

BUDGET TOWN HALL

APRIL 29, 2016



FY17 BUDGET

MAYOR'S MARC vs BUDGET REQUEST

BUDGET REQUEST SCENARIOS

ADDITIONAL FUNDING ABOVE MARC

UDC Budget Scenarios at or Above the FY17 MARC

Sunday, January 3, 2016

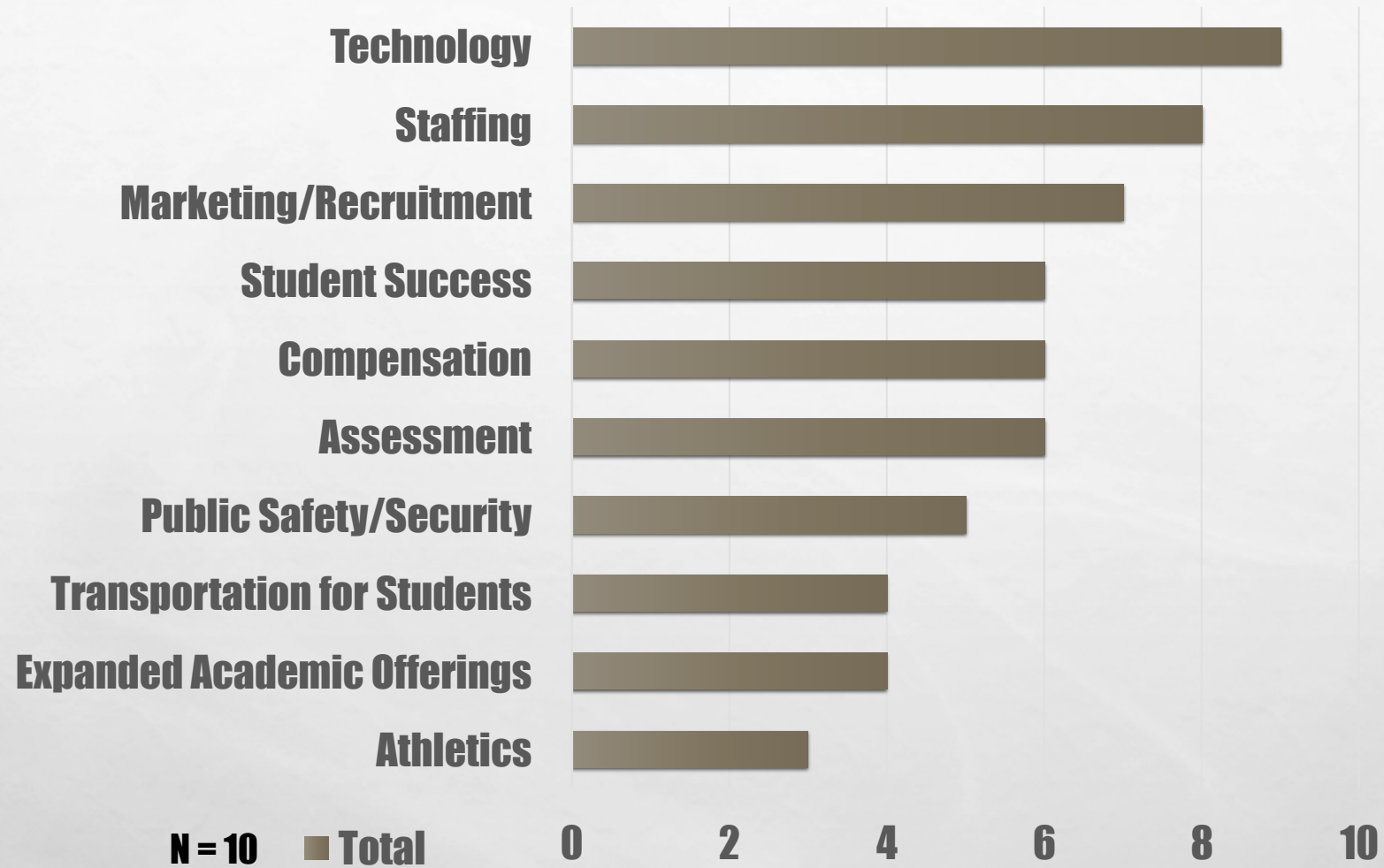
	Option A Vision 2020	Option B Hold Harmless	Option C FY16 Level	Option D MARC
Revenue				
Additional Funding Above MARC				
Gap in FY17 MARC vs. FY16 Funding	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ (2,000,000)
Funding for Structural Needs	\$ 5,200,000	\$ 5,200,000	\$ -	\$ -
Funding for Investment Needs	\$ 5,000,000	\$ -	\$ -	\$ -
Funding for Federal Land Grant Match	\$ 2,000,000	\$ -	\$ -	\$ -
Subtotal Additional Funding above MARC	\$ 14,200,000	\$ 7,200,000	\$ 2,000,000	\$ -

