

CHAPTER 3

GENERAL FUND

General Comments

The College's General fund is used to record and report transactions related to academic and instructional programs and their administration. Activities necessary for providing this service are grouped into seven classifications: Instruction, Information Services, Public Service, Instructional Support, Student Services, Institutional Administration, and Physical Plant Operations. The primary revenue sources that provide funding for these activities are tuition, property taxes, and state appropriations.

A combination of increases and decreases has resulted in a 1.19 percent decrease in General Fund revenues for next year when compared to the 2015-2016 budgeted revenues. However, when comparing 2015-2016 projected revenues to 2016-2017 budgeted revenues, it results in a 1.17 percent increase in General Fund revenues for next year.

	Audited 2014-2015	2015-2016 Budget	2015-2016 Projected	Projected vs. Budget	2016-2017 Budget	2016-2017 Budget vs. Projected
Tuition and Fees	8,767,177	8,938,750	8,438,000	(500,750)	8,519,450	81,450
Property Taxes	11,968,333	12,400,000	12,300,000	(100,000)	12,400,000	100,000
State Appropriations*	5,533,326	4,605,600	4,605,600	0	4,676,700	71,100
Other	200,203	213,450	205,000	(8,450)	251,650	46,650
TOTAL REVENUE	26,469,039	26,157,800	25,548,600	(609,200)	25,847,800	299,200

*2014-2015 Audited includes State Appropriation for UAAL Rate Stabilization (\$997,337)

Table 3.1

Tuition and fee revenue is budgeted to increase .97 percent (as compared to 2015-2016 projected actual revenue) due to an approximate 5 percent tuition rate increase approved by the Board in April 2016. However, billable contact hours are projected to decline 5 percent. Property tax values are basically flat in Monroe County and as a result, property tax revenues are budgeted at the exact same amount as budgeted in FY 2015-2016 and state appropriations are expected to increase by 1.5 percent (\$71,100).

Table 3.2 demonstrates the annual percentages each revenue source represents of total General Fund revenues over 23 years.

Requested expenses in next year's General Fund budget represent a 1.8 percent decrease over the current year's budgeted expenses.

There are seven full-time positions at the College that are on the organizational chart but are not being filled during the 2016-2017 fiscal year: Professor of Counseling, Professor of English, Professor of Computer Information Systems, Coordinator of Grants and Major Gifts, Dean of Corporate and Community Services, Director of the Whitman Center, and General Maintenance Worker. In total, the 2016-2017 budget includes a full-time employee workforce reduction of 2 FTE (full-time equivalent).

The proposed 2016-2017 budget includes, per the Agreement with the MCCC Maintenance Association, a 1 percent increase in the maintenance employees' compensation. A 1 percent increase is being proposed to the salary schedules for the administrators, professional staff, support staff, part-time support staff, and adjunct faculty. In addition, full-time administrators, professional staff, and support staff who are eligible would receive step advances. There are no salary adjustments for full-time faculty included in the 2016-2017 budget as the current Master Agreement expires on August 23, 2016, and a new Master Agreement is currently being negotiated. Student assistant wages are budgeted at minimum wage which will increase in January 2017.

The following tables illustrate the wage adjustments by employee group from 2007-2008 through 2016-2017:

Table 3.2
General Fund Revenues Percentage of Total

FY	T & F	Taxes	State	Other	Total
94-95	20.5%	56.9%	20.0%	2.6%	100.0%
95-96	20.2%	56.8%	20.5%	2.5%	100.0%
96-97	19.8%	55.7%	21.3%	3.2%	100.0%
97-98	19.5%	55.4%	21.8%	3.3%	100.0%
98-99	19.7%	55.6%	21.7%	3.0%	100.0%
99-00	19.4%	54.4%	22.3%	3.9%	100.0%
00-01	19.2%	54.3%	23.7%	2.8%	100.0%
01-02	20.5%	54.5%	23.1%	1.9%	100.0%
02-03	20.9%	55.6%	21.9%	1.6%	100.0%
03-04	23.0%	56.4%	19.4%	1.2%	100.0%
04-05	23.9%	55.2%	19.1%	1.8%	100.0%
05-06	24.4%	55.3%	17.7%	2.6%	100.0%
06-07	24.4%	55.3%	17.7%	2.6%	100.0%
07-08	25.8%	54.0%	17.7%	2.5%	100.0%
08-09	27.9%	54.3%	16.4%	1.4%	100.0%
09-10	32.3%	50.9%	15.9%	0.9%	100.0%
10-11	34.4%	48.5%	16.1%	1.0%	100.0%
11-12	35.4%	47.6%	16.1%	0.9%	100.0%
12-13	36.7%	45.6%	16.7%	1.0%	100.0%
13-14	35.3%	45.1%	18.6%	1.0%	100.0%
14-15	34.4%	47.0%	17.8%	0.8%	100.0%
15-16*	34.2%	47.4%	17.6%	0.8%	100.0%
16-17*	33.0%	48.0%	18.0%	1.0%	100.0%

*Budgeted

Management Salary Schedule

FY	Steps	Percentage	Off-Schedule	Salary Schedule Freeze
2007-2008	X	3%		
2008-2009	X	3%		
2009-2010				X
2010-2011	X		\$500	X
2011-2012			\$500	X
2012-2013	X		\$500*	X
2013-2014	X	1%		
2014-2015				X
2015-2016	X		1%**	X
2016-2017	X	1%		

Professional Staff

FY	Steps	Percentage	Off-Schedule	Salary Schedule Freeze
2011-2012				New
2012-2013				X
2013-2014	X	1%		
2014-2015				X
2015-2016	X		1%**	X
2016-2017	X	1%		

Note: Employee group created in January 2012 (Steps not given in 2012-13)

Support Staff

FY	Steps	Percentage	Off-Schedule	Salary Schedule Freeze
2007-2008	X	3%		
2008-2009	X	3%		
2009-2010				X
2010-2011	X		\$500	X
2011-2012			\$500	X
2012-2013	X		\$500*	X
2013-2014	X	1%		
2014-2015				X
2015-2016	X	1%		
2016-2017	X	1%		

Part-time Support Staff

FY	Percentage	Off-Schedule	Salary Schedule Freeze
2007-2008	3%		
2008-2009	3%		
2009-2010			X
2010-2011		\$250/\$125	X
2011-2012		\$250/\$125	X
2012-2013		\$250/\$125	X
2013-2014	1%		
2014-2015			X
2015-2016	1%		
2016-2017	1%		

