GUILFORD TECHNICAL COMMUNITY COLLEGE
Dr. George Parker, President
PO Box 309, Jamestown, NC 27282 (336) 334-4822

BUDGET SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>FY2018 Actual</th>
<th>FY2019 Adopted</th>
<th>FY2019 Amended</th>
<th>FY2020 Recomm</th>
<th>FY2020 Adopted</th>
<th>$ Chg</th>
<th>% Chg</th>
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</thead>
<tbody>
<tr>
<td>EXPENSE</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Guilford Tech. Comm. College</td>
<td>26,841,535</td>
<td>27,635,019</td>
<td>27,635,490</td>
<td>27,450,039</td>
<td>27,450,039</td>
<td>(184,980)</td>
<td>(0.7%)</td>
</tr>
<tr>
<td>EXPENSE</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Operating Expenses</td>
<td>15,150,000</td>
<td>16,150,000</td>
<td>16,150,000</td>
<td>16,650,000</td>
<td>16,650,000</td>
<td>500,000</td>
<td>3.1%</td>
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<tr>
<td>Capital Maintenance</td>
<td>1,500,000</td>
<td>1,500,000</td>
<td>1,500,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>(500,000)</td>
<td>(33.3%)</td>
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<tr>
<td>Debt Repayment</td>
<td>10,191,535</td>
<td>9,985,019</td>
<td>9,985,490</td>
<td>9,800,039</td>
<td>9,800,039</td>
<td>(184,980)</td>
<td>(1.9%)</td>
</tr>
<tr>
<td>Total Expense</td>
<td>26,841,535</td>
<td>27,635,019</td>
<td>27,635,490</td>
<td>27,450,039</td>
<td>27,450,039</td>
<td>(184,980)</td>
<td>(0.7%)</td>
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<tr>
<td>REVENUE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal &amp; State Funds</td>
<td>329,704</td>
<td>329,768</td>
<td>329,768</td>
<td>329,656</td>
<td>329,656</td>
<td>(112)</td>
<td>(0.0%)</td>
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<tr>
<td>American Rec/Reinvest Act</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Revenue</td>
<td>329,704</td>
<td>329,768</td>
<td>329,768</td>
<td>329,656</td>
<td>329,656</td>
<td>(112)</td>
<td>(0.0%)</td>
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<tr>
<td>County Funds</td>
<td>26,511,831</td>
<td>27,305,251</td>
<td>27,305,722</td>
<td>27,120,383</td>
<td>27,120,383</td>
<td>(184,868)</td>
<td>(0.7%)</td>
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</table>

DEPARTMENTAL PURPOSE

Guilford Technical Community College provides addressable and comprehensive instructional programs committed to excellence in teaching and successful student achievement; develops and maintains programs that are responsive to the changing educational and training needs of the people served through basic skills and lifelong learning opportunities; and develops and maintains programs that support and enhance the economic development needs of the local community. For more information about the College, please visit its website at http://www.gtcc.edu/.

The Community College's Board of Trustees requested a total budget of $19,515,000 from Guilford County for FY 2020 ($17,365,000 in operating funds and $2,150,000 in capital outlay funds). This request is $1,865,000 or 10.6% higher than the FY 2017-18 Adopted Budget.

FY 2020 ADOPTED BUDGET HIGHLIGHTS

- The FY 2020 Adopted Budget increases operating funding for the community college by $500,000 or 3.1% to a total of $16,650,000. This additional funding will be used for personnel expenses including merit and retirement adjustments, the on-going operating

89
costs of new facilities, as well as other college expenses for which the county is responsible for funding.

- The budget also reduces capital funding from the county’s general fund to maintain the college’s facilities by $500,000 from $1.5 million to $1.0 million.

- The 2020 budget includes approximately $9.8 million in debt service related to GTCC. This represents a decrease of about $200,000 or 1.9% due to scheduled debt payments of the remaining bonds for GTCC capital projects.

The funding noted above represents the County’s portion of the total budget for Guilford Technical Community College. The College receives additional funding from other sources, including the State of North Carolina.
April 29, 2019

Mr. Michael Halford
Budget Management and Evaluation Director
Guilford County
301 W. Market Street, Suite 301
Greensboro, NC 27402

Re: 2019/20 County Budget Proposal

Dear Michael:

Attached is GTCC’s 2019/20 budget request as approved by our Board of Trustees on February 28, 2019. This represents our assessment of the College’s needs for operations and maintenance of existing facilities. The operating budget totals $17,365,000, an increase of 7.5%, or $1,215,000 over the current year and includes the following:

- $150,000 in salary and benefit increases unfunded in 2017-18 and 2018-19
- $250,000 requested but not funded in 2018/19 for matching funds for employee voluntary retirement plans
- Estimated 2019/20 salary increases
- Retirement rate increase from 18.86% to 20.75%
- Medical insurance rate increase from $6,104 to $6,409 per employee
- Utility rate increases (water 4%; heating 4%; and electricity 6%)
- $100,000 utility increase specific to the Center for Applied Manufacturing where actual costs are coming in higher than originally projected
- 5% increase in custodial services contract
- $17,076 additional rents to cover projected increases at Aviation II and railroad property
- $205,000 one-time, non-recurring rental to provide temporary modular offices for staff during the Medlin Campus Center renovation project

The 2019/20 annual capital projects list found on the attachment includes projects to address replacement of building systems at or near end of life cycle, and facilities repairs and renovations to repurpose existing space.

Please let me know if you have any questions.

Sincerely,

Nancy Sollosi
Vice President, Business & Finance/CFO

cc: Randy Parker

Attachment
2018-19 Operating Budget

Additional Needs 2019-20
Salary & benefit increases unfunded in 2017-18 & 2018-19 $ 150,000
Voluntary retirement matchings funds unfunded for 2018-19 250,000
Estimated cost of living adjustment for 2019-20 157,555
Projected retirement rate increase 96,705
Projected medical rate increase 32,940
Utility rate increases 128,849
Utility increase for Center for Applied Manufacturing 100,000
Custodial Services contract 76,875
Scheduled rent increases 17,076
One-time rent: temporary offices for Medlin staff 205,000

Total Increase Requested $ 1,215,000 7.5%

Total 2019-20 Operating Needs $ 17,365,000

Annual Capital Projects (see attached) $ 2,150,000

Total 2019-20 Budget Request $ 19,515,000
GUILFORD TECHNICAL COMMUNITY COLLEGE  
Annual Capital Projects 2019-20

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Projected Cost</th>
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<tbody>
<tr>
<td>Medlin Campus Center Renovation - glazing for windows</td>
<td>$900,000</td>
</tr>
<tr>
<td>Replace portion of C.A.M. roof</td>
<td>$400,000</td>
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<tr>
<td>Renovate Service Careers for Campus Police</td>
<td>$200,000</td>
</tr>
<tr>
<td>Replace ground floor air handlers and relocate chiller - Davis Hall</td>
<td>$350,000</td>
</tr>
<tr>
<td>Replace/improve efficiency of boilers - Jamestown Campus</td>
<td>$175,000</td>
</tr>
<tr>
<td>Replace Gerrald Hall roof</td>
<td>$125,000</td>
</tr>
<tr>
<td><strong>Total 2019-20 Request</strong></td>
<td><strong>$2,150,000</strong></td>
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