

ALPENA

COMMUNITY COLLEGE

665 Johnson Street
Alpena, MI 49707-1495

Office of the Board of Trustees

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www.alpenacc.edu

Alpena Community College Board of Trustees
125-C Besser Technical Center, 665 Johnson Street, Alpena, MI 49707
(989) 358-7215

Notice of Regular Meeting

Meeting Date: Thursday, December 15, 2022
Meeting Time: 7:00 p.m. Regular Meeting
Location of Meeting: Room 400, Charles R. Donnelly Natural Resources Center, 665 Johnson Street, Alpena, Michigan, and Online Via Webex
Date of Notice: Friday, December 9, 2022

The Alpena Community College Board of Trustees will gather for its regular monthly meeting on Thursday, December 15, 2022, at 7:00 p.m. in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center, 665 Johnson Street. The meeting will be broadcast remotely via Webex videoconferencing software.

All citizens are invited to participate in the meeting either in person or remotely via phone, computer, or a video conferencing system. Participants should be aware that the meeting may be recorded.

Join by phone:

+1-415-655-0003

Meeting number (access code): 2438 911 1686#

No Attendee ID number is necessary. Press # to continue.

Join from a video system or application:

Copy the following address into a web browser: <http://24389111686@alpenacc.webex.com>

You can also dial 173.243.2.68 and enter your meeting number.

Meeting number (access code): 2438 911 1686

Meeting password: eXuCR2sRu93

Webex attendees are asked to mute their microphones except during public comment.

Alpena Community College provides access for individuals with disabilities. Individuals with a disability who need a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the meeting can contact Jay Walterreit, Secretary of the Board of Trustees, at (989) 358-7215 at least one week prior to the meeting or as soon as possible.

All official proceedings and agendas are kept in the Office of the Board of Trustees, 125-C Besser Technical Center, on the Alpena campus, and can be viewed upon request between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday.



Denis "Jay" Walterreit
Secretary of the Board of Trustees

REGULAR MEETING AGENDA
ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES
Thursday, December 15, 2022, 7:00 p.m.
665 Johnson Street, Alpena, MI 49707

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of the Proposed Minutes of the November 17, 2022, Regular Board Meeting
- 5) Introduction of Guests and Public Comment
- 6) Communication(s)
- 7) Board Member and Subcommittee Reports
- 8) Student Report
- 9) Faculty Report
- 10) President's Report
- 11) Action Items
 - 2.861 Revision to Policy 5011, Tuition Waiver for Campus Activity Program
Policy — First Reading.....2
 - 2.862 Extension of Reversionary Interest of College, District Health Department
No. 4 Project.....3
- 12) Information Items
 - 4.073 Financial Report.....8
 - 4.074 Personnel Report.....12
 - 4.075 Gifts and Grants Report13
- 13) Board Discussion
- 14) New Business
- 15) Suggested Future Agenda Items
- 16) Next Regular Meeting: January 19, 2023, 7:00 p.m. The meeting is tentatively scheduled to be held in person in Room 400 of the Charles R. Donnelly Natural Resources Center.
- 17) Adjournment

**2.861 Revision to Policy 5011, Tuition Waiver for Campus Activity Program Policy —
First Reading**

Alpena Community College traditionally incentivizes student-athletes with tuition waivers. The current Board Policy 5011, Tuition Waiver for Campus Activity Program Policy, sets the total amount of tuition waivers at 660 contact hours per year. With the addition of the new men's baseball team, there is now more demand for athletic tuition waivers.

