Welcome to Mott Community College

Introductions
Public Organization
Facilities

- **Main Campus**
  - Nine educational buildings totaling 819,674 net square feet; of that total, instructional space comprises 237,314 net square feet
  - 218 classrooms and labs
  - Seventy-nine acres of main campus property

- Aside from Main Campus, MCC operates the Lapeer Extension Center, Northern Tier Center, Southern Lakes Branch Center and MCC Livingston Center providing an additional 47 classrooms and labs and 159,507 net square feet

- **Four Community Technology Centers (CTCs)**
  - Hispanic Technology & Community Center - Flint
  - DisAbility Network CTC - Flint
  - Great Lakes Baptist CTC - Flint
  - One Stop Technology Center - Owosso

- **Workforce Development Site** – Workforce Education Center/Garfield G. Wagner Building

- **Physical Plant Operations Center**
4-Year University Offerings and Degree Opportunities on MCC’s Campus

Cleary University
- B.B.A. Business Management
- B.B.A. Entrepreneurship
- B.B.A. Healthcare Management
- B.B.A. Human Resource Management
- B.B.A. Marketing
- M.B.A. Accounting
- M.B.A. Financial Planning
- M.B.A. Green Business Strategy
- M.B.A. Management
- M.B.A. Non-Profit Management
- M.B.A. Organizational Leadership
- Graduate Certificate Financial Planning

Ferris State University
- B.S. Business Administration
- B.S. Criminal Justice
- Nursing RN to BSN
- B.S. Elementary Education
- B.S. Secondary Education
- M.S. Career and Technical Education
- M.Ed. Curriculum and Instruction
- Secondary Education Certification
- Elementary Education Certificate

Michigan State University
- Master of Social Work (MSW) Clinical Social Work

Rochester College
- B.S. Counseling Psychology
- B.S. Early Childhood Studies
- B.S. Mass Communications
- B.S. Organizational Leadership and Communication
Student Demographics for Fall 2011
Student by Status

- Full-Time: 5,238 (43%)
- Part-Time: 6,954 (57%)
Student Demographics for Fall 2011

Students by Gender

- Male: 4,905 (40%)
- Female: 7,287 (60%)
Student Demographics for Fall 2011
Students by Ethnicity

- **Unknown, Blank or More than One**: 17%
- **Black Non-Hispanic**: 22%
- **American Indian/Alaskan**: 1%
- **Asian or Pacific Islander**: 1%
- **Hispanic**: 3%
- **White Non-Hispanic**: 57%
Student Demographics for Fall 2011

Students by Age Group

- Under 18 Years: 1.21%
- 18-19 Years: 10.90%
- 20-29 Years: 53.53%
- 30-39 Years: 16.78%
- 40-49 Years: 11.21%
- 50-59 Years: 5.09%
- 60-69 Years: 1.07%
- 70+ Years: 0.21%

- 20-29 Years: 53.53%
- 18-19 Years: 10.90%
- Under 18 Years: 1.21%
- 60-69 Years: 1.07%
- 50-59 Years: 5.09%
- 40-49 Years: 11.21%
- 30-39 Years: 16.78%
Student Demographics for Fall 2011
Students by Residency

- Genesee County: 46.66%
- Flint: 36.63%
- Other MI: 16.52%
- Out of MI: 0.18%
- Unknown: 0.01%
- Out of MI: 0.18%
- Unknown: 0.01%
Product Lines

