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COMMUNITY COLLEGE DISTRICT NO. 508
AUGUST 1, 2019

City Colleges of Chicago

FY20 Budget

Finance & Administrative Services Committee

August 1, 2019



CITY COLLEGES[®]
of CHICAGO

Agenda

- Financial Priorities
 - Enrollment Trends

- FY20 Budget Highlights
 - Revenue Overview
 - Expense Overview
 - Notable Revenue and Expense Drivers
 - Cash Position

- FY20 Capital Plan

- Questions

Financial Priorities

- **Commitment to Affordability**
 - CCC has **not raised tuition** across the board in four years. Furthermore, last year, CCC made tuition **more equitable** for full & part-time students.
 - CCC is also the only community college in the state that **caps tuition** at 12 credit hours and has **no fees**.
 - CCC continues to invest in student resources, including transit cards to full-time and part-time students (\$4.0M in FY20 Budget)
- **Free College**
 - \$8.0M for **Star Scholarship program**
 - \$2.9M **Dual Credit/Dual Enrollment, Jump Start to Jobs and Summer Fast Track**
 - \$0.6M **Athletic Waivers**
- **Commitment to Best in Class Facilities**
 - CCC issued Bonds in 2013 (\$250M) and 2017 (\$78M) - \$311M in outstanding debt as of 12/31/18
 - Malcolm X College, School of Health Sciences (2013 Bonds)
 - Daley Manufacturing Technology & Engineering Center (2017 Bonds)
 - Olive-Harvey Transportation, Distribution and Logistics Center (2017 Bonds)
- **Bad Debt Reduction Strategies**
 - CCC is implementing strategies to reduce bad debt expense, including:
 - Enforcing payment deadlines (Summer 2019)
 - Other strategies currently under consideration for FY20-21

