

College of Eastern Idaho
Board of Trustees Finance Committee
Meeting Minutes
August 6th, 2020 – 3:30PM

Present:

Carrie Scheid, Board of Trustees Treasurer, Chair
Becky Holzemer
Aaron Johnson
Ken Taylor
Lyndsay Goody
Mary Lynn Hartwell
Byron Miles, ex-officio

Guests:

Park Price, Board of Trustees Chair
Don Bourne
Malcolm Guess
Cal Ozaki

Chairman Scheid called the meeting to order at 3:33PM.

No public comment

1. Approval of Agenda and Minutes

- a. **M/S Johnson/Holzemer to approve the august meeting agenda. Motion passes unanimously.**
- b. **M/S Holzemer/Johnson, to approve the July minutes with changes. Motion passes unanimously.**

2. Review of June Financials, Cash Balance, and Other

- a. Bourne reviewed the June Financials with the Committee. We are working on closing the books for FY20, very close to wrapping everything up.
- b. The General Funds Budget ended up in good shape – ended up with 97% of the budgeted revenue due to having to send some money back to the State and tuition coming in lower than budgeted. Expenses ended at 88% so we are positive for the year.
- c. Discussion about the LGIP funds investment fund generating more money than budgeted for.
 - i. We did not put money into the reserves due to the Board not wanting to put them into the reserves, so it is sitting in the fund balance.
- d. Other funds budget, 73% on projected revenues and it equaled in expenses (73%). Discussion of the unexpended fund balance from the one-time allocation from becoming CEI.
- e. WTCE-expenses were more than revenue; they were hit the hardest due to COVID-19, but they are still in relatively decent shape (60k loss).
- f. Bank balance – Bourne reviewed the accounts with the Committee. The balances will go up in July due to appropriation for CTE. Questions about appropriations and property taxes (property taxes were accrued – 414,000 accrued back to FY20). Discussion about different monies that should be coming in soon.
- g. Discussion of the wording on some of the worksheet (balance sheet); continued conversation about layout and how the form is designed.
- h. Bourne shared the Balance Sheet for the quarter; he reviewed it with the Committee. He reviewed the line items in comparison to the previous year.
- i. **M/S Taylor/Holzemer to recommend to the Board of Trustees that they accept the June Financials and the Bank Balance Report and Balance Sheet. Motion passes unanimously.**

3. Review Tuition Analysis

- a. Miles introduced the topic of tuition and fee costs for CEI. He provided an explanation of what the actual tuition and fees breakdown to (tuition being roughly \$104 and the other \$25 going to other accounts for IT, Facilities, etc.).
- b. This conversation needs to start due to the timeline of how long it takes changes to take place. We need to consider where we may be in the next two years due to holdbacks with the State Allocation and our budget becoming more restricted. Since we want to encourage the growth of the College, we need to look at all the sources of revenue; State Appropriation, Property Taxes, and Tuition. Tuition revenue is the only revenue that CEI has any control over.
 - i. If the Board chooses to increase tuition and fees, we have to make sure to do it a timely manner for it to be published in the catalogs and reported to the state.
- c. Byron reviewed with the Committee three different scenarios of tuition fee increase. We are not recommending anything at this moment, but we want to introduce this discussion for the Board and for them to consider a tuition increase.
- d. Discussion about why this needs to be a conversation and clarification of when this would take affect (FY22, School Year 21-22). Long conversation regarding other sources of revenues, use of reserves and other considerations, concerns for long-term growth, campus capacity, etc. Each person attending the meeting provided their perspective and input regarding what they would recommend the school consider.

4. Property Tax L2 Form

- a. Miles reviewed the L2 form with the Committee, the allowed increase we are allowed to take with property taxes (3%) and the estimate of new construction evaluation for property tax. This follows this pattern every year; it is a slow growth for revenue. These numbers are prepared by the county.
- b. Discussion about the L2 and clarification provided on line items and the levy for CEI.

5. Audit Update

- a. Bourne provided an update on the interim audit; we have not heard anything from that. We are expecting them on this coming Monday (August 10-14) to do the final audit. We are currently ahead of schedule and have posted most things to our general ledger ready for review. Question about when we should expect the final review – we should expect things done in September.

6. Capital Improvement Projects

- a. Byron provided an update on projects (DPW and others) - No major updates from the last time we reported. Roofs (lots of talk, no action), irrigation projection (funded, lots of talk, no major action), sidewalk (little bits at a time, it is deteriorating significantly), parking lot resealed and restriped (it looks great; you can see where to park now). Maintenance crew is doing their best with preventative projects and routine projects; we need to hire more people to keep up with the needed manpower.
 - i. We were approved for building 6 for the roof and HVAC to upgrade it.

7. New Business

- a. none

The meeting concluded at 4:49PM – The next Committee meeting will be held on August 6th, 2020 at 3:30 PM via Zoom Conference Call / in Building 3 room 310A.