

Alpena Community College Fiscal Year 2023 Budget

As Approved by the Board of Trustees on June 16, 2022

General Operating Fund, 2022-2023

The General Operating Fund provides those resources necessary to carry out the day-to-day activities of the College. Several major economic factors impact FY 2023 budgeting. State aid is estimated at \$6,728,571, an increase by 9.6% over FY 2021, This comprises 43% of the total revenue budget. Student enrollment is estimated to be level with FY 2021, which suffered a 7.7% drop from FY 2020. Tuition and fees look to be about \$5,712,000. This comprises 36.7% of the total revenue budget. Local property taxes are scheduled to increase by 5.6%, Local Property Tax budget for FY 2023 of \$2,981,212 requires the use of the full voter approved 2.5 mill levy, adjusted for the Headlee Amendment rollback to 2.4806 mils. This comprises 19.1% of the total revenue budget. It is anticipated that the full amount available will be needed for the foreseeable future.

Pay increases for all bargaining units will be at a step, if available, as contractually obligated. The College's health care cost increases are capped at only 1.2% for calendar year 2023 due to continued legislative action.

Therefore, the 2022-2023 year will require continued close monitoring of the budget throughout the entire year and adjustments may be necessary to be brought before the Board of Trustees. In addition, the College will focus on accomplishing the following objectives:

- 1) Provide an adequate schedule of course offerings to serve a projected annualized enrollment of approximately 1,700 enrollees (900 FYES)
- 2) Continue the assessment process of assuring the delivery of quality instruction and student services programs.
- 3) Continue refinement of selected career programs to assure that the offerings are attuned to modern technology and graduates are job ready.
- 4) Provide more defined and focused attention to recruitment and admission and retention activities in all areas through the marketing plan.
- 5) Further increase enrollments and refine services to be delivered by the Oscoda Campus that will meet the needs of Iosco County and the surrounding area.
- 6) Further implement personnel realignments to continue to improve the effectiveness of the capacity to deliver education services.
- 7) Address the needs of our K-12 partners and the home-schooled students in the area of early college and dual enrollment.
- 8) Reassess the Campus Master Plan while considering the future use of the College's full 680 acres.
- 9) Continue implementing other aspects of the College's strategic plan.

The various objectives specified have been identified with input from the Strategic Planning and Budgeting Committee and will be achieved through the proposed financial plan for the General Operating Fund for 2022-2023.

**Alpena Community College
2022-23**

Proposed Revenue Budget — General Operating Fund

Description	Budget 2021-2022	Proposed Budget 2022-2023
Property Taxes	\$2,824,142	\$2,981,212
Tuition/Fees	6,142,728	5,712,193
State Aid	6,136,901	6,728,571
Other	167,744	144,920
Totals	<u>\$15,271,515</u>	<u>\$15,566,896</u>

Proposed Expenditure Budget — General Operating Fund

Description	Budget 2021-2022	Proposed Budget 2022-2023
Fine Arts	\$306,964	\$316,647
Communications	906,751	921,838
Social Sciences	685,602	671,099
Mathematics	673,661	701,310
Sciences	1,128,605	1,167,258
Physical Education	18,278	17,685
Health Education	5,426	5,561
Business	312,857	266,084
Data Processing / Computer Science	212,137	259,141
Secretarial & Office	38,982	80,120
Law Enforcement / Public Service	96,713	110,751
Media Production Technology	4,800	2,000
Design Technology	159,407	164,108
Mechanical Trades & Service Technology	437,268	449,941
Construction Trades Technology	288,669	284,983
Electrical & Electronic Trades	647,813	692,807
UAV Technologies	3,312	0
Apprenticeship Instruction	78,615	78,181