Financial Priorities

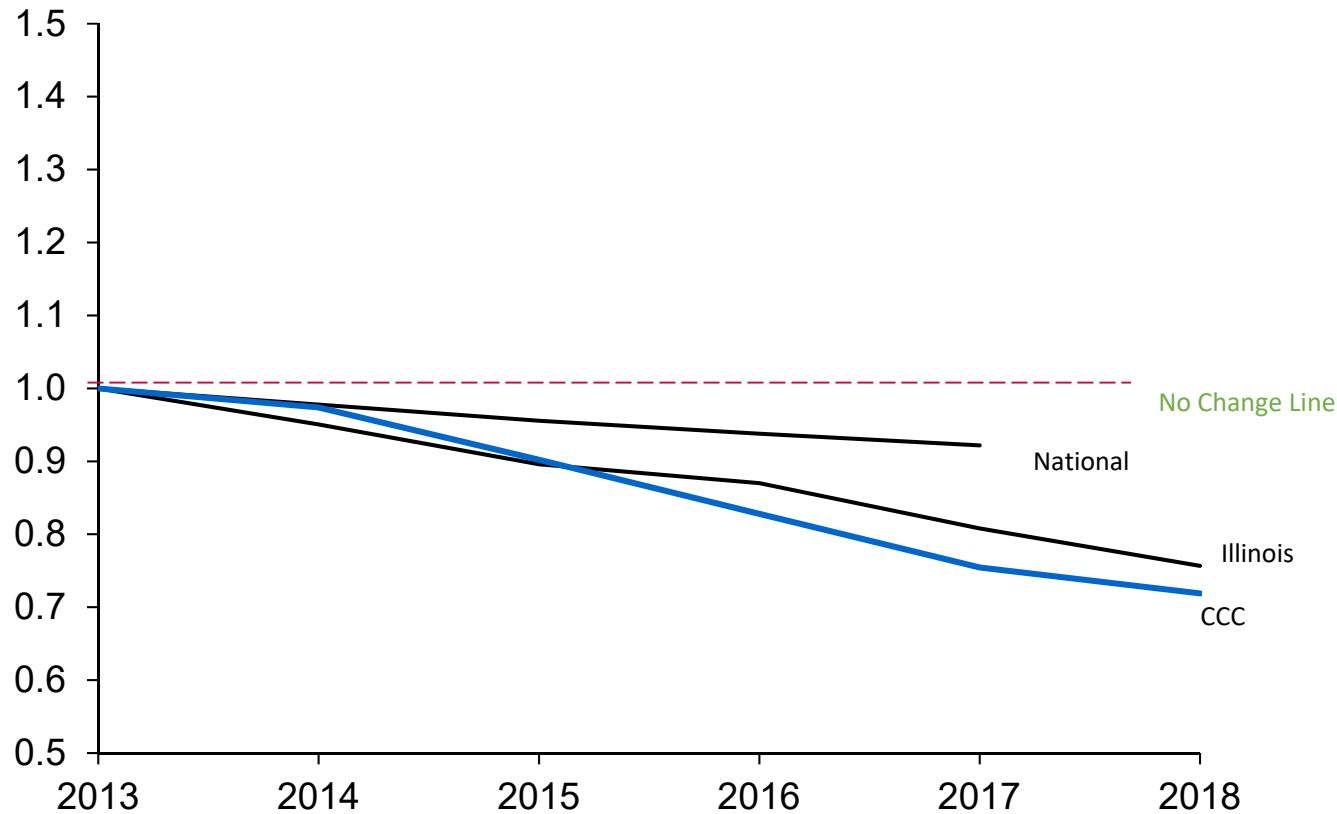
- Predictable Labor Costs

Union- Description	Status	Previous CBA Expiration Date	Current Agreement Expiration Date
IEA-NEA Credit Lecturers Union	Contract	6/30/2012	6/30/2020
Local 1600 Faculty	Contract	7/15/2018	7/15/2022
Local 1600 Professionals	Contract	7/15/2018	7/15/2022
Local 1600 PT Professionals	Contract	7/15/2018	7/15/2022
Local 1600 Security Employees	Contract	12/31/2017	12/31/2020
Local 1708 Full-Time Staff	Contract	6/30/2016	6/30/2023
Local 1708 Part-Time Staff	Contract	6/30/2017	6/30/2023
Local 73 SEIU Bldg Maintenance	Contract	6/30/2018	6/30/2021
Council 31 AFSCME Adult Educators	Tentative Agreement	6/30/2016	6/30/2023
Council 31 AFSCME Coordinators	Tentative Agreement	6/30/2016	6/30/2023
Local 399 Bldg. Engineers	Tentative Agreement	6/30/2018	6/30/2023
Local 1220 IBEW*	Expired	6/30/2017	6/30/2019

*3 FTE

CCC faced steeper enrollment declines than its peers

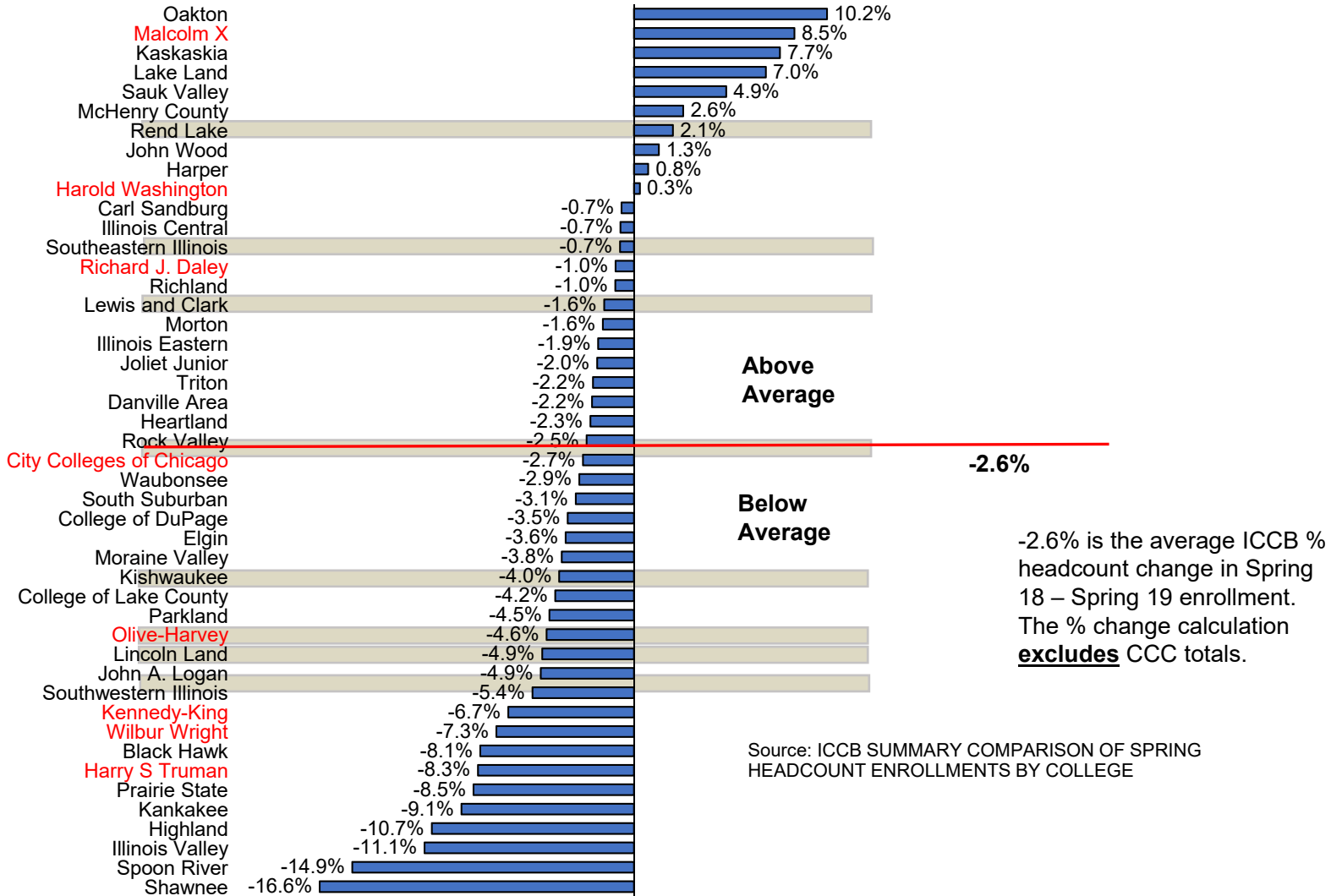
Indexing Headcount Enrollment Change for 2-Year Public Institutions, FY13 to FY18



