MINUTES OF FINANCE COMMITTEE MEETING OF
MAY 7, 2018

Call to Order
Chair Duffy called the meeting to order at 2:08 pm.

Finance committee members present: Mr. Duffy, Chair and Mr. Meyer
Committee members absent: Ms. McCready
The committee achieved a quorum with the arrival of Mr. Weiss at 2:10 pm.

Trustees present: Mr. Duffy, Mr. Meyer, Dr. Ollayos, Ms. Rakow, Dr. Redmer and Mr. Weiss.

Trustees absent: Ms. McCready, and Ms. Flores, Student Member of the Board.

ECC staff and others present: Dr. Sam, President, Dr. Heinrich, Ms. Scholl, Ms. Wons, Ms. Cook., Ms. Tait, Ms. Folden, Ms. Healy, Ms. Wagner, Ms. Lucca, Dr. Thompson, Ms. Webb, Ms. Pang, Ms. Flahaven, Ms. Schumacher, Dr. Garber, Dr. Miller, and Ms. Perrin.

1. Approval of Meeting Minutes of the Finance Committee of March 12, 2018
Chair Duffy called for motion to approve the March 12, 2018 minutes.

Motion: Trustee Meyer moved to approve the March 12, 2018 minutes.
Second: Trustee Weiss seconded the motion.
Voice vote: All aye by voice vote; motion passed.

2. Internal Audit Reports
Ms. Konny reported that we received the audit report and are awaiting the corrective action plan. Fred Lantz, from Sikich, the college’s auditor, will present the complete document at the next meeting.

3. Fiscal Year 2018 Budget Update
Ms. Konny stated that we have received all state revenue appropriated to the college for FY17. The state is current through April but owes the college for May and June.

4. Fiscal Year 2019 Preliminary Budget
Ms. Scholl reported the college is providing a balanced budget for FY19. This was achieved with the $3 per credit hour tuition increase, property tax revenue, which is expected to go up by 2.1%, and a request for $4.4M in operating revenue from the state. If we receive the $4.4M, she intends to transfer $2M to the capital projects fund for future repairs to equipment and buildings. However, if we do not receive the requested funds, we will have the ability to maintain normal operations.

5. College Insurance Program Liability – Funding Operations
Ms. Scholl is seeking the committee’s approval to transfer the surplus revenue from last year to fund the CIP Liability. This transfer would put us at about 25% funding of this liability, which will help with the rating agencies and reflect our fiscal responsibility. After some discussion, Trustee Meyer asked to see the actual proposal with a specific dollar amount for funding the CIP liability prior to a vote. Ms. Scholl will provide this information to the committee of the whole next month.
6. Fiscal Year 2019 Auxiliary Enterprise Operating Parameters
Ms. Scholl explained that the athletics department had some employees whose salaries and benefits were paid from the education fund rather than the athletics budget. This was corrected; salaries are now appropriately allocated to the athletics accounts. Although there have been no changes to staff, the salary and benefit lines have increased because of this correction.

The bookstore will continue subsidizing childcare and continuing education with 9% of their net sales. The food service department is slated to break even with a potential of a net income. Mr. Meyer remarked that the business plan for the childcare center seems to be going in the wrong direction; their expenses are growing. Ms. Konny reported enrollment in the childcare center is down. The state laws mandate staffing must be at a specific proportion of staff to students. There is an effort to generate more exposure for the childcare center to boost enrollment.

7. Report on Tax-Exempt Bond Record-Keeping Policy
Ms. Konny is required to provide this information to the committee annually. This policy states we maintain all necessary documentation. A review proves that there is no arbitrage rebate liability.

8. Fiscal Year 2019 Finance Committee Dates
Ms. Konny provides this scheduled annually.

9. Audience Wishing to Address the Committee
There were no audience members wishing to address the finance committee.

10. Old Business
None

11. New Business
None

Adjournment
Chair Duffy called for adjournment of the meeting.

Motion: Trustee Meyer moved to adjourn.
Second: Trustee Weiss seconded the motion.
Voice vote: All aye by voice vote; motion passed.

Chair Duffy adjourned the meeting at 2:45 pm.

John Duffy, Chair Finance Committee

Juline Smith, Recording Secretary