

*Alpena Community College
Board of Trustees*

*FY 2020 Budget Workshop
May 15, 2019*

ACC FY 2020 Budget Workshop

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

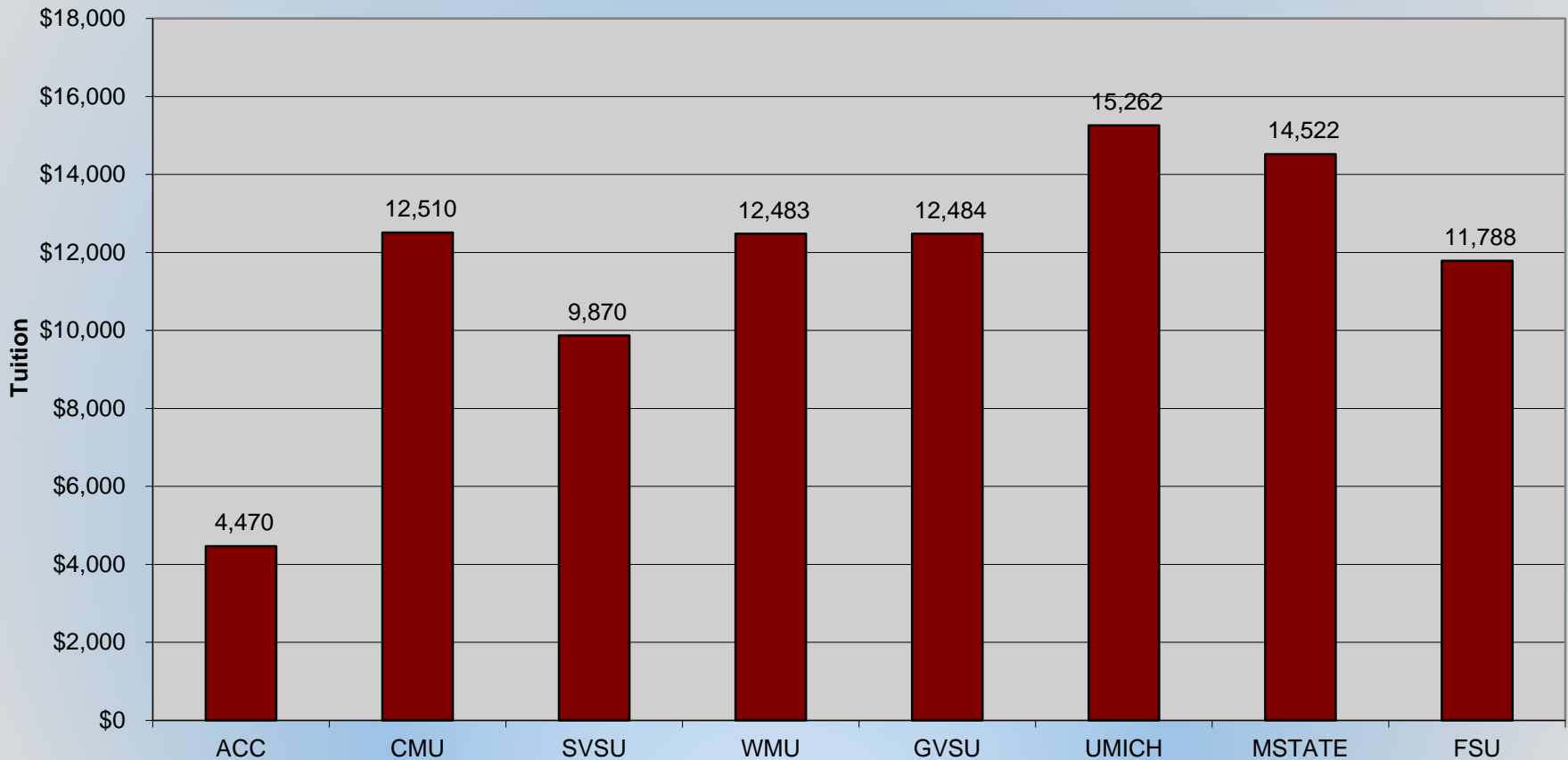
ACC FY 2020 Budget Workshop

- *Premises – Revenues*

- *Tuition and Fees revenue is 1% above FY 2019 budget level*
- *Property tax for FY 2020 increases by 2.4% over FY 2019 level*
- *State Aid increased by 1.5% over FY 2019 level*