In recognition of the additional need, ACC officials are proposing to increase the total number of tuition waiver contact hours to 780 per fiscal year. Following is a proposed breakdown of how the contact hours would be allocated by sport:

<u>Sport</u>	<u>Contact Hours</u>
Baseball.....	120
Men's Basketball	180
Women's Basketball	180
Cross Country	90
Softball.....	120
Volleyball.....	90
Total contact hours	780

Following is the text of Policy 5011 modified to show the proposed change:

The Board of Trustees authorizes College officials to initiate procedures which will implement a program of tuition waivers in selected activity areas that will make available to designated key participants a waiver of tuition in an amount not to exceed 30 contact hours per year per student with a grand total of such waivers not to exceed ~~660~~ 780 contact hours per fiscal period. In addition, this policy allows students a book and fee waiver only when the student's contact hours are covered by another source; the approval of these waivers will come from the Dean of Students and be based on established procedures. The book and fee waiver amounts will not exceed the equivalent amount allowed for contact hours. Annual progress reports will be provided.

Therefore, the following resolution is proposed:

The Alpena Community College Board of Trustees approves upon first reading changes to Policy 5011, Tuition Waiver for Campus Activity Program Policy.

2.862 Extension of Reversionary Interest of College, District Health Department No. 4 Project

In 2022 Alpena Community College officials and the Board of Trustees Property Subcommittee were approached by representatives of the Alpena County Board of Commissioners regarding the status of property located adjacent to Wilson Road that is currently the site of the District Health Department #4 building.

The property was conveyed by ACC to the County of Alpena in 1996 for the purpose of providing a location for the DHD4 building. The deed to the property contained a reverter clause which, among other things, determined that the property would revert to ACC on July 25, 2036. County board representatives approached ACC to determine the College's interest in extending the reverter clause. After discussion it was determined that extending the reverter clause for 30 years, to July 25, 2066, would be desirable by the County. ACC officials then worked with ACC attorney Karen Bennett to draft documents which would affect that change to the 1996 deed.

Following is the text of the resolution Karen Bennett has written for consideration by the ACC Board of Trustees.

WHEREAS, The County of Alpena is one of the constituent counties of District Health Department No. 4 (the "Health Department"), a "district health department" formed by the counties of Alpena, Cheboygan, Montmorency, and Presque Isle under Section 2415 of Act 368, P.A. 1978, as amended, for the purposes of providing essential public health services to residents of those counties; and

WHEREAS, on July 24, 1996, the College conveyed certain lands described on Exhibit A (the "Site") to the County of Alpena by deed recorded at Liber 327 Pages 678-680, Alpena County records (the "College Deed"), a copy of which is attached hereto, for the purpose construction of a public health department building, to be leased to the Health Department to satisfy the urgent need of the Health Department and the County for a building to house medical and office facilities for the provision of health care and human services to residents of the County (the "Project"); and

WHEREAS, the Project was fully constructed and the College subordinated its interest to the lien of the mortgage financing for the construction of the Project, and the Health Department has continuously used and occupied the property, which now is in need of significant repairs and improvements; and

WHEREAS, the College Deed, expressly provides that it is subject to a reversionary interest held by the College, whereby the subject property and all improvements thereto will revert to the College upon the happening of certain events described in in the College Deed and shall revert to the College on the 25th day of July, 2036, in all events without any demand or further action on the part of the College; and

WHEREAS, the County of Alpena seeks to extend the date on which title to the subject property will revert reversion to the College in order to facilitate the ability of the County to make and finance needed repairs and improvements to the property and to continue to use and occupy the property, as improved; and

WHEREAS, the College agrees that it is a benefit to the College and in the public interest to allow the County to continue to use, maintain and improve the property in order to preserve the economic viability of the subject property and serve the needs of the community;

NOW, THEREFORE, IT IS RESOLVED THAT:

