



Tab 1: FY20 Annual Budget Proposal, Dormitory Housing Commission Operations Action Item

*in overseeing finances of our operations
employees' health and
Student Wellness and
Student Activities Coordinator \ ur
to do a
since = all it Paula # irr as
after
Services operations, no
ur future is right it t ese
visions*

*of the 7' al Armon et roosal to Steve
McGroarty reviewed operational areas
Services, & -all Student Union*

in re NI@ Dormitory Housing Commission Minutes March 19, 2018 a C

Meeting called to order at 3:05 pm by Chair Marcheso. Present: Commissioner Marcheso, Commissioner Armon, Commissioner Patano, Secretary Sarah Garcia.

Approval of Minutes from April 18, 2018—Action Item

Commissioner Armon moved to accept the minutes of April 18, 2018. Commissioner Patano seconded the motion. Motion passed unanimously.

Operations, Financial Services, and the Student Wellness & Recreation Center, with a proposal to merge the Outdoor Pursuits program into these operations.

Impact Items include:

A decline in our head count from Fall enrollment data, with the 2018 2019 FTE down by almost 600 students, a 15.64% decrease. Mr. McGroarty mentioned that the dual credit (high school) students are not paying fees that contribute to our operations. Our Building Fee is \$180/FTE, down a little over 18% from from 2017 to 2020.

The Cardinal Bookstore FY19 impact items include the guaranteed Commission (\$250,000 guarantee in FY2018). Impact items for FY20 include consumer behavior, Follette On Demand (online store solution for institution and athletics), and included (inclusive access program, which delivers required digital course materials as part of tuition or fees.

Dining Services FY2019 Impact Items:

- Sodexo Transition (interim September 2018; full January 2019 – June 2023)

- Interim Personnel = \$48,000

- Resident meal plan refunds = \$79,000

- Investment #1 = \$100,000

Dining Services FY2020 Impact Items:

- Sodexo – First full year partnership (commission based, meal plans excluded)

- Meal plan increase = We are increasing the meal plan by 5% (no change since 2008 2009) / offset in room technology fee

- Investment #2 = \$100,000 (focus on market area)

- This year will include Investment #1 of \$100,000 by Sodexo into our system, including:
point of sales system (hardware and software)

- Video monitors in Market (3)

- New equipment

- Residence Hall C store refresh (open 5 pm to midnight)

- Kitchen storage/ supplies

- Dish and utensil replacement

The Residence Hall FY19 impact item included a lost summer camp. FY2020 Impact items include income due to a technology fee decrease as there is less demand for cable. Our forecast is 370 beds; our break even is 348 beds, even without summer camp.

Residence Hall Semester Rate for FY20:

Single Room is \$3345; Double Room is \$2195. This reflects a \$20 change last year to this year.

For Student Union Operations, we are proposing a FY2020 budget of \$290,847. Our FY2020 Student Fee Usage is 61% (\$93/FTE), which equals \$475,768. The Financial Services FY2020 budget reflects a net loss of (\$91,936). The Auxiliary Enterprise Fund budget for FY2020 reflects a net income of \$170,090.

The Student Wellness and Recreation Center budget reflects a student fee decline and a net income of \$3922 for FY2020. The college has offered a pilot program as part of employee wellness, which has generated new memberships, with the employee paying \$15 and the college paying \$15 of the monthly membership. Outdoor Pursuits is one of our campus recreation programs, and there is program overlap within the SWRC building/operations. ASNIC provides a \$4000 budget for students to use their services. There is a proposal to merge the Outdoor Pursuits program with these operations.

Student Union Fees are generated from \$93/student. Our FY2020 budget reflects \$475,768 in income and \$700,510 in expenses, showing a net loss of (\$224,742). As an aside, year 2022 is when the Residence Hall will be paid off. Additional expenditures this year included a new kitchen floor at a cost of \$9,000, an air quality study at \$4500, and HVAC review at a cost of \$5200. There are no additional capital expenditures for FY2020. For all operations, the bottom line for FY2020 is (\$50,731).

The Commissioners asked if there were thoughts of adding food service to Parker PTE building? Mr. McGroarty replied that our vendor contract expires in June of 2020, so that gives us an opportunity to explore options. Sodexo has provided us with fresh options with On The Spot, similar to Amazon fresh stores. Food trucks were popular at the beginning, but as the year went on it fizzled.

Debt Service Summary table

The Series 2012 Residence Hall reflects \$822,088 for FY19 and \$819,325 for FY20; it matures in FY2022.

The Series 2016 SWRC reflects \$281,956 for FY19 and \$282,356 for FY20.

Mr. McGroarty reviewed that the fund balance is \$4,294,832 for FY20. Fund balance recommendations are no less than two months of regular operating expenditures. Additional considerations are predictability of revenue, the volatility of expenditures, and capital needs.

Commissioner Armon asked how often we are rated? Ms. Garcia responded that we submit information to Moody's every year, with our official bond rating process every three to five years. Ms. Garcia advised that we not dip into our fund balance; due to our enrollment challenge, we are using fund balance to make our ratio requirement for the bonds. By 2022 we are potentially looking at bigger projects and potentially establishing a deferred maintenance annual fund.

Future improvement expenditures include:

- Replace student dining room chairs

- SUB re key

- SUB HVAC

- Res Hall furniture (resident)

- SUB lobby floors / stairs

- SWRC Equipment

- SUB Exterior windows (dining room, above dining) as they are losing the ability to see through and seal properly.

Action Item:

Commissioner Patano moved to approve the Dormitory Housing Commission Operations FY2020 budget as presented, including the addition of Outdoor Pursuits to the budget pending confirmation by our attorney of the impact of Outdoor P