

PROCEEDINGS
OF
GRAND RAPIDS COMMUNITY COLLEGE
BOARD OF TRUSTEES
OFFICIAL
REGULAR MEETING
(BUDGET WORK SESSION)
BOARD CHAMBERS
MONDAY, JUNE 9, 2008

I. CALL TO ORDER

Meeting called to order at 4:15 p.m., Chairperson Schenk in the chair.

Present: Anderson, Handlin, James, Maggini, Stearns, Verburg, Chairperson Schenk– 7.

Absent: None

II. CALL FOR CLOSED SESSION

Motion by Trustee Maggini to call for a closed session at the beginning of the budget work session for personnel evaluations and/or appointments of staff members in accordance with the Open Meetings Act, Section 8, Articles A. Roll call vote taken at 4:16 p.m. Motion unanimously carries. Board entered into closed session at 4:17 p.m.

III. COMMENTS FROM THE FLOOR

None at this time.

II. SPECIAL ORDER OF BUSINESS

- ▲ Dr. Anne Mulder's Interim President Contract
Motion by Trustee Stearns to approve Dr. Mulder's Interim President Contract as presented. Roll Call vote at 4:42 p.m. Motion unanimously carries.

PUBLIC HEARING ON MILLAGE RATE**JUNE 9, 2008****4:15 p.m.**

Mr. Robert Partridge, Executive Vice President for Business and Financial Services, presented the Millage resolution authorizing 1.9 mills with the Headlee calculation it is reduced to 1.7865 mills. The rate will stay the same as the 2002-03 fiscal year.

Chairperson Schenk asked if there were any comments from the floor concerning the millage levy resolution.

There were no comments.

Motion by Chairperson Schenk, supported by Trustee James to accept the resolution as presented. Roll Call Vote taken at 4:45 p.m. Motion Unanimously Carries.

MILLAGE LEVY RESOLUTION

WHEREAS, the school electors of the Grand Rapids Community College have authorized a maximum annual tax rate in the amount of 1.9 mills for general operating purposes; and

WHEREAS, the Board of Trustees in accordance with budgetary requirements finds that it is necessary to levy the full millage rate it is authorized by law to levy and that the Board of Trustees has additionally carefully examined the financial circumstances of the Community College district for the 2007-2008 fiscal year including estimated expenditures, estimated revenues, projected state aid, and taxable value of the property located within the district; and

WHEREAS, the Board of Trustees has complete authority to establish a maximum of 1.9 mills to be levied for operating purposes for the 2008-2009 fiscal year from within its maximum authorized millage rate, subject to whatever rollback may be required by the Headlee Amendment and its implementing legislation; and

WHEREAS, the Headlee Amendment and its implementing legislation requires the financial officer of the community college each year to make certain computations regarding the tax rate using data supplied by the Kent County Equalization Director, the Kent County Treasurer and the State Tax Commission; and

WHEREAS, the Headlee computation process for the 2008-2009 fiscal year requires a millage rollback of the authorized millage from 1.9 mills to 1.7865 mills;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE GRAND RAPIDS COMMUNITY COLLEGE AS FOLLOWS:

- (1) That there be levied upon the taxable value of property within the Grand Rapids Community College district as appears from the tax rolls of the cities and townships in the Community College district, 1.7865 mills for operating purposes for the 2008-2009 fiscal year.
- (2) That the Secretary of the Board of Trustees be and is hereby authorized and directed to deliver and file forthwith with the Clerk of each city and township in the Community College district this Resolution and that thereupon the proper officials of said cities and townships are hereby directed to levy the above mentioned taxes on the taxable property within the Grand Rapids Community College district upon the 2009 assessment roll.
- (3) That all resolutions and parts of resolutions insofar as they conflict with the provisions hereof, be and the same are hereby rescinded.

AYES: Members: Chairperson Schenk, Anderson, Handlin, James, Maggini, Stearns, Verburg – 7.

NAYS: Members: None – 0.

ABSENT: Members: None - 0.

Chairperson Schenk declared the Resolution adopted.

Janice L. Maggini
Secretary, Board of Trustees
Grand Rapid Community College

CERTIFICATION

I, the undersigned, Secretary of the Board of Trustees of the Grand Rapids Community College, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Board of Trustees of the Grand Rapids Community College, at its meeting held on June 9, 2008 the original of which is part of the Board's minutes.

Janice L. Maggini
Secretary, Board of Trustees
Grand Rapids Community College

IV. REPORTS

Robert Partridge, Executive Vice President of Business and Financial Services, reviewed the 2007-08 year-end projections:

Revenue:

Beginning revenue for 2007-08 at mid-year was \$90,011,883. The following changes are anticipated for 2007-2008:

- Tuition and Fees: Overall, tuition and fee revenue are 1.04% higher than the Mid-Year budget. This is due to students enrolling in slightly more contact hours per student, as well as a concerted effort by the academic administration to increase enrollment in summer, when additional capacity is available. Summer enrollment is currently running about 10% higher than the previous year. \$398,955
- Property Tax: Increase is due to a higher than estimated reimbursement from the state for taxes on property included in Renaissance Zones. \$70,164
- State Aid: No change from mid-year is anticipated.
- Miscellaneous: Increase due primarily to higher than budgeted interest income. \$621,000
- Total Increase in Revenue \$1,090,119.

Ending revenue for 2007-08 projected is \$91,102,002.

Expenses

Beginning expenses for 2007-08 at mid-year was \$89,762,152.

- The decrease in salaries is projected based primarily on under-expenditures in various salary line items due to positions that were authorized but unfilled during the fiscal year. Also, savings occurs as positions are vacant during the search process and in cases where replacement is hired at a lower salary than originally budgeted. Finally, overload and adjunct salaries are budgeted based on estimates of contact hours taught and average pay rates per contact hour. Decrease (\$543,870).
- Fringe benefit changes are a result of the changes in the projected salary expense for FICA and retirement. This impact has been offset by adjustments to certain other fringe benefit accounts based on actual expenditures during the fiscal year. Decrease (\$152,729).
- Contracted services – Increase is due to adjustments in the license and maintenance fees for the Oracle Enterprise System. These costs are based on enrollment levels and are adjusted retrospectively. The license adjustment is a recurring cost and will be reflected in next year's budget. Also, additional funds were allocated to the President's office for leadership development program expenses. Increase \$81,393.
- Utilities and Rentals - Decrease is due to ongoing efforts by the Facilities Department to enhance energy efficiency and reduce consumption. Decrease (\$77,396).
- Transfers are increased by \$2,010,080.
- Other Costs – Decrease due to unused contingency funds. (\$225, 030).

Increase in expenses \$1,092,448

Ending expenses for 2007-08 is \$90,854,599.

Remaining Surplus is \$247,403.

Mr. Partridge also reviewed the proposed budget for 2008/09.

ADJOURNMENT

The Board entered into closed session at 4:17 p.m.

The Board re-entered into open session at 4:38 p.m.

The Board adjourned at 5:21 p.m.

No further business was discussed.

Secretary