ACC FY 2020 Budget Workshop

ACC Compared to Michigan Universities 30 Credit Hours as of Fall/Spring 2018/19



ACC FY 2020 Budget Workshop

- *Premises – Expenditures*

- *An increase in steps, if available, and 3% on base for all regular faculty and staff.*
- *Fringe Benefits – health insurance costs to the College increased by 1.9% under the State mandated healthcare premium maximum college contribution rates.*

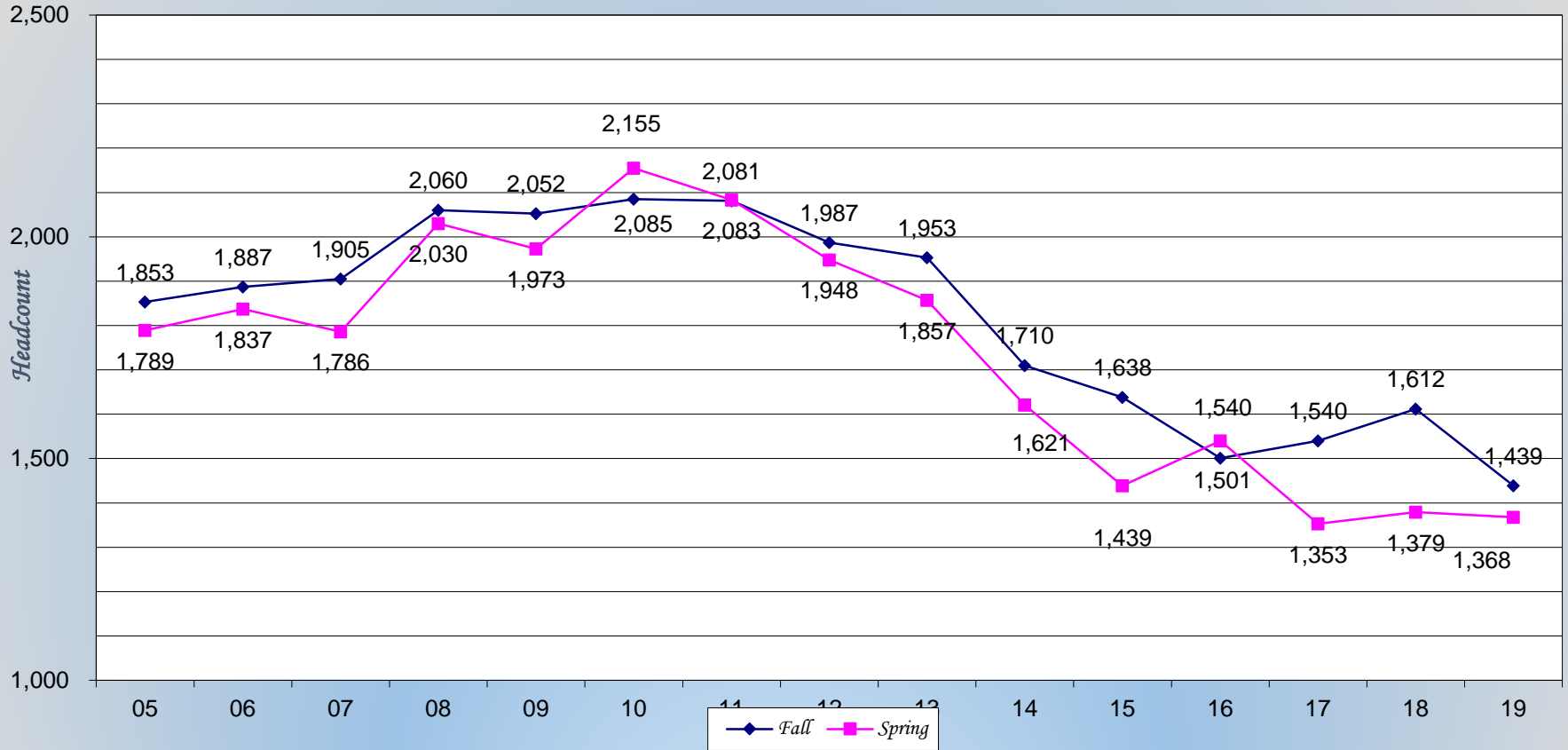
ACC FY 2020 Budget Workshop

- *Premises – Expenditures – Continued*

- *MPSEERS Retirement contribution is rising to 27.5% of wages for most wage earners and up to about 30% for new hires. This equates to a \$120,000 increase in cost. TIAA contribution is 12% for faculty and administrators who select it, 21 employees at last count.*
- *Information technology costs will be nearly level.*
- *Most expenses held level or adjusted to meet funding requirements.*
- *Transfer to Maintenance & Replacement Fund is level.*