- **Credit**
  - Transfer
  - Vocational
    - Certificates
    - Degrees

- **Non-Credit**
  - Enrichment
  - Job Skills
  - Corporate Training

- **Workforce Development**
  - Credit and Non-Credit

- **Developmental**
Employees by Group
As of June 30, 2012

<table>
<thead>
<tr>
<th>Group</th>
<th>Regular Full-Time &amp; Less Than Full-Time Employees</th>
<th>Temporary / On-Call / Contingent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full-time</td>
<td>Less than Full-time</td>
</tr>
<tr>
<td>Public Safety Officers</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Exempt</td>
<td>25</td>
<td>4</td>
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<tr>
<td>Maintenance &amp; Operations</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>Supervisory &amp; Managerial</td>
<td>38</td>
<td>10</td>
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<tr>
<td>Non-Union (Grant Funded)</td>
<td>41</td>
<td>7</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>51</td>
<td>3</td>
</tr>
<tr>
<td>Professional Technical</td>
<td>83</td>
<td>11</td>
</tr>
<tr>
<td>Faculty</td>
<td>140</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>419</td>
<td>50</td>
</tr>
<tr>
<td>Part-time Faculty (Spring)</td>
<td></td>
<td>196</td>
</tr>
<tr>
<td>Coaches</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>M-TEC &amp; CE Instructors</td>
<td></td>
<td>18</td>
</tr>
<tr>
<td>Other (Part-time/Non-Union)</td>
<td></td>
<td>188</td>
</tr>
<tr>
<td></td>
<td></td>
<td>411</td>
</tr>
</tbody>
</table>

* Full-time faculty includes temporary full-time employees
Full-Time Employees Diversity
As of June 30, 2012

- White Non-Hispanic: 71%
- Black Non-Hispanic: 25%
- Hispanic: 2%
- Asian Or Pacific Islander: 2%
- American Indian/Alaskan: 0%
Full-Time Employees by Age
As of June 30, 2012

- 18-29: 4%
- 30-39: 19%
- 40-49: 30%
- 50-59: 33%
- 60-69: 12%
- 70+: 2%
Employees by Years of Service
As of June 30, 2012

- < 5 Years: 34%
- 5-10 Years: 22%
- 11-20 Years: 25%
- 21-30 Years: 14%
- + 30 Years: 5%
Operating vs. Capital Budgets

Two Separate Budgets

- Operating Fund
  (Instruction, student support, public service, administration, overhead)

- Physical Plant Funds
  (Capital Outlay)
Taxpayer Support for MCC

- **Operating Budget:**
  - Approximately 25% of MCC’s Operations are supported by taxpayers through our Operating Millage
  - Charter perpetual 1.40 mills + Voted 7-year 0.65 mill
  - Operating Millage (rolled back) = 1.9896 mills
  - Cost is approximately $99.50 for a $100,000 valued home

- **Capital Budget:**
  - The College has statutory ability to levy Debt Millage at whatever level necessary to cover all payments on outstanding bonded debt (principal and interest)
  - Debt Millage = 0.87 mills
  - Cost is $43.50 for a $100,000 valued home

- **Total cost for Average Genesee County Taxpayer = $143.00**
MCC’s Operating Budget

- $76.8 million in 2012-13
  - Annual expenses for salaries, supplies, utilities, etc.
  - 3 Main Revenues:
    - Tuition
    - Property Taxes 1.9896 operating mills (rolled back)
    - State Aid

- Challenges:
  - State Aid Declining
  - Enrollment Growing
  - Expenditures Rising Faster than Revenues
  - 7-Year Deficits Projected
  - Declining Property Tax Values
  - Pressure to keep tuition affordable
MCC Expenditures

Initial General Fund Budget 2011-2012:
Expenditures by Activity

- Salaries and Wages 51.4%
- Fringe Benefits 22.8%
- Contracted Services 8.5%
- Materials and Supplies 3.2%
- Facilities Rent 0.3%
- Utilities and Insurance 3.5%
- Operations/ Communications 6.4%
- Transfers 3.1%
- Equipment & Improvements 0.4%
THEN and NOW

1999-2000

- Tuition: 32%
- Taxes: 26%
- State Aid: 36%
- Other: 6%

2011-2012

- Tuition: 53%
- Taxes: 23%
- State Aid: 19%
- Other: 5%
Property Tax Revenue Comparison (Operating)

- 2009-2010: $23.3 Million
- 2010-2011: $20.2 Million
- 2011-2012: $18.9 Million
- 2012-2013: $17.6 Million
- 2013-2014: $17.1 Million
- 2014-2015: $17.1 Million
- 2015-2016: $17.4 Million

