

## **Proposed 2022-23 College Budget**

### **Executive Summary**

Enclosed is the President's Proposed Budget for 2022-23. 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 26, 2022, 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 2022, 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 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 2022-23 Mission Achievement Plan (MAP), and the 2022-23 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 2022-23 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 2022-23 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 \$235,171,349 an increase of \$618,598 or 0.26% from last year. This includes all expenditures from General Fund, Capital Improvement, Auxiliary and Federal funds.
- The expenditure budget for the General Fund is \$131,672,448, an increase of \$5.9 million or 4.7%. This increase is largely driven by MCC's two largest expenditures, Personnel and Operating.
- In total, General Fund revenues are estimated to increase \$8.9 million (7.5%) to \$126,762,639.
- Revenue from Tuition is expected to increase 9.5% to \$25.2 million. Most of this growth can be traced to an increase of MCC's Tuition rates, higher dual credit demand and increased enrollments, overall.
- Once again, MCC declines to use its full 11.25 cent levy authority and continues to utilize 83% 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 \$65.7 million revenue from Property Tax is expected, an increase of 8.7%.
- In its last session, 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. The bill provides \$50 million in statewide credits this year and grows to \$195 million by 2026.
- 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.
- In the MAP process, college leadership refined nearly 200 proposed priorities down to 88 initiatives on which to concentrate resources. These priorities are crucial to advancing critical programs and improvements. In general, MCC identified ways to include these responsibilities within anticipated routine and ordinary budgets; relatively few commitments require new or additional resources.

The approval process for the budget will follow the Calendar for Adoption of the 2022-23 Budget that was approved in June 2022. 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 26<sup>th</sup> 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.