

Proposed 2019-20 College Budget

Executive Summary

Enclosed is the President's Proposed Budget for 2019-20. 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 on July 23rd. If desired, the administration is available for additional meetings in August in order to address any questions or concerns that may arise.

College staff prioritized their requests in order to achieve a proposed budget that fits the needs of the College and makes the best use of the available resources. To assure continued community access to quality services, especially due to uncertainties regarding the economy and revenue in the coming years, this budget is designed to provide the flexibility needed to effectively respond to emerging opportunities and current challenges.

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 2019-20 Mission Achievement Plan (MAP), and the 2019-20 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 Fund Accounting description, the 2019-20 Budget Development Guidelines (Instructions) for Cost Center Managers to use when developing their budget requests, a College History and Profile, Selected Master Plan Data Update Information, Accreditation Executive Summary, MCC Economic Impact, Heartland 2050 Study, MCC Annual Facts and Data Notebook, Course Weighting Information, Annual Credit Hours by Prefix, Online Degree Information, Significant State Statutes for the 2019-20 Budget Season, Real Property Valuation Change, State Agency General Fund Appropriations Summary, Value & Taxes Levied by Taxing Subdivision, and a Glossary of Educational Terms used by the College.

The college priorities for the 2019-20 Budget are identified in the 2019-20 Mission Achievement Plan (MAP) found on Page C1-2 in the Introductory Section.

Highlights of the proposed budget are:

- Tuition and fees for fiscal year 2019-20 will remain at \$64 for resident tuition plus \$5 facility fee for a total of \$69 per quarter credit hour (equates to a semester rate of \$96.00 tuition, \$7.50 facility fee and \$103.50 total)
- The proposed General Fund property tax rate remains at 7.50 cents per \$100 of valuation for the General Fund.
- The proposed Capital Fund property tax rate remains at 2.00 cents per \$100 of valuation for the Capital Fund to fund the identified major capital construction of the Facilities Master Plan and payments on the bond issues. The total tax rate is 9.50 cents per \$100 of valuation that equates to a tax of \$95 on a \$100,000 home in our four-county service area.
- Budgeted General Fund state aid revenue is our estimated share of the amount appropriated during this year's legislative session.
- The total General Fund revenue is anticipated to increase 4.0% in fiscal year 2019-20, while the General Fund expenditure budget is up 4.1% from last year's request.
- Positions continue to be reviewed to best realign staffing to match current and emerging priorities, such as staffing and maintaining the new facilities.
- The total budget for all funds is \$215,726,326, which is up 12.4% from last year. The increase is due to the planned Capital Fund construction projects.
- The Capital Fund budget includes finishing the renovation of Building #34 (formerly Building #59) and the Center for Advanced Manufacturing along with starting the Automotive Training Center.

The approval process for the budget will follow the Resolution Establishing Calendar for Adoption of the 2019-20 Budget that was approved in June 2019. 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 23rd Board of Governors' meeting. Please contact the College Administration if you have questions or information requests that will assist your review of the proposed budget.