

**PROCEEDINGS**  
**OF**  
**GRAND RAPIDS COMMUNITY COLLEGE**  
**BOARD OF TRUSTEES**  
**OFFICIAL**  
**REGULAR MEETING**  
**(BUDGET WORK SESSION)**  
**BOARD CHAMBERS**  
**MONDAY, FEBRUARY 5, 2007**

**I. CALL TO ORDER**

Meeting called to order at 4:17 p.m., Chairperson Schenk in the chair.

Present: Handlin, James, Chairperson Schenk, Verburg – 4

Absent: Anderson, Maggini, Stearns – 3

**II. COMMENTS FROM THE FLOOR**

There were no comments from the floor.

**III. PRESIDENT'S REPORT**

A. 2006-07 Mid Year Budget Adjustments

06:148

Robert Partridge, Executive Vice President of Business and Financial Services, reviewed the mid year budget adjustments as follows:

#### General Fund Revenue

- Tuition increased due to enrollment increase by \$628,354.
- Property taxes were adjusted slightly upward based on actual collections \$326,000.
- State Aid Appropriations increase represents a slightly larger than anticipated increase in state funding (2.8% vs. 2.0%), as well as an increase in the state reimbursement of property located in Renaissance Zones. \$231,927.
- Miscellaneous income is increased based on the prior year's actual results, a higher year investable balance, and anticipated steady interest rates for the remainder of the fiscal year \$400,000.

Total increase in revenue at mid year	\$1,586,281
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#### Expenses

- Salary changes at mid-year primarily reflect adjustments to budgets based on final negotiated agreements with bargaining groups and Meet & Confer employees. In addition, an adjustment to projected overload and adjunct was made based on prior year results compared to current enrollment levels. As noted above, the increased enrollment projection has resulted in higher projected overload and adjunct costs. Finally, funds have been allocated by CLC to provide additional student assistants for the Enrollment Center and the Computer labs. Both areas are impacted by the high enrollment levels. \$522,008
- Fringe benefit changes due to salary adjustments at mid year. In addition, other adjustments may be made based on prior year experience and changes in rates that were finalized after the original budget adoption. Specifically, FICA and retirement have been adjusted slightly downward to more accurately reflect earnings above the FICA limit and newer employees selecting the ORP option. \$41,378
- Contracted Services increased due to Budget Control Officer reclassifications as well as mandatory allocations to support the quality initiatives, the EPIC/MRA survey, new contracted service agreements, and continued additional temporary help for the Call Center. The latter is driven largely by record enrollment levels. \$125,236
- Supplies and Repairs changes reflect CLC mid-year allocations for classroom supplies, the quality initiatives, additional Automated External Defibrillator (AED) units for the campus, HR expenses related to candidate searches, and additional funds for printing expenses in the Enrollment Center. \$124,340
- Utilities and rentals increase due to adjustments for electricity costs based on prior year actuals and anticipated charges for the current year, and for a portion of the space rental charges for the Preschool that are no longer covered by Early Childhood grant funds. \$54,047
- Equipment & Technology no changes in this expense category.
- Other costs change is due to adjustments for anticipated credit card fees, collection fees, and the allowance for the charge off of uncollectable accounts, all based on historical actuals. In addition, CLC has made mandatory allocations of contingency funds to provide for additional interpreters for Special Needs students and to support various other accounts and projects. \$212,841

Total increase in expenses \$1,110,128

The Board will receive a recommendation for approval of the mid year 2006-07 budget on Monday, February 19, 2007.

#### **V. EARLY PROJECTIONS FOR 2007-08**

Budget projections currently have the 2007-08 deficit at approximately \$3.378 million. Tuition plan increase provides \$1.958 million with the remaining deficit to be solved at approximately \$1.420 million.

#### **VI. BUDGET DEVELOPMENT PROCESS**

Mr. Partridge reviewed the budget development process, the timelines and the strategic guide for planning and resource allocation. Some activities that will require Board action are: tuition and fees (Date TBD- dependent on state funding). The Board will have two opportunities to review the 2007-08 budget at its work sessions on May 7<sup>th</sup> and June 4<sup>th</sup>, prior to adoption at the June 20<sup>th</sup> Board Meeting.

#### **VII. MILLAGE UPDATE**

Ed Sarpoulis, from EPIC/MRA reviewed the preliminary results of the community millage survey. Survey results indicate that the public would support a .56 millage proposal if placed on the ballot for the May 8, 2007, election.

Art Spalding, member of the Future Funding Committee, addressed the Board regarding his support for the .56 millage proposal.

Motion by Vice Chairperson James to go before the community with a .56 millage proposal on May 8, 2007. Roll Call vote taken @ 5:27 p.m. Ayes: Handlin, James, Verburg, Schenk. Nays: None. Absent: Anderson, Maggini, Stearns.

Motion unanimously carries.

RESOLUTION OF THE GRAND RAPIDS COMMUNITY COLLEGE

WHEREAS:

Section 144 of the Community College Act of 1966, as amended (MCLA 389.144) authorizes the Grand Rapids Community College to levy and collect property taxes at a regular or special election of the community college district.

The Grand Rapids Community College Board of Trustees believes a millage increase is necessary due to increasing enrollment, increasing workforce training and retraining needs, and decreasing state aid. This will maintain high quality education for its students and contribute to the economic vitality of the community.

The purpose of the millage increase is for general operations of the College.

