

Glossary of Projection Model Assumptions (Base Budget)

General and Restricted Funds (1 and 9) FY 9/10/11

Revenue Assumptions

Total Public Resources: This is obtained from a distribution model produced by the state Community College and Workforce Development Department (CCWD) which projects the college's share of the Community College Support Fund (CCSF) and an estimate of local property taxes. These amounts may change as our share of the total state FTE changes. The largest variable in the distribution model is the amount of the state appropriation to the CCSF. The amount appropriated for the current biennium is \$500 million. The governor's budget currently calls for \$485 million for the CCSF. Scenarios are provided at the \$485M and \$500M level. Property taxes normally increase slightly each year; however due to rapidly declining property values and loss of local business properties we are projecting property tax revenues in the next biennium to continue at the current level of \$14 million a year. This number may be decreased once we assess current year collections.

Tuition: The tuition assumption is based on last year's collections. We have added a 5% enrollment increase based on this year's enrollment and a 3.6% increase in the tuition rate for FY09 and an estimated 3.4% increase based on the Higher Education Price Index (HEPI) index for FY10 and FY11. An estimate without a tuition increase in the next biennium is also provided for comparative purposes.

Student Fees: These are mandatory fees such as the transportation fee, student government fees, student health clinic, athletics, and required fees for certain courses. Most fee revenue is offset by a direct expense such as the LTD pass. Amounts vary but we are projecting these at the current level through FY11.

Non Mandatory Fees: These are fees that are associated with a course but not mandatory due to registration such as flight technology flying time, health professions equipment, and optional class supplies. We are projecting these at the current level through FY11.

Other fees and charges: These are child care fees, collection fees, conference fees, facility rental, Library fees, traffic fines etc. We are projecting these at the current level through FY11.

Administrative Recovery: Bookstore contribution of \$200,000 a year and administrative fees from grant and financial aid support. Projected at current levels through FY11.

Gifts and Donations: Most gifts and donations to the college go to the Foundation. This is mostly donations directly to KLCC. Projected at current levels through FY11.

Grants/Contracts: Most grant revenue is accounted for in Fund 8. This category accounts for minor exceptions that may need to come directly to offset a general fund expense. Projected at current levels through FY11.

Interest Income: This is primarily interest from cash invested in the Local Government Investment Pool (LGIP). Since most of our cash reserve comes from short term tax anticipation

notes this is offset in part by an increase of interest expense included in materials and service expense. Projected at current levels through FY11.

Other Revenue: While the title implies a wide variety of revenue this comes almost entirely from three sources. These are the technology fee, foundation reimbursement for foundation payroll, and PeaceHealth contribution for nursing faculty. Projected at current levels through FY11.

Sales of Good and Services: This is KLCC underwriting, sales of student materials by departments, culinary sales, and Business Development Center contracts. Projected at current levels through FY11.

Transfers In: Transfers from the Center for Meeting and Learning and Food Services portion of the enterprise fund (Fund 6) to support general fund faculty expense in culinary arts. Projected at current levels through FY11.

Expense Assumptions

Personal Services: This is tied to the funded position list of contracted positions for positions budgeted for FY09. Assumes currently unfunded vacancies will continue to be unfunded through FY11. Assumes no changes for COLA and steps beyond current levels except for a 1.75% increase to faculty for health insurance savings in FY09 and the current COLA/step offer for faculty salary increases in FY09. Assumes no increases in compensation through FY11.

Personal Services-P/T: Compensation for part time faculty based on the college enrollment model and historic requirements for part time staff expense. Assumes no increases in compensation through FY11.

Materials and Services: Includes all operating costs such as interest expense, supplies, contracts, utilities, repairs etc. Includes an increase for tech fee funds that were temporarily diverted to fund positions in FY09.

Capital Outlay: Funds capital investments such as library books and classroom equipment. Requirement tied to the Capital Asset Replacement schedule. Projected at FY08 levels through FY11.

Goods for Resale: This is the cost of goods for the revenue recorded in the Sales of Goods and Services category.

Transfers out: These are transfers from the general fund to fund requirements in other funds for capital improvements and major maintenance projects.

Transfers out-Financial Aid: This is a transfer from the general fund to the Financial Aid fund (fund 5) to provide matching funds for Federal Work Study and funds the college Learn and Earn program for student workers. It also funds athletic scholarships. It is projected to increase at the HEPI rate.