

KIRTLAND COMMUNITY COLLEGE
FINANCE COMMITTEE MEETING OF THE BOARD OF TRUSTEES
May 17, 2016 - Administration Building, President's Boardroom
MINUTES

Trustees Present: MaryAnn Ferrigan, Jack Kramer, Ed Pearen, Roy Spangler, Ruggero Dozzi, Amy Knepp, and Dave Dougherty

Trustees Absent: None

Employees Present: Tom Quinn, Jason Broge, Ilene Scherer, Tim Scherer, Heidi VanWagner, Michelle Vyskocil, and Julie Lavender

The meeting was called to order by Chair Ferrigan at 5:31 p.m.

State of Michigan, Beer / Wine Licensing- M. Allen: Mark Allen explained that there is only 1 “Tavern License” left in Crawford County. He will be requesting a resolution to put a Kirtland employee (s) in charge to serve as our representative(s) with the State. This will be for beer and wine only, but he will still be able to obtain a temporary liquor license as needed. The cost will for this license includes a \$350.00 application fee and a yearly licensing fee of \$1500.00. Jack Kramer questioned whether this would affect our liability insurance; Jason Broge will follow up with him.

Draft 2016-2017 Budget Discussion- J. Broge

- Jason Broge guided members through the property tax revenues for the past 16 years. Since 2011-2012 there have been significant changes.
- Discussion of State appropriations as of May 15th, the amount is pending and may change.
- Budgeting an 11% decline in enrollment with 29,132 billable hours. This is a cautious but realistic number based on school data.
- R. Spangler spoke about the potential for EMC in our district and voiced concern that we need to be working on this issue.
- Related to Mr. Spangler’s concern it was noted that only approximately 20% of students were “college ready” for EMC / Dual Enrollment at an area Academy. Also noted were issues with the High School vs. College Calendars and that many school districts want this at no charge.

Budget Adjustments over \$5,000- J. Broge

- Mostly personnel adjustments with regard to three full-time employees
- It was a great year with fuel oil and propane costs going down by about \$125,000
- Title 3 Grant will be going away which affects programs such as Auto, Mechatronics and Cosmetology.

Review of 4/16 YTD Financial Statement (materials provided during meeting) - J. Broge

- It was a good year for health care costs, fewer employees and good claims.
- Investments went down as well as reserves (due to new building).
- J. Broge provided a handout detailing the HSC expenditures which show that the project is currently on-time and under budget. There will be another report provided in October 2016.
- Hoping to get \$2 million from the State by June 30th.
- Thanks to Ilene for all of her help!
- Contingency funds will be smaller. There is no set standard other than one’s own personal comfort level. Many local school districts keep \$1-2 million (5-10%) in reserves.

- Review of income statements show good margins with auxiliaries (KPCA, Bookstore, and Café) but an overall decline.
- At this point the budget for next year is not yet balanced, but is very close. T. Quinn and J. Broge are continuing to work on this matter.
- There is a tentative 2 year faculty contract settlement with few changes and viewed as fair by all parties. They will meet again in June, then there will be a vote.

With no further business, Chair Ferrigan adjourned the meeting at 6:36 p.m.