

*Alpena Community College
Board of Trustees*

FY 2015 Budget Workshop

June 19, 2014

ACC FY 2015 Budget Workshop

- *Budget Premises*
- *Budget*
- *Future Budget Considerations*

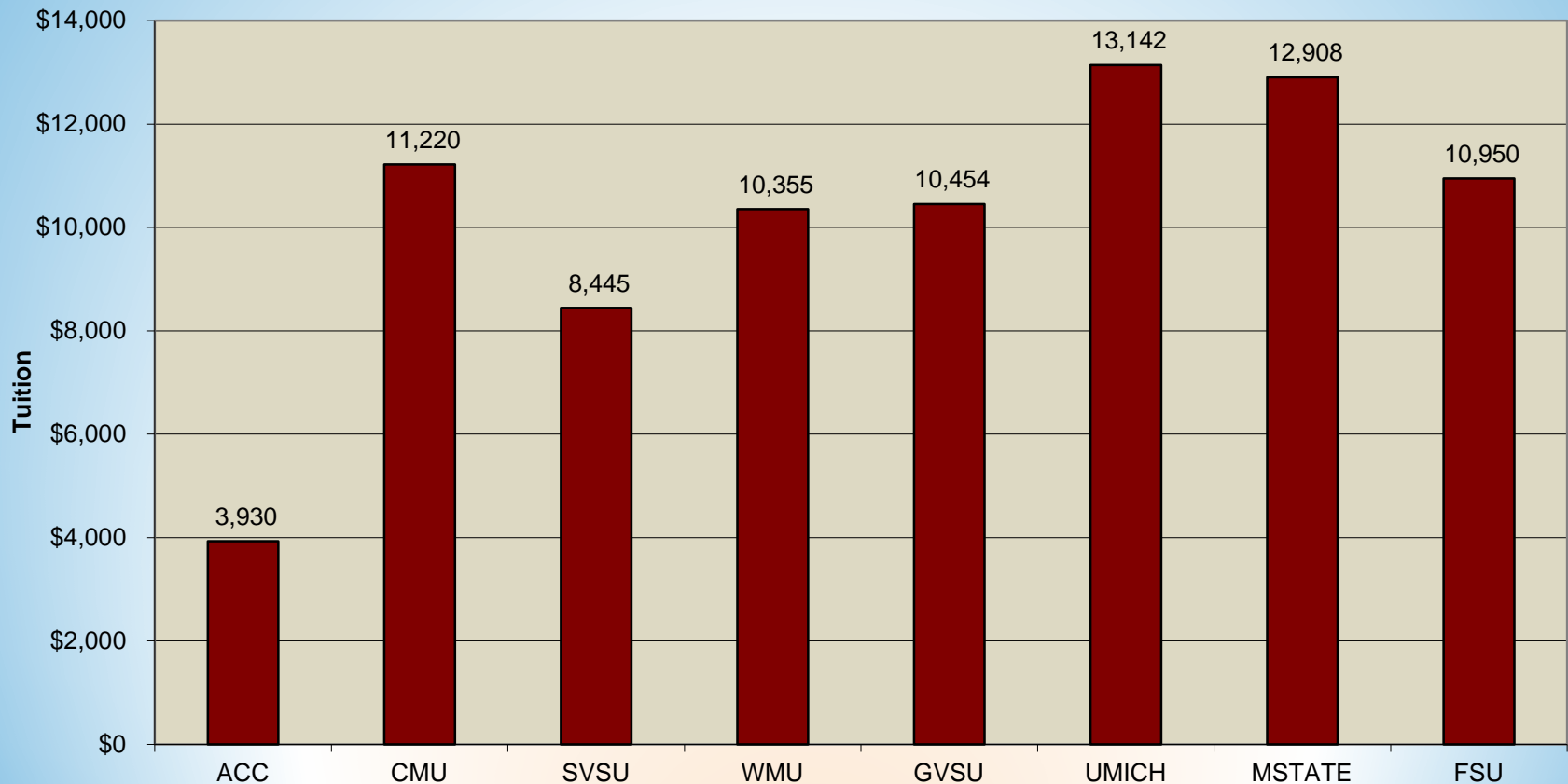
ACC FY 2015 Budget Workshop

- *Premises – Revenues*

- *5% Decrease in enrollments – down about \$300,000*
- *\$4 in-district, \$6 out-of-district increase in tuition – up about \$228,000*
- *Property tax down slightly from fY 2014*
- *2.9% increase in state aid – up about \$152,000*

ACC FY 2015 Budget Workshop

ACC Compared to Michigan Universities 30 Credit Hours as of Fall/Spring 2013/14



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- *Premises – Expenditures*