- SOURCE: National Center for Education Statistics, U.S. Department of Education. Retrieved June 21, 2019, from [National Center for Education Statistics website](#);
- Illinois Community College Data Book. Retrieved June 21, 2019 from [Illinois Community College Board website](#)
- NOTES: National enrollment data through NCES

Statewide Community College Enrollment

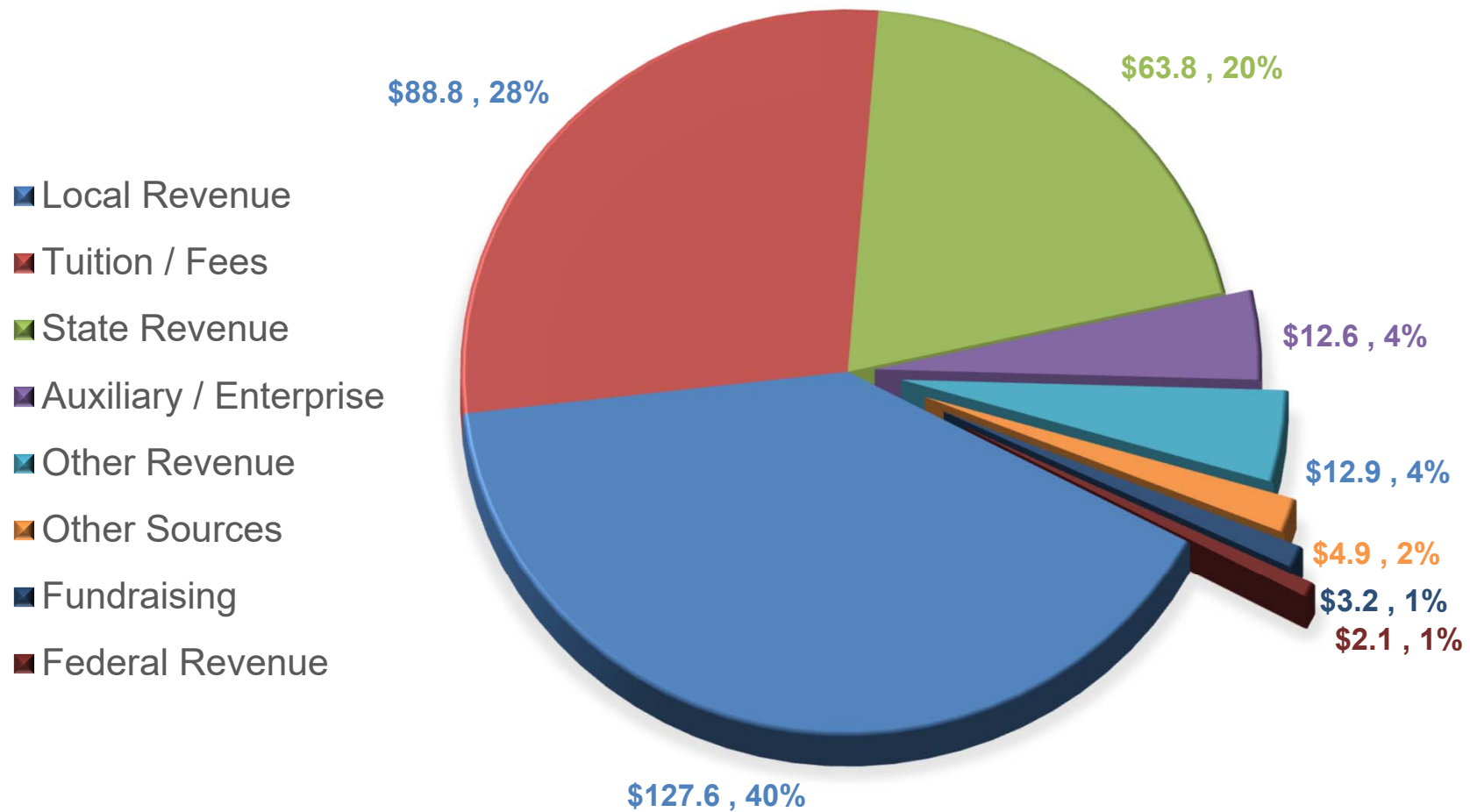
ICCB Enrollment: % Change Spring 2018 – Spring 2019 (Headcount)



