

**BOARD OF TRUSTEES
PLANNING AND BUDGET COMMITTEE MEETING
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT
AND RICHLAND COLLEGIATE HIGH SCHOOL**

**District Office
1601 South Lamar Street
Lower Level, Room 007
Dallas, TX 75215
Tuesday, April 21, 2009
3:00 PM**

AGENDA

1. Certification of Posting of Notice of the Meeting Wright Lassiter
2. Statement from the presiding officer concerning compliance with the Open Meetings Act:

Persons who address the board are reminded that the board may not take formal action on matters that are not part of the meeting agenda, and, may not discuss or deliberate on any topic that is not specifically named in the agenda that was posted 72 hours in advance of the meeting today.

For any non-agenda topic that is introduced during this meeting, there are only three permissible responses: 1) to provide a factual answer to a question, 2) to cite specific Board of Trustees policy relevant to the topic, or 3) to place the topic on the agenda of a subsequent meeting.

3. Presentation of recommendations for revising FY 2008-09 budgets to reflect current estimates of revenues and expenditures Ed DesPlas
4. Presentation of recommendations for allocating remaining \$15 million of the \$450 million general obligation bond program for an eight-month extension of bond program management firms and employees, and, for additional projects at the colleges and possibly at the District Service Center Ed DesPlas
5. Validation of assumptions for planning revenues and expenditures in FY 2009-10 budgets Ed DesPlas
6. Discussion about components of the three-year financial Wright Lassiter

plan including an update on governmental and private initiatives relevant to community colleges and DCCCD

7. 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 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 a matter in which the duty of the attorney under the Rules of Professional Conduct clearly conflict with the Open Meetings Act.

7. Adjournment

**CERTIFICATION OF POSTING OF NOTICE APRIL 21, 2009
PLANNING AND 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 17th day of April, 2009, in a place convenient to the public in the District Office Administration Building, and a copy of this notice was provided on the 17th day of April, 2009, 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.

A handwritten signature in blue ink, appearing to read 'Wright L. Lassiter, Jr.', is written over a horizontal line.

Wright L. Lassiter, Jr., Secretary

Spring Budget Revision

April 21, 2009

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Dallas County
Community College District

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Current Funds Highlights

Unrestricted Revenue

- Net Tuition is increasing \$2,151,023
 - Credit Tuition is expected to increase \$2,226,145 due to increased enrollment
 - Continuing Education is expected to decrease \$75,122 due to expected reductions in enrollment
- Net Investment Income is decreasing \$234,428
 - Projected Investment income is expected to decrease \$375,000 due to changes in market conditions
 - A gain on sale of an investment of \$140,572 reduced the interest reduction

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Dallas County
Community College District

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Current Funds Highlights

Unrestricted Revenue

- Transfers-In of \$2,616,651 represents funds moved to the unexpended plant fund in the prior fiscal year 2007-08 that are no longer needed
- Use of Fund Balance is increasing \$2,690,782 for additional campus projects

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Dallas County
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Current Funds Highlights

Unrestricted Expenditures

- Instructional costs are increasing \$1,621,513 primarily due to furniture and equipment purchases for science and computer labs
- Institutional Support is increasing \$2,529,672 due to several factors
 - Use of fund balance for virtual college projects for \$661,597
 - First year of website redesign for \$633,142
 - Back-up generator installation expense of \$247,144
 - Personnel reassignment costs of \$112,487
 - Multiple smaller expenses totaling \$495,365 for equipment, professional services, expenses related to the new District Office, etc.

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Current Funds Highlights

Unrestricted Expenditures

- Repairs & Rehabilitations are reduced by \$6,091,195 because some items have been identified as capital projects and monies are being transferred to the unexpended plant fund as shown by the increase in non-mandatory transfers

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Community College District

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Current Funds Highlights

Auxiliary Revenue

- Use of Fund Balance is increasing by \$503,402 to replace a studio at the LeCroy Center

Auxiliary Expenditures

- Sales & Services is increasing \$294,316 which includes the cost of the studio netted against a reduction in sales & service costs in other areas

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Restricted Fund Highlights

Revenues

- Federal grant funds are increasing \$9,055,634 due to the addition of new grants as well as the carry forward of unused 2007-08 funds.
 - New U.S. Department of Education Science/Technology/Engineering/Mathematics grants
 - Increased Pell dollars because of increased enrollment
 - Upward Bound, Trio, Title III and V have greater than anticipated funds remaining at this time