Alpena Community College

Headcount Enrollment History FY 2005 - 2019

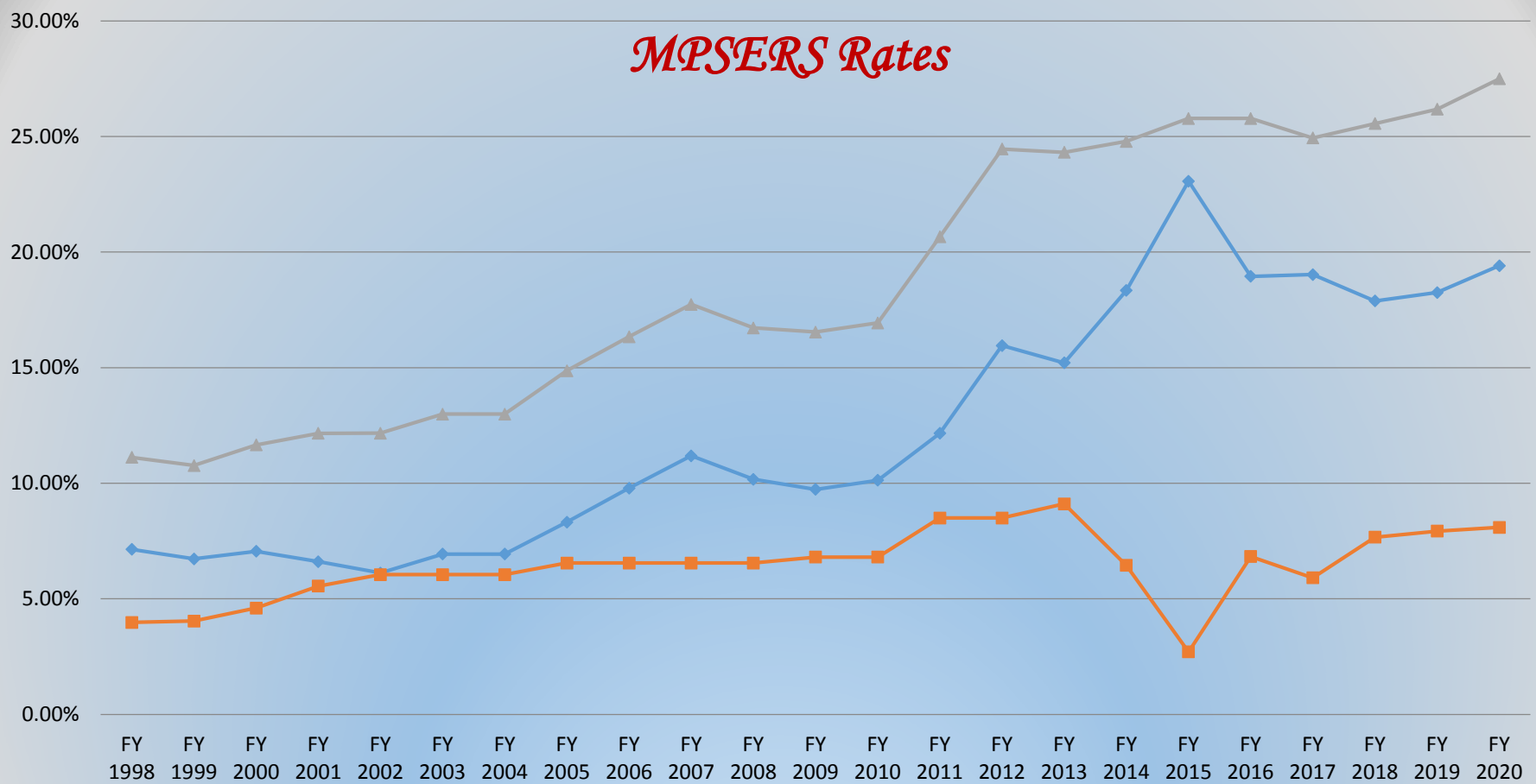


Alpena Community College

Credit Hour Enrollment History FY 2005 - 2019



ACC FY 2020 Budget Workshop



◆ Total Pension
 ■ Total Retiree Health
 ▲ Total Contribution

State started contributing directly

ACC FY 2020 Budget Workshop

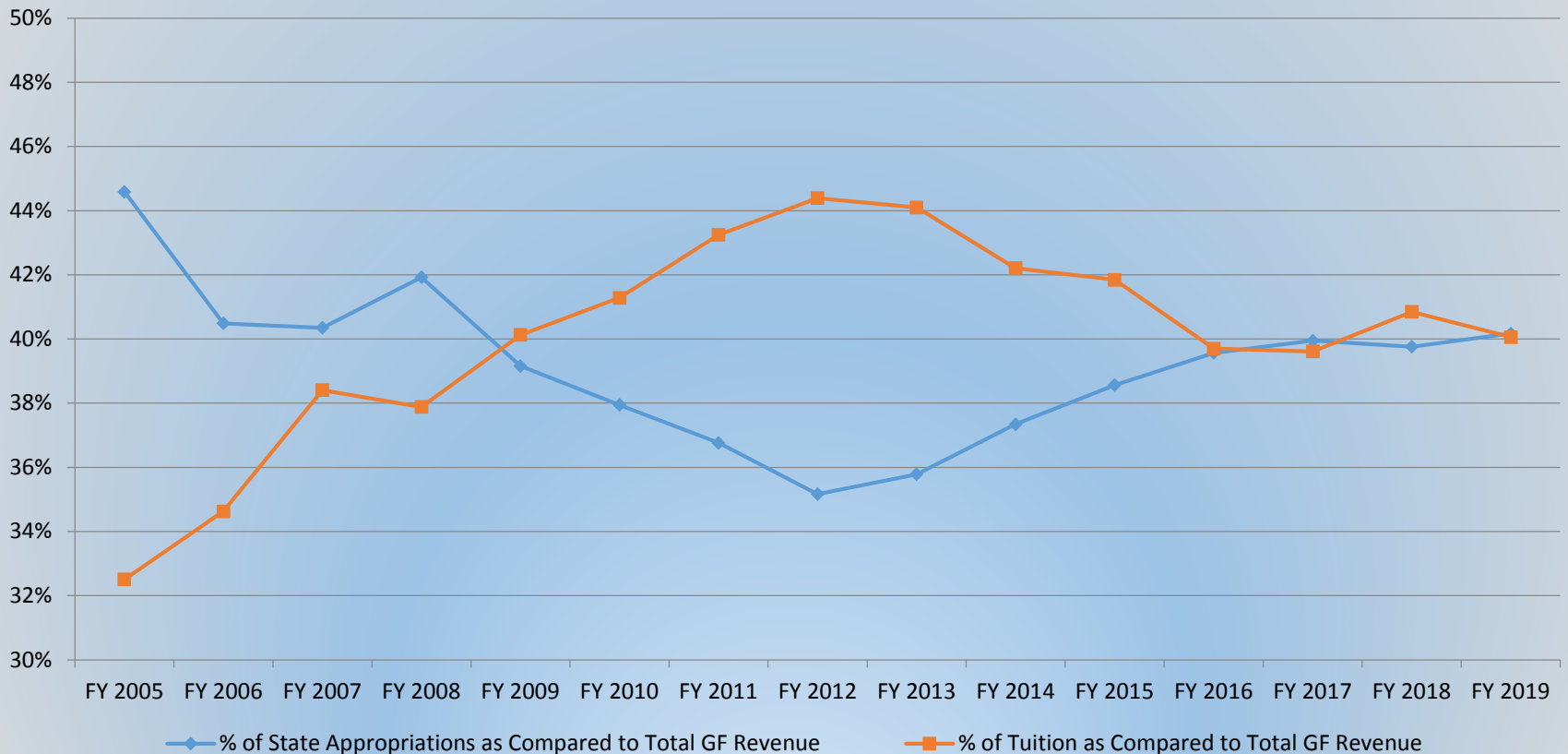
General Fund Balance Schedule

as of May 15, 2019

Fund Balance Year	General Fund Exp.	General & M&R Fund Balance at Beginning of Year	Inc. / (Dec.)	