Decrease:
- 2009-2010: $1.3 Million
- 2010-2011: $1.3 Million
- 2011-2012: $3.1 Million
Peer Comparison: Taxable Value and Millage Rate (2010-2011 ACS Data)

<table>
<thead>
<tr>
<th></th>
<th>Taxable Value</th>
<th>FYES</th>
<th>Levied Operating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wayne County</td>
<td>$29,533,675</td>
<td>12,605</td>
<td>2.4769</td>
</tr>
<tr>
<td>Grand Rapids</td>
<td>$21,646,153</td>
<td>12,412</td>
<td>1.7865</td>
</tr>
<tr>
<td>Washtenaw</td>
<td>$14,200,351</td>
<td>9,512</td>
<td>3.4056</td>
</tr>
<tr>
<td>Schoolcraft</td>
<td>$13,542,284</td>
<td>9,683</td>
<td>1.7967</td>
</tr>
<tr>
<td>Delta</td>
<td>$11,436,402</td>
<td>8,017</td>
<td>2.0427</td>
</tr>
<tr>
<td><strong>Mott</strong></td>
<td>$10,673,908</td>
<td><strong>8,191</strong></td>
<td><strong>1.9896</strong></td>
</tr>
<tr>
<td>Kalamazoo Valley</td>
<td>$8,133,850</td>
<td>7,782</td>
<td>2.4089</td>
</tr>
<tr>
<td>Henry Ford</td>
<td>$3,941,200</td>
<td>13,331</td>
<td>3.0000</td>
</tr>
<tr>
<td>Peer Average</td>
<td>$14,138,477</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Average</td>
<td>$9,606,299</td>
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<td></td>
</tr>
</tbody>
</table>

*MCC ranks 6th of among 8 peers (below average) for taxable value and operating millage rate.*
State Aid vs. Student FTE
What if Tuition Covered State Aid Losses?
# Tuition & Fee Comparison 2011/2012 School Year

<table>
<thead>
<tr>
<th>COLLEGE</th>
<th>YEARLY TUITION &amp; FEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mott Community College</td>
<td>$3,644.00</td>
</tr>
<tr>
<td>Baker College</td>
<td>$7,560.00</td>
</tr>
<tr>
<td>Saginaw Valley University</td>
<td>$7,815.00</td>
</tr>
<tr>
<td>Eastern Michigan University</td>
<td>$8,684.00</td>
</tr>
<tr>
<td>University of Michigan - Flint</td>
<td>$9,184.00</td>
</tr>
<tr>
<td>Western Michigan University</td>
<td>$9,606.00</td>
</tr>
<tr>
<td>Oakland University</td>
<td>$9,938.00</td>
</tr>
<tr>
<td>Ferris State University</td>
<td>$10,440.00</td>
</tr>
<tr>
<td>Central Michigan University</td>
<td>$10,740.00</td>
</tr>
<tr>
<td>Davenport University</td>
<td>$11,814.00</td>
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<tr>
<td>Michigan State University</td>
<td>$12,203.00</td>
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<tr>
<td>Michigan Technological University</td>
<td>$12,853.00</td>
</tr>
<tr>
<td>University of Michigan - Ann Arbor</td>
<td>$13,437.00</td>
</tr>
<tr>
<td>ITT Technical - Swartz Creek **</td>
<td>$14,990.00</td>
</tr>
<tr>
<td>Alma College</td>
<td>$29,230.00</td>
</tr>
<tr>
<td>Kettering University</td>
<td>$29,988.00</td>
</tr>
<tr>
<td>Albion College ***</td>
<td>$32,662.00</td>
</tr>
</tbody>
</table>

Capital Funds

- **Purpose: Maintaining Facilities**
  - Upkeep of Infrastructure - Buildings & Grounds
  - Safety & Compliance Items
  - Long-Term Focus
  - Technology & Equipment
  - Deferred Maintenance
  - Construction Projects
  - NOT Operational Costs