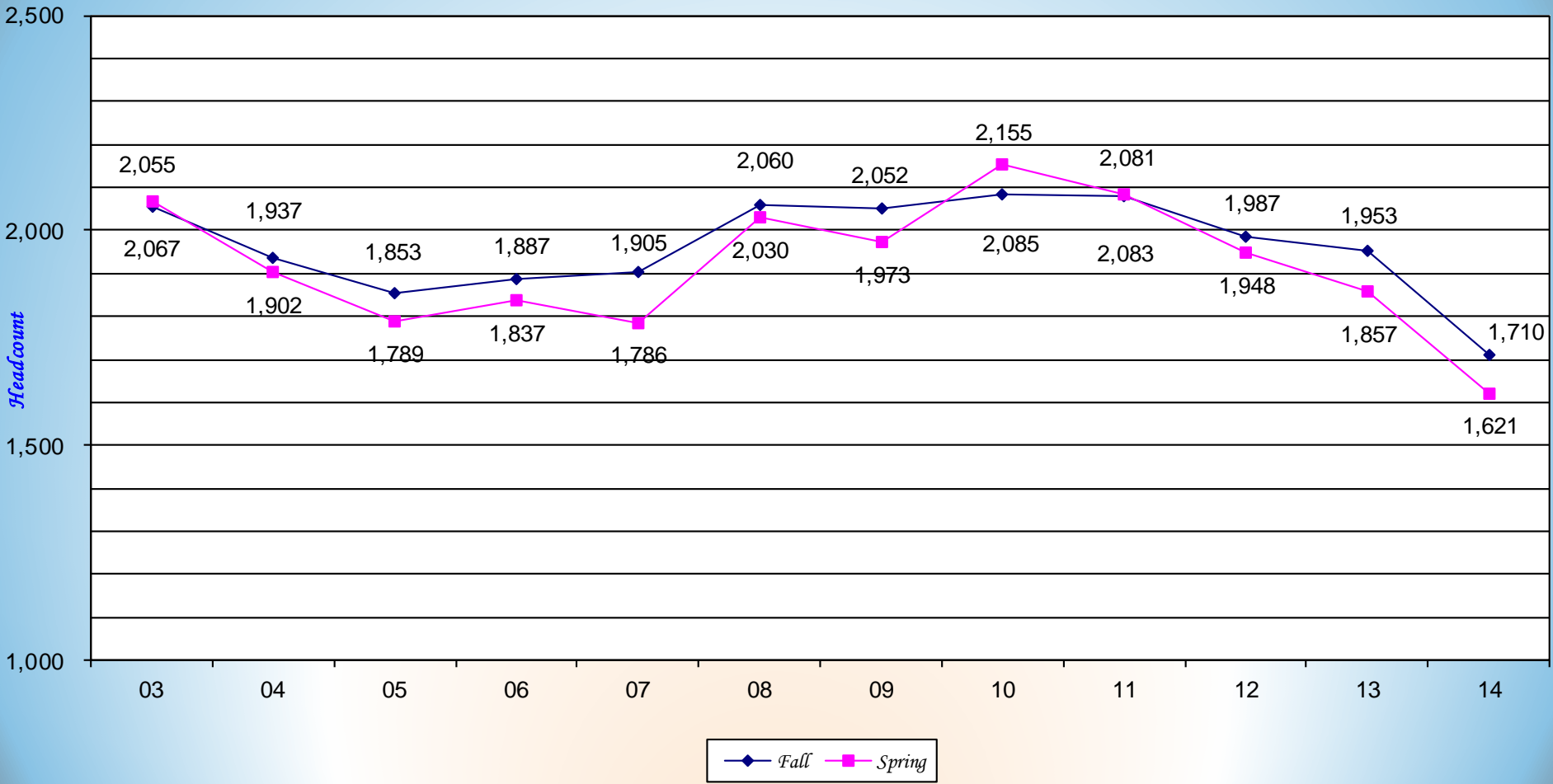
- *No increase in wages or steps for Faculty, ESP I & II, and Custodial/Maintenance. After two straight years not receiving steps or increases, the Administrators will receive steps and a 4% increase in wages.*
- *Two faculty have resigned under the severance agreement included in the new faculty bargaining agreement effective this Summer. So far two additional faculty have indicated they will depart at the end of the Spring 2015 Semester. There is no plan to fill these positions with new full-time faculty.*
- *Fringe Benefits – Health Insurance Costs declined significantly due to all bargaining units falling under the State mandated healthcare premium maximum College contribution rates.*

