

Alpena Community College Fiscal Year 2024 Budget

As Approved by the Board of Trustees on June 15, 2023

General Operating Fund, 2023-2024

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 2024 budgeting. State aid is estimated at \$6,659,311, an increase by 4.0% over FY 2023, This comprises 41.1% of the total revenue budget. Student enrollment is estimated to be slightly higher with a one percent increase from FY 2023, which saw 7% increase from FY 2022. Tuition and fees look to be about \$6,230,000. This comprises 38.5% of the total revenue budget. Local property taxes are expected to increase by 5.9%, Local Property Tax budget for FY 2024 of \$3,158,500 requires the use of the full voter approved 2.5 mill levy, adjusted for the Headlee Amendment rollback to 2.4806 mills. 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 4.1% for calendar year 2024 due to continued legislative action.

Therefore, the 2023-2024 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 1,800 enrollees (930 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 2023-2024.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget

Proposed Revenue Budget — General Operating Fund

Description	Budget 2022-2023	Proposed Budget 2023-2024
Property Taxes	\$2,981,212	\$3,158,500
Tuition/Fees	5,712,193	6,230,213
State Aid	6,728,571	6,659,311
Other	144,920	149,120
Totals	\$15,566,896	\$16,197,144

Proposed Expenditure Budget — General Operating Fund

Description	Budget 2022-2023	Proposed Budget 2023-2024
Fine Arts	\$316,647	\$329,507
Communications	921,838	883,806
Social Sciences	671,099	659,324
Mathematics	701,310	714,643
Sciences	1,167,258	1,192,709
Physical Education	17,685	15,971
Health Education	5,561	3,799
Business	266,084	279,457
Data Processing / Computer Science	259,141	263,274
Secretarial & Office	80,120	81,905
Law Enforcement / Public Service	110,751	118,940
Media Production Technology	2,000	2,000
Design Technology	164,108	172,782
Mechanical Trades & Service Technology	449,941	485,321
Construction Trades Technology	284,983	284,783
Electrical & Electronic Trades	692,807	804,562
UAV Technologies	0	0
Apprenticeship Instruction	78,181	27,515

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget

Proposed Expenditure Budget — General Operating Fund, Continued

Description	Budget 2022-2023	Proposed Budget 2023-2024
Marine	77,446	83,853
Electrical Bachelors	156,157	158,250
Nursing	916,555	1,030,262
Other Health Related	155,930	22,892
Learning Labs	3,000	1,500
Career Guidance	4,172	8,546
Library / Media Services	261,704	249,299
Off-Campus Admin. / Oscoda Campus	240,749	392,030
Instruction Administration	1,038,507	957,424
Student Services	204,122	212,739
Financial Aid	463,216	499,549
Admissions / Records	722,474	777,418
Data Processing	1,086,452	1,320,869
General Administration	420,274	448,808
Word Processing and Copiers	28,709	29,193
Institutional Administration	1,257,240	1,300,836
Public Relations	285,060	293,514
Resource Development	220,831	235,521
Physical Plant	1,678,511	1,762,106
Transfers	183,397	92,237
Total	\$15,594,020	\$16,197,144

Unrestricted General Operating Fund Balance	Budget 2022-2023	Proposed Budget 2023-2024
Beginning Balance	\$2,253,555	\$2,226,431
Transfer From Fund Balance	(27,124)	0
Ending Balance	\$2,226,431	\$2,226,431

Designated Fund, 2023-2024

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 \$7,180.

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 \$199,000 has been established with approximately \$100,000 earmarked for the transition of the student data management system to the cloud.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Designated Fund

Athletics/Student Activities

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Fees	\$200,049	\$195,049
Gate Receipts / Miscellaneous	1,000	1,000
Fitness Wellness Center Fees	16,000	9,000
Donations	0	25,000
Transfers	187,993	319,996
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Total Revenues	\$405,042	\$550,045
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<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Administration	\$70,902	\$156,045
Men's Basketball	36,113	39,956
Women's Basketball	36,112	39,956
Women's Volleyball	17,932	24,030
Women's Softball	30,330	44,700
Baseball	29,480	46,700
Cross Country	14,272	16,870
Subtotal (Athletics)	235,141	368,257
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Fitness Wellness Center	161,604	171,788
Campus Activity Board	8,297	10,000
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Subtotal (Student Activities)	169,901	181,788
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Total Expenses	\$405,042	\$550,045
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ALPENA COMMUNITY COLLEGE

2023-2024 Proposed Budget — Designated Fund (Continued)