**Alpena Community College
2022-23**

Proposed Expenditure Budget — General Operating Fund, Continue

Description	Budget 2021-2022	Proposed Budget 2022-2023
Marine	74,756	77,446
Electrical Bachelors	152,189	156,157
Nursing	882,996	916,555
Other Health Related	143,300	155,930
Learning Labs	3,000	3,000
Career Guidance	4,070	4,172
Library / Media Services	254,210	261,704
Off-Campus Admin. / Oscoda Campus	244,192	240,749
Instruction Administration	959,367	1,038,507
Student Services	190,159	204,122
Financial Aid	477,769	463,216
Admissions / Records	660,662	722,474
Data Processing	1,060,841	1,086,452
General Administration	404,524	420,274
Word Processing and Copiers	28,442	28,709
Institutional Administration	1,266,100	1,257,240
Public Relations	274,731	285,060
Resource Development	203,274	220,831
Physical Plant	1,683,084	1,678,511
Transfers	297,989	183,397
Total	\$15,271,515	\$15,594,020

	Budget 2021-2022	Proposed Budget 2022-2023
Unrestricted General Operating Fund Balance		
Beginning Balance	\$2,004,253	\$2,004,253
Transfer From Fund Balance	0	(27,124)
Ending Balance	\$2,004,253	\$1,977,129

Designated Fund, 2022-2023

The Designated Fund encompasses a variety of funds that service the non-curricular activities of students, staff and faculty. Specifically, this fund supports activities in five categories:

Athletics/Student Activities

All co-curricular activities of the institution are supported from this budget, which derives its revenue primarily from a student services fee that the student pays upon enrolling in classes at the College. The budget provides support for a broad range of student needs, including student activities, athletics, intramurals, and the Wellness Center.

Workforce Development

Workforce Development is charged with carrying out a varied array of contracted services for area business and industry. The World Center for Concrete Technology falls under its supervision.

Special Events/Staff Development

Each year the College supports with \$16,000 for a wide range of activities that enhance the capacity of our staff to be more productive and valuable employees. The College is able to support a number of special events to assist the College in better communicating its leadership role to the service area (e.g. Science Olympiad, counselor workshops, etc.) A budget of \$6,500 is projected for these activities.

Madeline Briggs University Center

In order to provide additional educational opportunities for our graduates who wish to stay close to home, partnerships were established with four-year institutions to offer classes on campus. This year's budget is \$7,250.

Technology

This fund is for the acquisition of new or updated technology. The fund allows for updating the College's computer labs and funding our Learning Management System, Blackboard. A budget of \$195,000 has been established with approximately \$98,000 earmarked for future acquisition or transition of the student data management system.

Alpena Community College

2022-23 Designated Fund

Athletics/Student Activities

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Fees	\$180,000	\$200,049
Gate Receipts / Miscellaneous	1,000	1,000
Fitness Wellness Center Fees	16,000	16,000
Transfers	172,024	187,993
Total Revenues	<u>\$369,024</u>	<u>\$405,042</u>
<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Administration	\$67,533	\$70,902
Men's Basketball	43,113	36,113
Women's Basketball	43,112	36,112
Women's Volleyball	17,932	17,932
Women's Softball	22,032	30,330
Baseball	0	29,480
Cross Country	14,272	14,272
Subtotal (Athletics)	<u>207,994</u>	<u>235,141</u>
Fitness Wellness Center	151,030	161,604
Campus Activity Board	10,000	8,297
Subtotal (Student Activities)	<u>161,030</u>	<u>169,901</u>
Total Expenses	<u>\$369,024</u>	<u>\$405,042</u>

Alpena Community College

2022-23 Designated Fund (Continued)

Workforce Development

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Sales & Services	\$119,000	\$177,242
Facility Rental	20,000	20,000
Transfers	79,000	102,242
Total Revenue	\$218,000	\$299,484

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Wages	\$83,302	\$89,866
Fringe Benefits	40,926	42,376
Contract Services	21,500	21,500
Supplies	8,500	8,500
Transfers	79,000	137,242
Total Expenses	\$233,228	\$299,484