* \$500 Off-Schedule to full-time employees at top step of salary schedule

** 1% Off-Schedule to full-time administrators/professional staff at 12th step; excludes VPs

Table 3.3

Full-time Faculty

FY	Steps	Percentage	Off-Schedule	Salary Schedule Freeze
2006-2007	X	3%		
2007-2008	X	3%		
2008-2009	X	3%		
2009-2010	X	3%		
2010-2011	X		\$500*	X
2011-2012	X		\$1,000*	X
2012-2013	X		\$500*	X
2013-2014	X	1%	\$500	
2014-2015	X	1%		
2015-2016	X	1%		

X-Contr. Rate Teaching	X-Contr. Rate Stu. & Info. Serv.	Spr/Sum X-Contr. Rate Teaching	Spr/Sum X-Contr. Rate Stu. & Info. Serv.	Drama (per semester)	Agora (per semester)	Literary Arts Mag.	Club Advisors
\$60.63	\$34.80	\$60.63	\$34.80	\$1,067.00	\$618.00	\$898.00	\$1,010.00
\$62.45	\$35.84	\$62.45	\$35.84	\$1,099.00	\$637.00	\$925.00	\$1,041.00
\$64.32	\$36.92	\$64.32	\$36.92	\$1,132.00	\$656.00	\$953.00	\$1,072.00
\$66.25	\$38.03	\$66.25	\$38.03	\$1,166.00	\$675.00	\$982.00	\$1,104.00
\$66.25	\$38.03	\$66.25	\$38.03	\$1,166.00	\$675.00	\$982.00	\$1,104.00
\$66.25	\$38.03	\$66.25	\$38.03	\$1,166.00	\$675.00	\$982.00	\$1,104.00
\$66.25	\$38.03	\$66.25	\$38.03	\$1,166.00	\$675.00	\$982.00	\$1,104.00
\$66.91	\$38.41	\$66.91	\$38.41	\$1,178.00	\$682.00	\$992.00	\$1,115.00
\$67.58	\$38.79	\$67.58	\$38.79	\$1,189.00	\$689.00	\$1,002.00	\$1,126.00
\$68.26	\$39.18	\$68.26	\$39.18	\$1,201.00	\$695.00	\$1,012.00	\$1,137.00

* Off-Schedule paid to faculty members on Step 12 of salary schedule

Table 3.4

Maintenance Staff

FY	Steps	Percentage	Off-Schedule	Hourly Rate Freeze
2008-2009	NA	3%		
2009-2010	NA			X
2010-2011	NA			X
2011-2012	NA		\$500	X
2012-2013	NA		\$500	X
2013-2014	NA		\$500	X
2014-2015	NA	1%	\$250	
2015-2016	NA	1%	\$250	
2016-2017	NA	1%		

Table 3.5

As has become the norm, during 2015-2016, the organization was analyzed and a number of changes were made in how the college is organized and staffed. In order to balance the budget, numerous cuts and adjustments were made throughout the various cost centers and activities. While the 2016-2017 budget does include one renovation project and some capital outlay purchases, they are limited and do not address all of the identified needs. As proposed, the budget still does not address all of the needs that currently exist including the ability to add new programs and services and address new demands.

The budget includes a recommended transfer to the Unexpended Plant Fund of \$800,000. The transfer represents \$300,000 from estimated General Fund revenues and, pending the 2014-2015 audit results, \$500,000 from additions to unrestricted net position resulting from 2015-2016 revenues being greater than expenses.

The General Fund does not reflect all of the College's expenditure needs. The Technology Fund and the Maintenance and Replacement Fund must always be considered within this analysis. The Technology Fund receives funding from the Technology Fee charged per billable contact hour. The Maintenance and Replacement Fund does not have a revenue source except for funding transferred from the General Fund (and gift revenues from the CTC Campaign). In addition, the College now as a long-term debt obligation for the HVAC project. Interest and principal payments in FY 2016-2017 will total \$1,004,756.60 (See Table 8.2 for the complete payment schedule). In order to meet cash flow needs in November and December of each year, the College continues to borrow short-term Tax Anticipation Notes in October. It is anticipated that this will again be necessary in FY 2016-2017.

Following is a summary of next year's proposed General Fund budget, which indicates that **projected expenses will be equal to projected revenues and that the revenues greater than expenditures. In addition, it is recommended that any additions to unrestricted net position following the 2015-2016 audit be transferred to the Unexpended Plant Fund to be used for payments on the HVAC project loans.**

GENERAL FUND REVENUES AND EXPENSES

Table 3.6

			15-16 to 16-17	
	Budget	Budget	Difference	
Revenue:	2015-16	2016-17	\$	%
Tuition & Fees	\$ 8,938,750	\$ 8,519,450	\$ (419,300)	-4.69%
Property Taxes	12,400,000	12,400,000	-	0.00%
State Appropriation*	4,605,600	4,676,700	71,100	1.54%
Investment Income	6,500	5,200	(1,300)	-20.00%
Other	206,950	246,450	39,500	19.09%
Total	\$ 26,157,800	\$ 25,847,800	\$ (310,000)	-1.19%
Expenses:				
Full-time Faculty	\$ 5,252,406	\$ 5,138,689	\$ (113,717)	-2.17%
Extra-contractual Faculty	711,490	674,513	(36,977)	-5.20%
Part-time Faculty	1,722,745	1,741,491	18,746	1.09%
Faculty Wages	\$ 7,686,641	\$ 7,554,693	\$ (131,948)	-1.72%
Administration	2,521,124	2,565,472	44,348	1.76%
Professional Staff	278,461	295,307	16,846	6.05%
Support Staff	2,566,325	2,664,975	98,650	3.84%
Maintenance	922,702	926,320	3,618	0.39%
Student Assistants	176,533	198,454	21,921	12.42%
Opt Out	24,000	19,500	(4,500)	-18.8%
Total Wages	\$ 14,175,786	\$ 14,224,721	\$ 48,935	0.35%
Fringe Benefits	6,972,496	6,976,007	3,511	0.05%
Total Wages & Fringes	\$ 21,148,282	\$ 21,200,728	\$ 52,446	0.25%
Services	915,196	850,539	(64,657)	-7.06%
Supplies	1,434,952	1,222,139	(212,813)	-14.83%
Rent/Utilities/Insurance	1,133,432	1,127,462	(5,970)	-0.53%
Other	1,031,077	1,002,557	(28,520)	-2.77%
Capital Outlay	302,373	74,375	(227,998)	100.00%
Contingency	50,000	70,000	20,000	40.0%
Total Expenses	\$ 26,015,312	\$ 25,547,800	\$ (467,512)	-1.80%
Transfers In	-	-	-	
Transfers Out	942,488	800,000	(142,488)	
Total Expenses & Transfers	\$ 26,957,800	\$ 26,347,800	\$ (610,000)	-2.26%
Revenue Greater / (Less) Than Expenses & Transfers	\$ (800,000)	\$ (500,000)		