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- *Premises – Expenditures – Continued*
 - *Retirement contribution increased from 24.79% to 25.78% of wages for most wage earners.*
 - *Most expenses decreased to balance the FY 2014 mid-year budget adjustment were restored.*
 - *Travel and staff development funds restored.*
 - *Transfer to Maintenance & Replacement Fund increased by \$26,000.*

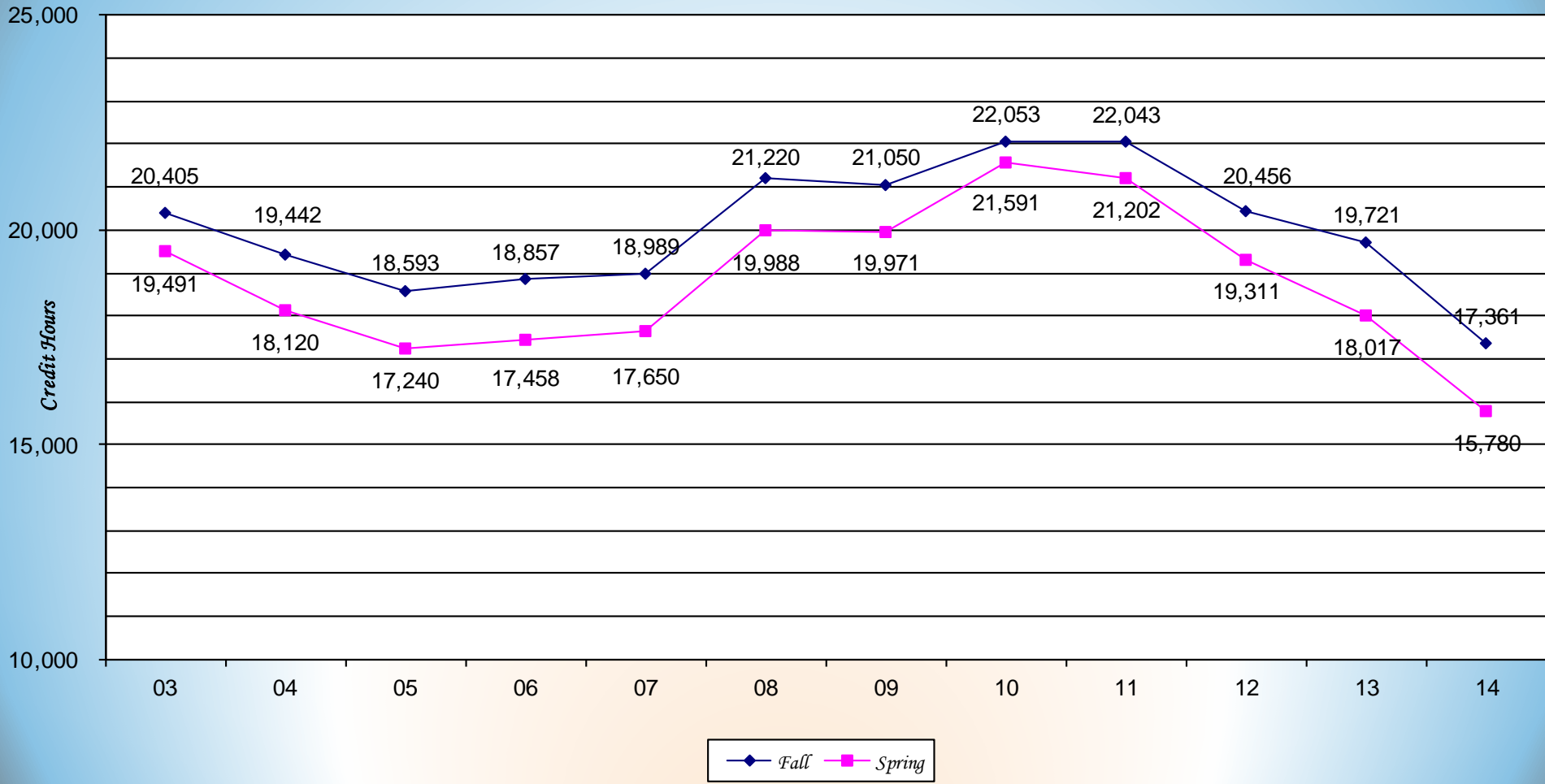
Alpena Community College

Headcount Enrollment History FY 2003 - 2014