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Restricted Funds Highlights

Revenues

- State grant funds are increasing \$3,055,147 due primarily to new Texas Workforce Commission and nursing grants
- Local grant funds are increasing by \$547,755 due mainly to increased Small Business Administration grant funding

Expenditures

- Expenditures for grants are increasing \$13,258,550 corresponding to the increase in revenues

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Richland Collegiate High School

Changes are due to a reduction in state funding attributed to an over allocation of state property tax relief by Texas Education Agency (TEA)

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Current Funds

Overview

	Current Budget	Proposed Change	Spring Revision
Unrestricted	\$ 334,899,810	\$ 7,209,883	\$ 342,109,693
Auxiliary	11,991,406	512,668	12,504,074
Restricted	88,527,248	13,265,742	101,792,990
Subtotal	\$ 435,418,464	\$ 20,988,293	\$ 456,406,757
Richland Collegiate High School ¹	\$ 2,169,019	\$ (23,930)	\$ 2,145,089
Grand Total	\$ 437,587,483	\$ 20,964,363	\$ 458,551,846

¹ Richland Collegiate High School

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Unrestricted Fund

Revenues & Additions

	Current Budget	Proposed Change	Spring Revision
State Appropriations	\$ 89,498,204	\$ -	\$ 89,498,204
Tuition	68,343,154	2,151,023	70,494,177
Taxes for Current Operations	126,851,795	-	126,851,795
Federal Grants & Contracts	887,169	-	887,169
State Grants & Contracts	148,520	-	148,520
Investment Income	6,225,000	(234,428)	5,990,572
General Revenue	2,773,524	(14,145)	2,759,379
Non-mandatory Transfers-In	-	2,616,651	2,616,651
Use of Fund Balance	40,172,444	2,690,782	42,863,226
Total	\$ 334,899,810	\$ 7,209,883	\$ 342,109,693

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Community College District

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Unrestricted Fund

Expenditures & Uses

	Current Budget	Proposed Change	Spring Revision
Instruction	\$ 128,534,171	\$ 1,621,513	\$ 130,155,684
Public Service	6,783,574	179,870	6,963,444
Academic Support	17,781,602	483,882	18,265,484
Student Services	27,047,286	406,512	27,453,798
Institutional Support	58,332,310	2,529,672	60,861,982
Staff Benefits	10,271,957	(19,815)	10,252,142
Plant Operations & Maintenance	30,551,098	1,056,040	31,607,138
Repairs & Rehabilitation	33,905,964	(6,091,195)	27,814,769
Reserve - Campus	3,234,970	2,094,200	5,329,170
Reserve - Operating	5,859,250	(2,446,751)	3,412,499
Reserve - New Buildings	895,000	(40,228)	854,772
Reserve - Non-operating	154,219	1,026,807	1,181,026
Mandatory Transfers	2,221,720	113,371	2,335,091
Non-mandatory Transfers	9,326,689	6,296,005	15,622,694
Total	\$ 334,899,810	\$ 7,209,883	\$ 342,109,693

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Auxiliary Fund

Revenues & Additions

	Current Budget	Proposed Change	Spring Revision
Sales & Services	\$ 5,942,910	\$ (28,697)	\$ 5,914,213
Investment Income	275,153	31,642	306,795
Transfers-in	5,248,797	6,321	5,255,118
Use of Fund Balance	524,546	503,402	1,027,948
Total	\$ 11,991,406	\$ 512,668	\$ 12,504,074

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Auxiliary Fund

Expenditures & Uses

	Current Budget	Proposed Change	Spring Revision
Student Activities	\$ 7,098,421	\$ 152,530	\$ 7,250,951
Sales & Services	3,555,630	294,316	3,849,946
Reserve - Campus	1,049,922	(326,285)	723,637
Reserve - District	195,027	43,370	238,397
Transfers-out	92,406	348,737	441,143
Total	\$ 11,991,406	\$ 512,668	\$ 12,504,074