% Inc. / (Dec.)	Fund Balance at End of Year	Fund Bal. %	Goal (15%)	Comments
2011	13,803,677	1,070,674	59,976	5.6%	1,130,650	8.2%	2,070,552	
2012	13,962,260	1,130,650	(11,999)	-1.1%	1,118,651	8.0%	2,094,339	
2013	14,329,625	1,118,651	90,073	8.1%	1,208,724	8.4%	2,149,444	
2014	14,077,458	1,208,724	(41,381)	-3.4%	1,167,343	8.3%	2,111,619	
2015	14,027,655	1,167,343	(281,390)	-24.1%	885,953	6.3%	2,104,148	Prior period adjustment
2016	13,904,081	885,953	114,682	12.9%	1,000,635	7.2%	2,085,612	
2017	14,095,402	1,000,635	547,527	54.7%	1,548,162	11.0%	2,114,310	
2018	14,483,070	1,548,162	373,035	24.1%	1,921,197	13.3%	2,172,461	
2019	14,692,813	1,921,197	75,000	3.9%	1,996,197	13.6%	2,203,922	
2020	15,060,133	1,996,197	100,000	5.0%	2,096,197	13.9%	2,259,020	
2021	15,436,637	2,096,197	100,000	4.8%	2,196,197	14.2%	2,315,495	
2022	15,822,553	2,196,197	100,000	4.6%	2,296,197	14.5%	2,373,383	
2023	16,218,116	2,296,197	100,000	4.4%	2,396,197	14.8%	2,432,717	
2024	16,623,569	2,396,197	100,000	4.2%	2,496,197	15.0%	2,493,535	