Workforce Development

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Revenue Budget</u>		
Sales & Services	\$177,242	\$234,250
Facility Rental	20,000	10,000
Transfers	102,242	144,779
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Total Revenue	\$299,484	\$389,029
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	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Wages	\$89,866	\$134,640
Fringe Benefits	42,376	60,979
Contract Services	21,500	23,500
Supplies	8,500	8,500
Transfers	137,242	144,779
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Total Expenses	\$299,484	\$372,398
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Special Events/Staff Development

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Revenue Budget</u>		
Special Events - Gen. Fund Transfer	\$6,500	\$6,500
Staff Development - Gen. Fund Transfer	16,000	16,000
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Total Revenues	\$22,500	\$22,500
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	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Special Events - Supplies / Awards	\$6,500	\$6,500
Staff Development - Workshops / Grants	16,000	16,000
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Total Expenses	\$22,500	\$22,500
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ALPENA COMMUNITY COLLEGE

2023-2024 Proposed Budget — Designated Fund (Continued)

Madeline Briggs University Center

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Sales and Service	\$7,000	\$7,000
Reimbursements	250	180
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Total Revenues	<u>\$7,250</u>	<u>\$7,180</u>

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Other	\$7,250	\$7,180
Transfer	0	0
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Total Expenses	<u>\$7,250</u>	<u>\$7,180</u>

Technology

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Technology Fee	<u>\$195,000</u>	<u>\$199,000</u>

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Transfer	\$0	\$100,000
Equipment and Services	97,000	99,000
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	<u>\$97,000</u>	<u>\$199,000</u>

<u>TOTAL DESIGNATED FUND</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Revenue	<u>\$929,276</u>	<u>\$1,167,754</u>
Expense	<u>\$831,276</u>	<u>\$1,151,123</u>

Auxiliary Enterprises Fund, 2023-2024

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 FY24.

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 2023-2024 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 \$294,000 with expenses to be approximately \$214,000.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Auxiliary Enterprises Fund

	<u>Bookstore</u>	
<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Book Sales	\$27,000	\$27,000
Total Revenues	<u>\$27,000</u>	<u>\$27,000</u>

	<u>Food Service</u>	
<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Transfers	\$27,000	\$27,000
Total Expenses	<u>\$27,000</u>	<u>\$27,000</u>

	<u>Food Service</u>	
<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Sales & Service	\$3,000	\$3,000
Transfer	7,000	7,000
Total Revenues	<u>\$10,000</u>	<u>\$10,000</u>

	<u>Food Service</u>	
<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Contract Service	\$10,000	\$10,000
Total Expenses	<u>\$10,000</u>	<u>\$10,000</u>

ALPENA COMMUNITY COLLEGE

2023-2024 Proposed Budget — Auxiliary Enterprises Fund (Continued)

	<u>Auto Service</u>	
	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Revenue Budget</u>		
Sales and Service	\$30,000	\$30,000
Total Revenues	\$30,000	\$30,000

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Cost of Goods / Services Sold	\$30,000	\$30,000
Total Expenses	\$30,000	\$30,000

	<u>Transportation</u>	
	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Revenue Budget</u>		
Total Revenues	\$7,000	\$7,000

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Maintenance	\$7,000	\$7,000
Total Expenses	\$7,000	\$7,000

ALPENA COMMUNITY COLLEGE

2023-2024 Proposed Budget — Auxiliary Enterprises Fund (Continued)

	<u>Housing</u>	
	Budget	Proposed
<u>Proposed Revenue Budget</u>	<u>2022-2023</u>	<u>2023-2024</u>
Apartment Rental	\$249,450	\$287,460
Apartment Cleaning Fee	7,000	7,000
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Total Revenues	\$256,450	\$294,460
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	Budget	Proposed
<u>Proposed Expense Budget</u>	<u>2022-2023</u>	<u>2023-2024</u>
Wages	\$68,283	\$78,304
Fringe Benefits	22,289	24,097
Services	6,500	5,200
Utilities	20,100	22,000
Maintenance and Other	26,400	26,800
Depreciation, Interest, Overhead	57,606	57,733
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Total Expenses	\$201,178	\$214,134
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<u>TOTAL AUXILIARY ENTERPRISES FUND</u>	<u>Budget</u>	<u>Proposed</u>
	<u>2022-2023</u>	<u>2023-2024</u>
Revenue	\$330,450	\$368,460
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Expense	\$275,178	\$288,134
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Restricted Fund, 2023-2024

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 grant at the College. 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 FY2024 it would be helpful to the achievement of College objectives that these external “soft” monies be obtained during the coming year.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Restricted Fund

TRIO Grant (Talent Search)