1. The Board Chair is authorized and directed to execute and deliver an instrument, in the form approved by legal counsel for the College, modifying the reversionary interest held by the College to provide that the date on which title to and possession of the property shall revert to the College is extended for 30 years from July 25, 2036, to July 25, 2066, and further providing that title and possession of the property shall revert to the College in the event of the occurrence of one or more of the events set forth below, all of which are included in the College Deed:
 - a) The premises are not being used on a regular basis for functions of the Health Department No. 4 or any successor thereto or related health and human services functions of governmental or 501(c)(3) organizations.
 - b) The premises are being used for a purpose which is not permitted by applicable zoning ordinance governing the use of the premises as such ordinance exists from time to time (or duly authorized variance thereof).
 - c) Default of any mortgage on the premises and failure of the County of Alpena to cure such default and exercise by the College of its right to cure such default as set forth in any Subordination Agreement to which the College is a party.
2. The Board Chair is authorized and directed to execute and deliver such documents and instruments approved by legal counsel for the College as are reasonably necessary to carry out the intent of this Resolution including a Subordination Agreement in a form acceptable to the College which subordinates the interest of the College in the real property described herein to the lien of any mortgage obtained by the County for the purpose of financing improvements to the property, provided that such subordination agreement permits but does not obligate the College to cure any default on the property, whereupon title and possession of the property shall revert to the College.
3. This Resolution shall become effective immediately upon its passage.

LIBER

327 PAGE 678

Recorded

July 31 1996

004352

at 2:45

P. M. Liber 327 Page 678

Kathy J. Matzel Reg. of Deeds

DEED

The Grantor, COMMUNITY COLLEGE DISTRICT OF THE ALPENA PUBLIC SCHOOLS, a public corporation, whose address is 666 Johnson Street, Alpena, Michigan 49707,

CONVEYS to the COUNTY OF ALPENA, a Michigan municipal corporation, whose address is 720 Chisholm Street, Alpena, Michigan 49707, those premises situated in the County of Alpena, State of Michigan, described on Exhibit A attached hereto, for the sum of One Dollar (\$1.00).

Subject to easements and building and use restrictions of record, and the reversion rights of the Grantor set forth herein.

UNENCUMBERED TITLE TO AND EXCLUSIVE POSSESSION OF THE PREMISES (INCLUDING THE PROPERTY FINANCED BY BONDS TO BE ISSUED BY NHF SUB ALPENA, A MICHIGAN NONPROFIT CORPORATION, AND ANY ADDITIONS THERETO) SHALL IMMEDIATELY REVERT TO THE GRANTOR IN THE EVENT OF ANY OF THE OCCURRENCES DESCRIBED IN PARAGRAPHS 1, 2, 3 OR 4 BELOW PROVIDED, HOWEVER, ABSENT THE OCCURENCE OF ONE OR MORE OF THE EVENTS DESCRIBED IN PARAGRAPHS 1,2,3 OR 4, THE PREMISES SHALL REVERT TO THE GRANTOR ON THE 25TH DAY OF JULY, 2036, AND IN ALL EVENTS WITHOUT ANY DEMAND OR FURTHER ACTION ON THE PART OF THE GRANTOR:

1. Commencement of the construction on the premises of an approximately 28,000 square foot building to house medical and office facilities for the provision of health care and human services to be rendered by District Health Department No. 4 and other governmental units and qualified tax exempt charitable organizations (the "Project"), does not commence prior to December 31, 1996, or completion of the construction of the Project does not occur prior to December 31, 1997, as evidenced by the issuance of a Certificate of Occupancy by the appropriate governmental agency.
2. The Project constructed on the premises is not being used on a regular basis for functions of District Health Department No. 4 (or any successor entity of District Health Department No. 4 providing substantially the same services), or related health and human service functions of governmental or Section 501(c) (3) organizations.
3. The premises are being utilized for a purpose which is not permitted by the applicable zoning ordinance governing the use of the premises as it exists from time to time (or a duly authorized variance therefrom).
4. Exercise of the Grantor's right to cure a default in the outstanding mortgage indebtedness on the premises following a default by the mortgagor, NHF SUB ALPENA, and the failure of the County of Alpena to cure such default, all as set forth in the Subordination Agreement among CB NORTH, a Michigan banking

11/18772

corporation, the COUNTY OF ALPENA and the GRANTOR, dated effective as of the date of this Deed.