* 2015-16 and 2016-17 State Appropriations excludes UAAL of \$1,200,000 and \$1,400,000 respectively

REVENUES AND EXPENSES – TOTAL OPERATIONS

(Does Not Include Transfers)

FY	G/F	TECH	M&R	TOTAL
05-06				
Revenues	22,158,528	337,424	150,314	22,646,266
Expenses	20,722,364	333,817	1,653,849	22,710,030
R≥E	1,436,164	3,607	(1,503,535)	(63,764)
06-07				
Revenues	22,805,372	346,130	165,039	23,316,541
Expenses	21,642,270	593,874	1,580,325	23,816,469
R≥E	1,163,102	(247,744)	(1,415,286)	(499,928)
07-08				
Revenues	24,954,789	527,025	137,976	25,619,790
Expenses	23,457,979	817,942	888,779	25,164,700
R≥E	1,496,810	(209,917)	(750,803)	455,090
08-09				
Revenues	25,250,192	524,590	98,845	25,873,627
Expenses	24,974,864	802,268	888,121	26,665,253
R≥E	275,328	(277,678)	(789,276)	(791,626)
09-10				
Revenues	25,993,591	611,642	45,170	26,650,403
Expenses	24,731,430	564,528	1,200,238	26,496,196
R≥E	1,262,161	47,114	(1,155,068)	154,207
10-11				
Revenues	25,747,947	592,123	25,044	26,365,114
Expenses	25,389,072	955,975	669,474	27,014,521
R≥E	358,875	(363,852)	(644,430)	(649,407)
11-12				
Revenues	25,499,175	540,941	3,911	26,044,027
Expenses	25,564,224	464,107	299,413	26,327,744
R≥E	(65,049)	76,834	(295,502)	(283,717)
12-13				
Revenues	25,842,937	841,486	100,000	26,784,423
Expenses	25,530,584	796,009	292,024	26,618,617
R≥E	312,353	45,477	(192,024)	165,806
13-14				
Revenues	26,678,371	930,576	300,000	27,908,947
Expenses	26,138,834	928,593	409,928	27,477,355
R≥E	539,537	1,983	(109,928)	431,592
14-15				
Revenues	26,469,039	842,090	600,000	27,911,129
Expenses	25,330,435	806,668	441,903	26,579,006
R≥E	1,138,604	35,423	158,097	1,332,123
15-16*				
Revenues	26,157,800	1,342,862	425,000	27,925,662
Expenses	26,015,312	1,379,318	680,000	28,074,630
R≥E	142,488	(36,456)	(255,000)	(148,968)
16-17*				
Revenues	25,847,800	1,226,280	150,000	27,224,080
Expenses	25,547,800	1,267,670	468,870	27,284,340
R≥E	300,000	(41,390)	(318,870)	(60,260)

*Note: FY 2015-16 and FY 2016-17 are budget amounts

Table 3.7

GENERAL FUND REVENUE BY SOURCE

Revenues	2014-15 Actual	2015-16 Budget	2016-17 Proposed	Increase / (Decrease)	% Change
Tuition & Fees	\$ 8,767,177	\$ 8,938,750	\$ 8,519,450	\$ (419,300)	-4.69%
Property Taxes	11,968,333	12,400,000	12,400,000	-	0.00%
State Appropriations	4,535,989	4,605,600	4,676,700	71,100	1.54%
State Appropriations - UAAL	997,337	-	-	-	0.00%
Other	200,203	213,450	251,650	38,200	17.90%
Totals:	\$ 26,469,039	\$ 26,157,800	\$ 25,847,800	\$ (310,000)	-1.19%

Table 3.8

REVENUE SOURCE BY PERCENTAGE OF TOTAL

Revenues	2014-15 Actual	2015-16 Budget	2016-17 Proposed
Tuition & Fees	33.12%	34.17%	32.96%
Property Taxes	45.22%	47.40%	47.97%
State Appropriations	17.14%	17.61%	18.09%
State Appropriations - UAAL	3.77%	0.00%	0.00%
Other	0.76%	0.82%	0.97%
	100.00%	100.00%	100.00%

Table 3.9

The following table offers an analysis of the College General Fund revenue history.

GENERAL FUND REVENUE HISTORY

YEAR	T & F	TAXES	STATE	OTHER	TOTAL
2014-15	8,767,177	11,968,333	5,533,326	200,203	26,469,039
2013-14	9,408,614	12,025,044	4,970,813	273,900	26,678,371
2012-13	9,402,222	11,672,059	4,525,314	243,342	25,842,937
2011-12	9,015,089	12,134,618	4,094,000	255,468	25,499,175
2010-11	8,866,987	12,474,876	4,143,881	262,203	25,747,947
2009-10	8,388,824	13,234,336	4,143,868	226,562	25,993,590
2008-09	7,060,488	13,698,173	4,143,880	347,651	25,250,192
2007-08	6,445,359	13,468,676	4,418,900	621,854	24,954,789
2006-07	5,895,887	12,864,794	3,313,500	731,191	22,805,372
2005-06	5,415,485	12,259,020	3,922,100	561,923	22,158,528
2004-05	5,063,807	11,684,119	4,049,700	375,498	21,173,124
2003-04	4,582,859	11,244,481	3,855,100	234,846	19,917,286
2002-03	4,113,045	10,939,319	4,305,891	320,728	19,678,983
2001-02	3,959,052	10,518,389	4,462,223	365,696	19,305,360
2000-01	3,537,634	10,037,409	4,378,640	524,321	18,478,004
1999-00	3,482,756	9,838,512	4,008,744	690,032	18,020,044
1998-99	3,330,164	9,390,077	3,664,952	512,131	16,897,324
1997-98	3,166,654	8,970,521	3,534,573	528,791	16,200,539
1996-97	3,058,341	8,588,273	3,279,142	482,700	15,408,456
1995-96	2,942,789	8,337,066	3,015,192	402,986	14,698,033
1994-95	2,791,235	7,767,911	2,731,000	351,262	13,641,408
1993-94	2,698,031	7,830,308	2,644,900	270,001	13,443,240
1992-93	2,510,835	7,520,854	2,587,259	311,086	12,930,034
1991-92	2,145,950	7,387,254	2,736,148	311,018	12,580,370
1990-91	1,753,745	6,981,544	2,270,675	357,039	11,363,003
1989-90	1,591,282	6,542,416	2,225,700	382,311	10,741,709
1988-89	1,369,865	6,256,248	2,019,175	340,416	9,985,704
1987-88	1,347,578	5,992,466	1,953,975	323,377	9,617,396
1986-87	1,183,986	5,598,548	1,836,250	320,093	8,938,877
1985-86	1,117,012	5,041,087	1,705,050	291,367	8,154,516
1984-85	1,163,861	4,803,871	1,556,300	333,636	7,857,668
1983-84	1,144,236	4,562,125	1,429,808	295,697	7,431,866
1982-83	1,121,179	4,362,457	1,276,986	253,276	7,013,898
1981-82	999,211	4,079,066	1,275,459	169,912	6,523,648
1980-81	904,561	3,525,398	1,310,328	168,712	5,908,999
1979-80	719,369	1,765,876	1,409,572	215,004	4,109,821