- **Revenue Sources:**
  - Bond Proceeds
  - Student Technology Fee
  - Grants and Capital Appropriations
  - Transfers from Operating Fund (for ongoing maintenance)

MCC’s Capital Budget is separate from our Operating Budget. The need for specific revenue sources to maintain our physical plant is also separate from efforts to enhance operating revenues.
Debt Portion of Property Taxes

- MCC Levied the same rate – 0.50 of a mill – for many years, through the 2000 tax year.
- The rate was increased to 0.85 in 2001, and has decreased to 0.69 since then.
- Due to the unprecedented decline in property tax values, the 0.69 mills was no longer sufficient to pay the current principal interest requiring an increase to 0.87 in 2011.

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Debt Levy</th>
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<tbody>
<tr>
<td>2005</td>
<td>0.69</td>
</tr>
<tr>
<td>2006</td>
<td>0.69</td>
</tr>
<tr>
<td>2007</td>
<td>0.69</td>
</tr>
<tr>
<td>2008</td>
<td>0.69</td>
</tr>
<tr>
<td>2009</td>
<td>0.69</td>
</tr>
<tr>
<td>2010</td>
<td>0.69</td>
</tr>
<tr>
<td>2011</td>
<td>0.87</td>
</tr>
<tr>
<td>2012</td>
<td>0.87</td>
</tr>
</tbody>
</table>
Comprehensive Capital Outlay Planning Process

- Five-Year Campus Master Plans – submitted annually to State DMB
- Independent Facilities Assessments – Identification of Building Deficiencies and Backlog of Deferred Maintenance Projects
- Technology Plans – Life-Cycle Replacement and Upgrade Needs
- Enrollment Trends, Strategic and Curricular Plans and Priorities
- Input from Management Team, Faculty, Staff and Community
# 7-Year Operating Forecast (in Millions as of June, 2012)

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>39.0</td>
<td>40.6</td>
<td>42.2</td>
<td>43.9</td>
<td>45.6</td>
<td>47.4</td>
<td>49.2</td>
<td>51.1</td>
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<tr>
<td>Property Taxes</td>
<td>18.9</td>
<td>17.7</td>
<td>17.1</td>
<td>17.1</td>
<td>17.4</td>
<td>17.6</td>
<td>17.9</td>
<td>18.4</td>
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<tr>
<td>State Appropriations</td>
<td>14.4</td>
<td>15.0</td>
<td>15.5</td>
<td>15.9</td>
<td>16.3</td>
<td>16.6</td>
<td>16.9</td>
<td>17.2</td>
</tr>
<tr>
<td>All Others</td>
<td>3.7</td>
<td>3.5</td>
<td>3.6</td>
<td>3.7</td>
<td>3.7</td>
<td>3.8</td>
<td>3.9</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>76.0</strong></td>
<td><strong>76.8</strong></td>
<td><strong>78.4</strong></td>
<td><strong>80.6</strong></td>
<td><strong>83.0</strong></td>
<td><strong>85.4</strong></td>
<td><strong>87.9</strong></td>
<td><strong>90.7</strong></td>
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<tr>
<td>Revenue Increase (Decrease):</td>
<td></td>
<td></td>
<td>1.0%</td>
<td>2.1%</td>
<td>2.8%</td>
<td>2.9%</td>
<td>2.9%</td>
<td>3.0%</td>
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</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>39.5</td>
<td>40.6</td>
<td>41.8</td>
<td>43.4</td>
<td>45.1</td>
<td>46.8</td>
<td>48.6</td>
<td>50.4</td>
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<tr>
<td>Fringe Benefits</td>
<td>17.6</td>
<td>17.0</td>
<td>17.8</td>
<td>18.6</td>
<td>19.4</td>
<td>20.3</td>
<td>21.2</td>
<td>22.2</td>
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<tr>
<td>All Others</td>
<td>19.7</td>
<td>19.2</td>
<td>20.4</td>
<td>20.9</td>
<td>21.4</td>
<td>21.9</td>
<td>22.4</td>
<td>23.0</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>76.8</strong></td>
<td><strong>76.8</strong></td>
<td><strong>80.0</strong></td>
<td><strong>82.9</strong></td>
<td><strong>85.9</strong></td>
<td><strong>89.0</strong></td>
<td><strong>92.2</strong></td>
<td><strong>95.6</strong></td>
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<tr>
<td>Expenditure Increase (Decrease):</td>
<td></td>
<td></td>
<td>-0.1%</td>
<td>4.1%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Surplus/(Deficit):</td>
<td>-0.80</td>
<td>0.01</td>
<td>(1.6)</td>
<td>(2.3)</td>
<td>(2.9)</td>
<td>(3.6)</td>
<td>(4.3)</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>6.7</td>
<td>6.7</td>
<td>5.1</td>
<td>2.8</td>
<td>(0.1)</td>
<td>(3.7)</td>
<td>(8.0)</td>
<td>(12.9)</td>
</tr>
</tbody>
</table>