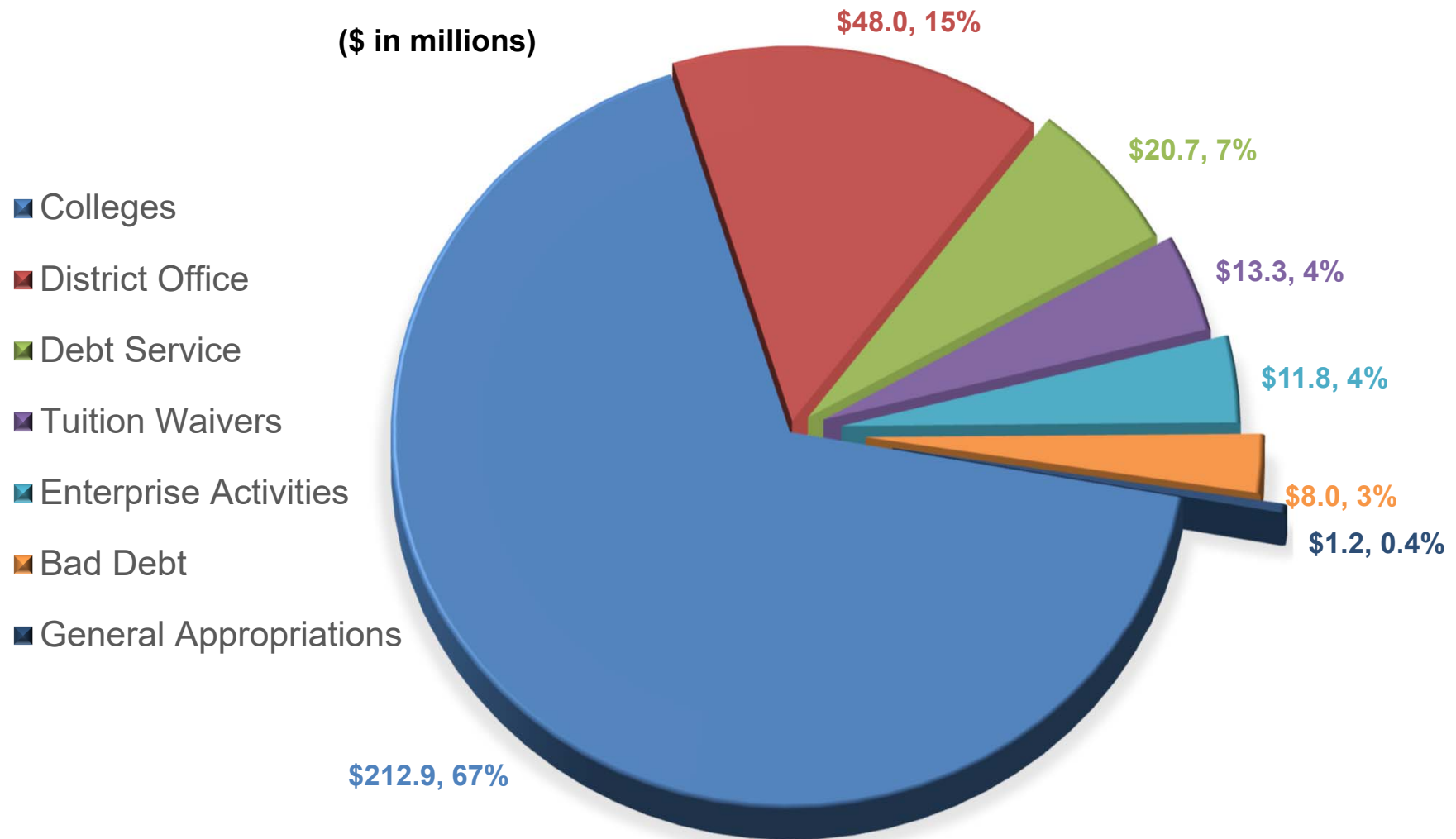
FY20 Budget Highlights

FY20 Revenue Overview – Unrestricted Resources (\$315.9M)

(\$ in millions)