PROVIDED, HOWEVER, THE REVERSION RIGHTS OF THE GRANTOR HEREIN ARE SUBJECT AND SUBORDINATE TO THE CLAIMS OF THE HOLDER OF THE BONDS (INCLUDING BUT NOT LIMITED TO ANY MORTGAGE INDEBTEDNESS) UNTIL THE INDEBTEDNESS REPRESENTED BY THE BONDS ISSUED ON BEHALF OF THE COUNTY OF ALPENA FOR CONSTRUCTION OF THE PROJECT ON THE PREMISES ARE PAID IN FULL.

The consideration for this conveyance is less than \$100 and it is therefore, exempt from county real estate transfer tax pursuant to MCL 207.505(a) and State real estate transfer tax pursuant to MCL 207.526(1).

The preparer of this document has not conducted any examination of the title of the above described premises.

WITNESSES:

Karen Jo Wenzel
Karen Jo Wenzel
Melissa Gapske
Melissa Gapske

COMMUNITY COLLEGE DISTRICT OF
THE ALPENA PUBLIC SCHOOLS

By: Roger C. Bauer
Roger C. Bauer
Its Chairman - Board of
Trustees

State of Michigan)
County of Alpena) ss.

On this 24th day of July, 1996, before me, a Notary Public, in and for said County, personally appeared Roger C. Bauer, to me known to be the Chairman - Board of Trustees of Alpena Community College, a public corporation, acknowledged that he signed the foregoing instrument on behalf of said public corporation as his free act and deed.

Melissa Gapske
Melissa Gapske, Notary Public
Alpena County, Michigan
My Commission Expires: 01/19/2001

Drafted By:
Karen Jo Wenzel
Attorney at Law
109 North Second Avenue
Alpena, Michigan 49707

Send Subsequent Tax Bills To:
TAX EXEMPT

DEED722.ACC - 7/22/96

EXHIBIT A

The Westerly 330.0 feet of the Southerly 660.0 feet of the SW1/4 of the NW1/4 of Section 15, T31N, R8E, more particularly described as:

Part of the SW1/4 of the NW1/4 of Section 15, T31N, R8E, Alpena County, Michigan. Described as; the Point of Beginning being the West 1/4 corner of said Section 15; thence N05°00'00"E along the West line of said Section 15 660.00 feet; thence S84°50'09"E parallel with the E-W 1/4 line 330.00 feet; thence S05°00'00"W parallel with the West section line 660.00 feet to the E-W 1/4 line; thence N84°50'09"W along the E-W 1/4 line 330.00 feet to the Point of Beginning. Containing 5.000 acres more or less; subject to an existing 33 foot Right-of-Way along Wilson Street; subject to all easements, conditions, reservations and restrictions of record; and also reserving 33 foot Right-of-Way along the North 33.00 feet of described 5.000 acre parcel and the Easterly 33.00 feet of the Northerly 363.00 feet of said 5.000 acre parcel for future roadways.

4.073 Financial Report

Monthly General Fund Revenue and Expense through November 2022 (Year to Year Actual Comparison)

- The property tax receipts of \$610,035 are \$21,090 more than those for November 2021, as expected.
- Tuition/fee receipts of \$4,781,209 are \$101,315 less than last year at this time because of lower than expected enrollments thus far.
- State aid for the current year is \$1,245,392 because of the normal start month of October, regular appropriations are \$38,000 more than last year. Additionally, \$81,364 was received for personal property tax, approximately \$9,000 less than last year. The College also received a one-time payment of \$225,700 last year. These differences total to around a negative \$196,400.
- There are no HEERF funds available this year.
- Instruction is lower due to a couple of faculty retirements.
- OIT's increase is due to planned wage increases and timing of software purchases.
- Instruction support is elevated because of a vacation payout and timing of an expense compared to last year.
- Student services is lower due to timing of advertising and promotion purchases.
- Net income through the first five months of this fiscal year shows as a loss of \$445,907.