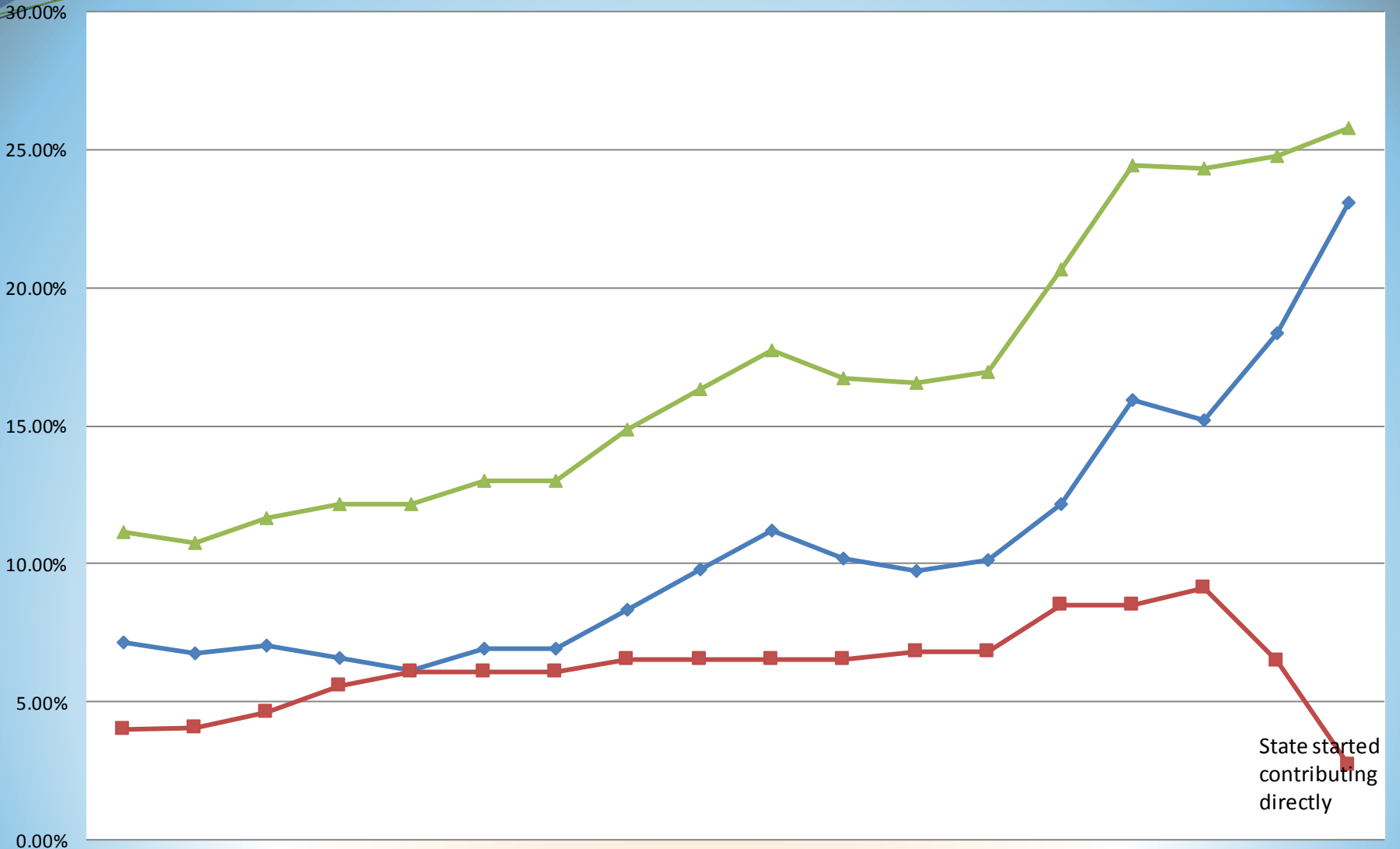


Alpena Community College

Credit Hour Enrollment History FY 2003 - 2014



MPERS Rates



State started contributing directly

◆ Total Pension ■ Total Retiree Health ▲ Total Contribution

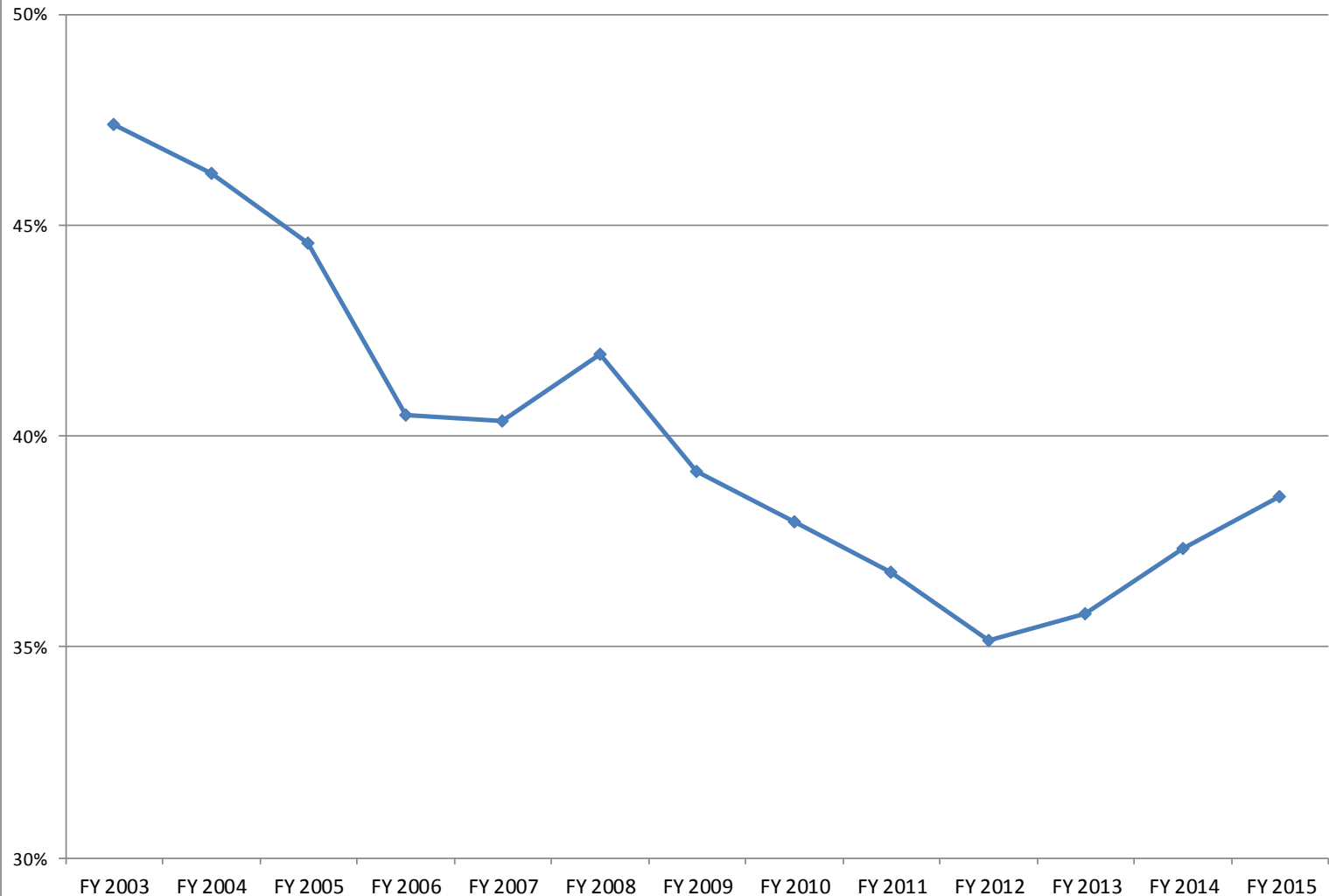
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General Fund Balance Schedule as of June 19, 2014

Fund Balance Year	General Fund Exp.	Fund Balance at Beginning of Year	Inc. / (Dec.)	% Inc. / (Dec.)	Fund Balance at End of Year	Fund Bal. %	Goal (15%)	Comments