ACC FY 2020 Budget Workshop

Alpena Community College Revenue Comparisons



*Alpena Community College
General Fund Past Two Years and New
May 15, 2019*

Description	2017-2018		2018-2019			2018-2019		
	Actual Totals	% of Actual	Budget Totals	% of Actual	% Inc.	Budget Totals	% of Budget	% Inc.
Property Taxes	2,587,075	16.71%	2,610,574	16.91%	0.9%	2,673,240	17.09%	2.4%
Tuition/Fees	5,858,541	37.85%	5,912,970	38.30%	0.9%	5,972,860	38.19%	1.0%
State Aid	5,813,726	37.56%	5,830,365	37.77%	0.3%	5,916,080	37.82%	1.5%
State Aid - UAAL	868,919	5.61%	921,648	5.97%	0.0%	921,648	5.89%	0.0%
Federal	114,279	0.74%	63,120	0.41%	-44.8%	55,780	0.36%	-11.6%
Interest	51,689	0.33%	2,500	0.02%	0.0%	2,500	0.02%	0.0%
Other	185,394	1.20%	95,615	0.62%	-48.4%	98,615	0.63%	10.3%
Total Revenue	15,479,623	100.00%	15,436,792	100.00%	-0.3%	15,640,723	100.00%	1.3%
Salaries	7,944,368	51.75%	7,811,161	50.60%	-1.7%	8,041,064	51.21%	2.9%
Fringe Benefits	3,663,143	23.86%	3,873,507	25.09%	5.7%	3,968,180	25.27%	2.4%
F. B. - UAAL	868,919	5.66%	921,648	5.97%	0.0%	921,648	5.87%	0.0%
Outside Sources	678,470	4.42%	771,819	5.00%	13.8%	748,686	4.77%	-3.0%
Advertising	177,743	1.16%	187,500	1.21%	5.5%	177,000	1.13%	-5.6%
Supplies	224,385	1.46%	263,720	1.71%	17.5%	242,720	1.55%	-8.0%
Rental	0	0.00%	5,500	0.04%	#DIV/0!	2,500	0.02%	-54.5%
Utilities	437,429	2.85%	500,662	3.24%	14.5%	481,390	3.07%	-3.8%
Telephone	49,816	0.32%	60,000	0.39%	20.4%	55,000	0.35%	-8.3%
Postage	34,964	0.23%	40,000	0.26%	14.4%	37,500	0.24%	-6.3%
Insurance	133,513	0.87%	139,000	0.90%	4.1%	140,000	0.89%	0.7%
Travel & Mileage	85,689	0.56%	93,362	0.60%	9.0%	94,862	0.60%	1.6%
Tuition Waivers/Dues	224,660	1.46%	242,000	1.57%	7.7%	222,000	1.41%	-8.3%
Library & Equipment	51,251	0.33%	82,940	0.54%	61.8%	100,170	0.64%	20.8%
Other	125,744	0.82%	112,000	0.73%	-10.9%	114,000	0.73%	1.8%
Transfers	651,895	4.25%	331,973	2.15%	-49.1%	354,016	2.25%	6.6%
Total Expense	15,351,989	100.00%	15,436,792	100.00%	0.6%	15,700,736	100.00%	1.7%
	127,634		0			(60,013)		

