



CANCELLED: SPECIAL BOARD MEETING/BUDGET RETREAT OF THE BOARD OF TRUSTEES

**MONDAY, JULY 10, 2017
3:00 PM**

**GEORGE E. KILLEN COMMUNITY EDUCATION & SERVICE CENTER
ROOM 101 COMMUNITY MEETING ROOM
201 W. SHERIDAN
SAN ANTONIO, TEXAS**

NOTICE IS HEREBY GIVEN THAT THE CANCELLED: SPECIAL BOARD MEETING/BUDGET RETREAT OF THE BOARD OF TRUSTEES OF THE ALAMO COMMUNITY COLLEGE DISTRICT WILL BE HELD ON MONDAY, JULY 10, 2017. THE MEETING OF THE BOARD WILL CONVENE IN OPEN SESSION AT 3:00 PM.

This CANCELLED: Special Board Meeting/Budget Retreat of the Board of Trustees, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, §§ 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Chancellor. Executive Session, if required, is authorized by Chapter 551 and will be conducted prior to the conclusion of the meeting. If it is decided during the course of the meeting that discussion of any item listed on the agenda should be held in Executive Session, the Board will convene in Executive Session in accordance with Tex. Govt. Code §§ 551.071 - 551.087. In order to vote on items discussed in Executive Session, the Board of Trustees must take action in the open portion of the meeting on items discussed in the Executive Session. The Board will consider, discuss, and take appropriate action regarding the following items:

AGENDA

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. CERTIFICATION AND POSTING OF NOTICE**
- 4. EXECUTIVE SESSION**
 - A. Pursuant to §551.071, Texas Government Code, the Board may consult with its attorneys to seek their advice on a matter in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.
 - B. Pursuant to § 551.071, Texas Government code, the Board may consult with its attorneys about pending and threatened litigation.
 - C. Pursuant to § 551.071, Texas Government code, the Board may consult with its attorneys about pending EEOC charges.
 - D. Pursuant to § 551.071, Texas Government code, the Board may deliberate the purchase, exchange, lease or value of real property.
 - E. Pursuant to §551.074, Texas Government Code, the Board may deliberate the

appointment, employment, evaluation, reassignment, duties, performance of duties, discipline, or dismissal of a public officer or employee(s), including, without limitation, the Chancellor.

F. Any action on these matters will be taken in Open Session.

5. RECONVENE OPEN MEETING

6. BUDGET

A. Fiscal Year 2017 - 2018 Revenue & Expense Budget Overview, *Dr. Diane Snyder*

B. 2017 - 2018 Proposed Expense Budgets

1) Chancellor - FY18 Goals, *Dr. Bruce Leslie*

2) Northwest Vista College, *Dr. Ric Baser*

3) DSO - Economic & Workforce Development, *Dr. Federico Zaragoza*

4) Palo Alto College, *Dr. Mike Flores*

5) DSO - Academic Success, *Dr. Jo-Carol Fabianke*

6) Northeast Lakeview College, *Dr. Veronica Garcia*

7) DSO - Student Success, *Dr. Adelina Silva*

8) Dinner - 45 Minutes

9) San Antonio College, *Dr. Robert Vela*

10) DSO - Planning, Performance & Information Services, *Dr. Tom Cleary*

11) St. Philip's College, *Dr. Adena Loston*

12) DSO - Finance & Administration, *Dr. Diane Snyder*

13) General Institutional Accounts, *Dr. Diane Snyder*

14) DSO - Chancellor Office & Other, *Dr. Diane Snyder*

C. Summary and Next Steps, *Dr. Bruce Leslie & Dr. Diane Snyder*

D. Questions/Comments from the Board

E. Discussion and Possible Action on Fiscal Year 2017-2018 Operating Budget

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7. ADJOURNMENT

POSTED AT THE ACCD GEORGE KILLEN COMMUNITY EDUCATION & SERVICE
CENTER, (201 WEST SHERIDAN) AT
4:00 P.M. ON THIS 6TH DAY OF JULY 2017

This meeting site is wheelchair accessible. The accessible entrance is located at the front entrance Building E (entrance faces S. Flores). Accessible parking spaces are located in front of Building E, located in the parking lot that faces S. Flores Street. Auxiliary aids and services are available upon request (interpreters for the hearing impaired must be requested twenty-four hours prior to the meeting) by calling Sandra T. Mora, Board Liaison at 210-485-0030.

“The following notices apply to this meeting.

