

Alpena Community College Fiscal Year 2025 Budget

As Approved by the Board of Trustees on June 20, 2024

General Operating Fund

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 2025 budgeting. State aid is estimated at \$6,825,794, an increase by 2.5% over FY 2024, This comprises 40.1% of the total revenue budget. Student enrollment is estimated to be slightly lower with a one percent decrease from FY 2024, which saw a 4.4% increase in contact hours from FY 2023. Tuition and fees projected to be about \$6,640,000. This comprises 39.0% of the total revenue budget. Local property taxes are expected to increase by 6.8%, Local Property Tax budget for FY 2025 of \$3,372,500 requires the use of the full voter approved 2.5 mill levy, adjusted for the Headlee Amendment rollback to 2.4794 mils. This comprises 19.8% 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 and 0.2% for calendar year 2025 due to continued legislative action.

Therefore, the 2024-2025 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 and developing 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 2024-2025.

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget

Proposed Revenue Budget — General Operating Fund

Description	Budget 2023-2024	Proposed Budget 2024-2025
Property Taxes	\$3,158,500	\$3,372,500
Tuition/Fees	6,230,213	6,643,144
State Aid	6,659,311	6,825,794
Other	149,120	187,874
Totals	\$16,197,144	\$17,029,312

Proposed Expenditure Budget — General Operating Fund

Description	Budget 2023-2024	Proposed Budget 2024-2025
Fine Arts	\$329,507	\$353,983
Communications	883,806	782,430
Social Sciences	659,324	676,064
Mathematics	714,643	705,980
Sciences	1,192,709	1,090,835
Physical Education	15,971	16,322
Health Education	3,799	3,883
Business	279,457	300,591
Data Processing / Computer Science	263,274	289,950
Secretarial & Office	81,905	88,626
Law Enforcement / Public Service	118,940	155,400
Media Production Technology	2,000	0
Design Technology	172,782	180,316
Mechanical Trades & Service Technology	485,321	491,285
Construction Trades Technology	284,783	292,114
Electrical & Electronic Trades	804,562	1,007,311
UAV Technologies	0	0
Apprenticeship Instruction	27,515	40,534

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget

Proposed Expenditure Budget — General Operating Fund, Continued

Description	Budget 2023-2024	Proposed Budget 2024-2025
Marine	83,853	92,098
Electrical Bachelors	158,250	162,410
Nursing	1,030,262	1,139,114
Other Health Related	22,892	18,054
Learning Labs	1,500	1,500
Career Guidance	8,546	4,160
Library / Media Services	249,299	236,430
Off-Campus Admin. / Oscoda Campus	392,030	258,247
Instruction Administration	957,424	1,089,022
Student Services	212,739	223,499
Financial Aid	499,549	527,078
Admissions / Records	777,418	756,967
Data Processing	1,320,869	1,403,076
General Administration	448,808	492,343
Word Processing and Copiers	29,193	28,382
Institutional Administration	1,300,836	1,355,909
Public Relations	293,514	303,458
Resource Development	235,521	317,408
Physical Plant	1,762,106	1,874,008
Transfers	92,237	270,525
Total	\$16,197,144	\$17,029,312
	Budget	Proposed
Unrestricted General Operating Fund Balance	2023-2024	2024-2025
Beginning Balance	\$2,226,431	\$2,226,431
Transfer From Fund Balance	0	0
Ending Balance	\$2,226,431	\$2,226,431

Designated Fund, 2024-2025

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 \$1,700.

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 \$197,130 has been established with \$99,600 being expensed in FY 2025 and the remainder to increase the balance of the fund for future technology needs and replacement.

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Designated Fund

Athletics/Student Activities

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Fees	\$195,049	\$194,734
Gate Receipts / Miscellaneous	1,000	5,000
Fitness Wellness Center Fees	9,000	10,000
Donations	25,000	25,000
Transfers	319,996	331,746
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Total Revenues	\$550,045	\$566,480
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<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Administration	\$156,045	\$155,153
Men's Basketball	39,956	39,956
Women's Basketball	39,956	39,956
Women's Volleyball	24,030	24,030
Women's Softball	44,700	44,700
Baseball	46,700	46,700
Cross Country	16,870	16,530
E-Sports	0	7,604
Subtotal (Athletics)	368,257	374,629
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Fitness Wellness Center	161,604	181,851
Campus Activity Board	8,297	10,000
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Subtotal (Student Activities)	169,901	191,851
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Total Expenses	\$538,158	\$566,480
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ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Designated Fund (Continued)

Workforce Development

<u>Proposed Revenue Budget</u>	Budget 2023-2024	Proposed Budget 2024-2025
Sales & Services	\$234,250	\$234,250
Facility Rental	10,000	10,000
Transfers	144,779	135,072
Total Revenue	\$389,029	\$379,322

