

# Proposed 2024-25 College Budget

## Executive Summary

Enclosed is the President's Proposed Budget for 2024-25. It is being distributed for your review and consideration. A resolution is on the agenda for the Board of Governors to accept and approve this budget as the Board of Governor's budget during the July 23, 2024, Board Meeting.

College staff prioritized their requests to achieve a proposed budget that fits MCC's needs and makes the best use of the available resources. Between March and the end of June 2024, the Vice Presidents, members of Cabinet, and others identified elevated priorities for the College during the coming fiscal year as seen in the Mission Achievement Plan included in the introductory section of the Proposed Budget. Special attention was paid to making sure that there was budget to continue the college's modernization of its SIS/ERP system and preliminary work on the development of the Sarpy County Campus. The college will also be maintaining and expanding on MCC's effort to boost enrollments, retention, and completion through the Path Forward initiative.

The budget book is separated into three major sections:

- I. The Introductory Information section includes this Budget Executive Summary, list of Board of Governors, the 2024-25 Mission Achievement Plan (MAP), and the 2024-25 Planning/Budget Calendar.
- II. The Budget Information section includes the detailed proposed budget for all College funds: General, Capital, Auxiliary, and Federal. Detailed information about property taxes, tuition, enrollment, cost centers, equipment, and capital projects are included in this section.
- III. The Other Information section includes reports on the descriptions of the various funds that are used in accounting for the college, the 2024-25 Budget Development Guidelines (Instructions) for Cost Center Managers to use when developing their budget requests, a College History and Profile, the Economic Value of MCC Fact Sheet, MCC Annual Facts, Enrollment Summary Trends, Annual Credit Hours by Prefix, Significant State Statutes for the 2024-25 Budget Season, Real Property Valuation Change, Value & Taxes Levied by Taxing Subdivision, Property Valuation by County, and an updated Glossary of Educational Terms used by the College.

Highlights of the proposed budget include:

- The expenditure budget for all funds is \$274,906,501 an increase of \$8,785,965 or 3.30% from last year. This includes all expenditures from General Fund, Capital Improvement, Auxiliary, and Federal funds.
- The expenditure budget for the General Fund is \$148,236,851 an increase of \$8.4 million or 6 %. This increase is largely driven by MCC's two largest expenditures, Personnel and Operating.
- In total, General Fund revenues are estimated to increase by \$10.6 million (7.98%) to \$143,765,004.
- Due to a change in state funding this year, MCC will not levy property taxes for general fund. The funding from this property tax levy will be replaced with state funding from the Community College Future Fund. The proposed property tax rate decreased to 2.0 cents for the Capital Fund. MCC's levy is equivalent to \$20.00 for every \$100K of property valuation.
- Approximately \$21.4 million in revenue from Property Tax is expected, a reduction of 79% due to the change in state funding provided by the Community College Future Fund.
- Last year the Nebraska Legislature passed, and Governor Ricketts signed into law, LB873, which provides property owners tax credits for a portion of the property tax payments they make to support community colleges. This credit continues again this year allowing property tax owners to receive a tax credit.
- During the next fiscal year, MCC's Capital Fund expenditures continue to be concentrated on upkeep and eliminating deferred maintenance. Funds have been earmarked to support the completion and recommended investments in MCC's Strategic Master Plan.
- During the upcoming fiscal year, the budget will be utilized to continue working on the modernization of the college's SIS/ERP system and preliminary work on the development of the Sarpy County Campus.

The approval process for the budget will follow the Calendar for Adoption of the 2024-25 Budget that was approved in June 2024. The final vote on the budget will be in September.

In closing, we will be prepared to present and discuss the proposed budget at the July 23 Board of Governors' meeting. Please contact the College Administration if you have questions or information requests to assist in your review of the proposed budget.