YEAR	T & F	TAXES	STATE	OTHER	TOTAL
1978-79	665,305	1,562,838	1,284,003	256,334	3,768,480
1977-78	681,461	1,390,090	1,155,665	292,595	3,519,811
1976-77	687,093	1,345,478	1,051,277	221,011	3,304,859
1975-76	621,828	1,235,818	949,375	219,897	3,026,918
1974-75	500,506	1,114,439	912,957	255,300	2,783,202
1973-74	469,913	950,770	788,909	172,428	2,382,020
1972-73	496,357	838,848	727,846	113,479	2,176,530
1971-72	507,539	676,094	732,664	209,763	2,126,060
1970-71	496,315	594,877	672,752	91,445	1,855,389
1969-70	469,577	535,224	750,670	100,547	1,856,018
1968-69	401,282	506,647	420,199	91,922	1,420,050
1967-68	222,192	482,652	269,865	51,320	1,026,029
1966-67	78,547	468,322	108,160	53,267	708,296
1965-66	- 0 -	467,040	- 0 -	17,319	484,359
1964-65	- 0 -	421,410	- 0 -	- 0 -	421,410

Table 3.10

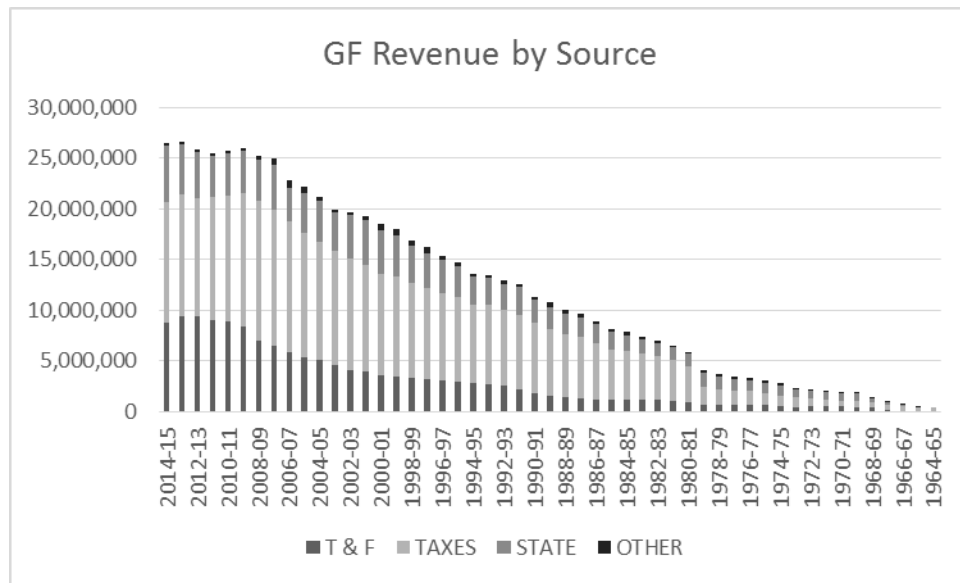


Figure 3.1

GENERAL FUND REVENUES

Tuition and Fees

Tuition and fees revenue represents tuition from both credit classes and non-credit classes such as lifelong learning courses and the contracted training conducted for business and industry. Fee revenue is generated by charges for such items as lab materials, transcripts and registration fees.

The four academic semesters in the College's next fiscal year are: Summer 2016, Fall 2016, Winter 2017, and Spring 2017.

The College's Board of Trustees has the sole right and responsibility to set and change tuition rates for the College. The Board has always made a concerted and earnest effort to maintain the affordability for both current and future students attending MCCC.

A tuition and fee revenue amount of \$8,519,450 is being projected for next year's budget. This represents a decrease of \$419,300 or 4.69 percent as compared to the current year's budget. When compared to 2015-2016 projected tuition and fee revenue, this is a \$81,450 increase or a .97 percent increase over the current year. The business office is projecting a 5 percent decrease in credit enrollment in 2016-2017. On April 4, 2016, the Board of Trustees approved a 4.902 percent increase for resident tuition rates, a 5.085 percent increase for non-resident rates, and an 5.076 percent increase for out-of-state rates.

Table 3.8 shows the rate increases over the past fifteen years for credit classes for the three tuition rate categories: resident (property owned in Monroe County); non-resident (residing in the state of Michigan, but outside of Monroe County); and out-of-state (residing outside of Michigan).

