

MINUTES OF THE FIVE HUNDRED SEVENTY-EIGHT
MEETING OF THE BOARD OF TRUSTEES
OF THE MONROE COUNTY COMMUNITY COLLEGE DISTRICT

Board of Trustees Room, Z-203
La-Z-Boy Center
6:00 p.m., June 27, 2018

Present: William T. Bruck, Lynette M. Dowler, Steven Hill, Marjorie A. Kreps, Aaron N. Mason and Mary Kay Thayer

Not Present: James E. DeVries

Also Present: Peter Coomar, Valerie Culler, Randy Daniels, AJ Fischer, Kris, Gerlach, Paul Hedeem, Kelly Heinzlerling, Peggy Jacob, Paul Knollman, Bryan Lamour (candidate for Monroe City Council), Brian Lay, Kim Lindquist, Cassidy Maier (The Agora Staff), Laura Manley, Molly McCutchan, Kojo Quartey, James Quick (The Agora Staff), Jim Ross, Dan Shaw, Michele Person Toll, Joe Verkennes, Suzanne Wetzel, Grace Yackee, and Janel Boss (recording secretary)

A.1.a.(1) 1. Chair Dowler called the meeting to order at 6:02 p.m. The regular order of business was suspended to conduct the public hearing on the 2018-19 budget. The Chair polled the audience for questions with regard to the 2018-19 budget material. There were no questions. The millage rate to be levied for operating purposes for the 2018-19 fiscal year will be reaffirmed as 2.1794 mills and ad valorem property taxes and that the millage rate to be levied for facilities/infrastructure improvements for the 2018-19 fiscal year be reaffirmed as .85 mills of ad valorem property tax. There were no further questions, and the Chair declared the public hearing adjourned.

B.1.a.(1) 2. Dan Shaw introduced the two co-editors of The Agora, Cassidy Maier and James Quick.

B.2.a.(1) 3. The Board pulled the following agenda items from the consent agenda for further discussion.

- B. 2. a. (2) Authorization for the President to Execute a Faculty Contract – Jenna Bazzell
- B. 2. a. (3) Authorization for the President to Execute a Faculty Contract – Peggy Jacob
- B. 2. a. (4) Authorization for the President to Execute a Faculty Contract – Michele Person Toll
- B. 2. a. (10) Resolution to Adopt the 2018-19 Budgets and Reaffirm Millage Rates
- B. 2. a. (11) Proposed Policy Revision – Policy 2.19, Management Salary Schedule
- B. 2. a. (12) Proposed Policy Revision – Policy 8.08, Support Staff Salary Schedule
- B. 2. a. (13) Proposed Policy Revision – Policy 11.00, Adjunct Faculty Salary Schedule
- B. 2. a. (14) Proposed Policy Revision – Policy 11.01, Part-Time Support Staff Salary Schedule
- B. 2. a. (15) Proposed Policy Revision – Policy 12.05, Professional Staff Salary Schedule
- B. 2. a. (16) Proposed New Policies – Policy 2.24, Vacation Donation Program; Policy 8.32, Vacation Donation Program; and Policy 12.23, Vacation Donation Program
- B. 2. a. (17) Board of Trustees Schedule of Meetings for the Fiscal Year 2018-19
- B. 2. a. (18) MCCA Representation for 2018-19

It was moved by M. Thayer and supported by M. Kreps that the remaining items on the consent agenda be approved as presented.

- 4. B.2.a.(1) Approval of the May 21, 2018 regular meeting minutes.
- B.2.a.(5) Approved Authorization for the President to Execute a Second-year Probationary Faculty Contract – Mark Locher, Sr.
- B.2.a.(6) Authorization for the President to Execute an Administrative Contract – Anthony Quinn
- B.2.a.(7) Authorization for the President to Execute an Administrative Contract – Dr. Ijaz Ahmed

- B.2.a.(8) Authorization for the President to Execute an Administrative Contract – Kelly Heinzerling
 B.2.a.(9) Resolution of Commendation – Joyce Oestrike

The Board moved that the following resolution of commendation for Mrs. Joyce Oestrike be adopted:

WHEREAS, Mrs. Joyce Oestrike has decided to retire from her position as administrative assistant to the registrar, effective June 29, 2018, and

WHEREAS, Mrs. Oestrike has provided excellent assistance for the registrar, students and colleagues for the past 10 years, and

WHEREAS, Mrs. Oestrike served in a variety of part-time positions for an additional 13 years, and

WHEREAS, Mrs. Oestrike has helped to coordinate and organize the exemplary Monroe County Community College Commencement Ceremony for 9 years, and

