

May 22, 2000  
4:00 P.M.

Rm. #168, King Center  
Melbourne Campus

Eugene C. Johnson, Chairman; Betts O. Silvernail, Vice Chairman; James W.

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Mr. Little reported there are several factors which reduce the percentage allocated. One is the retirement savings which is part of the legislature's computation. A large part of funds comes from grants, which the college will not receive, as they will not pay the college for costs they do not incur. In rolling the budget forward, the college based this year's revenue budget on an assumption of FTE at the level of the current year. However, enrollment decreased between 6-7%. This year's budget will have to be adjusted for the shortfall in revenue. The true state increase, therefore, is \$44,241,180. With other BCC revenue such as interest earnings, non-credit tuition, revenue for the Business and Industry Training Center, rental of college facilities and other revenues, it brings the total revenue being proposed for this year to \$47,743,621. Compared to the current year's budget, that is a 3.95% increase.

Mr. Little reported BCC was awarded \$2.44 million for general renovation and repairs from Public Education Capital Outlay (PECO) funds. The college also receives an annual allotment from license tag revenue called Sum of Digits Money, which totals \$1,062,239 this year. Finally, matching funds were received for two projects, which were approved by the legislature to fund a \$288,000 project at the King Center for the Performing Arts to repp2urental of coi5 Ts the legislature to 2o T6(ent from)8.6( license ta ts to r3bpive

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(3) Revenue Budget

Mr. Little reported student fees shown in the material provided shows all student fees expected from the coming year for credit and non-credit enrollment. This also includes other fees such as application and lab fees. Each year the legislature publishes a standard fee to be charged for classes. Mr. Little reported the projected student fees are prepared by utilizing the current year enrollment with the new fee rate approved by the legislature. In taking the college from last year to this year, he utilized what is being projected in student fees for this year less the loss from the reduction of enrollment.

Dr. Gamble reported the Marketing Workshop next month will include demographics. This will allow the college to review the penetration area for marketing. At this time, basically 42% of the high school graduates from the high schools in the district who go on to college start their college experience at BCC. From a state and national perspective, this is a high percentage. The state average is approximately 28%. Dr. Gamble felt the college should focus a lot more on the potential student population of 25 years and up in the marketing efforts.

Mr. Little reported the bulk of the college's revenue is from state appropriations, which total \$34,617,000 for this year. These revenues are assured, unless there is a statewide cutback due to revenue receipts not coming in to equal projections. Revenues from sales and services include those from the planetarium, cosmetology, dental clinic, facility rentals, college grants, interest earnings, fines and incidental revenue anticipated during the year. Generally, all of the colleges charge close to the maximum tuition allowable. This year BCC is recommending a total fee of \$47.50 for college credit resident tuition per credit hour, which is an increase from the current \$45.00. Other recommended fee increases are a small increase in the vocational credit courses and the legislature dictates the amount that all institutions offering vocational classes will charge. The \$39.08 resident fee per credit hour for vocational classes is an increase from the \$37.00 charged last year. Non-resident fees are also set by the legislature. The A&P rate is increasing approximately 6%, while the PSAV out-of-state rate is decreasing 10% due to a change in how the state calculates the rate. Mrs. Silvernail asked if there was some reason the college uses the prior year budget versus the actual. Mr. Little explained that the college's year does not end until June 30, 2000, therefore, he could only provide a projected amount. He further explained that at the end of the year the college will present a budget amendment with actual amounts. Mr. Little answered questions presented by the Board.

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Mr. Little reviewed the breakdown of the proposed budget by type of expenditure. Compared to statewide averages, salaries statewide are approximately 76%, compared to BCC's which are close to 74%. The statewide average for operational expenses is approximately 20%, compared to BCC's at 22.9%. Capital Outlay statewide is approximately 4%, compared to BCC's 3%. BCC should typically show a higher operational percentage than the average, due to the large number of square feet of facilities which must be maintained. The bond payment covered by the college for the Florida Teaching and Research Laboratories inflates this amount in the operation's budget. The need over the long-run is to shift dollars from operating expenses to salaries to bring the salary structure to a level on average with the rest of the state. The college is also a little under the average for capital outlay, however, at this time it is not a critical issue. With the funding the college receives for capital outlay out of the operating fund, as well as what the grants and other areas are able to address, the college is in good shape with capital outlay.

Mrs. Martinez asked if the college were to remove the bond payment burden if the percentage would be more like the state average. Mr. Little reported if the amount of the annual bond obligation was placed into salaries the college would be closer to the state average.

Mr. Little reviewed the personnel area of the budget. Dollars have been set aside to provide the staff and faculty with across the board raises required to be more competitive with local industries and other state community colleges. A recommendation is not being made for part-time faculty this year as a significant increase was provided last year and the college feels those rates are competitive for the current year. The personnel budget includes only the most crucial new positions. Most of the positions are directly related to instructional support. No increase is being recommended in the administrative positions this year. The college has had to budget for a 20% increase in health insurance effective January 1

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in advising. Training was offered through Staff and Program Development. The Banner program has as a component some online advising capabilities which the college is hopeful will enhance the advising process. Mrs. Martinez stated it sounded like at the top level the college has been doing the right thing and is increasing the fund balance and using innovative measures to assist with the needs of the college. Dr. Gamble discussed other innovative approaches for the college, i.e., the use of e-commerce.

Dr. Gamble indicated as the Board of Trustee members reviewed the budget details between now and June, which is when the budget will be presented for approval, they can direct questions to either Mr. Little or himself and a response will be provided to their questions. Dr. Gamble said he would have a year-to-date comparison provided to the Board. Dr. Penn Williams also asked for a breakdown of the Business and Industry Training Center and asked to have the information at least a week before the June Board meeting.

Dr. Gamble reported basically the college is taking a conservative approach to the budget. There are areas where the college does not want to be at risk, however, there are certain areas where the college needs to move ahead. He will provide more details on the areas the college will be targeting for the new year. Mr. Handley asked if the budget is being tied into the strategic plan. Dr. Gamble reported this is being done with the budget.

Mrs. Silvernail asked about the cost to implement the college's marketing plan. Dr. Gamble reported this would fall under Community Relations and Marketing and what will be brought to the Board at the workshop prior to the June Board meeting. Dr. Gamble reported at the next Cabinet meeting they will be discussing whether or not they would like to bring in a consultant for the marketing efforts.