MCCC TUITION RATE INCREASES

Beginning	Resident	Non-Resident	Out-of-State
Fall 2002	\$51 (+\$3 = 4.1%)	\$84 (+\$3 = 3.7%)	\$92 (+\$3 = 3.4%)
Fall 2003	\$53 (+\$2 = 3.9%)	\$87 (+\$3 = 3.7%)	\$95 (+\$3 = 3.3%)
Fall 2004*	\$54 (+\$1 = 1.9%)	\$92 (+\$5 = 5.7%)	\$101 (+\$6 = 6.3%)
Fall 2005	\$58 (+\$4 = 7.4%)	\$98 (+\$6 = 6.5%)	\$108 (+\$7 = 6.9%)
Fall 2006	\$60 (+\$2 = 3.4%)	\$104 (+\$6 = 6.1%)	\$115 (+\$7 = 6.5%)
Fall 2007	\$64 (+\$4 = 6.7%)	\$110 (+\$6 = 5.8%)	\$122 (+\$7 = 6.1%)
Fall 2008	\$67 (+\$3 = 4.7%)	\$115 (+\$5 = 4.6%)	\$128 (+\$6 = 4.9%)
Fall 2009**	\$67	\$115	\$128
Fall 2010	\$72 (+\$5 = 7.5%)	\$124 (+\$9 = 7.9%)	\$138 (+\$10 = 7.9%)
Fall 2011	\$77 (+\$5 = 7.0%)	\$132 (+\$8 = 6.5%)	\$147 (+\$9 = 6.5%)
Fall 2012	\$84 (+\$7 = 9.1%)	\$144 (+\$12 = 9.1%)	\$160 (+\$13 = 8.85%)
Fall 2013	\$92 (+\$8 = 9.5%)	\$158 (+\$14 = 9.7%)	\$176 (+\$16 = 10%)
Fall 2014	\$95 (+\$3 = 3.3%)	\$163 (+\$5 = 3.2%)	\$181 (+\$6 = 3.4%)
Fall 2015	\$102 (+\$7 = 7.37%)	\$177 (+\$14 = 8.59%)	\$197 (+\$16 = 8.84%)
Fall 2016	\$107 (+\$5 = 4.9%)	\$186 (+\$9 = 5.09%)	\$207 (+\$10 = 5.08%)

*Year of State tuition restraint incentive; **Conversion from credit hour to billable contact hour basis

Table 3.11

State Appropriations

In FY 2000-2001, MCCC's state funding represented 23.7 percent of the total General Fund revenues. In the FY 2016-17 budget, state appropriations represent 18 percent of total General Fund revenues. While MCCC may never see a return to the level reached in FY 2000-2001, the FY 2016-17 budget includes an anticipated increase of 1.54 percent in state funding for operations which equates to \$71,100.

State funding for community colleges for next year as approved allocates a 1.6 percent increase to MCCC over FY 2015-16 appropriations. This increase is slightly above the 1.4 percent average increase for Michigan community colleges in FY 2015-16.

Beginning in 2012, Public Act 300 instituted several reforms to the Michigan Public School Employees' Retirement System (MPERS), one of which was to cap the employer's share of the Unfunded Actuarial Accrued Liability (UAAL) on reported payroll at 20.96 percent. As a result, per section 147c of the Education Omnibus Budget, the balance of retirement cost are funded with state appropriations, referred to as MPERS UAAL Rate Stabilization payments. These funds are allocated and distributed to the College on a monthly basis, and in turn, the College is invoiced monthly by the Office of Retirement Services and pays these funds to the retirement system.

The UAAL Rate Stabilization funds have been removed from the General Fund are now being recorded in the Retirement Designated Fund. The anticipated UAAL revenues and expenditures allocation for 2016-2017 is \$1.4 million. The UAAL Rate Stabilization Rates for the College were \$589,099 in 2013-2014, \$997,337 in 2014-2015, and \$1,236,589 in 2015-2016.

Property Taxes

For Monroe County Community College, the taxation district is Monroe County. As such, all millage elections for the College must be approved by the county electorate. In 1964, county voters approved a 1.25 mill levy to create the College. In 1980, a 1 mill increase was approved. The rate remained at 2.25 mills until 1994 when revised tax legislation (the Headlee Amendment) introduced a rollback provision. Such rollbacks are calculated annually and are required when the increase in "adjusted" property tax values exceed the rate of inflation. The current millage rate for the College is 2.1794 mills, and the 2.25 millage rate can only be reinstated by a vote of the Monroe County electorate.

In November of 2014, Monroe County residents were asked to approve an additional 1 mill property tax levy in support of College operations. The millage request was denied. In November 2016, the College will request voter approval for a .95 mill property tax levy for a period of 5 years to be used for critical maintenance and renovation projects.

For the 2016-17 fiscal year, no increase in property tax revenues is projected. While it appears that property values in Monroe County have stabilized, the 2016-2017 property tax revenues are approximately \$1.3 million less than the property tax revenues received by the College in 2008-2009 (the peak year for MCCC property tax revenues).

Other Income

The 2016-2017 budget includes a 19.09 percent increase (\$39,500) in Other Income due to additional rental income. On July 1, 2016, rental agreements with the Monroe County Intermediate School District's Head Start Program and with Spring Arbor University will begin. The Head Start Program is leasing the College's former Child Care Center in the Welch Health Education Building and Spring Arbor University is leasing office and classroom space at the Whitman Center.

Other Income represents revenue generated by the following activities:

Other Revenue:	2015-16	2016-17
Grant Reimbursements	17,000	-
Indirect Cost Recoveries	20,000	25,000
Culinary Sales	15,000	15,000
Non-Tuition Fees and Fines	6,750	3,750
Rent of Facilities and Land	123,000	183,000
Alumni Dues and Events	9,700	9,500
Other Events and Workshops	11,000	8,500
Bookstore Scholarship	(10,000)	(10,000)
Miscellaneous	14,500	11,700
	206,950	246,450

GENERAL FUND EXPENSES

The following pages outline expenses by activity, expenses by category, renovation projects, and capital outlay purchases.

**GENERAL FUND
EXPENSES BY ACTIVITIES**

Expenses	Actual	Actual	Budget	Proposed	15-16 to 16-17 Difference	
	2013-14	2014-15	2015-16	2016-17	\$	%
Instruction	\$ 12,082,535	\$ 11,921,754	\$ 12,050,668	\$ 11,433,635	\$ (617,033)	-5.12%
Information Technology	1,096,071	1,050,491	1,073,427	1,148,064	74,637	6.95%
Public Service	200,553	202,221	167,306	195,677	28,371	16.96%
Instructional Support	3,653,835	3,457,716	3,499,451	3,534,796	35,345	1.01%
Student Services	2,687,436	2,714,000	2,558,084	2,701,555	143,471	5.61%
Institutional Administration	3,111,809	2,936,249	3,167,565	3,212,840	45,275	1.43%
Physical Plant Operations	3,306,595	3,048,006	3,498,811	3,321,233	(177,578)	-5.08%
Total Expenses	\$ 26,138,834	\$ 25,330,435	\$ 26,015,312	\$ 25,547,800	\$ (467,512)	-1.80%
Transfer from Auxiliary Fund	\$ -	\$ (20,286)	\$ -	\$ -	\$ -	
Transfer to Unexpended Fund	-	-	500,000	800,000	300,000	
Transfers to Restricted Fund	547	644	1,000	-	(1,000)	
Transfers to M&R	-	-	441,488	-	-	
Total Transfers to and (from) funds	\$ 547	\$ (19,642)	\$ 942,488	\$ 800,000	\$ (142,488)	
Total Expenses and Transfers	\$ 26,139,381	\$ 25,310,793	\$ 26,957,800	\$ 26,347,800	\$ (610,000)	-2.26%