Request – recurring
Mayor's Budget – 1-time

FY2017 MAYOR'S BUDGET OVERVIEW

FY17 Local Budget Enhancement Increase	Amount
FY 2016 Local Budget	70,942,472
Reduction of One Time Funding	-3,509,028
CPI Increase	1,550,969
Operations Needs Increase	1,967,424
<i>One-Time Increase</i>	5,248,162
FY 2017 Local Budget	76,200,000
Net Increase btw FY2016 & FY2017 Local Budget	5,257,528

UDC Spring 2016 Budget Town Hall Responses



CURRENT THINKING ON USE OF FUNDS

- **2 SOURCES:**

- **\$1-2M – FUND BALANCE (1-TIME, NON-RECURRING)**
- **\$5.2M – INCREASE IN LOCAL BUDGET**

- **USES**

- **FUND BALANCE: SECURITY, MARKETING, TECHNOLOGY, STUDENT SERVICES**
- **LOCAL BUDGET**
 - **REVENUE GENERATING HIRES**
 - **RECURRING ENHANCEMENTS**
 - **ONE-TIME INVESTMENTS**
 - **COLAS/BONUSES (BIG QUESTION)**

CURRENT THINKING ON USE OF \$5.2M

- **REVENUE GENERATING HIRES = ± \$800K**

- **MAJOR GIFTS**
- **INTERNATIONAL AFFAIRS**
- **ALUMNI AFFAIRS**
- **NURSING NAVIGATOR**
- **ONLINE PROGRAMS**

CURRENT THINKING ON USE OF \$5.2M

- **RECURRING ENHANCEMENTS = \pm \$1.5M**
 - **EAB SUPPORT**
 - **ACADEMIC PROGRAM DEVELOPMENT/SUPPORT**
 - **INSTITUTIONAL AID**
 - **INDIRECT COST ALLOCATIONS**
 - **MARKETING**
 - **STAFFING**

CURRENT THINKING ON USE OF \$5.2M

- **ONE TIME INVESTMENTS = \pm \$900,000**
 - **WEB SITE**
 - **CURRICULUM ALIGNMENT**
 - **V2020 REGENERATION**

CURRENT THINKING ON USE OF REMAINING \$2M

THE BIG QUESTION???

- **BONUSES = + \$2M (ONE TIME)**
- **NON-UNION STAFF 3% COLAS = + \$2M (RECURRING)**

THE BIG QUESTION – COLAS

PROS

- **KEEPS PACE WITH INFLATION**
- **SALARY COMPOUNDING W/FUTURE COLAS**
- **UDC CONTRIBUTION TOWARD RETIREMENT ACCOUNT**
- **PRE-TAX CONTRIBUTIONS TO RETIREMENT**
- **HIGHER SALARIES HELP ATTRACT BETTER TALENT**
- **LEVERAGE HIGHER SALARY FOR FUTURE JOBS**

CONS

- **PRESENTS FINANCIAL RISK**
 - **COULD REQUIRE FUTURE DEPARTMENT CUTS IF UDC BUDGET CUT IN FY18**
- **3% ON TOP OF INCORRECT SALARIES A CONCERN**
 - **DOES NOT FULLY ADDRESS COMPENSATION ISSUES**

THE BIG QUESTION – BONUSES

PROS

- **LESS FINANCIAL RISK**
 - **ONE-TIME MONEY USED FOR ONE-TIME BONUS**
 - **FUTURE BUDGET CUTS DO NOT AFFECT BONUS**
- **LUMP SUM – MORE DISPOSABLE INCOME IN FY17**
- **SAME AMOUNT FOR EVERYONE**
 - **THOSE WITH LOWER SALARIES GET HIGHER %**
 - **THOSE WORKING OUTSIDE OF PROPER GRADE/STEP GET SAME AMOUNT REGARDLESS**
- **ALLOWS MORE FUNDING IN FY18 FOR IMPROVEMENTS**

CONS

- **NON-RECURRING; NOT ADDED TO SALARY BASE**
- **NO UDC RETIREMENT CONTRIBUTION**
- **DOES NOT FULLY ADDRESS COMPENSATION ISSUES**

STUDENT CENTERED THINKING