Monthly General Fund Revenue and Expense through November 2022 (Budget to Actual Comparison)

- Library Books and equipment is up due to timing of purchases.
- All other categories are in acceptable ranges for this stage of the year except as noted above.

General Fund Month to Month Comparison through November 2022

- Outside services was higher due to various expenses including OIT, electrical instruction, legal, and maintenance.
- The Month-to-Month comparisons are tracking as expected except as noted above.

Alpena Community College
General Fund
Year-to-Year Actual Comparison
For the Three Months Ending November 30, 2022

Description	YTD Actual FY 2023	YTD Actual FY 2022	YTD Actual Variance
Revenue			
Property Tax	610,035	588,945	21,090
Tuition/Fees	4,781,209	4,882,524	(101,315)
Sales,Service,and Rent	17,715	11,408	6,307
State Aid	1,245,392	1,441,824	(196,432)
Local	0	0	0
State	0	0	0
Federal	17,137	21,499	(4,362)
Federal - HEERF	0	323,123	(323,123)
Cost Recovery	0	0	0
Interest	0	0	0
Other	3,240	2,169	1,071
Revenue	6,674,728	7,271,492	(596,764)
Expense			
Instruction	2,801,808	2,909,209	(107,401)
OIT	608,638	519,414	89,224
Public Service	0	0	0
Instruction Support	691,197	622,546	68,651
Student Services	586,043	600,875	(14,832)
Institutional Administration	935,303	926,614	8,689
Physical Plant	605,832	576,421	29,411
Expense	6,228,821	6,155,079	73,742
Income	445,907	1,116,413	(670,506)
Net Assets - Beginning of Year	2,253,555	2,004,253	249,302
Net Assets - End of Year	2,699,462	3,120,666	(421,204)

Alpena Community College
Comparative Income Statement
General Fund
For the Three Months Ending November 30, 2022

Description	FY 2023 Budget	FY 2023 YTD Actual	FY 2023 Variance	FY 2023 Complete	FY 2022 Complete
Revenue					
Property Tax	2,981,212	610,035	(2,371,177)	20.46%	20.85%
Tuition/Fees	5,712,193	4,781,209	(930,984)	83.70%	79.46%
Sales, Services, and Rent	22,000	17,715	(4,285)	80.52%	51.85%
State Aid	6,728,571	1,245,392	(5,483,179)	18.51%	23.49%
Federal	35,000	17,137	(17,863)	48.96%	35.24%
Federal - HEERF	0	0	0	0.00%	0.00%
Cost Recovery	75,000	0	(75,000)	0.00%	0.00%
Interest	5,000	1	(4,999)	0.02%	0.00%
Other	7,920	3,240	(4,680)	40.91%	27.39%
Revenue	15,566,896	6,674,729	(8,892,167)	42.88%	47.61%
Expense					
Salaries	8,810,786	3,542,267	5,268,519	40.20%	42.04%
Fringe Benefits	4,256,695	1,611,986	2,644,709	37.87%	39.52%
Outside Services	787,516	503,157	284,359	63.89%	49.14%
Advertising	241,500	83,312	158,188	34.50%	36.82%
Supplies	171,250	53,111	118,139	31.01%	33.96%
Rental	0	0	0	0.00%	0.00%
Utilities	459,390	88,252	371,138	19.21%	17.91%
Telephone	18,000	2,790	15,210	15.50%	31.42%
Postage	35,000	6,763	28,237	19.32%	19.95%
Insurance	135,000	105,610	29,390	78.23%	87.45%
Travel & Mileage	65,396	12,836	52,560	19.63%	5.27%
Tuition Waivers and Dues	235,000	134,905	100,095	57.41%	62.62%
Library Books & Equipment	102,090	62,770	39,320	61.48%	35.96%
Other	77,000	21,062	55,938	27.35%	33.63%
Transfers	199,397	0	199,397	0.00%	0.00%
Expense	15,594,020	6,228,821	9,365,199	39.94%	40.30%

