
  - \$7,337,917 campus funding for projects



# *Current Funds*

## **Significant Adjustments**

### Auxiliary Fund

- Sales & Services is decreasing mainly due to
  - \$590,973 decrease due to sale of UCD
  - \$485,000 decrease in CET sales
  - \$283,220 increase in bookstore commissions
- \$200,000 increase in transfers-in
- Sales & Services expenditures are reduced accordingly



# *Current Funds*

## **Significant Adjustments**

### Restricted Fund

Generally adjusted in spring revision but investment income reduction in the Quasi-endowment Fund reduces Rising Star Support from that fund



# *Richland Collegiate High School*

- \$72,697 increase in state funding revenue for increased number of students from original projection
- Expenditures reflect realigned projected use





# *Unrestricted Fund*

## **Revenues & Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
State Appropriations	\$ 89,473,204	\$ 25,000	\$ 89,498,204
Tuition	67,337,461	1,005,693	68,343,154
Taxes for Current Operations	126,851,795	-	126,851,795
Federal Grants & Contracts	844,062	43,107	887,169
State Grants & Contracts	148,520	-	148,520
Investment Income	6,625,000	(400,000)	6,225,000
General Revenue	2,291,414	482,110	2,773,524
Use of Fund Balance	<u>24,107,909</u>	<u>16,064,535</u>	<u>40,172,444</u>
Total	<u>\$317,679,365</u>	<u>\$ 17,220,445</u>	<u>\$ 334,899,810</u>



# *Unrestricted Fund*

## **Expenditures & Uses**

	Original	Proposed Change	Fall Revision
Instruction	\$ 119,685,646	\$ 8,848,525	\$ 128,534,171
Public Service	5,797,545	986,029	6,783,574
Academic Support	16,781,506	1,000,096	17,781,602
Student Services	26,299,182	748,104	27,047,286
Institutional Support	54,943,269	3,389,041	58,332,310
Staff Benefits	10,310,363	(38,406)	10,271,957
Plant Operations & Maintenance	28,931,326	1,619,772	30,551,098
Repairs & Rehabilitation	24,234,688	9,671,276	33,905,964
Reserve - Campus	2,518,022	716,948	3,234,970
Reserve - Compensation	9,235,525	(9,235,525)	-
Reserve - State Funding Reduction	-	-	-
Reserve - Operating	6,186,883	(327,633)	5,859,250
Reserve - New Campuses	-	-	-
Reserve - New Buildings	500,000	395,000	895,000
Reserve - Non-operating	1,960,223	(1,806,004)	154,219
Mandatory Transfers	2,221,720	-	2,221,720
Non-mandatory Transfers	8,073,467	1,253,222	9,326,689
Total	<u>\$ 317,679,365</u>	<u>\$ 17,220,445</u>	<u>\$ 334,899,810</u>



# *Auxiliary Fund*

## **Revenues & Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Sales & Services	\$ 6,694,212	\$ (751,302)	\$ 5,942,910
Investment Income	294,664	(19,511)	275,153
Transfers-in	5,048,797	200,000	5,248,797
Use of Fund Balance	-	524,546	524,546
Total	<u>\$12,037,673</u>	<u>\$ (46,267)</u>	<u>\$ 11,991,406</u>



# *Auxiliary Fund*

## **Expenditures & Uses**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Student Activities	\$ 6,538,578	\$ 559,843	\$ 7,098,421
Sales & Services	4,458,205	(902,575)	3,555,630
Reserve - Campus	744,868	305,054	1,049,922
Reserve - District	206,009	(10,982)	195,027
Transfers-out	90,013	2,393	92,406
Total	<u>\$ 12,037,673</u>	<u>\$ (46,267)</u>	<u>\$ 11,991,406</u>



# *Restricted Fund*

## **Revenues & Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Insurance/Retirement Match	\$ 23,758,341	\$ -	\$ 23,758,341
SBDC State Match	<u>1,551,288</u>	<u>-</u>	<u>1,551,288</u>
Subtotal State Appropriations	25,309,629	-	25,309,629
Grants & Contracts			
Federal	52,219,278	-	52,219,278
State	4,425,594	-	4,425,594
Local	5,911,446	-	5,911,446
Transfers-in	<u>700,335</u>	<u>(39,034)</u>	<u>661,301</u>
Subtotal	88,566,282	(39,034)	88,527,248
Richland College <sup>1</sup>	\$ -	\$ -	\$ -
Grand Total	<u>\$ 88,566,282</u>	<u>\$ (39,034)</u>	<u>\$ 88,527,248</u>

<sup>1</sup> Richland Collegiate High School



# *Restricted Fund*

## **Expenditures & Uses**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Insurance/Retirement Match	\$ 23,758,341	\$ -	\$ 23,758,341
Grants & Contracts	25,489,134	-	25,489,134
Scholarships	<u>39,318,807</u>	<u>(39,034)</u>	<u>39,279,773</u>
Subtotal	\$ 88,566,282	\$ (39,034)	\$ 88,527,248
RCHS <sup>1</sup>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Grand Total	<u><u>\$ 88,566,282</u></u>	<u><u>\$ (39,034)</u></u>	<u><u>\$ 88,527,248</u></u>

<sup>1</sup> Richland Collegiate High School



# *Richland Collegiate High School*

## **Revenues and Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
State Funding	\$ 2,079,322	\$ 72,697	\$ 2,152,019
Investment Income	19,530	(2,530)	17,000
Total	<u>\$ 2,098,852</u>	<u>\$ 70,167</u>	<u>\$ 2,169,019</u>