Special Events/Staff Development

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Special Events - Gen. Fund Transfer	\$8,500	\$6,500
Staff Development - Gen. Fund Transfer	16,000	16,000
Total Revenues	\$24,500	\$22,500

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Special Events - Supplies / Awards	\$8,500	\$6,500
Staff Development - Workshops / Grants	16,000	16,000
Total Expenses	\$24,500	\$22,500

Alpena Community College

2022-23 Designated Fund (Continued)

Madeline Briggs University Center

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Sales and Service	\$7,000	\$7,000
Reimbursements	250	250
 Total Revenues	 \$7,250	 \$7,250

<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Other	\$7,250	\$7,250
Transfer	0	0
 Total Expenses	 \$7,250	 \$7,250

Technology

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Technology Fee	\$195,000	\$195,000

<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Transfer	0	0
Equipment and Services	97,000	97,000
	\$97,000	\$97,000

<u>TOTAL DESIGNATED FUND</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Revenue	\$813,774	\$929,276
Expense	\$731,002	\$831,276

Auxiliary Enterprises Fund, 2022-2023

The Auxiliary Enterprises Fund consists of those activities that directly generates revenue to accomplish their objectives. The following five areas constitute “enterprises” within the fund:

College Bookstore

The Bookstore continues to contribute a high level of service to the College community. The Bookstore is now operating under a third party, Follett. The bookstore projects a \$27,000 contribution to the General Fund.

Food Service

The College has contracted with Fremont Catering of Alpena, Michigan, for operation of the cafeteria. A management fee of \$10,000 per year is budgeted out of the vending proceeds and General Funds.

Auto Service

The College operates various special services keyed to individual instructional areas to improve the economic viability and quality of life throughout Northeast Michigan. There are \$30,000 in services to be delivered in FY23.

Transportation

Transportation covers all College functions related to the use of College-owned vehicles and is paid for through interdepartmental transfers. The revenue budget for 2022-2023 activities is estimated at \$7,000.

Housing

The College has available 16 units of affordable housing for 64 students. The College is holding the rent charged level for this year. It is anticipated that rental income will exceed \$256,000 with expenses to be approximately \$201,000.

Alpena Community College

2022-23 Auxiliary Enterprises Fund

Bookstore

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Book Sales	\$246,800	\$27,000
Book Sales - Fin. Aid and Interdepartmental	310,984	-
Book Sales On-line and Other	58,120	-
Sales Tax Remittance	(34,500)	-
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Total Revenues	\$581,404	\$27,000
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<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Purchases for Resale	\$246,800	\$-
Salaries	310,984	-
Fringe Benefits	58,120	-
Equipment	(34,500)	-
All Other	33,515	-
Transfers	0	27,000
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Total Expenses	\$614,919	\$27,000
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Food Service

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Sales & Service	\$3,000	\$3,000
Transfer	7,000	7,000
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Total Revenues	\$10,000	\$10,000
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<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Contract Service	\$10,000	\$10,000
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Total Expenses	\$10,000	\$10,000
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Alpena Community College

2022-23 Auxiliary Enterprises Fund (Continued)

Auto Service

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Sales and Service	\$30,000	\$30,000
	<u>\$30,000</u>	<u>\$30,000</u>
	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Cost of Goods / Services Sold	\$30,000	\$30,000
Total Expenses	<u>\$30,000</u>	<u>\$30,000</u>

Transportation

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Total Revenues	<u>\$7,000</u>	<u>\$7,000</u>
	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Maintenance	\$7,000	\$7,000
Total Expenses	<u>\$7,000</u>	<u>\$7,000</u>

Alpena Community College

2022-23 Auxiliary Enterprises Fund (Continued)