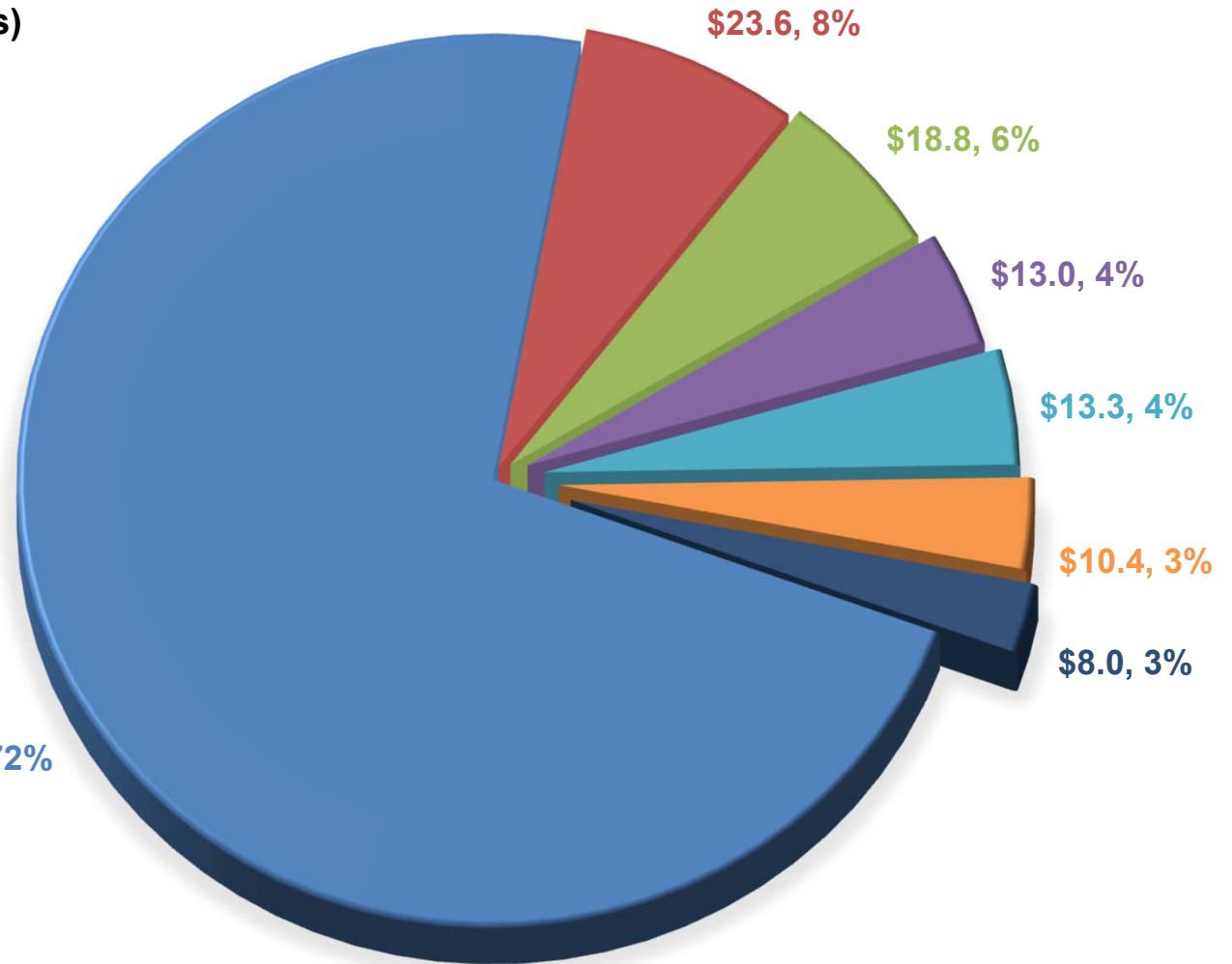
FY20 Expense Overview – Unrestricted Funds by Cost Center (\$315.9M)



