## Questions & Answers About Our Millage Election

1. Why is the election being held?

Voters are being asked to approve a 1-mill property tax levy for a period of five years to provide necessary operating funds for Alpena Community College.

2. What's so important about Alpena Community College?

ACC is of great importance because of the services and opportunities it provides, but also has great value as a community asset and contributor to the local economy.Most people are aware of:

\*variety of transfer and occupational programs\*community services and

outreach activities \*partnerships with local business and industry to provide employee training

Another side, however, it is that because ACC is here doing all these things, this community becomes more attractive. There is also ACC's economic impact as an institution.

Direct and indirect expenditures of ACC create:

- \* 12.8 million local business volume
- \* 508 full-time jobs in the community
- \* 5.2 million earned by local households as personal income.

Those factors together combine to make a crucial of the Alpena area and a benefit not just to students, but to everyone.

3. Doesn't ACC already get property tax funds?

Yes, a 1.5-mill charter levy was approved in 1979. That amount has never been increased during the past 10 years, and a benefit and the operating funds generated by that tax - \$597,644 in 1988 - provided only 11 percent of ACC's revenue this year.

4. Then where does the rest of ACC's revenue come from?

\*11.4% comes from property tax. The average among Michigan community colleges Colleges is 26% \*Tuition and fees account for 31%. The state average is 29%.

\*State appropriations are 52%. The state average is 40%. \*Other revenue equals 5%, which is the state average.

Also stated are the average percentages of support from those sources among all 29 Michigan community colleges. It is important to point out that the percentage of property tax support for ACC has been declining since 1983.

5. Is there any difference between this millage request and previous requests which were not approved?

Yes, a very important difference. At the May 2 election, voters will be asked to approve a 1-mill levy for five years only. This is not a request for a charter (permanent) millage. If approved, it will expire in five years.

6. Will any of my tax dollars go to support athletics?

No. Athletics at Alpena Community College are funded entirely separate athletic fee of \$2 per credit hour that is paid by students.

7. How much money will be generated by the 1-mill levy, and how will it be used?

Alpena Community College would receive about \$380,000 in additional money for operational use. Those funds would enable the college to:

\*accommodate critical job training and retraining for an enrollment that has increased 29% since 1985 and expected to increase another 15% by 1992.

\*begin to update obsolete instructional equipment in technical and business courses, a serious need that will cost an estimated \$812,000 or more over the next five years. \*implement maintenance and renovation projects needed on ACC's aging and much used facilities to bring them into code compliance and to better meet the needs of students.

8. Won't the college have additional tuition revenue to use as enrollment goes up?

While it is true that more students bring more tuition revenue, remember that they also represent added costs for the added instructional and support services required. ACC tuition rates have increased 120% in the past 10 years; there has been no tax increase during all that time in the tax rate. An estimated \$4,000 per full time student is needed to provide services; the combination of tuition and state aid produce only about \$2,000 per student only half that amount.

9. What will 1-mill cost me?

The request for 1-mill means \$1 per \$1,000 of state equalized value (SEV). Following are examples of how to determine the amount it would cost.

If your property value is \$25,000 then your SEV is 12,500 the added mill would cost \$12.50.

If your property value is \$30,000, then your SEV \$15,000 and the cost would be \$15.00.

If your property value is \$40,000 then your SEV is \$20,000 and the cost would be \$20.00.

10. How does ACC rank among the state's 29 community colleges in financial matters?

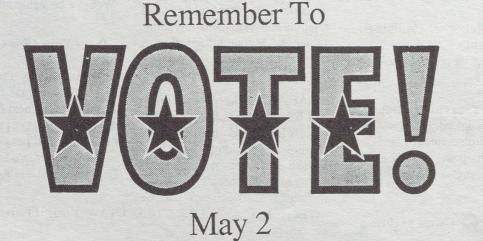
ACC ranks:

\*14th in tuition support per student.

\*11th in state aid per student.

\*28th in local tax support per student.

\*27th in expenditures per student.



## Financial Facts To Consider

1. ACC currently ranks 26th out of 29 Michigan community colleges in the amount of revenue available to support its activities.

2. ACC ranks 27th (out of 29) in its level of expenditure/student to accomplish its mission.

3. ACC's purchasing power for goods and services has consistently declined due to inflation over the past 10 years. Today's dollars buy the college 15% less than could be purchased in 1979.

4. Tuition has been increased in 8 out of the last ten years; resulting in a 120% increase over this period. (22.2% in 1988-89)

5. State support for ACC activities provides 53% of all funds compared to a statewide average of 40% for all community colleges.

6. Local property tax support has remained at 1.5 mills since the college became an independent institution and produces less actual dollars than was provided in 1984. A total of 11% of the budget is supported by local property tax funds.

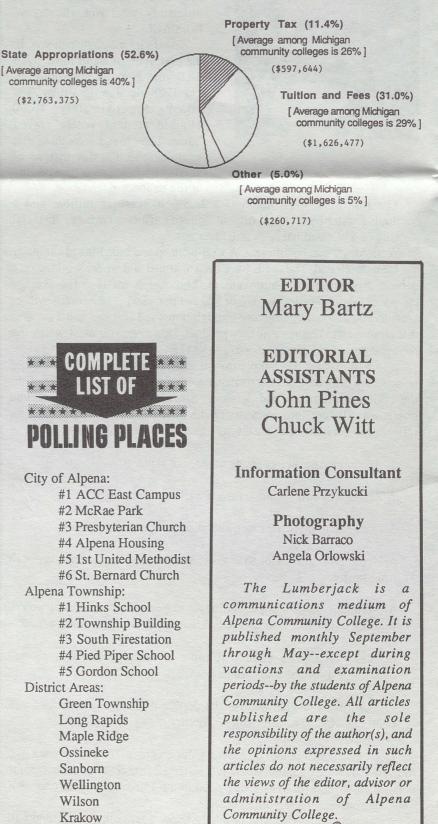
7. At 11% support from the local property tax, ACC ranks 28th among the 29 community colleges in revenue from this source. The statewide average is 26%.

8. Headcount enrollment has increased 29% since 1985-86.

9. A 15% increase in headcount enrollment is projected over the next five years.

10. 76% of ACC facilities were built prior to 1968. The newest facility, Besser Tech Annex, opened in 1977.

## **1988 ACC Revenue Sources**



Presque Isle

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