SCHOOLCRAFT COLLEGE

JC228 · 18600 Haggerty Rd · Livonia MI 48152-2696

Board of Trustees Special Meeting April 6, 2022 6:00p.m.

MINUTES

Members Present Dillon Breen, Brian Broderick, Joan Gebhardt, Brett Gierak, Terry Gilligan, Carol Strom

Members Absent

Bill Erwin

Call to Order for **Special Meeting**

Chair Gebhardt called the April Special Board Meeting to order at 6:02 p.m.

All members stood and took part in the Pledge of Allegiance.

Introduction of Guests

Ten guests were in attendance including: Brenda Leavens, Chelsea Willis, Laurie Kattuah-Snyder, Melissa Schultz, Michael Waldyke, Jerome Lavis, Stacy Whiddon, Dawn Magretta, Robert Machnee, and Jon Lamb.

Budget Workshop

Jon Lamb, Chief Financial Officer, presented to the Trustees the current budget situation of the College. The College budget consists of 4,474 lines spanning over 252 budgets with 56 budget managers.

Summary

- 1) The College recognized unprecedented enrollment growth from 2006 to 2011 growing from 224,501 credit hours to 296,071
- 2) Enrollment has slowly declined each year since, shrinking to 204,108 in 2020
- 3) COVID resulted in even greater loss of enrollment currently projecting 175.058 for the current fiscal year
 - a) The last time our enrollment was this level was 1999, with 339 FT staff, today we have 399 FT staff
 - b) Budget was \$53,500,000 increasing by raises, MPSERS & CPI factors/year would result in \$86.5M budget compared to our \$89.7M budget
 - c) HEERF has plugged the holes since the beginning of the pandemic
- 4) Projected Fiscal year 2023 budget metrics:
 - a) 7.90% year over year inflation for the 12 months ended February 2022
 - b) 3.48% average increase in tuition rates, 0% increase in fees, 2.54% true increase to tuition & fees
 - c) Estimated 3% increase in property tax revenues
 - d) Estimated 10% increase in state aid based on current Governor's executive budget recommendations
 - e) Results in \$3,460,000 increase to revenue budget
- 5) Based on these projections, with a 1% increase in enrollment, budget will be underwater by \$3.7 million

- a) One-time state funding to support infrastructure, technology, equipment, or maintenance needs based on FYES, estimated at \$3.3 million
- b) One-time state funding at 5% of state operations aid, estimated at \$714.000
- c) Development component unit net cash flows projected at \$2.6 million in 2023
- 6) Assuming no one-time funding vehicles received, we would need a 13% increase in enrollment with tuition & fee increases, or approximately 200,000 credit hours

			GEI	NERAL FU	ND					
		REV	ENUE S	SUMMARY	- Bu	DGET				
			PROPOSED	DOLCRAFT COLLE GENERAL FUND CAL YEAR 2022-2:	BUDGET					
			REV	VENUE SUMMAR	1					
REVENUE SOURCES	BUDGET 2017-18	BUDGET 2018-19		BUDGET 2019-20		BUDGET 2020-21	_	BUDGET 2021-22		BUDGET 2022-23
PROPERTY TAXES	\$ 23,500,626	\$ 24,096,7	85	\$ 32,629,673		\$ 33,664,838		\$ 35,370,401		\$ 36,822,5
STATE APPROPRIATION	13,725,047	14,255,7	51	13,972,008		14,205,943		15,415,438		17,041,2
TUITION AND FEES	40,841,162	39,889,0		39,614,139		40,563,332		37,662,588		38,068,0
TRANSFER FROM BOOKSTORE	500,000	250,0		250,000		250,000		-		-
OTHER SOURCES	1,143,460	1,340,5	00_	1,476,500		1,476,500	-	1,248,690		1,225,8
TOTAL REVENUE	\$ 79,710,295	0.15% \$ 79,832,	.03 10.16%	\$ 87,942,320	2.52%	\$ 90,160,613	-0.51%	\$ 89,697,117	3.86%	\$ 93,157,6