2007	11,309,422	770,346	(405,708)	-52.7%	364,638	3.2%	1,696,413	State withheld payment
2008	12,125,343	364,638	479,846	131.6%	844,484	7.0%	1,818,801	State made payment
2009	12,998,615	844,484	(17,689)	-2.1%	826,795	6.4%	1,949,792	
2010	13,233,992	826,795	111,922	13.5%	938,717	7.1%	1,985,099	
2011	13,803,677	938,717	47,898	5.1%	986,615	7.1%	2,070,552	
2012	13,962,260	986,615	16,204	1.6%	1,002,819	7.2%	2,094,339	
2013	14,329,625	1,002,819	102,482	10.2%	1,105,301	7.7%	2,149,444	
2014	14,077,458	1,105,301	0	0.0%	1,105,301	7.9%	2,111,619	
2015	14,027,655	1,105,301	0	0.0%	1,105,301	7.9%	2,104,148	Portion of L-T debt paid-off
2016	13,904,081	1,105,301	200,000	18.1%	1,305,301	9.4%	2,085,612	
2017	14,095,402	1,305,301	210,000	16.1%	1,515,301	10.8%	2,114,310	
2018	14,447,787	1,515,301	210,000	13.9%	1,725,301	11.9%	2,167,168	
2019	14,808,982	1,725,301	210,000	12.2%	1,935,301	13.1%	2,221,347	
2020	15,179,206	1,935,301	200,000	10.3%	2,135,301	14.1%	2,276,881	
2021	15,558,686	2,135,301	200,000	9.4%	2,335,301	15.0%	2,333,803	