In accordance with the General Tax Act, most specifically MCLA 211.24f, Grand Rapids Community College is required to prepare a ballot disclosing the millage rate to be authorized, the estimated amount of revenue that will be collected in the first year the millage is authorized and levied, its duration, a statement of purpose and a clear statement that this is a new additional millage.

Grand Rapids Community College has prepared a ballot proposal which is attached hereto as Exhibit A. A summary of the ballot proposal is attached as Exhibit B.

NOW, THEREFORE, be it resolved that:

The Board of Trustees of the Grand Rapids Community College, in accordance with the authority conferred by section 144 of the Community College Act of 1966, as amended and as provided for by MCLA 211.24f. of the General Property tax and MCLA 168.312 of the Michigan Election law, hereby authorizes the attached ballot proposal to be sent to the Kent County Clerk for placement on the ballot for the election scheduled to occur on May 8, 2007.

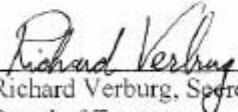
Resolution declared adopted.

AYES   4    
NAYS   0  

Richard Verburg, Secretary  
Board of Trustees  
Grand Rapids Community College

The undersigned, duly qualified and acting Secretary of the Board of Trustees of the Grand Rapids Community College, hereby certifies that the foregoing constitutes a complete copy of the resolution adopted by the Board at a public meeting held on

February 5, 2007, the original of which is a part of the Board minutes. The undersigned further cites that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" and in accordance with the requirements of Section 144 of the Community College Act of 1966, as amended, and as provided for by MCLA 211.24f. of the General Property tax and MCLA 168.312 of the Michigan Election law.

  
Richard Verburg, Secretary

Board of Trustees  
Grand Rapids Community College

**Official Ballot  
Grand Rapids Community College  
Kent County, Michigan**

**Shall the Grand Rapids Community College be authorized to levy an additional .56 mills (56 cents on each \$1,000.00 dollars of taxable valuation) in property tax, without limitation as to number of years, for the purpose of general operations of the College? The original millage limitation on the annual property tax previously approved by the electors of the Grand Rapids Community College district of 1.9 mills which has been reduced by the "Headlee" amendment to 1.7865 mills. The amount of revenue raised by the additional levy which will be raised in the first year is estimated at \$11,232,000.**

Yes \_\_\_\_\_  
No \_\_\_\_\_

This Proposal will increase the levy by the Grand Rapids Community College previously approved by the electors by .56 of one Mill for the purpose of general operations of the College. There are twenty local authorities that capture and use for authorized purposes tax increment revenues from property taxes levied by the Grand Rapids Community College which will include a portion of the additional levy. The estimated amount of the captured tax increment revenues from such millage increase will be \$17,405 in the first year. The tax increment authorities are as follows:

List Authorities:

Bowne Township-Alto Downtown Development Authority  
Byron Township-Local Development Finance Authority  
Cascade Charter Township-Downtown Development Authority  
City of Cedar Springs-Downtown Development Authority, Local Development Authority  
Gaines Charter Township- Local Development Finance Authority  
Georgetown Township-Local Development Finance Authority  
City of Grand Rapids-Downtown Development Authority, Monroe North-Tax Increment Finance Authority, Smartzone-Local Development Finance Authority and Brownfield Redevelopment Authority.  
City of Grandville-Downtown Development Authority  
Village of Kent City-Downtown Development Authority  
City of Lowell-Downtown Development Authority  
Village of Middleville-Local Development Finance Authority  
Plainfield Charter Township-Downtown Development Authority  
City of Rockford-Downtown Development Authority  
Village of Sparta-Downtown Development Authority  
City of Walker-Downtown Development Authority, Brownfield Redevelopment Authority  
City of Wyoming-Downtown Development Authority, Local Development Finance Authority.

**Exhibit B****Summary of Ballot Proposal**

Grand Rapids Community College is proposing an increase of .56 mill, without limitation, to the previously approved millage of 1.9 mills which has been reduced by the "Headlee" amendment to 1.7865 mills. The purpose of the increase is for general operations of the College and to address the need for additional funds due to increasing enrollment and decreasing state aid. The amount of revenue raised by the additional levy in the first year is estimated at \$ 11,232,000 dollars. There are twenty-two local authorities that capture and use for authorized purposed tax increment revenues from property taxes levied by Grand Rapids Community College which will include a portion of the additional levy. The tax increment authorities are listed as follows:

List Authorities:

Bowne Township-Alto Downtown Development Authority  
 Byron Township-Local Development Finance Authority  
 Cascade Charter Township-Downtown Development Authority  
 City of Cedar Springs-Downtown Development Authority, Local Development Authority  
 Gaines Charter Township- Local Development Finance Authority  
 Georgetown Township-Local Development Finance Authority  
 City of Grand Rapids-Downtown Development Authority, Monroe North-Tax Increment Finance Authority, Smartzone-Local Development Finance Authority and Brownfield Redevelopment Authority  
 City of Grandville-Downtown Development Authority  
 Village of Kent City-Downtown Development Authority  
 City of Lowell-Downtown Development Authority  
 Village of Middleville-Local Development Finance Authority  
 Plainfield Charter Township-Downtown Development Authority  
 City of Rockford-Downtown Development Authority  
 Village of Sparta-Downtown Development Authority  
 City of Walker-Downtown Development Authority, Brownfield Redevelopment Authority  
 City of Wyoming-Downtown Development Authority, Local Development Finance Authority

**VIII.ADJOURNMENT**

The Board adjourned at 5:28 p.m.

No further business was discussed.

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Secretary