Proposed Tuition & Fees																											
	SCHOOLCRAFT COLLEGE																										
	PROPOSED TUITION AND FEE INCREASES - GENERAL FUND BUDGET																										
	FISCAL YEARS 2021-22 & 2022-23																										
	FY 2	013-14		FY 2014-1	.5	FY 2015-16			FY 2016-17		FY 2017-18				FY 2018-19			FY 2019-20	FY 2020-21			FY 2021-22				FY 20	022-23
TUITION RATES					_										_								_				
Resident	\$	90	3.33%	\$ 9	3	3.23%	\$ 96	6.25%	\$	102	5.88%	\$	108	6.48%	\$	115	2.61%	\$ 118.0	4.24%	\$	123	2.44%	\$	126.00	3.97%	S	131
Non-Resident		131	3.05%	13	5	2.95%	139	6.47%		148	6.08%		157	5.73%			3.01%		3.51%		177	2.82%	\$	182.00	3.30%		188
Out-Of-State		195	2.05%	19	9	3.02%	205	6.34%		218	5.96%		231	6.06%			2.86%		3.17%		260	0.77%		262.00	1.15%		265
International		195	2.05%	19	9	3.02%	205	6.34%		218	5.96%		231	6.06%		245	2.86%	\$ 252.0	3.17%		260	0.77%	\$	262.00	1.15%		265
Average Increase			2.52%			3.05%		6.35%			5.97%			6.08%			2.83%		3.52%			2.60%			3.48%	٠	
FEE RATES																											
Registration Fee	\$	40		\$ 4	2		\$ 42		S	43		\$	43		\$	43		\$ 4	3	\$	43		\$	43		S	43
Inst'l Equipment Fee		7			8		8			9			9			9		1)		10			10			10
Service Fee		5			6		6			7			7			7					8			8			8
Infrastructure Fee		-			6		6			7			7			7			3		8			8			8
		73.16%	% of Tuit	ion & Fees	ealiz	ted from 1	Tuition																				
		26.84%	% of Tuit	ion & Fees	ealiz	ed from I	ees																				
		2 404	or Daise :	a Tuikiaa D																							
	3.49% % Balas in Tuillian Flates 0.00% % Balas in Tuillian Flates																										
				se in Tuitio			-																				
				se in Fee Re		_				_																	
		2.54%	Irue Incr	ease to Tur	tion &	& Fees in	Total, which i	s less tha	n CPI/In	ntlation																	
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Dr. Glenn Cerny presented to the Board an overview of the College's Strategic initiatives for the 2022-2023 fiscal year. He also presented possible funding opportunities that could materialize in the next six months to a year.

Joan Gebhardt, Chair

Dr. Cerny commented that the component units form an outer ring that financially support the mission of the College and provide a reoccurring funding source.

Dr. Cerny finished by presenting the House Fiscal Agency's Community College Operations Appropriation of the Governor's Recommendations.

Comments from the Audience

Robert Machnee commented it was very impressive.

Dr. Laurie Kattuah-Snyder requested a digital copy of the presentation.

Comments from the Trustees

Chair Gebhardt stated that she knew that she spoke on behalf of all of the Trustees in thanking Jon Lamb, Dr. Glenn Cerny, and their entire staff for the work that went into this process.

Adjournment Chair Gebhar

Chair Gebhardt adjourned the meeting at 7:02 p.m.

Elizabeth LaForest, Associate Secretary

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SCHOOLCRAFT COLLEGE 18600 Haggerty Road, Livonia, Michigan 734-462-4467

CERTIFICATE

I hereby certify that the attached is a true copy of the approved minutes of the Regular Board meeting held on the 6th day of April, 2022, and that said minutes have been available for public inspection at the address designated on the posted public notice of said meeting from and after the 27th day of April, 2022.

Elizabeth LaForest, Associate Secretary

Board of Trustees