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Restricted Fund

Revenues & Additions

	Current Budget	Proposed Change	Spring Revision
Insurance/Retirement Match	\$ 23,758,341	\$ -	\$ 23,758,341
SBDC State Match	1,551,288	600,014	2,151,302
Subtotal State Appropriations	\$ 25,309,629	\$ 600,014	\$ 25,909,643
Grants & Contracts			
Federal	\$ 52,219,278	\$ 9,055,634	\$ 61,274,912
State	4,425,594	3,055,147	7,480,741
Local	5,911,446	547,755	6,459,201
Transfers-in	661,301	7,192	668,493
Subtotal	\$ 88,527,248	\$ 13,265,742	\$ 101,792,990
RCHS ¹	\$ -	\$ -	\$ -
Grand Total	\$ 88,527,248	\$ 13,265,742	\$ 101,792,990

¹ Richland Collegiate High School

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Restricted Fund

Expenditures & Uses

	Current Budget	Proposed Change	Spring Revision
Insurance/Retirement Match	\$ 23,758,341	\$ -	\$ 23,758,341
Grants & Contracts	25,489,134	13,258,550	38,747,684
Scholarships	39,279,773	7,192	39,286,965
Subtotal	\$ 88,527,248	\$ 13,265,742	\$ 101,792,990
RCHS ¹	\$ -	\$ -	\$ -
Grand Total	\$ 88,527,248	\$ 13,265,742	\$ 101,792,990

¹ Richland Collegiate High School

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Richland Collegiate High School

Revenues and Additions

	Current Budget	Proposed Change	Spring Revision
State Funding	\$ 2,152,019	\$ (23,930)	\$ 2,128,089
Investment Income	17,000	-	17,000
Total	\$ 2,169,019	\$ (23,930)	\$ 2,145,089

Expenditures and Uses

	Current Budget	Proposed Change	Spring Revision
Instruction	\$ 955,071	\$ (26,430)	\$ 928,641
Public Service	110,000	30,500	140,500
Academic Support	256,807	-	256,807
Student Services	313,048	(28,000)	285,048
Institutional Support	534,093	-	534,093
Total	\$ 2,169,019	\$ (23,930)	\$ 2,145,089

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Non-operating Funds

Overview

	Current Budget	Proposed Change	Spring Revision
Unexpended Plant	\$ 234,513,064	\$ 36,841,841	\$ 271,354,905
Debt Service	\$ 35,146,634	\$ -	\$ 35,146,634
Quasi-endowment	\$ 535,000	\$ 7,192	\$ 542,192

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Unexpended Plant Fund Highlights

Revenues

- General Obligation Bonds is increasing by \$205,000,000 due to
 - Originally the money from the \$220 million bond issue would have been fund balance but was not received until September 4, 2008 so was reported in the current year less the \$125 million repayment of commercial paper
 - \$110 million of general obligation bonds is to be issued in May 2009
- The Commercial Paper is accordingly decreased by \$80 million and the Use of Fund Balance by \$95 million

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Unexpended Plant Fund Highlights

Revenues

- Transfers-in represent campus-funded capital projects

Expenditures

- Construction expenditures are increasing by \$26,916,359 because payments are being made faster than originally anticipated
- Non-mandatory Transfers are increasing by \$2,616,651 for items that are campus-funded & equipment being transferred back to the unrestricted fund for payment and funds no longer needed for a capital project

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Unexpended Plant Fund

Revenues and Additions

	Current Budget	Proposed Change	Spring Revision
Investment Revenue	\$ 1,739,000	\$ 375,000	\$ 2,114,000
General Obligation Bonds	-	205,000,000	205,000,000
Commercial Paper	80,000,000	(80,000,000)	-
Contribution in Aid of Projects *	-	75,157	75,157
Transfers-in	1,040,906	6,391,684	7,432,590
Use of Fund Balance	151,733,158	(95,000,000)	56,733,158
Total	\$ 234,513,064	\$ 36,841,841	\$ 271,354,905

* Contributed by Garland Chamber of Commerce

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Unexpended Plant Fund

Expenditures and Uses

	Current Budget	Proposed Change	Spring Revision
Bldg & Physical Plant Repairs	\$ 7,179,522	\$ -	\$ 7,179,522
Construction & Land Purchases	214,875,372	26,916,359	241,791,731
Architects	8,896,839	1,834,262	10,731,101
Furniture & Equipment	3,522,155	5,213,745	8,735,900
Bond Cost of Issuance	-	300,000	300,000
Commercial Paper Cost of Issuance	39,176	(39,176)	-
Non-mandatory Transfers	-	2,616,651	2,616,651
Total	\$ 234,513,064	\$ 36,841,841	\$ 271,354,905

