

Budget picture brightens at LMC

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BENTON TOWNSHIP — New academic programs and investment in campus infrastructure will be two major priorities in Lake Michigan College's newly approved budget.

LMC trustees unanimously adopted the 2013-14 budget after a brief public hearing in Tuesday's board meeting. The new fiscal year begins Monday.

The numbers call for \$34.3 million in revenue and \$34.2 million in expenses — amounting to a 2.4 percent increase in both categories over the 2012-13 budget, LMC President Bob Harrison said. The current year will close balanced at \$33 million.

"It (2013-14) does present a modest increase in revenue as a result of some state awards, but we'll still continue to monitor expenses as we go through the year," Harrison said before Tuesday's vote.

Two factors helped boost revenue, including a \$46,000 increase in state aid and a 4 percent increase in property tax revenue, which reflects an improved housing market, the college said in a news release.

Property taxes remain the college's biggest income source, at \$14.9 million, followed by tuition and fees, which are pegged at \$12.7 million for next year, according to a summary provided by Kelli Hahn, the college's vice president of finance.

Total property tax revenue came in about \$400,000 better than the college had projected, Hahn said after the meeting.

"We have three taxing districts, and all of them had higher equalized values. We usually assume that they're going to be flat," she said.

LMC will spend \$15.4 million on wages and benefits next year, the largest items on the expense side.

The board will determine if salary increases are possible, once next year's enrollment numbers become clearer, Harrison said.

"We'll look at enrollment in fall and winter and decide what we're able to do," he said.

Current estimates call for a 3.7 percent decrease in enrollment, which reflects several factors, according to Harrison.

"That's probably the local economy improving — people going back to work — (and) less federal and state funding for retraining," he said.

The college anticipates a 13 percent increase in electricity costs, or \$120,000, and a 13 percent hike in faculty health insurance costs, plus a 25-27 percent increase in retirement rate contributions, Harrison said.

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Academic initiatives planned for next year include the development of a baccalaureate program in energy production and programs in culinary arts and truck driving, the release said.

The computer information systems program will be updated, and LMC will explore several science-based career programs, "to maximize its mulch-million dollar investment in science labs across the district," the release said.

"We are continuing to pursue our strategic direction of investing in programs and services that enhance student success," Harrison said in a prepared statement.

The 2013-14 budget provides funding to create a Healthcare Education Institute at the M-TEC building in Benton Harbor to provide short-term training options in the field.

The college has budgeted for routine capital spending to continue upgrading computer and technology at its four campuses, allow for facility repair and replacement projects, and buy teaching equip-