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Grant Funds	\$372,932	\$333,696
Indirect Cost Recovery	(24,858)	(20,044)
Total Revenues	<u>\$348,074</u>	<u>\$313,652</u>

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Wages / Salaries	\$213,875	\$173,311
Fringe Benefits	114,530	122,251
Supplies and Other	19,669	18,090
Total Expenses	<u>\$348,074</u>	<u>\$313,652</u>

SIP Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Grant	\$410,976	\$428,121
Indirect Cost Recovery	0	0
Total Revenue	<u>\$410,976</u>	<u>\$428,121</u>

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Salary	\$222,226	\$160,018
Fringe Benefits	77,750	78,798
Contracted Services	42,000	42,000
Equipment	50,000	129,406
Other	19,000	17,899
Total Expenses	<u>\$410,976</u>	<u>\$428,121</u>

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Restricted Fund (Continued)

Perkins Vocational/Applied Technical Education

	Budget 2022-2023	Proposed Budget 2023-2024
Special Populations Grant Funds	\$45,624	\$49,400
Instructional Equipment Grant Funds	39,170	39,170
College Local Leadership Grant Funds	9,200	9,200
	\$93,994	\$97,770

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Special Populations Wages	\$30,876	\$31,666
Special Populations Fringe Benefits	14,748	17,734
Special Populations Travel	0	0
	45,624	49,400
Instructional Equipment	\$39,170	\$39,170
College Local Leadership	\$9,200	\$9,200
	\$93,994	\$97,770

CET Grant

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Revenue Budget</u>		
State Support	\$45,000	\$45,000

	Budget 2022-2023	Proposed Budget 2023-2024
<u>Proposed Expense Budget</u>		
Wages / Salaries	\$27,926	\$29,387
Fringe Benefits	14,686	15,192
Other	2,388	421
	\$45,000	\$45,000

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Restricted Fund (Continued)

College Work Study

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Grants	\$38,000	\$38,000

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Student Wages	\$38,000	\$38,000

Pell Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Federal Grant	\$1,425,000	\$1,425,000

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Awards	\$1,425,000	\$1,425,000

Supplemental Education Opportunity Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Federal Grant	\$82,000	\$82,000

<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Awards	\$82,000	\$82,000

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget — Restricted Fund (Continued)

<u>TOTAL RESTRICTED FUND</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Revenue	<u>\$2,443,044</u>	<u>\$2,429,543</u>
Expense	<u>\$2,443,044</u>	<u>\$2,429,543</u>

Capital Equipment/Building Maintenance Fund, 2023-2024

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.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget

2023-2024 Capital Equipment/Building Maintenance Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Facilities Fee	\$165,000	\$170,000
Transfer from General Fund	115,032	0
Transfer	0	252,924
Mandatory Transfer	0	0
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Total Revenues	<u>\$280,032</u>	<u>\$422,924</u>
<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Equipment	\$40,000	\$40,000
Contract Services - Renovations	35,000	30,000
Contract Services - Maint. Projects	100,000	100,000
Debt Service Transfer	204,700	0
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Total Expenses	<u>\$379,700</u>	<u>\$170,000</u>

Plant Fund, 2023-2024

The Plant Fund is the depository for various state/local grants that are directed toward the construction of capital projects. The planning for the renovation and repurposing of the Besser Annex autobody lab is complete. The construction for the \$3,000,000 project, 80% funded by the USDA, has begun to transform the vacant 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.

ALPENA COMMUNITY COLLEGE
2023-2024 Proposed Budget

2023-2024 Plant Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
State Capital Outlay	\$300,000	\$ -
Transfer from Prior Year Revenues	1,000,000	
Federal Funding	0	2,400,000
Donations	750,000	600,000
Total Revenues	\$2,050,000	\$3,000,000
<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Professional Fees	\$75,000	\$75,000
Site Improvements	5,000	15,000
Construction in Progress	570,000	2,000,000
Equipment	400,000	910,000
Total Expenses	\$1,050,000	\$3,000,000

Debt Service Fund, 2023-2024

The College refinanced a General Obligation Limited Tax Bond in 2013 and has finished paying off the bond. 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.

ALPENA COMMUNITY COLLEGE

2023-2024 Proposed Budget

2023-2024 Debt Service Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Transfer Facility Fee	\$204,700	\$ -
Transfer Housing Fund	48,851	48,512
Total Revenues	\$253,551	\$48,512
<u>Proposed Expense Budget</u>	<u>Budget 2022-2023</u>	<u>Proposed Budget 2023-2024</u>
Interest	\$19,551	\$14,512
Principal	234,000	34,000
Total Expenses	\$253,551	\$48,512