<u>Housing</u>		
<u>Proposed Revenue Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Apartment Rental	\$240,450	\$249,450
Apartment Cleaning Fee	7,000	7,000
Total Revenues	<u>\$247,450</u>	<u>\$256,450</u>
<u>Proposed Expense Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Wages	\$63,193	\$68,283
Fringe Benefits	21,004	22,289
Services	8,000	6,500
Utilities	20,100	20,100
Maintenance and Other	42,400	26,400
Depreciation, Interest, Overhead	59,311	57,606
Total Expenses	<u>\$214,008</u>	<u>\$201,178</u>
<u>TOTAL AUXILIARY ENTERPRISES FUND</u>	Budget 2021-2022	Proposed Budget 2022-2023
Revenue	<u>\$875,854</u>	<u>\$330,450</u>
Expense	<u>\$875,927</u>	<u>\$275,178</u>

Restricted Fund, 2022-2023

Various external grants from both private (e.g., foundations) and public (e.g., state and federal) sources support several activities of the College that are critical to providing quality educational experiences for our students. Seven primary areas are directly affected by these grants and individual budgets are provided for each. Funding has been in place for many years for Educational Talent Search (ETS), the only remaining TRIO grants at the College, unfortunately the North ETS grant is not being funded past August 31. In other areas, regulations are changing and competition is increasing (e.g., private and governmental contract training), and in selected areas, new territories are being explored to provide external support for important College objectives. It should be noted that funding for various student aid programs (e.g., Pell, SEOG, etc.) is also classified in the Restricted Fund. The College is managing a five-year Strengthening Institution Program Grant (SIP) averaging \$450,000 per year. This is the final full year of the grant.

It should further be noted that given the “reduced” level of “hard” money for FY2023 it would be helpful to the achievement of College objectives that these external “soft” monies be obtained during the coming year.

Alpena Community College

2022-23 Restricted Fund

TRIO Grant (Talent Search)

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Grant Funds	\$667,365	\$372,932
Indirect Cost Recovery	(48,932)	(24,858)
Total Revenues	<u>\$618,433</u>	<u>\$348,074</u>
	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Wages / Salaries	\$316,538	\$213,875
Fringe Benefits	189,928	114,530
Supplies and Other	111,967	19,669
Total Expenses	<u>\$618,433</u>	<u>\$348,074</u>

SIP Grant

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Grant	\$446,779	\$410,976
Indirect Cost Recovery	0	0
Total Revenue	<u>\$446,779</u>	<u>\$410,976</u>
	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Salary	\$202,056	\$222,226
Fringe Benefits	83,723	77,750
Contracted Services	42,000	42,000
Equipment	100,000	50,000
Other	19,000	19,000
Total Expenses	<u>\$446,779</u>	<u>\$410,976</u>

Alpena Community College

2022-23 Restricted Fund (Continued)

Perkins Vocational/Applied Technical Education

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
Special Populations Grant Funds	\$69,829	\$45,624
Instructional Equipment Grant Funds	39,170	39,170
College Local Leadership Grant Funds	9,200	9,200
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Total Revenues	\$118,199	\$93,994
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	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Special Populations Wages	\$51,936	\$30,876
Special Populations Fringe Benefits	12,579	14,748
Special Populations Travel	5,314	0
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Subtotal	69,829	45,624
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Instructional Equipment	\$39,170	\$39,170
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College Local Leadership	\$9,200	\$9,200
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Total Expenses	\$118,199	\$93,994
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CET Grant

	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Revenue Budget</u>		
State Support	\$45,000	\$45,000
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	Budget 2021-2022	Proposed Budget 2022-2023
<u>Proposed Expense Budget</u>		
Wages / Salaries	\$28,489	\$27,926
Fringe Benefits	14,208	14,686
Other	2,303	2,388
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Total Expenses	\$45,000	\$45,000
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Alpena Community College

2022-23 Restricted Fund (Continued)

College Work Study

<u>Proposed Revenue Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Grants	\$55,000	\$38,000

<u>Proposed Expense Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Student Wages	\$55,000	\$38,000