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% of State Appropriations as Compared to Total GF Revenue



Alpena Community College

General Fund Past Two Years and New

June 19, 2014

Description	2012-2013		2013-2014			2014-2015		
	Actual Totals	% of Actual	Budget Totals	% of Actual	% Inc.	Budget Totals	% of Budget	% Inc.
Property Taxes	2,584,078	17.91%	2,540,658	18.05%	-1.7%	2,530,658	18.04%	-0.4%
Tuition/Fees	6,364,807	44.10%	5,941,680	42.21%	-6.6%	5,869,680	41.84%	-1.2%
State Aid	5,164,030	35.78%	5,256,841	37.34%	1.8%	5,409,289	38.56%	2.9%
Federal	114,113	0.79%	188,129	1.34%	64.9%	111,129	0.79%	-40.9%
Interest	45,630	0.32%	2,500	0.02%		2,500	0.02%	0.0%
Other	159,449	1.10%	147,650	1.05%	-7.4%	104,399	0.75%	-29.3%
Total Revenue	14,432,107	100.00%	14,077,458	100.00%	-2.5%	14,027,655	100.00%	-0.4%
Salaries	7,737,887	54.00%	7,653,380	54.37%	-1.1%	7,739,727	55.18%	1.1%
Fringe Benefits	3,932,866	27.45%	4,033,647	28.65%	2.6%	3,731,352	26.60%	-7.5%
Outside Sources	546,894	3.82%	569,136	4.04%	4.1%	611,558	4.36%	7.5%
Advertising	147,446	1.03%	198,630	1.41%	34.7%	196,630	1.40%	-1.0%
Supplies	250,034	1.74%	244,891	1.74%	-2.1%	307,741	2.19%	25.7%
Rental	0	0.00%	5,000	0.04%		5,000	0.04%	0.0%
Utilities	468,472	3.27%	432,100	3.07%	-7.8%	441,714	3.15%	2.2%
Telephone	59,956	0.42%	48,000	0.34%	-19.9%	53,000	0.38%	10.4%
Postage	43,568	0.30%	45,000	0.32%	3.3%	48,000	0.34%	6.7%
Insurance	147,754	1.03%	157,000	1.12%	6.3%	160,000	1.14%	1.9%
Travel & Mileage	96,404	0.67%	67,700	0.48%	-29.8%	88,900	0.63%	31.3%
Tuition Waivers/Dues	206,713	1.44%	214,000	1.52%	3.5%	218,000	1.55%	1.9%
Library & Equipment	44,279	0.31%	74,040	0.53%	67.2%	75,300	0.54%	1.7%
Other	144,076	1.01%	156,600	1.11%	8.7%	159,500	1.14%	1.9%
Transfers	503,274	3.51%	178,334	1.27%	-64.6%	191,233	1.36%	7.2%
	14,329,625	100.00%	14,077,458	100.00%	-1.8%	14,027,655	100.00%	-0.4%
	102,482		0			0		