Description	FY 2023 Budget	FY 2023 YTD Actual
Income	(27,124)	445,908
Net Assets - Beginning of Year	2,253,555	2,253,555
Net Assets - End of Year	2,226,431	2,699,463

Alpena Community College
General Fund Month to Month Tracking
For the Three Months Ending November 30, 2022

Description	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD	Budget
Revenue														
Property Tax	188,266	403,589	12,233	2,167	3,780	0	0	0	0	0	0	0	610,035	2,981,212
Tuition/Fees	2,796,651	289,806	(48,523)	120,577	1,622,699	0	0	0	0	0	0	0	4,781,210	5,712,193
Sales, Services, and Rent	6,528	665	1,898	6,158	2,468	0	0	0	0	0	0	0	17,717	22,000
State Aid	0	0	0	630,514	614,877	0	0	0	0	0	0	0	1,245,391	6,728,571
Federal	2,711	800	8,246	2,461	2,918	0	0	0	0	0	0	0	17,136	35,000
Cost Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	75,000
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	5,000
Other	25	1,080	855	850	430	0	0	0	0	0	0	0	3,240	7,920
Revenue	2,994,181	695,940	(25,291)	762,727	2,247,172	0	0	0	0	0	0	0	6,674,729	15,566,896
Expense														
Salaries	887,814	587,043	621,423	801,802	644,185	0	0	0	0	0	0	0	3,542,267	8,810,786
Fringe Benefits	377,519	283,798	292,416	351,516	306,738	0	0	0	0	0	0	0	1,611,987	4,256,695
Outside Services	219,803	72,908	51,614	44,498	114,334	0	0	0	0	0	0	0	503,157	787,516
Advertising	1,010	12,207	33,118	12,467	24,510	0	0	0	0	0	0	0	83,312	241,500
Supplies	5,702	12,123	6,847	11,509	16,931	0	0	0	0	0	0	0	53,112	171,250
Rental	0	0	0	0	34,347	0	0	0	0	0	0	0	34,347	0
Utilities	205	14,839	13,198	25,663	415	0	0	0	0	0	0	0	54,320	459,390
Telephone	730	313	0	1,332	228	0	0	0	0	0	0	0	2,603	18,000
Postage	76	109	6,223	126	0	0	0	0	0	0	0	0	6,534	35,000
Insurance	74,933	3,511	2,068	25,098	2,465	0	0	0	0	0	0	0	108,075	135,000
Travel & Mileage	238	1,614	6,834	1,686	1,150	0	0	0	0	0	0	0	11,522	65,396
Tuition Waivers and Dues	846	111,067	1,250	20,592	1,808	0	0	0	0	0	0	0	135,563	235,000
Library Books & Equipment	50,309	7,240	3,273	139	282	0	0	0	0	0	0	0	61,243	102,090
Other	1,058	4,716	14,061	945	0	0	0	0	0	0	0	0	20,780	77,000
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	199,397
Expense	1,620,243	1,111,488	1,052,325	1,297,373	1,147,393	0	0	0	0	0	0	0	6,228,822	15,594,020
Income	1,373,938	(415,548)	(1,077,616)	(534,646)	1,099,779	0	0	0	0	0	0	0	445,907	(27,124)

4.074 Personnel Report

New hires, terminations, and status changes from November 7 to December 8, 2022.

New Hires:

- None.

Re-Hires:

- None.

Transfers:

- None.

Resignations:

- None.

Terminations:

- None.

Retirements:

- None.

Name Changes:

- None.

Position Name Changes:

- None.

4.075 Gifts and Grants Report

This report reflects the following activity for pledges and gifts received by ACC and the ACC Foundation between November 7 and December 6, 2022.

Total Donors:	141
New Gifts:	\$60,606.89
Pledge Payments:	\$7,300.00
New Pledges:	\$0.00