

College of Eastern Idaho
Board of Trustees Finance Committee
Meeting Minutes
June 23rd, 2022

Present:

Cal Ozaki, Board of Trustees Treasurer, Chair
Lyndsay Goody
Ken Taylor
Becky Holzemer
Mary Lynn Hartwell
Byron Miles, ex-officio, VP of Finance & Admin

Guests:

Rick Aman, President
Malcolm Guess, Assistant Controller
Dustin Nielson, Budget Director
Park Price, Board of Trustees Chairman

Absent:

Aaron Johnson

Chairman Ozaki called the meeting to order at 3:32 PM.

PUBLIC COMMENT

There was no public comment

APPROVAL OF AGENDA

M/S Taylor/Holzemer to approve the June meeting agenda. *Motion passes unanimously.*

APPROVAL OF MINUTES

M/S Holzemer/Hartwell to approve the May minutes. *Motion passes unanimously.*

DISCUSSION OF MAY FINANCIALS

Miles presented the May Financials to the Committee. Starting with the *General Fund*, we have 97% of our projected budget. There was a question on when the numbers are drawn for the presented documents; the presented numbers reflect only the financials up to the end of May. We account for the accruals that date back to May but have not been received until June, hence the document is dated mid-June for when it was created.

The areas where we are waiting for money to be posted are the State liquor funds, and property taxes, due to the timing of receiving those funds. Regarding expenses, we calculate how much of the year has elapsed (92%), and compare it to how much we have spent – we have spent 83% of our budget, indicating we are headed towards a surplus. This surplus is mainly due to salary savings that come from vacant positions on campus. We must anticipate that these positions will eventually be filled, so the budget must account for them. This surplus is made up of one-time funds, and cannot be expected every year; with these funds we do have the option to purchase one-time items, or roll the funds into the general fund balance.

Moving on to the *Other Funds Budget*: the first fund of *Fund 15 – Course Fees*; Miles provided a brief explanation of what it is; currently it has brought in 78% of its budgeted revenues, and has expended 56%. We continue to remind the departments in charge of expending these funds to start using the funds them before the year end. *Fund 35 – Grants*; Miles explained these are State and Federal Grants (CCR, Job Corp, CTE). 125% of its budgeted revenues have been received, and we have expended a total of 148% of the budgeted revenue. We must spend the money first, and then claim back the money, so the expenditures will lead the revenues all

year. At this point, Miles pointed out how it is difficult to accurately project this particular fund budget. It is hard to determine what additional grants we may receive during the year. After a lengthy discussion of grants in relation to preparing budgets, the Committee would still like to see the grants presented each month, but with more descriptions provided to know more about what grants we are receiving. *Fund 36- Unrestricted*; this is where the HEERF funds for COVID are located. Brief explanation of other accounts that fall into this fund too. We have received 77% of our expected budget, and have expended 79% of that budget. *Fund 92- Allocated Student Fees*; these are the 'fees' part of 'Tuition and Fees' for our students; these fees are allocated to different activities on campus such as IT, ERP, scholarships, parking, and student government & clubs. We have collected 93% of the budgeted revenues, and have expended 55% of the budgeted expenses. It is not unusual for funds to carry over to the next year in this account. To note, this is where the new, additional fee from 'Tuition & Fees' will be placed.

Miles reviewed the *WTCE Budget*; they have brought in 87% of their budgeted revenue, and only expended 85% of their budget. They are in good shape regarding their budget. They are \$82K ahead, and while this isn't a significant amount of revenue, they have managed their expenses well, and still have made out ahead. We are hoping to see a continuing increase as relationships are built with different community partners, and programs are created and expanded.

Miles then reviewed the traditional Bank Balance Report of where the College currently has its funds. This report shows our current operating funds, the funds in the LGIP, and other accounts. It was requested to add an additional column to this report to show what the net adjusted cash balance is for each month. Miles then reviewed the Cash Availability Report. There was a discussion on what should be the goal amount for unencumbered cash available to the College.

M/S Hartwell/Holzemer, to approve the May financial report. Motion passes unanimously.

OVERVIEW OF FY23 BUDGET

Dustin Nielson, Budget Director of CEI, started the overview of the FY 2023 budget by explaining the differences between the preliminary budget reviewed last month, and the document presented before them. Adjustments have been made based on the discussion that took place in the previous meeting, and recommendations from the Board of Trustees. Nielson went through the process of how the numbers were projected, the process of cutting additional expenses, and overall, the extensive nature of trying to create a balanced budget for the next year. This budget has gone through an intensive development process as we continue to review expenses.

Under Operating Expenses, we are experiencing high inflationary rates right now, yet we have not increased our operating expenses to reflect that; we are absorbing any inflationary costs in our current budget. We were able to decrease Operating Expenses due to the fee increase passed by the Board of Trustees for \$11 per credit hour. There was a lengthy discussion on the layout of the budget, and how to display the new fee and make sure it is budgeted properly.

Moving onto the WTCE budget, this budget was not ready during the preliminary budget review, and this is the first presentation of it to the Committee. Questions about the projected revenue for the next year, who pays for certain expenses for the YTC building, and changes recommended to the layout.

M/S Taylor/Hartwell, to approve the FY 2023 Budget as amended. Motion passes unanimously.

UPDATE ON FUTURE TECH / CAMPUS

President Aman updated the Committee on the progress of Future Tech fundraising. Ann Marie Peters was able to secure several pledges of donations/grants for a total of \$130K last week! There are a lot of great things going on around the College; we are up approximately 6% for enrollment compared to last Fall.

ADJOURNMENT

The meeting concluded at 4:58PM – The next Committee meeting will be held on August 18th, 2022, at 3:30 PM via Zoom Conference Call/ in Building 3 room 310A.