Alpena Community College

General Fund Three Year Projection

June 19, 2014

Description	2014-2015			2015-2016			2016-2017		
	Budget Totals	% of Budget	% Inc.	Budget Totals	% of Budget	% Inc.	Budget Totals	% of Budget	% Inc.
Property Taxes	2,530,658	18.04%	-0.4%	2,505,351	17.76%	-1.0%	2,505,351	17.62%	0.0%
Tuition/Fees	5,869,680	41.84%	-1.2%	5,869,680	41.60%	0.0%	5,869,680	41.28%	0.0%
State Aid	5,409,289	38.56%	2.9%	5,517,475	39.10%	2.0%	5,627,824	39.57%	2.0%
Federal	111,129	0.79%	-40.9%	111,129	0.79%	0.0%	111,129	0.78%	0.0%
Interest	2,500	0.02%	0.0%	2,500	0.02%	0.0%	2,500	0.02%	0.0%
Other	104,399	0.75%	-29.3%	104,399	0.74%	0.0%	104,399	0.73%	0.0%
Total Revenue	14,027,655	100.00%	-0.4%	14,110,534	100.00%	0.6%	14,220,883	100.00%	0.8%
Salaries	7,739,727	55.18%	1.1%	7,608,152	54.42%	-1.5%	7,722,274	54.04%	1.5%
Fringe Benefits	3,731,352	26.60%	-7.5%	3,682,844	27.59%	-1.5%	3,738,087	27.95%	1.5%
Outside Sources	611,558	4.36%	7.5%	611,558	4.05%	0.0%	611,558	4.02%	0.0%
Advertising	196,630	1.40%	-1.0%	196,630	1.41%	0.0%	196,630	1.40%	0.0%
Supplies	307,741	2.19%	25.7%	307,741	2.09%	0.0%	313,896	2.12%	2.0%
Rental	5,000	0.04%	0.0%	5,000	0.04%	0.0%	5,000	0.04%	0.0%
Utilities	441,714	3.15%	2.2%	448,340	3.12%	1.5%	455,065	3.14%	1.5%
Telephone	53,000	0.38%	10.4%	53,000	0.34%	0.0%	53,000	0.34%	0.0%
Postage	48,000	0.34%	6.7%	48,480	0.32%	1.0%	48,965	0.32%	1.0%
Insurance	160,000	1.14%	1.9%	160,000	1.12%	0.0%	164,800	1.14%	3.0%
Travel & Mileage	88,900	0.63%	31.3%	88,900	0.64%	0.0%	88,900	0.64%	0.0%
Tuition Waivers/Dues	218,000	1.55%	1.9%	218,000	1.52%	0.0%	220,180	1.53%	1.0%
Library & Equipment	75,300	0.54%	1.7%	75,300	0.53%	0.0%	75,300	0.52%	0.0%
Other	159,500	1.14%	1.9%	161,095	1.11%	1.0%	162,706	1.12%	1.0%
Transfers	191,233	1.36%	7.2%	239,041	1.70%	25.0%	239,041	1.68%	0.0%
	14,027,655	100.00%	-0.4%	13,904,081	100.00%	-0.8%	14,095,402	100.00%	1.4%
	0			206,453			125,481		

Alpena Community College

Maintenance and Replacement

Projects FY 2014 & FY 2015

as of June 19, 2014

<i>PROJECT</i>	<i>OCCURANCE</i>	<i>EST. COST</i>	<i>ANNUAL COSTS</i>
Handicap Doors - NRC-Fine Arts	Summer 2014	\$ 4,000	
Install HUSH building roof drains	Summer 2014	\$ 1,500	
Repair BTC oval drive at drains	Summer 2014	\$ 2,000	
BTC driveway resurface	Summer 2014	\$ 50,000	
Install irrigation system lake side of VLH	Summer 2014	\$ 4,000	
Parking lot remarking	Summer 2014	\$ 2,500	
Replace sewer drain near BTC	Fall 2014	\$ 2,500	
Purchase used pick-up truck to replace current salt dispensing truck	Fall 2014	\$ 10,000	
Energy efficient boiler in NRC	Fall 2014	\$ 50,000	
College signage	Spring 2015	\$ 10,000	
Construct a new sign at junction of Woodward and Johnson streets	Spring 2015	\$ 4,500	
Unknowns	Various	\$ 50,000	
			\$ 191,000
HUSH science laboratory addition	Summer 2015	\$ 75,000	
Roofing - CTR building sections	Summer 2015	\$ 50,000	
			\$ 125,000
			<u>\$ 316,000</u>

TOTAL

ACC FY 2015 Budget Workshop

- *Future Budgeting Considerations*
 - *Enrollments lower than budgeted*
 - *Executive orders reducing state aid*
 - *Property tax revenues lower than estimated*
 - *Legislated retirement and healthcare provisions*