Pursuant to Section [30.06](#), Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.”

Pursuant to Section [30.07](#), Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.”

Dr. Bruce H. Leslie
Chancellor

Discussion and Possible Action on Fiscal Year 2017-2018 Operating Budget

Presented to the ALAMO COLLEGES BOARD OF TRUSTEES on July 10, 2017

MINUTE ORDER

“The Board of Trustees hereby approves a Fiscal Year 2017-2018 Educational and General (E&G) Operating Expense Budget of \$330,555,807; Auxiliary Enterprise Budget of \$2,035,038; Mandatory Transfers for Texas Public Education Grants and Revenue Bond Debt Service of \$15,636,416; Natatorium Major Repair Fund Addition of \$51,000; Non-mandatory Transfers for San Antonio River Authority and State Energy Conservation Office of \$1,507,837; and Capital Expense Budget of \$4,300,000 for Total Operating Expense Budget of \$354,086,098 based on revenues of 354,086,098.”

PURPOSE

Approval of the Fiscal Year 2017-2018 Operating Expense Budget so that Colleges and Departments can begin ramping up operations for the Fall 2017 semester. **In August 2017, we will submit for approval the Total Budget including: a) Operating Tax Revenue updates upon receipt of the tax rolls and b) Restricted and Plant fund budgets.**

BACKGROUND

For the tenth year, a workload-driven Educational and General budgeting model was used; a performance-based budgeting model to financially support the realization of the Alamo Colleges' Vision and Mission.

The FY18 budget has been built with the following assumptions:

- Flat enrollment, with the capability to amend budgets in the Fall if growth is realized
- State appropriations is virtually flat, despite an increase in funding for Student Success points
- Fringe Benefits increase over prior year due primarily to continued increase in healthcare costs
- The 85th Texas Legislature continued funding for Veterans Centers for another two years, appropriating \$4.1 million per year
- No increase in property tax rate.
- Increased tax revenues from an estimated 6.5% growth in assessed valuations
- Continuation of the Advising model, funding advisors at the 350:1 and also adding 2 additional in-take advisors per campus
- Market-based compensation increases effective 1/1/2018
- Student Success Funds of \$3.6M to continue Implementation of Pathways Project (institutes) and Faculty Development.
- Increase investments in preventive maintenance by \$2M for our facilities with a total allocation of \$16.5 million in FY18.



IMPLICATION

Financial: Fiscal Year 2017-18 Educational and General (I&G) Operating Expense Budget of \$330,555,807, Auxiliary Enterprises of \$2,035,038, Mandatory Transfers of \$15,636,416, Natatorium Major Repair Fund Addition of \$51,000, Non-mandatory transfers of \$1,507,837 and Capital Expense Budget of \$4,300,000 based on preliminary estimates for: revenues of \$354,086,098.

Strategic Objective: Objective I, II and III: Student Success, Leadership and Performance Excellence

Human Resources: N/A

ATTACHMENTS: Attachment I – Budget Overview;

Pamela Ansboury, CPA, M.Ed, Assoc. Vice
Chancellor

Diane E. Snyder, Ph.D, CPA, Vice
Chancellor for Finance & Fiscal Services
for Finance and Administration

Dr. Bruce H. Leslie, Chancellor



ALAMO COLLEGES DISTRICT
Three Year General Operating Budget Comparison: FY16, FY17, & FY18

| DESCRIPTION | FY16 * | FY17 | FY18 | INC/(DEC) | |
|--|----------------------|----------------------|----------------------|--------------------|----|
| | APPROVED | APPROVED | PROPOSED | FY18 vs. FY17 | |
| REVENUES | | | | | |
| STATE APPROPRIATIONS | \$64,400,935 | \$64,283,295 | \$63,944,822 | (\$338,473) | |
| State Paid Benefits | \$14,800,000 | \$17,640,911 | \$20,461,259 | \$2,820,348 | |
| <u>TUITION AND FEES:</u> | | | | | |
| Tuition | \$95,486,747 | \$109,222,588 | \$100,075,244 | (\$9,147,344) | A) |
| Pledged Tuition | \$21,294,893 | \$22,858,824 | \$22,177,428 | (\$681,396) | |
| Exemptions | (\$17,803,784) | (\$24,903,604) | (\$26,349,029) | (\$1,445,425) | |
| Fees | \$6,863,723 | \$6,521,339 | \$5,169,804 | (\$1,351,535) | |
| TAXES | \$132,346,658 | \$148,053,358 | \$156,894,170 | \$8,840,812 | B) |
| CONTRACTS & INDIRECT COSTS | \$615,000 | \$615,000 | \$615,000 | \$0 | |
| INVESTMENT INTEREST INCOME | \$400,000 | \$400,000 | \$1,000,000 | \$600,000 | |
| OTHER INCOME | \$5,322,008 | \$4,619,493 | \$5,198,248 | \$578,755 | |
| TOTAL EDUCATIONAL & GENERAL REVENUE | \$323,726,180 | \$349,311,204 | \$349,186,946 | (\$124,258) | |
| AUXILIARY ENTERPRISES | \$4,608,060 | \$4,928,931 | \$4,899,152 | (\$29,779) | |
| TOTAL GENERAL OPERATING REVENUES | \$328,334,240 | \$354,240,135 | \$354,086,098 | (\$154,037) | |