WHEREAS, Mrs. Oestrike actively participated on several committees during her tenure including, but not limited to, the Support Staff Professional Development Committee, the Academic Review Committee, and the Part-time Support Staff Subcommittee, and

WHEREAS, Mrs. Oestrike assisted with the testing and development of several Ellucian Colleague modules that contributed to the technological advancement in Student and Information Services, and

WHEREAS, Mrs. Oestrike is known for her smile, gentle demeanor and subtle sense of humor, and

WHEREAS, Mrs. Oestrike has positively impacted the lives of future students, current students, guests, community members and local dignitaries by volunteering her time to help with several Monroe County Community College events such as Family Fun Night, the Antique Show, the Auto Show, Habitat for Humanity, Meyer Theater events and the Fair Booth,

THEREFORE, BE IT RESOLVED, that the Board of Trustees recognize Mrs. Oestrike for her 23 years of dedicated service to Monroe County Community College, and

THAT IT BE FURTHER RESOLVED that the Board of Trustees wishes for Mrs. Oestrike continued success, good health, and happiness on this Wednesday, June 27, 2018.

The motion carried.

It was moved by Mr. Hill and supported by Mrs. Thayer that the Board authorizes the President to execute a contract for the following faculty member:

*Jenna Bazzell, Assistant Professor of English
 First-year Probationary Faculty Contract
 August 20, 2018 to May 8, 2019.*

B.2.a.(2) 5.

The motion carried.

It was moved by Mrs. Thayer and supported by Mr. Mason that the Board authorizes the President to execute a contract for the following faculty member:

*Peggy Jacob, Assistant Professor of Counseling
 First-year Probationary Faculty Contract
 August 20, 2018 to May 8, 2019.*

B.2.a.(3) 6.

The motion carried.

It was moved by Mr. Hill and supported by Mr. Mason that the Board authorizes the President to execute a contract for the following faculty member:

Michele Persin Toll, Assistant Professor of English

*Second-year Probationary Faculty Contract
August 20, 2018 to May 8, 2019.*

- B.2.a.(4) 7. The motion carried.
- It was moved by Mr. Hill and supported by Mr. Mason that the 2018-19 MCCC budget be approved as presented and that the millage to be levied for operating purposes for the 2018-19 fiscal year be reaffirmed as 2.1794 mills of ad valorem property tax and that the millage rate to be levied for facilities/infrastructure improvements for the 2018-19 fiscal year be reaffirmed as .85 mills of ad valorem property tax.*
- B.2.a.(10) 8. Suzanne Wetzel, Vice President of Administration/Treasurer, and AJ Fischer, Director of Financial Services, presented the Board with a balanced budget for their consideration. Budget books were distributed last week. Mrs. Wetzel noted that the budget process begins by comparing current enrollment with projected enrollment. More variables were added to the enrollment prediction model to help fine tune the projected enrollment. The Business Office is projecting that billable contact hours will be down 2 percent next year compared to 2017-18 actual billable contact hour revenue.
- Mrs. Wetzel pointed out that the written descriptions of the College's Fund Definitions are listed on page 11 of the budget book. She gave a brief overview of those descriptions. On pages 12 and 13 of the budget book is the 2018-19 Budget Summary. The summary is what the Board is being asked to approve.
- Vice President Wetzel gave the Board an overview of the general fund budget. Budgeted revenues are up 2.23 percent, while tuition and fees are down .31 percent. Property taxes are up 3.39 percent which does not include any adjustment for the possible DTE tax appeal. State appropriations are up 3.18 percent, including an increase in funding for operational expenses of .9 percent, which is the Conference Committee Report that was sent to the governor for his signature on June 22. Other revenues are up 8.41 percent.
- Budgeted expenses are up 1.46 percent. The College has several new initiatives in this year's budget. New initiatives include Maker Space, website redesign, paid student assistant positions for the Agora editors, Direct College pay scale adjustment, and new accreditation accounts for Early Childhood Education and Nursing. Proposed salary adjustments, which are on pages 16, 17 and 18, include the President (1.5 percent increase effective August 1, 2018), faculty (1.5 percent increase, plus steps), and maintenance (2 percent increase). In addition, a 1.5 percent increase and steps is included for the other full-time positions, student assistants are budgeted at minimum wage, with no increase figured in January. Added into the budget are position updates including a part-time Grant Writer position, which replaces a full-time position on the organizational chart, a new part-time Human Resources Administrative Assistant position, and a part-time Maker Space Coordinator position. Position reductions include eliminating two part-time evening switchboard operator positions and a reduction from full-time to part-time one of the computer lab technician positions.
- There are no renovation projects in the general fund, but many renovation projects are included in the millage maintenance and replacement fund. Capital Outlay of \$173,951 is included in the budget, which is outlined on pages 35 and 36 of the budget book. The budget was built with revenues favorable to expenses by \$200,000 which is being recommended to move from the General Fund to the M&R fund. This money is being set aside in case the College would have to pay back taxes to the DTE per their tax appeal. It is also being estimated that for the fiscal year 2018, revenues will be favorable to expenses of \$1,000,000. A recommendation is being made to transfer \$300,000 to the M&R fund and \$700,000 to the unexpended plant fund, which is part of the money set aside to make the HVAC payment. If the result of the 2017-18 audit is better than projected, it is recommended to allocate the additional funds from the unrestricted net position to unexpended plan fund.
- Andrew Fischer, Director of Financial Services, explained medical benefits. Administrators, professional staff, support staff and maintenance are offered the Priority Health plan and the Faculty are offered the MESSA plan. MESSA's plan has changed from a fiscal year to a calendar year. The new rates will change starting January 1, 2019, with the new rates being unknown. Included in the budget is an estimate of a 12.67 percent rate increase. The Hard Cap Limit for