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Debt Service

No changes

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Debt Service

Revenues and Additions

	Current Budget	Proposed Change	Spring Revision
Investment Revenue	\$ 61,000	\$ -	\$ 61,000
Taxes (Maintenance Tax Notes)	6,252,716	-	6,252,716
Taxes (General Obligation Bonds)	22,621,585	-	22,621,585
Taxes (Commercial Paper)	980,627	-	980,627
Transfer-in (Tuition)	2,141,649	-	2,141,649
Transfer-in (Unrestricted)	3,089,057	-	3,089,057
Total	<u>\$ 35,146,634</u>	<u>\$ -</u>	<u>\$ 35,146,634</u>

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Debt Service

Expenditures and Uses

	Current Budget	Proposed Change	Spring Revision
G.O. Bond Principal & Interest	\$ 22,016,185	\$ -	\$ 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	\$ 35,146,634	\$ -	\$ 35,146,634

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Quasi Endowment Fund

Change of investment income due to sale of
investment

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Quasi Endowment

Revenues

	<u>Current Budget</u>	<u>Proposed Change</u>	<u>Spring Revision</u>
Investment Income	\$ 135,000	\$ 7,192	\$ 142,192
Lease Income	400,000	-	400,000
Use of Fund Balance	-	-	-
Total	\$ 535,000	\$ 7,192	\$ 542,192

Expenditures

Transfers-out (Rising Star Program)	\$ 535,000	\$ 7,192	\$ 542,192
Total	\$ 535,000	\$ 7,192	\$ 542,192

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The End

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DALLAS COUNTY COMMUNITY COLLEGE DISTRICT

DCCCD 2004 BOND PROGRAM CONTINGENCY FUND RECOMMENDATIONS April 21, 2009

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ESTIMATED CONTINGENCY FUND SOURCES

• Program-wide contingency	\$ 6,000,000
• Brookhaven	0
• Cedar Valley	2,000,000
• Eastfield	1,000,000
• El Centro	0
• Mountain View	2,500,000
• North Lake	2,000,000
• Richland	<u>1,500,000</u>
ESTIMATED TOTAL	\$15,000,000

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CONTINGENCY FUND PROPOSED EXPENDITURES/PROJECTS

- **BHC entry, roadway improvements and
adaptive remodel** **\$1,000,000**
- **CVC adaptive remodel** **2,000,000**
- **EFC adaptive remodel/fire safety** **1,000,000**
- **ECC adaptive remodel** **1,000,000**
- **MVC adaptive remodel** **2,500,000**

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CONTINGENCY FUND PROPOSED EXPENDITURES/PROJECTS

- **NLC roofs, waterproofing and
adaptive remodel** **\$2,000,000**
- **RLC adaptive remodel** **1,500,000**

**Bond Program Management Team
Operating expenses for 8 month
extension** **500,000**

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CONTINGENCY FUND PROPOSED EXPENDITURES/PROJECTS

Program Manager fees for 8 month extension	\$2,000,000
Unassigned at this time*	<u>1,500,000</u>
TOTAL	\$15,000,000

***if unused, could be considered for District Service Center expansion and remodeling**

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Update on Planning Assumptions for 2009-10 Budget April 21, 2009

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2009-10 Planning Assumptions

Revenue:

- Assume a 4.0% increase in credit enrollment for 2009-10 for an estimated \$2.2 million in additional net income
- Assume an additional \$1.1 million in net tuition income for tuition increase from fall 2008 to fall 2009
- Assume a 4.7% decrease in Dallas County property valuation. (Note: Keeping the current tax rate would generate \$6,035,000 less revenue.)
- Assume no increase in tuition rate for 2009-10
- Assume state funding increase of 3.8% for an estimated increase of \$3.4 million

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2009-10 Planning Assumptions

Expenditures:

- Increase funding for new facilities including community campuses
- Continue Visiting Scholar provision
- Continue Retention Initiatives provision
- Fund provision of \$10 million for planned maintenance from fund balance
- Fund provision for Professional Support Staff job evaluation and reclassification

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