<u>Proposed Expense Budget</u>	Budget 2023-2024	Proposed Budget 2024-2025
Wages	\$134,640	\$126,672
Fringe Benefits	60,979	61,136
Contract Services	23,500	21,500
Supplies	8,500	5,820
Transfers	144,779	135,072
Total Expenses	\$372,398	\$350,200

Special Events/Staff Development

<u>Proposed Revenue Budget</u>	Budget 2023-2024	Proposed Budget 2024-2025
Special Events - Gen. Fund Transfer	\$6,500	\$6,500
Staff Development - Gen. Fund Transfer	16,000	16,000
Total Revenues	\$22,500	\$22,500

<u>Proposed Expense Budget</u>	Budget 2023-2024	Proposed Budget 2024-2025
Special Events - Supplies / Awards	\$6,500	\$6,500
Staff Development - Workshops / Grants	16,000	16,000
Total Expenses	\$22,500	\$22,500

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Designated Fund (Continued)

Madeline Briggs University Center

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Sales and Service	\$7,000	\$1,520
Reimbursements	180	180
Total Revenues	\$7,180	\$1,700

<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Other	\$7,180	\$1,700
Transfer	0	0
Total Expenses	\$7,180	\$1,700

Technology

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Technology Fee	\$199,000	\$197,130

<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Transfer	100,000	0
Equipment and Services	99,000	99,600
	\$199,000	\$99,600

<u>TOTAL DESIGNATED FUND</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Revenue	\$1,167,754	\$1,167,132
Expense	\$1,139,236	\$1,040,480

Auxiliary Enterprises Fund, 2024-2025

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 \$7,000 sales commission 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 FY25.

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 2024-2025 activities is estimated at \$7,000.

Housing

The College has available 16 units of affordable housing for 80 students. The College is holding the rent charged level for this year. It is anticipated that rental income will exceed \$350,000 with expenses to be approximately \$230,000.

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Auxiliary Enterprises Fund

<u>Bookstore</u>		
	<u>Budget</u>	<u>Proposed</u>
<u>Proposed Revenue Budget</u>	2023-2024	2024-2025
Book Sales (Commission)	\$27,000	\$7,000
Total Revenues	\$27,000	\$7,000
<u>Proposed Expense Budget</u>	<u>Budget</u>	<u>Proposed</u>
	2023-2024	2024-2025
Transfers	\$27,000	\$7,000
Total Expenses	\$27,000	\$7,000

<u>Food Service</u>		
	<u>Budget</u>	<u>Proposed</u>
<u>Proposed Revenue Budget</u>	2023-2024	2024-2025
Sales & Service	\$3,000	\$3,000
Transfer	7,000	7,000
Total Revenues	\$10,000	\$10,000
<u>Proposed Expense Budget</u>	<u>Budget</u>	<u>Proposed</u>
	2023-2024	2024-2025
Contract Service	\$10,000	\$10,000
Total Expenses	\$10,000	\$10,000

ALPENA COMMUNITY COLLEGE

2024-2025 Proposed Budget — Auxiliary Enterprises Fund (Continued)

	<u>Auto Service</u>	
	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Revenue Budget</u>		
Sales and Service	\$30,000	\$30,000
Total Revenues	\$30,000	\$30,000

	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Expense Budget</u>		
Cost of Goods / Services Sold	\$30,000	\$30,000
Total Expenses	\$30,000	\$30,000

	<u>Transportation</u>	
	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Revenue Budget</u>		
Total Revenues	\$7,000	\$7,000

	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Expense Budget</u>		
Maintenance	\$7,000	\$7,000
Total Expenses	\$7,000	\$7,000

ALPENA COMMUNITY COLLEGE

2024-2025 Proposed Budget — Auxiliary Enterprises Fund (Continued)

	<u>Housing</u>	
	Budget	Proposed
	2023-2024	Budget
	2024-2025	
<u>Proposed Revenue Budget</u>		
Apartment Rental	\$287,460	\$343,650
Apartment Application Fee	7,000	7,500
Total Revenues	\$294,460	\$351,150
	Budget	Proposed
	2023-2024	Budget
	2024-2025	
<u>Proposed Expense Budget</u>		
Wages	\$78,304	\$88,977
Fringe Benefits	24,097	25,357
Services	5,200	5,200
Utilities	22,000	23,000
Maintenance and Other	26,800	26,800
Depreciation, Interest, Overhead	57,733	60,375
Total Expenses	\$214,134	\$229,710
	Budget	Proposed
	2023-2024	Budget
	2024-2025	
<u>TOTAL AUXILIARY ENTERPRISES FUND</u>		
Revenue	\$368,460	\$405,150
Expense	\$288,134	\$283,710

Restricted Fund, 2024-2025

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 closing year of the grant, which ends in October of 2024.