| FUND BALANCE COMMITMENTS: | | | | |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Operations | \$0 | \$4,964,190 | \$0 | (4,964,190) |
| TOTAL FUNDS AVAILABLE | \$328,334,240 | \$359,204,325 | \$354,086,098 | (\$5,118,227) |

| EXPENDITURES | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----|
| <u>EDUCATIONAL AND GENERAL:</u> | | | | | |
| INSTRUCTION | \$112,284,065 | \$131,059,622 | \$119,635,747 | (\$11,423,875) | C) |
| PUBLIC SERVICE | \$628,883 | \$1,191,641 | \$1,251,872 | \$60,231 | |
| ACADEMIC SUPPORT | \$24,229,120 | \$23,761,308 | \$24,765,705 | \$1,004,397 | D) |
| STUDENT SERVICES | \$40,722,274 | \$44,336,912 | \$46,124,947 | \$1,788,035 | E) |
| INSTITUTIONAL SUPPORT | \$89,241,388 | \$93,210,240 | \$93,113,732 | (\$96,508) | |
| OPERATION and MAINTENANCE of PLANT | \$41,314,269 | \$41,692,153 | \$44,444,443 | \$2,752,290 | F) |
| SCHOLARSHIPS/EXEMPTIONS | \$777,970 | \$1,083,721 | \$1,219,361 | \$135,640 | |
| TOTAL EDUCATIONAL and GENERAL EXPENDITURES | \$309,197,969 | \$336,335,597 | \$330,555,807 | (\$5,779,790) | |
| <u>AUXILIARY ENTERPRISE EXPENDITURES</u> | \$2,007,083 | \$2,033,743 | \$2,035,038 | \$1,295 | |
| <u>MANDATORY TRANSFERS FOR:</u> | | | | | |
| REV BOND DEBT SERV and TEX PUB ED GRANTS | \$12,258,341 | \$15,976,148 | \$15,636,416 | (\$339,732) | G) |
| CAPITAL BUDGET | \$3,300,000 | \$3,300,000 | \$4,300,000 | \$1,000,000 | |
| <u>NON-MANDATORY TRANSFERS FOR:</u> | | | | | |
| NON-MANDATORY TRANSFER - OTHER | \$1,519,847 | \$1,507,837 | \$1,507,837 | \$0 | |
| NATATORIUM MAJOR REPAIR FUND | \$51,000 | \$51,000 | \$51,000 | \$0 | |
| TOTAL UNRESTRICTED CURRENT FUND | \$328,334,240 | \$359,204,325 | \$354,086,098 | (\$5,118,227) | |

- * FY16 approved budgets have been restated due to CE consolidation
- A) Decrease student enrollments in regular and increase in exempts (include Summer Momentum Prog.)
- B) Increase in taxable assessed valuation of 6.5%
- C) Driven by decline in Contact Hours of -5.1%, includes comp increase (\$1.5M), vacancy credit (-\$3.4M)
- D) Include salary increases (\$0.6M), benefits inc (0.2M), comp inc (\$0.3M), and vacancy credit (-\$0.2M)
- E) Include salaries/wages (\$1.3M), fringe benefits (\$0.7M), comp inc (\$0.5M), vacancy credit (-\$0.6M) contract services (\$0.6M), and student success investment for FTE and faculty development (\$0.9M)
- F) Include Preventive Maintenance increase (\$2.0M), Facilities workload model increase (\$0.5M), Utilities increase (\$0.4M), Comp. increase (\$0.1M), and gap closure (-\$0.5M)
- G) TPEG reduced by (\$0.3M).