

**NORTHWESTERN MICHIGAN COLLEGE
BOARD OF TRUSTEES
MINUTES
Monday, May 11, 2017
at Founders Hall, 1701 E. Front Street**

CALL TO ORDER—Chair Kennard R. Weaver called the regular meeting to order at 3:03 p.m.

ROLL CALL

Trustees present: Douglas S. Bishop, Chris M. Bott, K. Ross Childs, Rachel Johnson, Kennard R. Weaver

Trustees absent: Marilyn Gordon Dresser, Michael Estes

Also present: President Timothy J. Nelson, Mary Burget, Vicki Cook, Marguerite Cotto, Joy Evans, Holly Gorton, Mark Liebling, Janet Lively, Todd Neibauer, Stephen Siciliano, Rebecca Teahen

REVIEW OF AGENDA—The agenda was accepted as presented, on a motion by Ross Childs, seconded by Chris Bott, with a unanimous vote.

ACTION ITEMS

Closed Session—Chris Bott made a motion, seconded by Doug Bishop, that the Board adjourn the open session and consider in closed session, as permitted by Section 8(h) of the Open Meetings Act, MCL 15.268, for consideration of a written legal memorandum prepared by the College's legal counsel, which is protected by the attorney-client privilege. The motion passed with the following roll call vote: Yes—Rachel Johnson, Ross Childs, Doug Bishop, Chris Bott, Kennard Weaver; No—none; and the meeting went into closed session at 3:05 p.m.

Reconvene Regular Meeting—Ross Childs made a motion, seconded by Rachel Johnson, to adjourn the closed session and reconvene the open session. The motion passed with the following roll call vote: Yes—Chris Bott, Ross Childs, Doug Bishop, Rachel Johnson, Kennard Weaver; No—none; and the regular open session reconvened at 3:39 p.m.

PUBLIC INPUT—There was no public input offered.

DISCUSSION ITEMS

FY18 Budget—Vicki Cook, Vice President of Finance and Administration, presented budget model assumptions that had changed since the previous budget report at the April Board meeting. She shared that property tax revenue projections were indicating a 3% change over fiscal year 2017 actuals, resulting in additional revenue of \$228,000. In response to a question at the April meeting, Cook provided a historical chart showing the impact of the Headlee Rollback Provision on property tax revenue.

Vice President Cook explained there was an overall decrease in contact hours of 4.76%, but Tier I and III tuition programs have projected increases which are offset by declines in Tier II and general categories. She reviewed tuition revenue information, including a comparison with other Michigan community colleges, Michigan universities, and in-district versus out-of-district rates. It was noted that NMC's out-of-state rates are less expensive than in-district rates of universities, providing a

great value for NMC students. A summary of cost allocation in comparison with our ACS Group average, along with the state average, was provided; and changes that have occurred in projected expenses for the FY18 budget were also reviewed.

The Board discussed five budget scenarios with potential revenue increases and expense reductions that would need to occur to present a balanced FY18 budget. Vice President Cook explained that Planning and Budget Council was reviewing fee structures with the consideration to wrap all student fees into one fee, versus several separate fees.

President Nelson shared that a potential expenditure savings could occur through a voluntary retirement incentive, and the Board was asked to consider a recommendation to negotiate and offer a voluntary retirement incentive to employees that meet the plan's criteria. The Board showed a consensus of support for the administration to move forward with the concept and bring back a retirement incentive proposal to the Board at their regular May Board meeting, that would then be negotiated with faculty. It was noted that the desire was for one plan to be used for faculty and staff.


It was pointed out that the FY18 potential personnel changes were not included in the presented budget scenarios 2-4, and the Board asked that those be included in scenarios, along with the various tuition rates, for comparison in the next set of budget materials for Board discussion.

REVIEW OF FOLLOW-UP REQUESTS—Confirmed requests made by the Board that require administrative follow-up for information to be provided to the Board at a later date.

ADJOURNMENT—The meeting adjourned at 4:56 p.m. on a motion by Chris Bott, seconded by Doug Bishop, by unanimous vote.

Recorded by Holly Gorton, Executive Assistant to the President and Board of Trustees.

SIGNED 
Kennard R. Weaver, Chair

ATTESTED 
Rachel A. Johnson, Secretary