Call to Order
Chair Duffy called the meeting to order at 2:04 PM

Finance committee members present: Ms. McCreary, Mr. Duffy, and Mr. Weiss

Trustees present: Mr. Duffy, Mr. Meyer, Mr. Weiss, Dr. Ollayos, Dr. Redmer, Ms. Rakow, Ms. McCreary and Student Trustee Ms. Flores.

ECC staff and others present: Dr. Sam, President, Ms. Konny, Dr. Heinrich, Ms. Scholl, Ms. Wons, Ms. Cook, Ms. Wagner, Ms. Schopen, Ms. Folden, Ms. Tait, Ms. Lucca, Dr. Mao, Dr. Thompson, Dr. Garber, Ms. Munson, Ms. Flahaven, Dr. Hatch, Mr. Kerr, Ms. Swanson, Ms. Webb, Mr. Eltzroth, Ms. Pang, and Ms. Amenta.

Sickich LLP: Mr. Lantz, Mr. Lyon, Mr. Krouse.

1. Approval of Meeting Minutes of the Finance Committee of May 7, 2018
   Chair Duffy called for motion to approve the May 7, 2018 minutes with the correction of Mr. Weiss listed twice.
   
   Motion: Trustee Weiss moved to approve the May 7, 2018 minutes with the correction.
   
   Second: Trustee McCreary seconded the motion.

2. Comprehensive Annual Financial Report (Audit Presentation)
   Mr. Krouse of Sikich, LLP presented the Single Audit Report explaining they audited the two major federal programs, the financial aid program and the TRiO cluster. They reviewed $14M out of $16M almost 87% of our federal fund transactions. As in the prior year, there were no findings.

   Mr. Lantz of Sikich, LLP presented the Comprehensive Annual Financial Report congratulating the college for preparing such a complete and detailed document which goes beyond the minimum requirements of generally accepted accounting principles. The college has been issued an unmodified opinion stating that the basic financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles. Mr. Lantz explained effects of the implementation of GASB Statement 75. The college’s share of the Retiree Health Insurance Liability is $41,293,273 which is now included in the college’s financial statements. He was pleased to share in reporting this expense, the college is still able to report a very positive net position. However, he cautioned if a future cost shift should occur and the college becomes responsible for the pension liability it would add an additional $313M and liabilities would exceed assets. Mr. Lantz confirmed that the college is transparent in financial reporting.
Mr. Lyon of Sikich, LLP presented the Auditors Communication to the Board of Trustees. He explained that no new accounting policies were adopted and the application of existing policies was not changed during the year, except for the implementation of GASB Statement No 75. They found no material weaknesses and no financial misstatements.

3. Internal Audit Report (Amy Folden)
Ms. Folden presented the Accounts Payable internal audit noting one small condition. Of the invoices that were tested, 2% were paid after the specified due dates because the due dates were 10 days after the invoice date. She considers this a minor exception and no late fees were charged on the late payment.

4. Lab Fees and Course Fees for Fiscal year 2020
Trustee Olayos inquired if there would be value to track the higher rate of student success with the removal of tutoring fees. Dr. Sam is of the opinion that this will have a positive long term impact on our students.

5. Proposed Property Tax Levy – Tax Year 2018
Ms. Scholl provides a draft of the proposed tax levy every year in October, and again in November. This is brought to the board early in case there are any requests for further analysis or the need for additional information that the board would like to have prior to the next meeting. This levy request is the same as it was in the prior year, with the understanding that we can receive an increase of the lesser of 5% or the Consumer Price Index (CPI). The CPI is 2.1%. Our levy request is always in excess of what we think we will receive to ensure we will capitalize on the 2.1% that is allotted to us.

Trustee Meyer stated that last year the board made a policy decision to pass a tax levy designed to extend only that amount which we extended the year before. He would like to examine the possibility of continuing with the same process and, if possible, abatement of a portion of the levy to the taxpayers again this year.

7. Audience wishing to address the committee
None

8. New Business
None

Adjournment
Chair Duffy called for adjournment of the meeting.

Motion: Trustee Weiss moved to adjourn
Second: Trustee McCreary seconded the motion
Chair Duffy adjourned the meeting at 3:22 PM.

John Duffy, Chair Finance Committee  Juline Smith, Recording Secretary