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Restricted Fund

TRIO Grant (Talent Search)

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Grant Funds	\$333,696	\$277,305
Indirect Cost Recovery	(20,044)	(18,857)
Total Revenues	\$313,652	\$258,448

<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Wages / Salaries	\$173,311	\$131,097
Fringe Benefits	122,251	106,829
Supplies and Other	18,090	20,522
Total Expenses	\$313,652	\$258,448

SIP Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Grant	\$428,121	\$196,828
Indirect Cost Recovery	0	0
Total Revenue	\$428,121	\$196,828

<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Salary	\$160,018	\$110,148
Fringe Benefits	78,798	45,505
Contracted Services	42,000	35,000
Equipment	129,406	0
Other	17,899	6,175
Total Expenses	\$428,121	\$196,828

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Restricted Fund (Continued)

Perkins Vocational/Applied Technical Education

	Budget 2023-2024	Proposed Budget 2024-2025
Special Populations Grant Funds	\$49,400	\$49,710
Instructional Equipment Grant Funds	39,170	33,871
College Local Leadership Grant Funds	9,200	9,200
	\$97,770	\$92,781

	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Expense Budget</u>		
Special Populations Wages	\$31,666	\$28,286
Special Populations Fringe Benefits	17,734	21,424
Special Populations Travel	0	0
Subtotal	49,400	49,710
Instructional Equipment	\$39,170	\$33,871
College Local Leadership	\$9,200	\$9,200
Total Expenses	\$97,770	\$92,781

CET Grant

	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Revenue Budget</u>		
State Support	\$45,000	\$45,000

	Budget 2023-2024	Proposed Budget 2024-2025
<u>Proposed Expense Budget</u>		
Wages / Salaries	\$29,387	\$30,945
Fringe Benefits	15,192	11,022
Other	421	3,033
Total Expenses	\$45,000	\$45,000

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Restricted Fund (Continued)

College Work Study

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Grants	\$38,000	\$30,000
<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Student Wages	\$38,000	\$30,000

Pell Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Federal Grant	\$1,425,000	\$1,425,000
<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Awards	\$1,425,000	\$1,425,000

Supplemental Education Opportunity Grant

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Federal Grant	\$82,000	\$58,000
<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Awards	\$82,000	\$58,000

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget — Restricted Fund (Continued)

<u>TOTAL RESTRICTED FUND</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Revenue	<u>\$2,429,543</u>	<u>\$2,106,057</u>
Expense	<u>\$2,429,543</u>	<u>\$2,106,057</u>

Capital Equipment/Building Maintenance Fund, 2024-2025

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
2024-2025 Proposed Budget

2024-2025 Capital Equipment/Building Maintenance Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Facilities Fee	\$170,000	\$168,300
Transfer from General Fund	0	192,485
Transfer	0	0
Mandatory Transfer	0	0
Total Revenues	\$170,000	\$360,785
<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Equipment	\$40,000	\$338,000
Contract Services - Renovations	35,000	30,000
Contract Services - Maint. Projects	100,000	232,000
Debt Service Transfer	204,700	0
Total Expenses	\$379,700	\$600,000

Plant Fund, 2024-2025

The Plant Fund is the depository for various state/local grants that are directed toward the construction of capital projects. The renovation and repurposing of the Besser Annex autobody lab are substantially complete. The construction for the \$3,000,000 project, 80% funded by the EDA, has transformed the vacant autobody lab into a first-class manufacturing technology lab and renovated the exited area into an expanded welding lab. Planning has begun for the new student housing project. The new student housing unit has an estimated total project cost of \$4,700,000 and has received federal support in the form of a \$1,700,000 congressionally directed spending item managed through the USDA Community Facilities program.

ALPENA COMMUNITY COLLEGE
2024-2025 Proposed Budget

2024-2025 Plant Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
State Capital Outlay	\$ -	\$ -
Transfer from Prior Year Revenues		
Federal Funding	2,400,000	1,700,000
Donations	600,000	0
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Total Revenues	\$3,000,000	\$1,700,000
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<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Professional Fees	\$75,000	\$400,000
Site Improvements	15,000	250,000
Construction in Progress	2,000,000	1,050,000
Equipment	910,000	0
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Total Expenses	\$3,000,000	\$1,700,000
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Debt Service Fund, 2024-2025

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

2024-2025 Proposed Budget

2024-2025 Debt Service Fund

<u>Proposed Revenue Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Transfer Facility Fee	\$ -	\$ -
Transfer Housing Fund	48,512	47,451
Total Revenues	<u>\$48,512</u>	<u>\$47,451</u>
<u>Proposed Expense Budget</u>	<u>Budget 2023-2024</u>	<u>Proposed Budget 2024-2025</u>
Interest	\$14,512	\$13,451
Principal	34,000	34,000
Total Expenses	<u>\$48,512</u>	<u>\$47,451</u>