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**Delta College
Board of Trustees
Dinner Meeting**

Virtually via Zoom (1-929-205-6099 Webinar ID: 894 7513 1400)

**Held virtually in accordance with Public Act 254 of 2020 due to the COVID-19 Pandemic
(Due to declaration of a Local State of Emergency by the Bay County Executive on April 6, 2021 and
Bay County Board of Commissioners resolution No. 2021-59 on April 13, 2021, extending the Local
Emergency Order for a three month period to expire on July 13, 2021.)
May 11, 2021**

Board Present: M. Benecke, A. Buckley, R. Emrich, S. Gannon, D. Middleton, M. Nash, M. Rowley, M. Thomas

Board Absent: A. Baldwin

Others Present: D. Allen, N. Bovid, T. Brown, J. Carroll, P. Clark, A. Cramer, M. Crawmer, R. Curry, C. Curtis, S. DuFresne, A. Elias, P. Fox, J. Garn, J. Goodnow, L. Govitz, S. Harrison, D. McQuiston, S. Raube, K. Rishe, E. Roth, K. Schuler, S. Shinkel, A. Ursuy

Press Present: None

Board Chair, M. Nash read a meeting overview at 6:32 pm.

“Good evening,

This evening we will begin with our “dinner” informational meeting.

The Board is authorized to hold this virtual meeting with participation through the Zoom platform in compliance with the Michigan Open Meetings Act as amended (Public Act 254 of 2020) which permits a public body to meet by electronic or telephonic means upon declaration of a local state of emergency if meeting in person would place at risk the personal health or safety of members of the public or members of the public body. On April 6, 2021, the County Executive of Bay County declared a Local State of Emergency. On April 13, 2021, the Bay County Board of Commissioners issued resolution No. 2021-59, extending the Local Emergency Order for a three-month period to expire on July 13, 2021.

Sarah DuFresne will be presenting a budget workshop this evening.

For those joining us today, we want to ensure everyone can hear the board meeting. To minimize audio feedback, we ask all virtual participants NOT to use any speakerphone options.

For those of you who plan to join us for our 7:00 p.m. Regular Board Meeting, we will use the same link for this meeting as well.

Our Board Secretary, Andrea Ursuy, will take attendance immediately after I call this informational meeting to order. When she calls your name, please say “here” and announce the

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city, township, or village; county; and state from which you are attending the meeting remotely.”

Board Chair, M. Nash called the meeting to order at 6:33 pm.

Board Secretary A. Ursuy took attendance. Each Trustee indicated their presence, township or city, and county in Michigan from which they were participating in this meeting.

A. Baldwin – Absent

M. Benecke – Present, Frankenlust Township, Bay County

A. Buckley – Present, City of Midland, Midland County

R. Emrich – Present, Saginaw Township, Saginaw County

S. Gannon – Present, Jerome Township, Midland County

D. Middleton – Present, Williams Township, Bay County

M. Nash – Present, Larkin Township, Midland County

M. Rowley – Present, Hampton Township, Bay County

M. Thomas – Present, Saginaw Township, Saginaw County

Board Chair, M. Nash turned the meeting over to Sarah DuFresne, Vice President of Business and Finance who presented the Budget Plan Updates for 2021-2022.

S. DuFresne noted that due to the COVID-19 Pandemic uncertainty still remains. She noted that in moving forward we must continue to focus on the following:

- serving and supporting students;
- supporting the needs of our employees as well as adapting to change;
- maintaining our health and safety standards;
- preparing for significant challenges ahead of us, and;
- remaining flexible and navigating through uncertainty.

Delta College received a state funding cut of \$1.7 million at the end of the 2019-2020 fiscal year. For 2020-2021, the State did not carry forward the funding cut. Our state appropriations were restored to the original 2019-2020 level, but with no increase.

S. DuFresne shared the proposed funding models for 2021-2022 from the Governor, House and Senate for community colleges. The Governor is proposing a one-time increase in state funding ranging from 1.4% to 2.7%, resulting in a possible \$300,000 increase for Delta. The house is proposing anywhere from a negative 14.1% increase to a positive 10.6% increase, resulting in a possible \$1.4 million increase for Delta. The Senate is proposing a 0% increase for community colleges. The Governor and Senate are proposing using the Performance Funding Formula while the House is proposing a “Per Pupil” Formula. The Governor and Senate are both proposing a tuition constraint of a 4.2% increase, the House has proposed no tuition constraint.

S. DuFresne updated the Board on various grant money that has been awarded due to COVID. Through the CARES (Coronavirus Aid, Relief, and Economic Security) Act, Delta has awarded over \$5.5 million. Grant dollars have been 100% expended with \$2.5 million already awarded to Delta students as direct support, \$2.5 million awarded for institutional support, and \$500,000 to strengthen institutional programs.

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Through the CRRSAA (Coronavirus Response and Relief Supplemental Appropriations Act), Delta has awarded over \$10.6 million. \$2.5 million has been provided to Delta students as direct support with 95% awarded. Additional spending is dependent on approval from the U.S. Department of Education.

S. DuFresne shared with the Board the budget assumptions for 2021-2022. This includes a 1% (\$150,000) increase in state aid, a 1.4% (\$321,000) increase in property taxes and (-\$600,000) net reduction in revenue for tuition and fees due mostly to the elimination of the online course fee. On the expense side there is a proposed 0% compensation increase, estimated savings from Blue Cross Blue Shield and an increase of 0.5% to 32.54% on salaries and wages for retirement. In regards to supplies, capital outlay and professional development there are identified needs aligned with the strategic plan as well as areas of savings. Total estimated revenues are \$67,720,000 and total estimated expenditures are \$67,470,000, resulting in revenue over expenditures of \$250,000. There are still many unknowns and we will continue to work on modifying the assumptions while maintaining our 10% fund balance savings.

Some of the challenges that we will face include recovery from COVID-19 and predicting enrollment numbers; national census data showing a population decline of people aged 16-65 years for the next 10 years in our region; state funding uncertainty for Future for Frontlines and Michigan Reconnect Scholarship Programs; and large variances in funding proposals in predicting revenue from the State. Our next steps include continuing to modify the budget assumption as more information becomes available; continue to work with state legislators to have a community college funding bill that retains the funding levels; and a balanced budget to be presented in June.

There being no further business, the dinner meeting was adjourned at 7:07 pm.

Talisa Brown, Assistant Board Secretary

Andrea Ursuy, Board Secretary