

PROCEEDINGS
OF
GRAND RAPIDS COMMUNITY COLLEGE
BOARD OF TRUSTEES
OFFICIAL
REGULAR MEETING
(BUDGET WORK SESSION)
BOARD CHAMBERS
MONDAY, MAY 4, 2009

I. CALL TO ORDER

Meeting called to order at 4:18 p.m., Chairperson Schenk in the chair.

Present: Handlin, James (arrived @ 4:55 p.m.) Chairperson Schenk, Verburg, Anderson, Maggini, Stearns - 7

Absent: None

II. COMMENTS FROM THE FLOOR

Provost Gely thanked Dr. Mulder on behalf of the Dean's.

III. ACTION ITEMS

1. Amended Bond Resolution
 - Motion by Trustee Stearns, supported by Trustee Maggini to approved the amended bond resolution as presented. Roll call vote taken at 4:25 p.m. Motion unanimously carries.
2. Michigan New Job Training Appointment
 - Motion by Trustee Maggini, supported by Trustee Stearns, to appoint Bob Partridge and Eric Williams as GRCC's authorized officers for the Michigan New Job Training Program. Roll call vote taken at 4:28 p.m. Motion unanimously carries.

IV. PRESIDENT'S REPORT

A. 2008-09 Year End Budget Projections

- Enrollment remains strong
 - Fall and winter enrollment slightly exceeded budget by over 2% - downtown campus at capacity.

V. 2008-09 Budget Proposal

Revenue Summary

- ▲ State Aid
 - Flat, at best.
 - Impact of federal stimulus is unknown, but no likely to impact operating funds.
- ▲ Property Taxes
 - Flat, at best.
 - Property taxes are now 34% of operating revenue.
- ▲ Enrollment
 - 381,933 contact hours (3.5% over 08/09 mid-year).
 - Includes CLC goal to recruit an additional 600 new students.
 - At current rates, 600 students = \$523,000 net revenue.
- ▲ Other
 - Investment earnings down \$500,000.
 - Due to the financial crisis, we've limited investments in bank CD's and commercial paper.

Expense Summary

- ▲ Salaries
 - Contractual increases for Faculty, ESP, and POLC, as well as BOT guidelines for CEBA and Meet & Confer.
- ▲ Fringe Benefits
 - MPSERS rate to increase from 16.54% to 16.94% on October 1, 2009 – cost increase = \$516,084.
 - Health care rate increases projected at 7% (COST INCREASE = \$473,434).
- ▲ Insurance/Utilities
 - Overall increases of 5% included
 - However, Energy Education Program savings not reflected – accounted for in Plant Fund.

New Requests

- ▲ New personnel requests = \$1,200,000
- ▲ New operating requests = \$2,100,000
- ▲ Many of these requests are directly related to student support services.

Problems

- ▲ All requests are legitimate and justifiable

- CLC/PVP Work
- ▲ Even with increased tuition, we only have \$1,200,000 available
 - ▲ New allocations will require furthercuts or additional revenue.
 - ▲ Mandatory requests identified to date = \$220,000

V. ADJOURNMENT

The Board adjourned at 5:10 p.m.

No further business was discussed.

Secretary