

KIRTLAND COMMUNITY COLLEGE
FINANCE COMMITTEE MEETING OF THE BOARD OF TRUSTEES
MINUTES
February 16, 2016 - Administration Building, Room 221

The meeting was called to order by Chair Ferrigan at 5:11 p.m.

Trustees Present: MaryAnn Ferrigan, Jack Kramer, Ed Pearen, Roy Spangler (Via Zoom), Ruggero Dozzi

Trustees Absent: Dave Dougherty and Amy Knepp

Employees Present: Tom Quinn, Jason Broge, Evelyn Schenk, Ilene Scherer, Michelle Vyskocil, Tim Scherer, Heidi VanWagner

Selection of Auditing Firm- Rehmann or Plante Moran: J. Broge presented a cost summary prepared from the Auditor RFP detailing items including KCC Audit (including Foundation), Financial Statements, GASB 72, GASB 75, Federal Awards, KCC 990T, and Foundation 990 for 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and a 5 year total indicating that Rehmann was about \$10,000 less than Plante Moran. He asked the Board for a recommendation at the upcoming meeting. It was discussed that Rehman is based in Traverse City which is clearly an advantage, and that both firms will typically want at least a three year contract.

January Financial Statements, 2015/2016: J. Broge reminded members that January tends to be a positive month for the college. He reported that we are at 94% of budget right now, which is better than at this time last year. The collection of property taxes and the CCSTEP Grant are affecting our cash on hand. Financial statements were handed out and reviewed. There were no questions.

Policy Revisions: POL 2.130 Vending: Upon review it was requested that the policy be amended to include tobacco with the items that are not allowed to be vended on campus. **POL 2.195 First Aid Equipment:** The proposed policy changes were read without any requests for further editing. **POL 6.008 Transfer of Credits:** M. Vyskocil presented the policy and proposed revisions. This policy was adopted in 1990 and last revised in 1998. It was suggested that #5, regarding the United States Armed Forces Institute (USAFI) be completely eliminated. Defining what “regionally and non-regionally” mean was suggested as was what qualifies as, “other credits”. Amendments were made accordingly.

2016/2017 Capital Projects Proposal: J. Broge presented the plans for the Auto Lab Project from the architect who spent time working with the instructors. The funding for this project is coming from the bond money, new building fund, as well as a portion of the CCSTEP Grant. Due to the time constraints on this project he requested that members come to a decision on whether or not to move forward with this project tonight. The goal is to have all renovations completed so that it would be open for students in the fall. Board members requested talking points page to assist in answering the question, “What have you done with our money?” J. Broge will prepare this document.

Gaylord Mill Levy Update: T. Quinn presented research data on the changing demographics of those living in our service area, highlighting the median age change from 2010-2014 and thus discussed the enrollment challenges the college is facing.

A map showing the counties and school districts that would be involved in a mill levy in Otsego County was shared and the following options for referendum were discussed.

1. Annex the County at 2.2 mills. This would provide a couple extra million dollars.
2. Annex School Districts at 2.2 mills. This would be a tough sell, however, this could mean a substantial increase in funds if successful.
3. Status Quo at .65 mills which is the current levy.
4. Bundle $.65+.26=.91$ with UC operations. KCC would essentially break even in this scenario.
5. Bundle $.65+.26+.30=1.21$ with UC operations. This could pose an issue of integrity with voters who thought that the .30 (bond) levy would be discontinued.

Items of consideration include just how much programming this area can support, the conservative nature of voters in the area, remembering that other colleges are in the picture here, assessing how much risk KCC is willing to stand, the potential cost of survey work, that there would be two new board members for 6 years, and the possible 6th option of simply walking away and focusing future efforts at 4 Mile Road.

Dr. Quinn is looking for a consensus and direction from the Board and shared that the County Commissioners feel that the University Center model is unsustainable financially.

With no further business, Chair Ferrigan adjourned the meeting at 6:50 p.m.