**Final Forecast at 6/30/11**

47.4
20.9
15.4
3.9
87.6
2.6%

**Note:** The forecast illustrates proforma data if current trends were to continue. The College is obligated to balance its budget each year and will take necessary steps to do so.
Future Outlook: Key Issues

- State Aid Revenue – 3.6% increase($637,000) in 2012, we receive $300K less than we did 12 years ago.
- Tuition and Fee Revenue – increased over the past 5 years – we cannot reasonably expect the same level of increases to continue
- MPSERS Retirement Rate – current rate is 20.66% increasing to 24.46% on 10/1/12.
- Property Tax Revenues – decreased $3.1M in 2010, $1.3M in 2011, $1.3M decrease in 2012, further declines anticipated.
- Reserve Funding – increased emphasis in light of above economic factors
- 2007-2012 Strategic Planning through AQIP – requires continuous improvement methods
- Bond funds depleted 2011
Minimum Reserves as Required by Board Policy #3930

- **General Operating (01) Reserve (savings)**
  - Required 5-10% of annual operating expenses
  - Initial 2012-2013 budget shows reserve at 8.7%

- **Maintenance & Replacement Fund (72)**
  - Required 1-3% of College depreciated assets or $3.1M
  - 11-12 Amended Budget reserve of $2.1M
  - Amount needed to fully fund is $1M

- **Rainy Day (02) Budget Stabilization**
  - Required 1% of annual operating expenses
  - 12-13 budget reflects $850 thousand
  - Meets minimum funding requirements

- **Building & Site Fund (78)**
  - Required 1-3% of College depreciated assets or $3.1 M
  - 11-12 Amended Budget reserve of just over $3 M
Why I Think We’re a Great Organization

- Strong community support
- Great teachers / small class size
- Geographic positioning (sites)
- Open/Transparent Culture
- Stable Senior Management Team
- Tuition – Competitive Advantage
- AQIP
- Strategic Planning / Balanced Management Approach
- Strong Financial Management (Long-term forecast) / A+ Bond Rating
- Grants Office
- Technology (especially for students)
- Learner Support Services
- Great Working Conditions
- Faculty and Staff who care about students and one another
- Good Labor Climate
- RTC
- Public Safety Department
- Good Pay and Great Benefits
Why Mott is a Great Organization - *Instructional Support Services*

- Computer Labs
- Honors Program
- Tutoring
- Study Skills Workshops
- Developmental Education
- The Writing Center
- Math Empowerment Center
Human Resources Staff

Our Mission
We are solution providers. Our mission is to generate comprehensive, systemic solutions to the HR problems, issues and questions of the organization’s management and employees.

Our Vision
To become so efficient, highly skilled and well organized that we can provide coordinated, quality service and solutions to our customers that exceed their expectations.

Our Goals
• Continuous improvement
• Superior customer service
• Fiscal stewardship/resource maximization. Help the organization get the most from the dollars and resources we have.