

# KIRTLAND COMMUNITY COLLEGE

## Finance Meeting Minutes

May 20, 2021

**Date:** Thursday, May 20, 2021

**Time:** 6:00 p.m.

**Location:** Zoom Software

**HOST:** Dr Tom Quinn/Chris Bowman

**Type:** Finance Meeting (Virtual)

**Notice Provided in Advance:** Yes

**Present:** Mary Ann Ferrigan, Chairman

Jack Kramer, Vice Chair

Ed Pearen, Secretary

Tom Ritter, Trustee

Roy Spangler, Trustee

Amy Knepp, Trustee

**Kirtland Community College Guest:**

Dr. Tom Quinn – President

Cheryl Haliday

Matt Biermann – IT staff

Nathan Sutton

Jennifer Fager

Michelle Vyskocil,

Dr. Amy Fugate

Kristen Barnhart

Chris Bowman, V.P of Business Services

### I. April 30, 2021 Recap

- Financial Packets provided to Board members
- **General Fund** – Income Statement
  - Balance Sheet – Cash flow is \$10,358,197 as of April 30. Approximate \$2 million higher than last year, which is attributed to a change in property tax (when we receive it).
  - Investments total \$4,363,381 – total investments \$14,721,578.
  - General Fund – Conservative in our budget this year – tuition revenues higher than budget.
  - State Appropriations - \$200k-\$300k less than budget due to Replacement funds.
  - Property taxes are on point – we will come in a little higher.
  - Other income down due to investments – market value changes; we have short-term investments
  - Total expenses well below last year – we have \$800k expenses used for Covid Relief Funds
  - Overall doing well in General Fund – should be able to hit targets
  - Discussion ensued regarding Transfers and where they transfer to
- **Auxiliary Fund**
  - Overall, Kirtland is doing good. Revenue shortages due to CoVid pandemic – classroom rentals below budget; book store short on revenue. Expenses for Book Store changes from last year due to moving purchases online.
- **General Fund Revenues for 2019 thru 2022**
  - Budgets for 2019-2020, 2020-2021, 2021-2022 – charted to see how the 2020-21 budget is an anomaly because the budget was built going into a pandemic year.
  - Increase in expenses next year will be higher than this year doing the pandemic, but not so different from 2019-2020.
  - We have some increases in the 2021-22 budget. They will be higher than this year's budget, but it is not necessarily increased; it is just higher than the current budget.
  - Looking at a Tuition increase, even though we increased the dollar amount, we are looking at a 1% decrease. Other increases can be seen in the 2021-22 budgets.
  - Class fees \$45k increase, not changing any rates yet; Law Enforcement Academy projecting the same. Overall \$5.9 million tuitions and fee increase.
- MaryAnn Ferrigan, Chairperson – KCC Board – asked the college is projecting a student decrease – Response by Michelle Vyscoil, VP of Student Services/Registrar – not much, summer tuition hours budgeted at 1,988 tuition hours. As of 5/20/21, current tuition hours 2,258 up 270 hours. Summer gives some indication of next year's enrollment. Cautiously optimistic as the closest to the current number was in 2016.
  - Vice-Chairman Jack Kramer stated that he was on an ACCT Conference call with the Central Region today; they assumed summer tuition would skyrocket, but they misjudged. Kirtland outperformed the Central Region in the different states. Kramer congratulated Michelle for her work.
- Property Tax Revenues – 2% increase; State Appropriations – approved back in fall 3.394 in current fiscal year budget; assuming no changes should increase this year.
- The House of Representatives recommended an 8% cut in the budget for educational spending – Dr. Quinn wrote letters to Senators/politicians disputing that action. Currently, it is back up to

a 9.6% increase. Dr. Quinn states he is unsure of what Senate or Congress is going to do. Dr. Quinn will send board members talking points regarding the harmful effects of a decrease. Luncheon on Monday will host Senator Vander Waul; members were invited to attend and ask questions.

- Otsego County Revenue was discussed by board members and Dr. Quinn.
- **General Expenditures** – Increase in Fringe Benefits - \$80-90k increase Fund transfers. Chris noted that the State would probably send funds to offset expenses.
  - Other expenditures that will increase from last year will be travel, increase in Maintenance, Phase III budgeted at \$300k and Roscommon budgeted at \$370k, Overall \$15.4 million in expenses plus other expenses. \$120k of outflow.
  - Overall approx \$370k deficient. Projections for revenue are Bixby and the Bookstore – on the chart.
  - Questions asked by Board members regarding the marketing of Event Center - Dr. Quinn responded that on July 1, Kirtland will start promoting the Event Center. Dr. Quinn discussed possible events to be hosted in the new Kirtland Center – using conservative methods. Further discussion ensued regarding revenues possible for the Event Center. Conservative Budget for the Event Center in the budget.
  - 2021-2022 Revenues Property taxes 45%, Tuition & Fees – 35%, State Appropriations 20%, Other – 1%. Chris stated that ratios are consistent. Salary and wages are the largest expenditures.
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- Discussion ensued between Board members and Kirtland administration regarding Chris Bowman's recommendations that administration can take to balance the budget - Use one-time HERF (Higher Education Relief Fund); reduce non-mandatory transfers to reserves; require greater contributions from staff and administration to pay increases in medical insurance; manage the cost of maintaining the Roscommon campus and other recommendations discussed with the Board members.

## ADJOURNMENT

With no further financial business to discuss, Dr. Quinn adjourned the meeting at 6:52 p.m.

Minutes submitted by:

Approved on: \_\_\_\_\_

**Gina Moya**