

Proposed 2023-24 College Budget

Executive Summary

Enclosed is the President's Proposed Budget for 2023-24. 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 25, 2023, 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 2023, the Vice Presidents, members of Cabinet and others identified elevated priorities for the College during the coming fiscal year as can be 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 begin the college's modernization of its SIS/ERP system and also to continue work on an updated Master plan. 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 2023-24 Mission Achievement Plan (MAP), and the 2023-24 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 2023-24 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, The Economic Value of MCC Fact Sheet, MCC Annual Facts, Enrollment Summary Trends, Annual Credit Hours by Prefix, Significant State Statutes for the 2023-24 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 \$266,120,536 an increase of \$30,949,187 or 13.16% from last year. This includes all expenditures from General Fund, Capital Improvement, Auxiliary and Federal funds.
- The expenditure budget for the General Fund is \$139,834,636 an increase of \$8.1 million or 6.2%. This increase is largely driven by MCC's two largest expenditures, Personnel and Operating.
- In total, General Fund revenues are estimated to increase \$7 million (5.5%) to \$133,540,254.
- Once again, MCC declines to use its full 11.25 cent levy authority and continues to utilize 84% of its full authority. The proposed property tax rate remains at .095 cents per \$100 of valuation—7.5 cents for the General Fund and 2.0 cents for the Capital Fund. MCC's levy is equivalent to \$95.00 for every \$100K of property valuation.
- Approximately \$74.4 million revenue from Property Tax is expected, an increase of 13.5% due to increased property valuations.
- 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 of MCC's Strategic Master Plan.
- During the upcoming fiscal year, budget will be utilized to continue working on the updated master plan and the modernization of the college's SIS/ERP system.

The approval process for the budget will follow the Calendar for Adoption of the 2023-24 Budget that was approved in June 2023. 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 25th 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.