## **Expenditures and Uses**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Instruction	\$ 1,152,085	\$ (197,014)	\$ 955,071
Public Service	125,000	(15,000)	110,000
Academic Support	103,500	153,307	256,807
Student Services	253,000	60,048	313,048
Institutional Support	465,267	68,826	534,093
Total	<u>\$ 2,098,852</u>	<u>\$ 70,167</u>	<u>\$ 2,169,019</u>



# *Non-operating Funds*

## **Overview**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Unexpended Plant	<b>\$243,771,460</b>	<b>\$ (9,258,396)</b>	<b>\$ 234,513,064</b>
Debt Service	<b>\$ 35,146,634</b>	<b>\$ -</b>	<b>\$ 35,146,634</b>
Quasi-endowment	<b>\$ 574,034</b>	<b>\$ (39,034)</b>	<b>\$ 535,000</b>



# *Unexpended Plant Fund*

- Investment Revenue is projected to decrease by \$116,718
- More expenditures occurred in fiscal year 2007-08 reducing the amount of fund balance required for use in 2008-09
- Fewer architectural expenditures and more construction expenditures are being carried forward to fiscal year 2008-09 than projected during the building of the original budget



# *Unexpended Plant Fund*

## **Revenues and Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Investment Revenue	<b>\$ 1,855,718</b>	<b>\$ (116,718)</b>	<b>\$ 1,739,000</b>
General Obligation Bonds	-	-	-
Commercial Paper	<b>80,000,000</b>	-	<b>80,000,000</b>
Transfers-in	-	<b>1,040,906</b>	<b>1,040,906</b>
Use of Fund Balance	<b>161,915,742</b>	<b>(10,182,584)</b>	<b>151,733,158</b>
Total	<b><u>\$243,771,460</u></b>	<b><u>\$ (9,258,396)</u></b>	<b><u>\$ 234,513,064</u></b>



# *Unexpended Plant Fund*

## **Expenditures and Uses**

	Original	Proposed Change	Fall Revision
Bldg & Physical Plant Repairs	\$ 5,989,454	\$ 1,190,068	\$ 7,179,522
Construction & Land Purchases	192,154,932	22,720,440	214,875,372
Architects	45,427,584	(36,530,745)	8,896,839
Furniture & Equipment	160,314	3,361,841	3,522,155
Bond Cost of Issuance	39,176	-	39,176
Commercial Paper Cost of Issuance	-	-	-
Total	<u>\$ 243,771,460</u>	<u>\$ (9,258,396)</u>	<u>\$ 234,513,064</u>



# *Debt Service*

Revenue and expense changes reflect a shift between use of General Obligation Bonds and Commercial Paper for issuances later this year



# *Debt Service*

## **Revenues and Additions**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Investment Revenue	\$ 73,316	\$ (12,316)	\$ 61,000
Taxes (Maintenance Tax Notes)	6,252,716	-	6,252,716
Taxes (General Obligation Bonds)	23,602,212	(980,627)	22,621,585
Taxes (Commercial Paper)	-	980,627	980,627
Transfer-in (Tuition)	2,141,649	-	2,141,649
Transfer-in (Unrestricted)	3,076,741	12,316	3,089,057
Total	<u>\$ 35,146,634</u>	<u>\$ -</u>	<u>\$ 35,146,634</u>



# Debt Service

## Expenditures and Uses

	Original	Proposed Change	Fall Revision
G.O. Bond Principal & Interest	\$ 22,970,569	\$ (954,384)	\$ 22,016,185
Revenue Bonds Principal & Interest	5,239,636	-	5,239,636
MTN Principal & Interest	6,085,381	-	6,085,381
CP Interest Expense	-	792,384	792,384
CP Fees	-	162,000	162,000
Lone Star Notes (State of TX)	52,071	-	52,071
Uncollectible Tax Expense	205,998	-	205,998
Tax Collection Fees	592,979	-	592,979
Total	<u>\$ 35,146,634</u>	<u>\$ -</u>	<u>\$ 35,146,634</u>



# *Quasi Endowment Fund*

Investment Income is projected to decrease  
which will reduce funds for transfer to Rising  
Star support



# *Quasi Endowment*

## **Revenues**

	<u>Original</u>	<u>Proposed Change</u>	<u>Fall Revision</u>
Investment Income	\$ 174,034	\$ (39,034)	\$ 135,000
Lease Income	400,000	-	\$ 400,000
Use of Fund Balance	-	-	\$ -
Total	<u>\$ 574,034</u>	<u>\$ (39,034)</u>	<u>\$ 535,000</u>

## **Expenditures**

Transfers-out (Rising Star Program)	<u>\$ 574,034</u>	<u>\$ (39,034)</u>	<u>\$ 535,000</u>
Total	<u>\$ 574,034</u>	<u>\$ (39,034)</u>	<u>\$ 535,000</u>



# Planning Assumptions for 2009 - 2010 Budget

November 18, 2008

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# *2009-2010 Planning Assumptions*

## Revenue:

- Assume first year of state funding at a 4% increase of approximately \$3.5 million
- Assume 2% increase in property valuation for an approximate increase of \$2.5 million
- Assume a 3.5% enrollment increase for 2009-2010 for an estimated \$1.9 million in additional net tuition revenue.
- In 2009-2010, no tuition rate increase for in-district students



# *2009-2010 Planning Assumptions*

Expenditures: (page 1 of 2)

- Consider budget provision of \$1.75 million to support student retention improvements
- Continue allocation for planned maintenance of facilities from use of fund balance
- Continue \$1 million provision for support of colleges for enrollment growth
- Consider budget needs to support new facilities in 2009-2010



# *2009-2010 Planning Assumptions*

Expenditures: *(page 2 of 2)*

- Consider budget needs for technology investment
- Consider regular professional support staff job evaluation increases of an estimated \$250,000
- Note: Each % of any across the board increase for staff based on cost of living would cost approximately \$1.9 million



# The End

