

Isothermal Community College serves all members of our community, from 6th graders attending the annual Science Expo, high school Career and College Promise students, many and varied education and workforce certification programs to special interest leisure classes for seniors. The College would be unable to offer these services to the community without the generous support from Rutherford County. Your allotment to us allows us to provide a welcoming, vibrant, and safe campus for these activities to take place.

Our current budget request includes an increase of \$103,871 and 3.55%. As in past years, the main drivers for the budget are personnel costs, utilities, and repairs to facilities. These three expense items account for 81.14% of this total budget request compared to 82.19% of last year's request. Personnel costs are 50.03%, down from the FY24 percentage of 50.86%; utilities are 26.65%, down from 26.88%; and repairs to facilities are 4.46%, up from 4.45%.

Our total personnel cost request is \$1,514,305, up from \$1,486,550. This request includes a salary increase of 3%, a decrease in the retirement rate to 24.04% from 25.02% in FY24, and a medical insurance per person cost of \$8,095 up from \$7,619 in FY24. These rates are the estimated benefit rates published for FY25 in the biannual budget. Although the total personnel request increased, the request also reflects funding for one less full-time position than the FY24 budget as we consolidate positions to more efficiently use resources.

Our utility cost request is increasing to \$806,500 from \$785,634. Over 95% (\$20,000) of this \$20,866 increase is due to electricity costs as we have experienced increased per kilowatt costs over the last year. We anticipate natural gas and water costs to remain within our budgeted costs at this time.

We are requesting an increase of \$5,000 from \$130,000 in FY24 to \$135,000 for our repairs to facilities request. The age and complexity of our facilities and systems within those facilities generally necessitate repairs and upgrades on an annual recurring basis. We attempt to leverage other funding resources for these projects, including State Capital Infrastructure Funds (SCIF) and our capital allotment. However, it is critical to have adequate facility repair and maintenance funding to maintain systems and building functionality.

Other factors contributing to our increase include higher inflationary costs for supplies, including custodial supplies, increased gasoline and vehicle repair costs, and an anticipated \$8,250 increase in our agreement with the Rutherford County Sheriff's Office to supply our Security Officers.

As always, we sincerely appreciate all consideration given to the needs expressed in the budget request. The College values the support given by the Commissioners and County Manager and will continue to place a high priority on fiscal responsibility to provide the highest level of service to our respected communities.