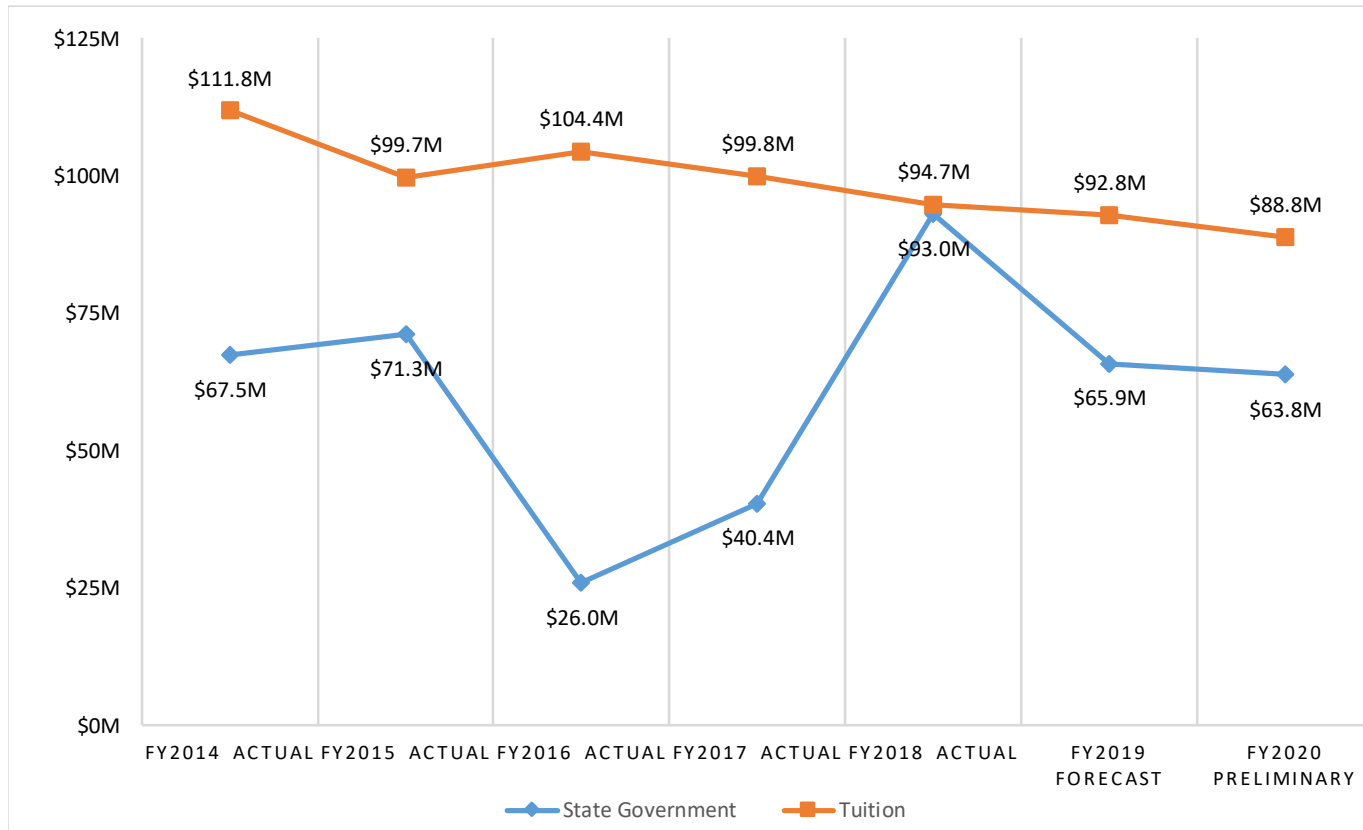
FY20 Expense Overview – Unrestricted Funds by Budget Line (\$315.9M)

(\$ in millions)

- Personnel Expenses
- Fixed Charges (includes Debt Service)
- Contractual Services
- Materials and Supplies
- Scholarships and Waivers
- Utilities, Travel and Other
- Bad Debt



Notable Revenue and Expense Drivers, FY14 – FY20 (\$ in millions)

