

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES
Palatka, Florida

Budget Workshop
April 15, 2015

MEMBERS PRESENT:

Ms. Mary Ellen Hancock, St. Johns Co., Chairperson
Mr. Wendell Davis, Clay County, Vice-Chairperson
Ms. Denise M. Bramlitt, Putnam County
Mr. Ronald Coleman, Clay County
Mr. Brian Keith, Putnam County
Ms. Marlene Lagassé, Putnam County

MEMBERS ABSENT:

Col. Mickey Duren, St. Johns County

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Mr. Ron Brown, Attorney for the Board

The Budget Workshop was held in the Criminal Justice Multipurpose Room J-149, St. Augustine Campus and began at 2:00 p.m.

Chairperson Hancock opened the workshop and recognized Dr. Lynn Powers, Vice President for Finance and Administration/CFO.

Dr. Powers presented workshop materials to the Board and overviewed the agenda and the budgetary goals for 2015-16 to best utilize our resources. She discussed the possible Legislative impacts, including those on operating funds and capital funds. President Pickens provided updates on each legislative item.

Dr. Powers discussed historical and projected FTE data. The College is projecting a flat budget for 2015-2016. While overall enrollment is less, distance learning enrollment has increased.

With a flat budget the only way to increase revenue would be to raise tuition. Dr. Powers discussed the in-state tuition rate for all of the colleges and discussion followed on comparisons relating to the number of campuses and state appropriations received. Next, Dr. Powers shared historical information on SJR State's tuition and fees.

Dr. Powers discussed the revenue stream from discretionary fees including student activity fee, financial aid fee, and capital improvement fee.

One of the decisions the Trustees must make is whether to increase tuition. A 5% increase equates to a revenue increase of \$518,000 and a 1% pay raise for employees would cost \$180,000.

Dr. Powers discussed state appropriations. Currently, compression funding is \$41M and performance funding is \$30M in the House and \$60M in the Senate. President Pickens explained that the College has been absorbing increased costs such as insurance without any increase in revenue.

Dr. Powers discussed other sources of revenue including dual enrollment, interest income, other sales/services, indirect costs, transfers in, and miscellaneous.

Dr. Powers discussed expenses next. Personnel staffing is the largest expense. Discussion followed on full loads and overloads for faculty. The tentative personnel budget does not include raises, an increase in health insurance, or any adjustment to FRS rates. Discussion followed regarding casualty and property insurance and custodial costs.

Dr. Powers overviewed the preliminary operating budget. A balanced budget will be brought in May or June. She also discussed operating reserves. Designated reserves were used for a non-reoccurring salary increase this year. President Pickens stated that absent a tuition increase or receiving a significant amount of equity funds, reserve funds will be needed to balance the budget for next year.

Dr. Powers briefly overviewed the auxiliary fund which consists of the Bookstore, food/vendor/copiers, the Thrasher-Horne Performing Arts Center, and the Conference Center. She will bring this budget in May also.

Dr. Powers also discussed the grants and restricted funds revenue. She then discussed the plant/capital project fund.

President Pickens proposed scheduling another Board Workshop prior to the one already scheduled on May 20th since discussions will need to be held regarding whether to raise tuition for next year and/or use designated fund reserves to balance the 2015-2016 budget, with respect to Dr. Holcombe's report and the recommendations that will be made at the May Board meeting.

President Pickens informed the Trustees that he and Dr. Powers will be presenting a Budget Forum for all employees at each of the three (3) campuses the end of April.

Chairperson Hancock adjourned the Budget Workshop at 3:00 p.m.