Table 3.12

PERCENTAGE OF TOTAL EXPENSES

	Actual	Budget	Proposed
	2014-15	2015-16	2016-17
Instruction	47.06%	46.32%	44.75%
Information Technology	4.15%	4.13%	4.49%
Public Service	0.80%	0.64%	0.77%
Instructional Support	13.65%	13.45%	13.84%
Student Services	10.71%	9.83%	10.57%
Institutional Administration	11.59%	12.18%	12.58%
Physical Plant Operations	12.03%	13.45%	13.00%
Total	100.00%	100.00%	100.00%

Table 3.13

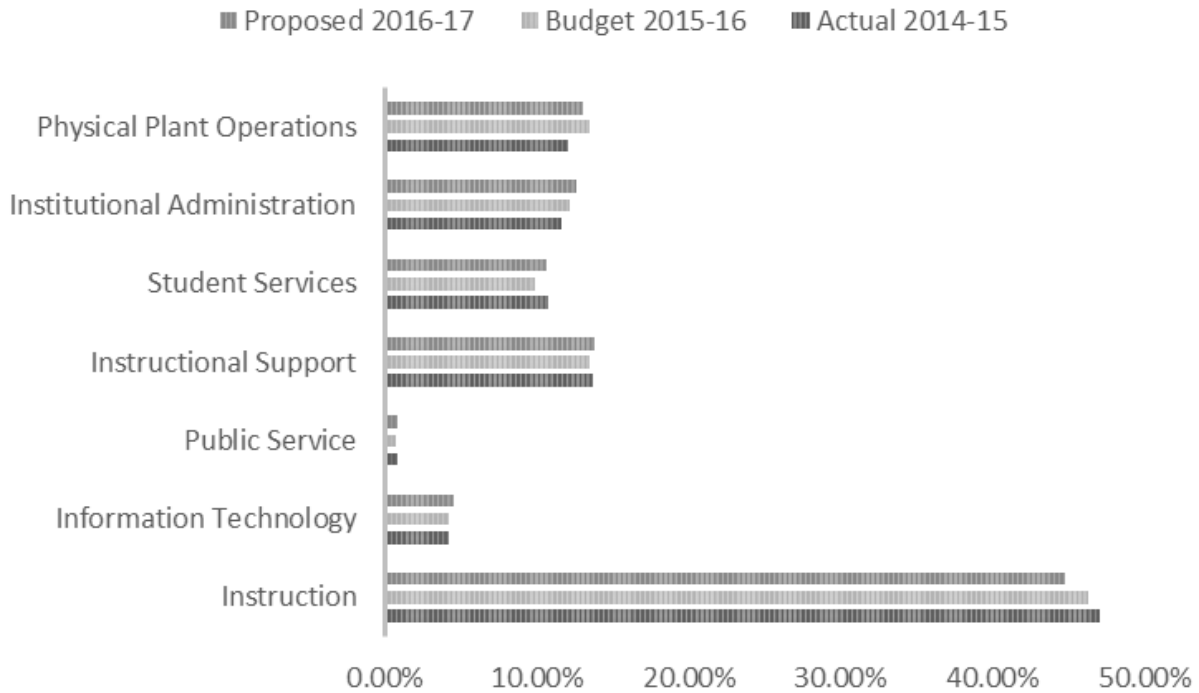


Figure 3.2

**GENERAL FUND
EXPENSES BY CATEGORY**

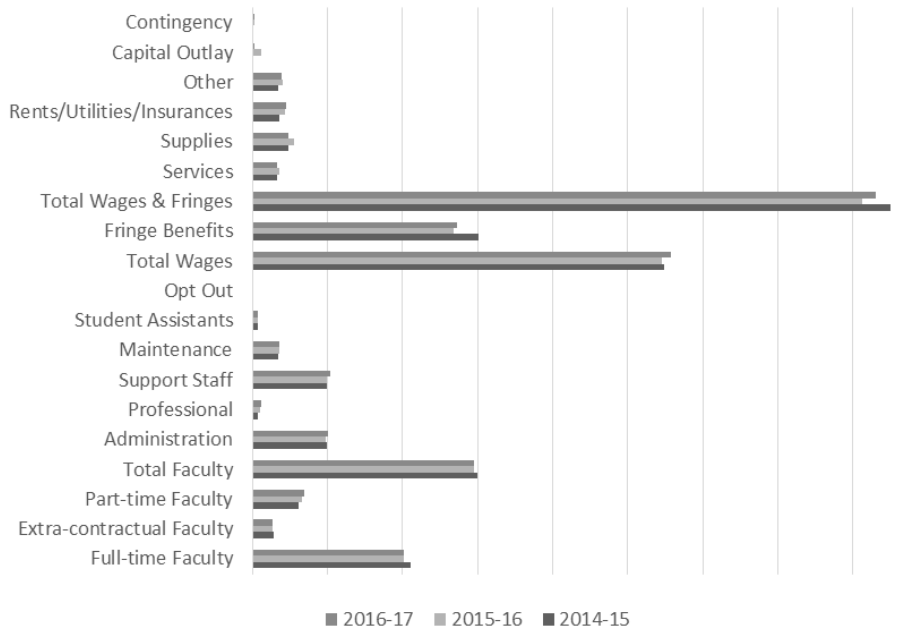
Expenses	Actual	Budget	Budget	15-16 to 16-17 Difference	
	2014-15	2015-16	2016-17	\$	%
Full-time Faculty	\$ 5,335,600	\$ 5,252,406	\$ 5,138,689	\$ (113,717)	-2.17%
Extra-contractual Faculty	722,160	711,490	674,513	(36,977)	-5.20%
Part-time Faculty	1,541,209	1,722,745	1,741,491	18,746	1.09%
Faculty Wages	\$ 7,598,970	\$ 7,686,641	\$ 7,554,693	\$ (131,948)	-1.72%
Administration	2,519,027	2,521,124	2,565,472	44,348	1.76%
Professional	188,565	278,461	295,307	16,846	6.05%
Support Staff	2,512,663	2,566,325	2,664,975	98,650	3.84%
Maintenance	886,333	922,702	926,320	3,618	0.39%
Student Assistants	176,832	176,533	198,454	21,921	12.42%
Opt Out	23,755	24,000	19,500	(4,500)	-18.75%
Total Wages	\$ 13,906,145	\$ 14,175,786	\$ 14,224,721	\$ 48,935	0.35%
Fringe Benefits	7,639,407	6,972,496	6,976,007	3,511	0.05%
Total Wages & Fringes	\$ 21,545,553	\$ 21,148,282	\$ 21,200,728	\$ 52,446	0.25%
Services	819,621	915,196	850,539	(64,657)	-7.06%
Supplies	1,201,968	1,434,952	1,222,139	(212,813)	-14.83%
Rents/Utilities/Insurances	893,260	1,133,432	1,127,462	(5,970)	-0.53%
Other	870,033	1,031,077	1,002,557	(28,520)	-2.77%
Capital Outlay	-	302,373	74,375	(227,998)	100.00%
Contingency	-	50,000	70,000	20,000	40.00%
Total Expenses	\$ 25,330,435	\$ 26,015,312	\$ 25,547,800	\$ (467,512)	-1.80%
Net Transfers	(19,642)	942,488	800,000	(142,488)	
Total Expenses and Transfers	\$ 25,310,793	\$ 26,957,800	\$ 26,347,800	\$ (610,000)	-2.26%