faculty is a little higher in the budget due to the plan changing in January. The Hard Cap Limit increases about 3.3 to 3.4 percent each year so it is being estimated that the increase will be 3.35 percent, splitting the difference for six months. The faculty pay toward their premium because the plan costs exceeds the Hard Cap Limits.

Mr. Fischer reported on the retirement plans stating that all employees are required by law to participate in the Michigan Public School Employee Retirement System (MPSERS). Full-time administrators, professional staff and faculty have the option by law to elect to participate in an optional retirement plan (ORP) administered by TIAA-CREF. The chart on page 19 of the budget book includes three years of data for the retirement-employer contribution rate. In 2017-18, the defined contribution rate was in the range of 20.96 percent to 25.56 percent and for 2018-19 the range increases to 24.96 percent to 29.96 percent which the College must contribute to the employee's plan. The defined benefit range for 2017-18 is 25.21 percent to 27.31 percent and for 2018-19 range of 25.82 percent to 30.16 percent. The Hard Cap Rates increase for 2018-19 fiscal year by 3.4 percent for non-faculty and 5.16 percent for faculty.

General Fund Revenues – the percentage breakdown for revenues is, tuition and fees are now 30.8 percent, property taxes are 49.2 percent, and state appropriations are 19 percent.

On May 29, 2018, the DTE Electric Company filed petitions with the Michigan Tax Tribunal seeking a 58.2 percent reduction in the taxable value of the Monroe Power Plant and a 60 percent reduction in the taxable value of the Fermi 2 Power Plant. Mrs. Wetzel shared the potential impact on the College's tax revenues should a ruling be granted in favor of the DTE Electric Company's request. The general fund potential impact of taxable value is estimated at \$1,145,729 and the millage maintenance and replacement fund potential impact is estimated at \$446,852.

Expenses by category as a percentage of total – total wages and benefits are at 83.61 percent with the ACS state average of 78.7 percent and the Group 2 average at 76.19. The College crossed the 80 percent line in 2001.

Transfers from the general fund for the 2018-19 year into the M&R fund is \$500,000, monies set aside in case we have to pay back taxes, and \$700,000 in the unexpended plant fund for the HVAC payment.

Mr. Fischer summarized the three-year general fund budget forecast looking at different variables and how each one affects the College year over year. The three-year forecast is based on many assumptions, which include enrollment, tuition increases, property tax increases, state aid increases, salary increases, blended retirement rates for MPSERS and ORS, and health care hard cap increases. Should all of the assumptions be true, it is projected that revenues will be unfavorable to expenses in each of those three years. Data presented include what the ending fund balances would be after each year, minus the HVAC payments. The forecasting model allows the Business Office to project a financial situation if nothing is done, allows us to work with different strategies, and assists in the decision-making process while being fiscally responsible.

Unrestricted net position (reserves) – the working capital and contingencies at the end of 6/30/2018 projection is \$7,184,398 which includes the \$1,624,000 transfer that happened this fiscal year plus the \$1,000,000 projected revenues over expenses. During FY 2018-19, there is a reduction of \$1,000,000 due to the transfers going into two other different funds.