Pell Grant

<u>Proposed Revenue Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Federal Grant	\$1,900,000	\$1,425,000

<u>Proposed Expense Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Awards	\$1,900,000	\$1,425,000

Supplemental Educational Opportunity Grant

<u>Proposed Revenue Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Federal Grant	\$90,000	\$82,000

<u>Proposed Expense Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Awards	\$90,000	\$82,000

Alpena Community College

2022-23 Restricted Fund (Continued)

<u>TOTAL RESTRICTED FUND</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Revenue	<u>\$3,273,411</u>	<u>\$2,398,044</u>
Expense	<u>\$3,273,411</u>	<u>\$2,398,044</u>

Capital Equipment/Building Maintenance Fund, 2022-2023

The Capital Equipment/Building Maintenance Fund provides the financial resources necessary to undertake those critical projects included in the planning process for the College to preserve and enhance its capital assets. The past five years have seen an extensive amount of work accomplished in this area with well over 100 individual projects completed. A major portion of institutional equipment will be purchased through the fund rather than the General Operating Fund of the College, and these purchases will be institution-wide. Additionally, the Board-authorized facility fee is receipted in this fund to support long-term capital needs of the institution.

2021-2022 Capital Equipment/Building Maintenance Fund

<u>Proposed Revenue Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Facilities Fee	\$180,000	\$165,000
Transfer from General Fund	115,032	41,416
Transfer	0	0
Mandatory Transfer	0	0
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Total Revenues	\$295,032	\$206,416
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<u>Proposed Expense Budget</u>	Budget 2021-2022	Proposed Budget 2022-2023
Equipment	\$23,842	\$40,000
Contract Services - Renovations	31,609	35,000
Contract Services - Maint. Projects	147,297	100,000
Debt Service Transfer	1,233,919	204,700
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Total Expenses	\$1,436,667	\$379,700
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Plant Fund, 2022-2023

The Plant Fund is the depository for various state/local grants that are directed toward the construction of capital projects. The Van Lare Hall project is concluding. A lecture hall has been added to the original project. In addition, the planning for the renovation and repurposing of the Besser Annex autobody lab is beginning. The \$3,000,000 project, 80% funded by the USDA, is to transform the autobody lab into a first-class manufacturing technology lab and then renovate the exited area into an expanded welding lab. The renovation includes HVAC systems, electrical, plumbing, interior fixtures and some exterior work.

2022-2023 Plant Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
State Capital Outlay	\$300,000	\$300,000
Transfer from Prior Year Revenues	1,000,000	1,000,000
Donations	750,000	750,000
Total Revenues	<u>\$2,050,000</u>	<u>\$2,050,000</u>
<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Professional Fees	\$75,000	\$75,000
Site Improvements	5,000	5,000
Construction in Progress	570,000	570,000
Equipment	400,000	400,000
Total Expenses	<u>\$1,050,000</u>	<u>\$1,050,000</u>

Debt Service Fund, 2022-2023

The College refinanced a General Obligation Limited Tax Bond in 2013. There is \$200,000 remaining on the bond. The Bond was for ten years. The funding to retire the debt comes from donations received from the EPTC fundraising. The final payment on the bond will occur this year of principal and interest totaling approximately \$204,700. The College acquired an Installment Purchase Agreement in May 2017 to purchase the College Park Apartments for \$680,000 to be paid over 20 years. Annual payments of \$34,000 principal, paid annually, plus interest at 3.12%, paid semi-annually.

2022-2023 Debt Service Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Transfer Facility Fee	\$233,919	\$204,700
Transfer Housing Fund	50,442	48,851
Total Revenues	<u>\$284,361</u>	<u>\$253,551</u>
<u>Proposed Expense Budget</u>	<u>Budget 2021-2022</u>	<u>Proposed Budget 2022-2023</u>
Interest	\$25,361	\$19,551
Principal	259,000	234,000
Total Expenses	<u>\$284,361</u>	<u>\$253,551</u>