Table 3.14

EXPENSE BY CATEGORY – PERCENTAGE OF TOTAL

	Actual	Budget	Budget
	2014-15	2015-16	2016-17
Full-time Faculty	21.06%	20.19%	20.11%
Extra-contractual Faculty	2.85%	2.73%	2.64%
Part-time Faculty	6.08%	6.62%	6.82%
Total Faculty	30.00%	29.55%	29.57%
Administration	9.94%	9.69%	10.04%
Professional	0.74%	1.07%	1.16%
Support Staff	9.92%	9.86%	10.43%
Maintenance	3.50%	3.55%	3.63%
Student Assistants	0.70%	0.68%	0.78%
Opt Out	0.09%	0.09%	0.08%
Total Wages	54.90%	54.49%	55.68%
Fringe Benefits	30.16%	26.80%	27.31%
Total Wages & Fringes	85.06%	81.29%	82.98%
Services	3.24%	3.52%	3.33%
Supplies	4.75%	5.52%	4.78%
Rents/Utilities/Insurances	3.53%	4.36%	4.41%
Other	3.43%	3.96%	3.92%
Capital Outlay	0.00%	1.16%	0.29%
Contingency	0.00%	0.19%	0.27%
Total Expenses	100.00%	100.00%	100.00%

Table 3.15 (above); Figure 3.3 (below)



TRANSFERS FROM THE GENERAL FUND

TRANSFERS FROM THE GENERAL FUND TO/(FROM):							
	Designated	Auxiliary	Restricted	Endowment	M & R	Unexpended	Total
<u>FY</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Plant Fund</u>	<u>Transfers</u>
96-97	\$ 100,000		\$ 74,291		\$ 500,000		\$ 674,291
97-98	445,000		20,765		800,000		1,265,765
98-99			17,399	500,000	1,500,000		2,017,399
99-00			19,698		2,111,000		2,130,698
00-01			15,967		1,000,000		1,015,967
01-02	1,000,000		18,091				1,018,091
02-03			19,950		1,000,000	1,000,000	2,019,950
03-04			17,560		3,700,000		3,717,560
04-05			21,954				21,954
05-06			25,000		1,000,000		1,025,000
06-07			25,134				25,134
07-08	1,000,000		19,667				1,019,667
08-09			(17,002)		1,000,000		982,998
09-10			1,114				1,114
10-11			686				686
11-12			15,778	(45,000)			(29,222)
12-13		(215,000)	1,234			4,371,685	4,157,919
13-14			547				547
14-15		\$ (20,286)	\$ 1,400				\$ (18,886)
Total	\$ 2,545,000	\$ (235,286)	\$ 299,232	\$ 455,000	\$12,611,000	\$ 5,371,685	\$ 21,046,631
BUDGETED/APPROVED TRANSFERS FROM THE GENERAL FUND TO/(FROM):							
15-16			1,000		441,488	858,245	1,300,733
16-17						800,000	800,000
Total	\$ 2,545,000	\$ (235,286)	\$ 300,232	\$ 455,000	\$13,052,488	\$ 7,029,930	\$ 23,147,364

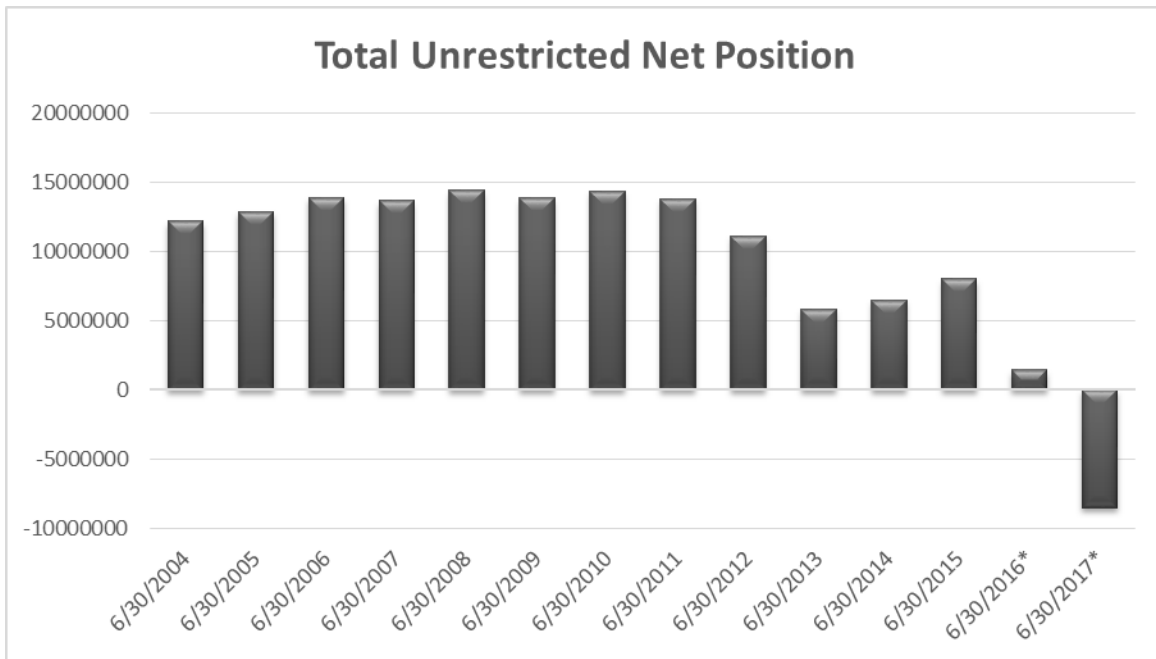
Table 3.16

UNRESTRICTED NET POSITION

The College has designated the use of unrestricted net position (often referred to as “Reserves”) as follows:

UNRESTRICTED NET POSITION	6/30/12 Actual	6/30/13 Actual	6/30/2014 Actual	6/30/2015 Actual	6/30/2016 Projected	6/30/2017 Projected
Designations for Unrestricted Net Position:						
Working Capital	3,935,577	4,461,697	5,000,687	6,158,932	5,500,687	5,000,687
Contingencies	-	-	-	-	-	-
Technology Equipment	151,755	197,232	199,215	234,639	269,638	228,248
Auxiliary Activities	875,299	812,694	1,044,506	1,175,603	1,149,602	1,240,852
Student Loans	18,245	18,355	18,515	18,515	18,066	18,066
Quasi-Endowment	7,810	8,266	8,697	9,334	9,690	10,090
Construction	5,654,507	-	-	-	(5,966,356)	(15,186,966)
Major Maintenance and Renovation	480,313	301,826	205,380	380,694	449,532	144,017
Undesignated	-	-	-	-	-	-
Unrestricted Net Position without Pension Liability	11,123,506	5,800,070	6,477,000	7,977,717	1,430,859	(8,545,006)
MPSERS Net Pension Liability (Retirement)	-	-	-	(29,467,803)	(29,467,803)	(29,467,803)
Total Unrestricted Net Position	11,123,506	5,800,070	6,477,000	(21,490,086)	(28,036,944)	(38,012,809)

Table 3.17



*Projected

Figure 3.4

The 2016-2017 General Fund budget includes funding for one renovation project listed below.

RENOVATION PROJECTS

Fund	Cost Center	Number	Item	Budget Request
01	7200	5379000	Refinish Dance/Aerobics Room Floor	5,975.00
			TOTAL	5,975.00

Table 3.18

The 2016-2017 General Fund budget includes funding for capital outlay purchases as listed below.

REQUESTED CAPITAL OUTLAY

Fund	Cost Center	Number	Item	Budget Request
33	5530	5850000	Replace Reach-In Refrigerator	\$ 2,500.00
01	1150	5810000	Analytical Balance	3,600
01	1210	5810000	Chairs (2) E-101 and W-174; Sit-Stand Workstation E-101	2,000
01	1260	5810000	Culinary: Speakers for A-149	700
01	1300	5810000	Vinal Cutter	400
01	1300	5810000	Fanuc Memory Cards	180
01	1300	5810000	Auto Retractable Hose	270
01	1300	5810000	Miller Arc Station Weld Table (30FX)	250
01	1300	5810000	Strong Hand Nomad Portable Weld Table	140
01	1300	5810000	Radiation Samples	750
01	1300	5810000	Lab Vehicles	10,000
01	1300	5810000	Welder for Auto Srvce	2,000
01	1300	5810000	Auto Service: Cabinets and Shelving Units	5,000
01	1300	5810000	Auto Service: Work Benches and Carts	2,000
01	1300	5810000	Auto Service: Misc. Specialty Tools	11,000
01	1410	5810000	Overbed Tables	470
01	1410	5810000	IV Poles	370
01	1410	5810000	Simulator Intradermal Injection	350
01	1410	5810000	MaxSlide (2/set)	325
01	1410	5810000	Digital Diaper Scale	250
01	1440	5810000	Avea Ventilator	17,875
01	1600	5810000	CCS - Office Chairs (8)	1,600
			TOTAL INSTRUCTION	\$ 59,530
01	5250	5850000	Fitness Center	\$ 5,200
			TOTAL STUDENT SERVICES	\$ 5,200
01	7200	5870000	Radio	900
01	7300	5870000	Heavy-duty Manhole Magnet	735
01	7300	5870000	7 1/2 Ft. Western Pro Plow for F-150	5,705
01	7300	5870000	spray-On Bed Lining for dump Truck	2,305
			TOTAL ADMINISTRATION	\$ 9,645
			TOTAL CAPITAL OUTLAY	\$ 74,375

Table 3.19

	2016-2017 Budget Requests
CAPITAL OUTLAY EXPENDITURES BY AREA	
Instruction	\$ 59,530
Student Services	\$ 5,200
Administration	\$ 9,645
President/HR/Foundation	\$ -
TOTAL FUNDED IN GENERAL FUND	\$ 74,375

Table 3.20

CAPITAL OUTLAY – PERKINS

Cost Center	Number	Item	Budget Request
1300	5810130	3D Connexion CadMouse	1,800
1300	5810130	Wilton Drill Press 20"	4,500
1300	5810130	Drill Chucks	900
1300	5810130	Mohn - Metalworking Belt Sander	850
1300	5810130	Miller 210DX CPS Weld Machine	3,520
1300	5810130	CK Flexloc TIG Torch (CKFL 15)	1,960
1300	5810130	PLCs	2,500
1300	5810130	GPS System	3,000
1300	5810130	Auto Service: Electrical Training Boards	1,500
1300	5810130	Auto Service: Electrical Test Equipment	2,000
1300	5810130	Auto Service: Emissions Analyzer	2,500
1300	5810130	Auto Service: Scan Tools	2,000
1300	5810141	Mobile Storage Cabinet & Handle (36X18X30)	375
1300	5810141	Mobile Storage Cabinet & Handle (36X24X78)	510
1300	5810141	IV Training Arm	690
1300	5810141	Mobile Office Partition Panel w/whitboard	265
1300	5810141	Pathophysiology Charts	260
1300	5810141	Pathophysiology Chart Stand	395
1300	5810144	LTV 1200 Portable Ventilator	6,600
1300	5810144	End-tital CO2 Monitor	5,000
		TOTAL PERKINS	\$ 41,125

Table 3.21