The technology fund is projected to have expenses greater than revenues thus using fund balance to cover the difference. The auxiliary activities, student loans, quasi-endowment are all holding steady. The maintenance and replacement fund grows an increase in fund balance due to the \$500,000 transfer from the general fund to potentially cover DTE tax refund. The millage maintenance and renovation fund includes funding for the east and west tech building project. There are no plans to borrow this year due to the funding coming in.

At the end of the FY 2016-17, the ending net pension liability was \$29,915,337 in the retirement designated fund. Projected for the FY 2017-18 is an additional liability of \$11,681,781. This is the College's proportional share of the MPSERS net pension liability and net OPEB liability.

The expenses planned in the designated fund are outlined on pages 44 through 46 in the budget book.

The auxiliary activities fund includes the bookstore, food service, and campus and community events. The \$32,000 in food service revenue is Pepsi and vending contracts and the \$21,450 in expenses includes capital outlay items needed in the kitchen. CCE revenue includes a \$10,000 infusion from The Foundation from their cultural enrichment endowment.

The unexpended plant fund is used to record the expenses for the HVAC project and the debt and loan payments. On May 22, 2018, the substantial completion paperwork was signed on the project. The total cost of the project was \$16,279,814.

The east and west technology building renovation project is to be completed in this fiscal year. Total cost of the project is \$9 million. The College's share/match is \$5.25 million. Currently, the project is in the design and development phase.

The maintenance and replacement fund revenue account is expecting a \$150,000 CTC pledge payment in the 2018-19 fiscal year. There is \$88,000 planned for the year in expenses, which includes three small projects – replace eight medical oxygen valves, replace salt garage door and drainage ditch cleaning. A transfer from the general fund of \$500,000 is budgeted for potential reimbursement of DTE tax revenue.

In addition to the east and west tech building project, there are a lot of other projects that will be happening throughout the year totaling \$3,178,250. The projects include roof restoration to the Student Services/Administration Building, architectural fees, phones and security consultant, new phone system, access control, security cameras, network electronics, cell phone repeaters, fiber optic loop, fire panel fiber connection, wireless network infrastructure upgrades, and emergency generators.

The endowment fund is used to account for gifts of which the principal may not be expended. Revenues from the sale of the College's Hurd Road property are held in this fund without restriction. A \$24,000 transfer was approved on March 27, 2017, to move the monies to the general fund to purchase a Dynamometer in the ASET Division.

Chair Dowler commented on an amazing job from Financial Services staff and appreciates the conservative nature and also appreciates the new three-year forecast model. Mrs. Wetzel thanked all involved in building the budget, it takes a team effort. President Quartey commended the team for the work they did.

The motion carried.

It was moved by Mr. Hill and supported by Mr. Mason that Policy 2.19, Management Salary Schedule, be revised as presented.

The motion carried.

It was moved by Mr. Mason and supported by Mrs. Kreps that Policy 8.08, Support Staff Salary Schedule, be revised as presented.

The motion carried.

It was moved by Mr. Hill and supported by Mr. Mason that Policy 11.00, Adjunct Faculty Salary Schedule, be revised as presented.

The motion carried.

It was moved by Mrs. Thayer and supported by Mrs. Kreps that Policy 11.01, Part-Time Support Staff Salary Schedule, be revised as presented.

The motion carried.

It was moved by Mr. Hill and supported by Mr. Mason that Policy 12.05, Professional Staff Salary Schedule, be revised as presented.

B.2.a.(11)

9.

The motion carried.

B.2.a.(12) 10. *It was moved by Mrs. Thayer and supported by Mrs. Kreps that Policy 2.24, Vacation Donation Program, Policy 8.32, Vacation Donation Program; and Policy 12.23, Vacation Donation Program, be adopted as presented.*

B.2.a.(13) 11. Molly McCutchan, Human Resources Director, presented a new Vacation Donation Program to the Board. The purpose of the program is to permit employees to donate paid vacation leave to a pool of employees to request to use as sick time for an extended leave when an illness or injury occurs.

The motion carried.

B.2.a.(14) 12. *It was moved by Mrs. Thayer and supported by Mr. Hill that the schedule of meetings of the Board of Trustees for the fiscal year 2018-19 be adopted as follows:*

B.2.a.(15) 13. *Time: 6:00 p.m.*
Place: Board of Trustees Room, Z-203
 La-Z-Boy Center*

**The April 22, 2019, meeting will be held at the MCCC Whitman Center, 7777 Lewis Avenue, Temperance, Michigan.*

B.2.a.(16) 14. *Monday, September 24, 2018 Monday, February 25, 2019*
Monday, October 29, 2018 Monday, March 25, 2019
Monday, November 26, 2018 Monday, April 22, 2019 (Whitman)
Monday, January 28, 2019 Monday, May 20, 2019
Monday, June 24, 2019.