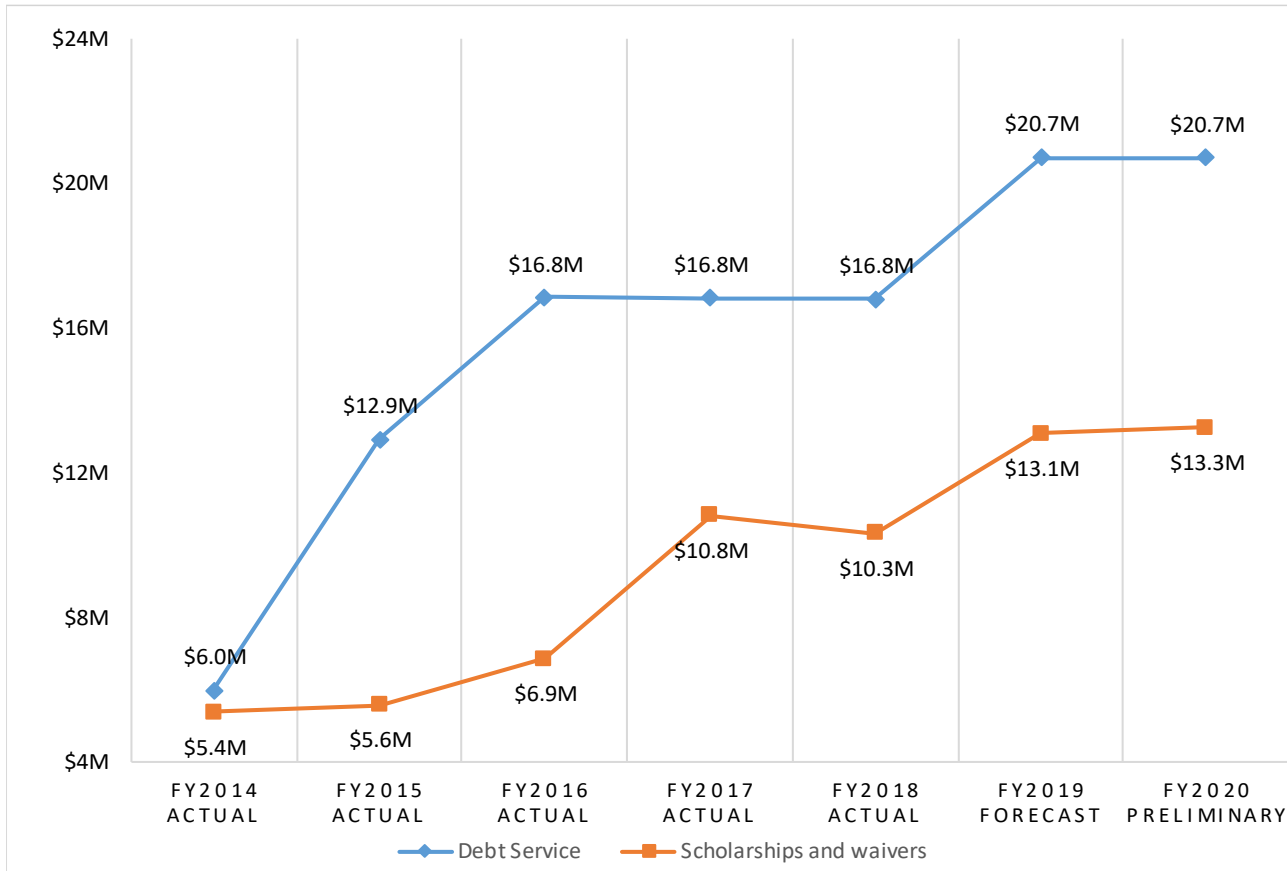


Notable Drivers (\$ in millions)	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Forecast	FY20 Prelim.
Tuition	\$111.8	\$99.7	\$104.4	\$99.8	\$94.7	\$92.8	\$88.8
State Government ¹	67.5	71.3	26.0	40.4	93.0	65.9	63.8

¹ Includes Personal Property Replacement Taxes (PPRT)



Notable Revenue and Expense Drivers, FY14 – FY20 (\$ in millions)



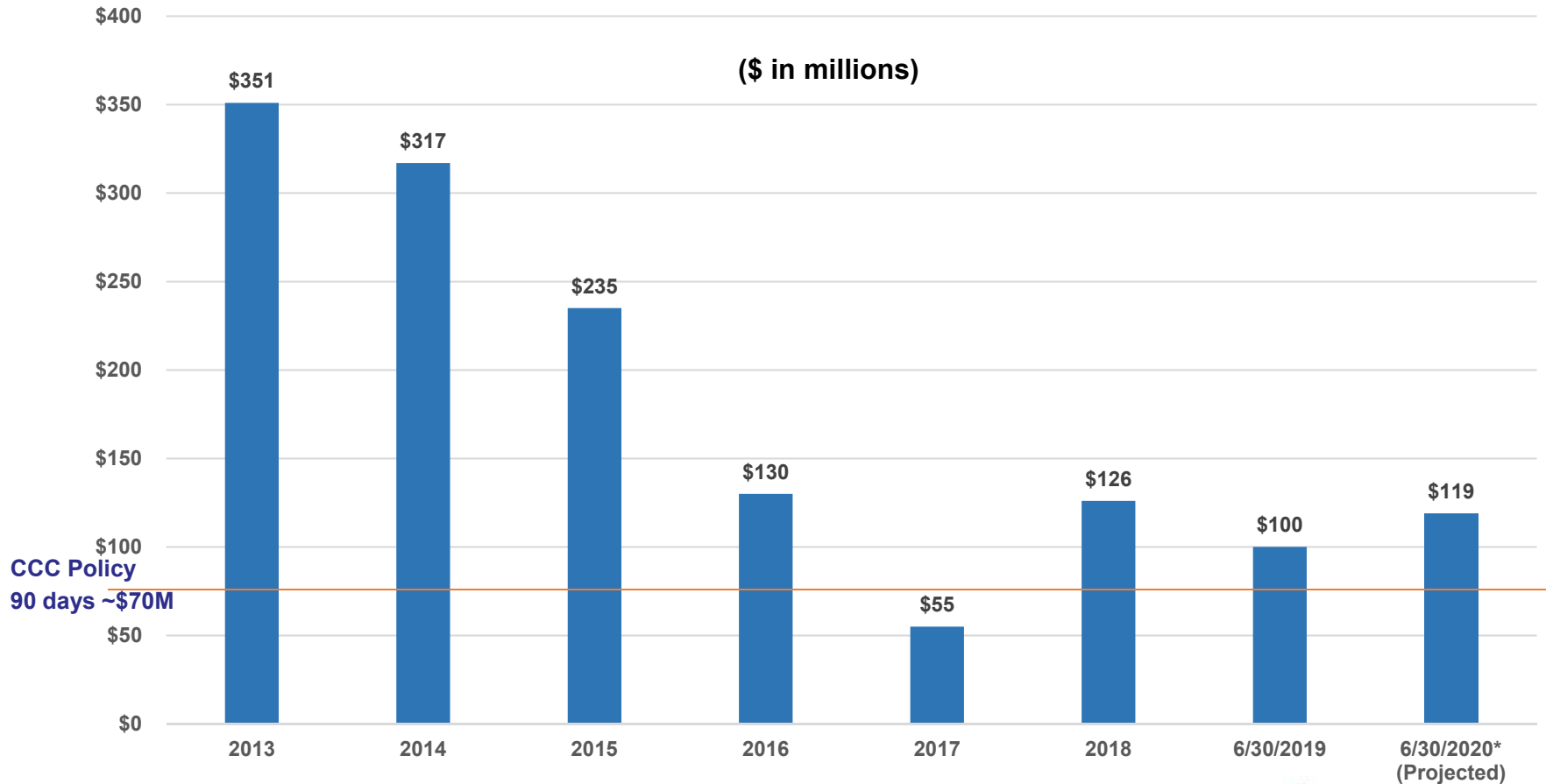
Notable Drivers (\$ in millions)	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Forecast	FY20 Prelim.
Debt Service	\$6.0	\$12.9	\$16.8	\$16.8	\$16.8	\$20.7	\$20.7
Scholarships & Waivers ²	5.4	5.6	6.9	10.8	10.3	13.1	13.3