Alpena Community College
General Fund Three Year Projection
May 15, 2019

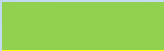

Description	2019-2020			2020-2021			2021-2022		
	Budget Totals	% of Budget	% Inc.	Budget Totals	% of Budget	% Inc.	Budget Totals	% of Budget	% Inc.
Property Taxes	2,673,240	17.09%	2.4%	2,726,705	17.11%	2.0%	2,781,239	17.14%	2.0%
Tuition/Fees	5,972,860	38.19%	1.0%	6,092,317	38.24%	2.0%	6,214,164	38.29%	2.0%
State Aid	5,916,080	37.82%	1.5%	6,034,402	37.88%	2.0%	6,155,090	37.93%	2.0%
Stata Aid - UAAL	921,648	5.89%	0.0%	921,648	5.78%	0.0%	921,468	5.68%	0.0%
Federal	55,780	0.36%	-11.6%	55,780	0.35%	0.0%	55,780	0.34%	0.0%
Interest	2,500	0.02%	0.0%	2,500	0.02%	0.0%	2,500	0.02%	0.0%
Other	98,615	0.63%	3.1%	98,615	0.62%	0.0%	98,615	0.61%	0.0%
Total Revenue	15,640,723	100.00%	1.3%	15,931,967	100.00%	1.9%	16,228,855	100.00%	1.9%
Salaries	8,041,064	51.21%	2.9%	8,282,296	51.73%	3.0%	8,447,942	51.92%	2.0%
Fringe Benefits	3,968,180	25.27%	2.4%	4,015,798	25.08%	1.2%	4,063,988	24.98%	1.2%
F. B. - UAAL	921,648	5.87%	0.0%	921,648	5.76%	0.0%	921,648	5.66%	0.0%
Outside Sources	748,686	4.77%	-3.0%	748,686	4.68%	0.0%	771,147	4.74%	3.0%
Advertising	177,000	1.13%	-5.6%	177,000	1.11%	0.0%	177,000	1.09%	0.0%
Supplies	242,720	1.55%	-8.0%	247,574	1.55%	2.0%	252,526	1.55%	2.0%
Rental	2,500	0.02%	-54.5%	2,500	0.02%	0.0%	2,500	0.02%	0.0%
Utilities	481,390	3.07%	-3.8%	488,611	3.05%	1.5%	495,940	3.05%	1.5%
Telephone	55,000	0.35%	-8.3%	55,000	0.34%	0.0%	55,000	0.34%	0.0%
Postage	37,500	0.24%	-6.3%	37,875	0.24%	1.0%	38,254	0.24%	1.0%
Insurance	140,000	0.89%	0.7%	142,800	0.89%	2.0%	147,084	0.90%	3.0%
Travel & Mileage	94,862	0.60%	1.6%	94,862	0.59%	0.0%	94,862	0.58%	0.0%
Tuition Waivers/Dues	222,000	1.41%	-8.3%	228,660	1.43%	3.0%	235,520	1.45%	3.0%
Library & Equipment	100,170	0.64%	20.8%	100,170	0.63%	0.0%	100,170	0.62%	0.0%
Other	114,000	0.73%	1.8%	114,000	0.71%	0.0%	114,000	0.70%	0.0%
Transfers	354,016	2.25%	6.6%	354,016	2.21%	0.0%	354,016	2.18%	0.0%
Total Expenses	15,700,736	100.00%	1.7%	16,011,496	100.00%	2.0%	16,271,596	100.00%	1.6%
	(60,013)			(79,530)			(42,741)		

ACC FY 2020 Budget Workshop

Five Year Facilities Projected Expenditures

May 15, 2019

Budgeted Item	Total Cost						
		2019	2020	2021	2022	2023	2024
Room Upgrades - Carpet, Shades, Paint, etc.	\$ 87,500	\$ 12,500	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Building Automation Upgrades	\$ 59,000	\$ 9,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
FAC Parking Lot Drainage Improvements	\$ 2,700	\$ 2,700	-	-	-	-	-
Campus-wide Security Cameras	\$ 4,000	\$ 4,000	-	-	-	-	-
CTR Roof Maintenance and Replacement	\$ 246,000	\$246,000	-	-	-	-	-
BTC Terrazzo Refurbishment	\$ 8,000	\$ 8,000	-	-	-	-	-
BTC Masonry Restoration at BTC Classrooms	\$ 25,000	\$ 5,000	\$ 10,000	\$ 10,000	-	-	-
New and Updated Interior Directories and Campus Mapping	\$ 21,000	\$ 6,000	\$ 7,500	\$ 7,500	-	-	-
New Equipment for Wellness Center	\$ 60,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
LED Lighting Upgrades	\$ 20,000	\$ 10,000	\$ 5,000	\$ 5,000	-	-	-
Van Lare Hall Mechanical/Heating System Overhaul	\$2,000,000	-	\$2,000,000	-	-	-	-
Van Lare Hall Restroom Remodels	\$ 60,000	-	\$ 60,000	-	-	-	-
Van Lare Hall Chimney Removal	\$ 25,000	-	\$ 25,000	-	-	-	-
Van Lare Hall Commons Area Beautification	\$ 12,000	-	\$ 12,000	-	-	-	-
Van Lare Hall Door Replacement and Entrance Enhancements	\$ 600,000	-	\$ 600,000	-	-	-	-

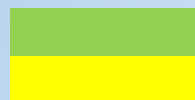
 Completed Projects
 Part of the VLH renovation project