The motion carried.

It was moved by Mrs. Kreps and supported by Mr. Bruck that the following individuals be designated to represent the Board before the Michigan Community College Association Board of Directors for the 2018-19.

B.2.a.(17) 15. *Trustee Director Mary Kay Thayer*
Alternate Trustee Director Aaron N. Mason
President Director Dr. Kojo A. Quartey

The motion carried.

President Quartey reported the following staff appointments, contract renewal and retirement:

1st Year Probationary Faculty Contract

Jenna Bazzell, Assistant Professor of English, effective August 20, 2018, to May 8, 2019 (replacing Terry Telfer)
 Peggy Jacob, Assistant Professor of Counseling, effective August 20, 2018, to May 8, 2019 (replacing Jill Denko)

2nd Year Probationary Faculty Appointment

B.2.a.(18) 16. *Mark Locher, Sr., Assistant Professor of Electronics & Electrical Technology, effective August 20, 2018, to May 8, 2019*
Michele Persin Toll, Assistant Professor of English, effective August 20, 2018, to May 8, 2019

Contract Renewal

Anthony Quinn, Director of Upward Bound, non-continuing contract, effective September 4, 2018, to September 3, 2019

Probationary Administrative Contract Renewals

C.3.a.(1) 17. *Dr. Ijaz Ahmed, Director of Respiratory Therapy, extension of first-year probationary contract, effective July 1, 2018, through June 30, 2019*
Kelly Heinzerling, Director of Purchasing and Auxiliary Services, extension of first-year probationary contract, effective July 1, 2018, through June 30, 2019

Retirement

Joyce Oestrike, Administrative Assistant to the Registrar, effective June 29, 2018

Suzanne Wetzel, Vice President of Administration/Treasurer, presented the Statement of General Fund Revenues and Expenses for the Period Ending May 31, 2018. As stated earlier in the budget presentation, it is projected that there will be \$1,000,000 revenues over expenses for the end of FY 2017-18 pending the audit results.

President Quartey summarized briefly his report to the Trustees, which he sent last week. After looking at the Fall enrollment, an enrollment triage group was formed. Last Saturday, the College had a “One Stop Registration” day with 59 students signing in for advising, which resulted in 43 student registrations and 41 tested students. Dr. Quartey mentioned the crops are doing well in the field between the College and the MCISD.

Dr. Randall Daniels, Vice President of Student and Information Systems, presented on behalf of Wendy Wysocki, Faculty Council Chair, stating that during the FY2017-18 the Faculty Council held six meetings. The Council heard presentations on the EAP program, standing committee change request, provided input on creating an honors program, developed the standard syllabi, took action and supported creating an annual schedule task force, elected additional GEC representatives, determined a curriculum committee chair and member term limits and approved a new assessment review form. The Council took action but did not support reviewing competencies and outcomes for critical thinking and they did not take action on approving a vote on general education competencies.

C.3.a.(2) 18.

Dr. Randall Daniels also reported on behalf of Wendy Wysocki, Governance Evaluation Committee Chair, sharing that the committee met once during the 2017-18 academic year. The main course of action was to go to the councils to ask for two additional voting members that would sit on the GEC. The committee also discussed developing material to provide an overview of the shared governance process for all current and new employees that may include brochures, PowerPoints, or by other visual forms that could be emailed and posted so that all employees would have easy access.

C.3.b.(1) 19.

Dr. Quartey requested that the Board meet in closed session in accordance with Section 8 (a) of the Michigan Open Meetings Act to consider a periodic personnel evaluation of, a public officer, employee, staff member, or individual agent, if the named person requests a closed hearing.

C.3.b.(2) 20.

It was moved by Mrs. Thayer and supported by Mrs. Kreps that Board go into closed session.

A roll call vote was taken as follows:

Yes [6] William T. Bruck, Lynette M. Dowler, Steven Hill, Marge Kreps, Aaron N. Mason, Mary Kay Thayer

No [0] None

C.3.b.(3) 21.

The Board moved into closed session at 8:10 p.m.

Open session resumed at 8:58 p.m.

Chair Dowler mentioned the upcoming events.

It was moved by Mrs. Thayer and supported by Mr. Hill that the meeting be adjourned.

C.4.b.(1) 22.

The motion carried and the meeting adjourned at 9:02 p.m.

Respectfully submitted,

Lynette M. Dowler
Chair

Aaron N. Mason
Secretary