² Includes Star Scholarship: \$3.3M (started in FY16), \$6.1M (FY17), \$7.3M (FY18), \$9.0M (FY19 Budget and Forecast), \$8M (FY20, MAP and RISE Act); - FY20 includes \$1.3M in DFSS IGA

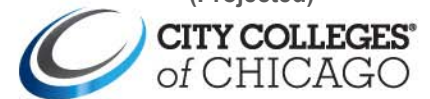


Cash Position is stabilizing

- CCC's goal is to establish financial growth stabilization, and provide a positive outlook on the financial position of the District.
- CCC used cash reserves to fund priority investments during the State budget crisis.
- We plan to continue to build cash reserves by achieving operating surpluses for multiple years.
- The sale of 226 W. Jackson will improve our cash position.



* Reflects \$12.9M appropriated sale proceeds



FY20 Capital Plan

FY20 Capital Resources

FY20 CAPITAL PLAN: DRAFT June 2019

	Deferred Maintenance			OIT	FY20 TOTAL
	Infrastructure & Life Safety	Renovations	Total		
Daley	\$4,311,351	\$300,000	\$4,611,351	\$310,000	\$4,921,351
Harold Washington	3,350,650	2,225,000	5,575,650	305,600	5,881,250
Kennedy-King	2,103,000	660,000	2,763,000	574,000	3,337,000
Malcolm X	1,915,000	2,225,000	4,140,000	306,000	4,446,000
Olive-Harvey	3,475,000	1,080,000	4,555,000	280,000	4,835,000
Truman	4,110,200	1,850,000	5,960,200	300,000	6,260,200
Wright College	4,249,000	950,000	5,199,000	301,208	5,500,208
District-Wide	2,255,000	0	2,255,000	5,176,540	7,431,540
City Colleges			\$35,059,201	\$7,553,348	\$42,612,549

Source of funding will come from the State Capital Bill and CCC Capital Cash



The District's highest priority deferred maintenance and renovation projects are included in the FY20 draft plan



Daley College

- Curtain wall reglazing and rehabilitation
- Replacement of (3) Boilers
- Repaving of 77th street
- Replace water heaters



Harold Washington College

- Elevator and escalator modernization
- Roof Replacement
- Repair and seal exterior concrete façade
- Water heaters
- Renovation resulting from architectural study, such as library



Kennedy-King College

- Technology Training Center (Y103)
- Mechanical upgrades / BAS Replacement
- U Building roof repairs
- Parking lot repairs
- Upgrade fire alarm panel and system



Malcolm X College

- WSLC Biology Lab
- Elevator upgrades at MXC and WSLC
- Storm trap engineering assessment
- WSLC Community Center



Olive-Harvey College

- Science lab fume hood replacement
- Exterior connection between buildings
- Enhanced Directional signage
- Playground upgrades
- Classroom/ office sound proofing
- Mechanical upgrades



Truman College

- Biology labs
- Galvanized piping replacement
- Phase I roof restoration
- Replace boiler & water heaters in Phase 2 building
- Elevator upgrades



Wright College

- Replace vinyl flooring in classrooms
- Roof / curtain wall repairs
- Relocate reprographics to create Career Center
- Replace air handling units for pool

Questions