ACC FY 2020 Budget Workshop

Five Year Facilities Projected Expenditures

May 15, 2019

Budgeted Item	Total Cost	2019	2020	2021	2022	2023	2024
Replace Both 12-Passenger Vans	\$ 64,000	\$ 32,000	-	\$ 32,000	-	-	-
Replace Maintenance/Plow Trucks	\$ 54,000	-	-	-	\$ 27,000	\$ 27,000	-
Replace VCT Tile in 1st Floor of Oscoda Campus	\$ 10,000	\$ 10,000	-	-	-	-	-
FAC Automated Entry Door Opener	\$ 5,000	\$ 5,000	-	-	-	-	-
BTC Roof Replacement at Lower Section	\$ 160,000	-	-	-	-	\$ 160,000	-
B-Lot Asphalt Maint and Replacement	\$ 190,000	\$ 40,000	-	-	-	-	\$ 150,000
BTC Restroom Remodels	\$ 50,000	-	-	\$ 50,000	-	-	-
Replace WCCT Walkway Pavers and Add Ice melt Loop	\$ 75,000	-	-	\$ 75,000	-	-	-
Replace WCCT Boiler with High Efficiency Units	\$ 90,000	-	-	\$ 100,000	-	-	-
Upgrade Welding/Manu.Tech Fume Extraction and Air Make-up	\$ 50,000	-	-	-	-	-	\$ 50,000
Replace Auto-Body Shop Air Make-up Unit	\$ 40,000	-	-	-	-	-	\$ 40,000
UCB Window replacement	\$ 20,000	-	-	-	\$ 20,000	-	-
Replace Tables/Chairs in CTR 104/106	\$ 20,000	-	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	-
Upgrade NRC Elevator	\$ 205,000	-	-	-	\$ 205,000	-	-
NRC Window Replacement	\$ 350,000	-	-	-	\$ 350,000	-	-



Completed Projects

Part of the VLH renovation project

ACC FY 2020 Budget Workshop

Five Year Facilities Projected Expenditures

May 15, 2019

Budgeted Item	Total Cost						
		2019	2020	2021	2022	2023	2024
NRC Air Handler Upgrades with Vari-Freq Drive and A/C	\$ 85,000	-	-	-	-	-	\$ 85,000
NRC Stair Tread and Landing Replacement	\$ 36,000	-	-	-	-	-	\$ 36,000
NRC 4th Floor Balcony and Overhang Repair	\$ 60,000	-	\$ 60,000	-	-	-	-
Renovate/Upgrade NRC 101 Lecture Hall	\$ 350,000	-	-	-	-	\$350,000	-
New Roof Over NRC 101	\$ 38,000	-	-	\$ 38,000	-	-	-
Roof Restoration Over 2nd/3rd Floor of NRC	\$ 75,000	-	-	-	-	-	\$ 75,000
Roof Restoration over BTC Machine Shop	\$ 45,000						\$ 45,000
New Classroom Chairs in NRC	\$ 10,000	-	\$ 10,000	-	-	-	-
New Classroom Chairs in BTC	\$ 10,000	-	-	-	\$ 10,000	-	-
New Classroom Chairs in VLH	\$ 10,000	-	-	\$ 10,000	-	-	-
Replace Sidewalk Between VLH and UCB	\$ 7,500	\$ 7,500	-	-	-	-	-
Plant Trees Along BTC Drive and Along Johnson St Sidewalk on VLH & BTC	\$ 8,000	\$ 2,000	-	\$ 2,000	\$ 2,000	\$ 2,000	-
College Park Apartments Parking Lot Sealcoating and Striping	\$ 10,000	-	-	-	-	-	\$ 10,000
College Park Apartments Roof Replacement	\$ 45,000	-	-	-	-	-	\$ 45,000
Improvement to South Johnson St Crosswalk and UCB Sidewalk	\$ 30,000	-	-	\$ 30,000	-	-	-
Totals:	\$ 5,432,700	\$ 413,738	\$2,833,540	\$ 403,542	\$ 658,044	\$ 583,046	\$ 575,048

ACC FY 2020 Budget Workshop

- *Future Budgeting Considerations*
 - *Enrollments lower than budgeted*
 - *State aid still being determined*
 - *Personal property tax reimbursement lower than estimated*
 - *Legislated retirement and healthcare provisions*