

**RANGELY JUNIOR COLLEGE DISTRICT
BOARD OF TRUSTEES**

Regular Session
Johnson Banquet Room
Monday, February 13, 2017
12 noon

PRESENT

Board of Trustees: Teri Wilczek, Peggy Rector, Ann Brady, and Ken Parsons

Board Members Absent: Sam Tolley

President's Cabinet Members: Ron Granger, Holly Boomer, and Scott Rust
Others Present: Roger Ficken, Facilities Director; Colleen Kenney, Accounting Coordinator; Michael Melneck, Grant Writer; Linda Gordon, RJCD Budget Officer; and Becky Dubbert, Recorder

1.0 Call Meeting to Order:

Regular Session was called to order by Teri Wilczek at 12:14 p.m.

- 1.1 Changes to the Agenda—Teri Wilczek added Budget Adjustment with Scott Rust to 3.2 New Business below after Rust asked to be added to the Agenda to go over Budget adjustments.

2.0 Consideration of Previous Minutes

- 2.1 Approval of the Monday, January 9, 2017, RJCD Regular Board Meeting Minutes.

A motion was made by Ann Brady and seconded by Ken Parsons that the RJCD Board of Trustees approve the January 9, 2017 Board meeting minutes with the correction of typos. Peggy Rector abstained. Motion carried.

3.0 Action/Discussion Items

- 3.1 Old Business

- 3.2 New Business

a. 2016-17 Budget Adjustment—Scott Rust distributed an RJCD 2016/2017 Adjusted budget spreadsheet which included December 2016 actual bills and projected faculty accruals. The biggest adjustments came from Operational/Program Support where NPS was down a couple of faculty members, but under Equine program support, \$67,599 was added for Meghan Munter with the Ag program. Rust explained that there was a reduction in maintenance/facilities budget in the Capital/Maintenance Fund as he noted that the facilities budget would pull funds from the General fund to pay for custodians—David Jordan and Shirley Kell. Ann Brady recommended that CNCC not put more staff in this area, but put any new staff in the General fund. If any cuts are made to the next two budget cycles, salaries would need to come out of the general budget not Capital/Maintenance fund.

Scott Rust explained that as he prepared next year's CNCC budget he realized there would be decreases in assessed valuation monies so he knows cuts will need to be made. He said that CNCC's goal was to shore up for next year since they knew there were decreases coming. CNCC's goal for this year is to get to \$500,000 in reserves so there can be at a \$500,000 surplus for next year and not so much would need to be cut. Ron Granger explained that there was still a minimum the college needed to keep in reserves as per State System mandates. The subject of the previous energy audit came up and how the promised upgrade was not paying for itself. Ron Granger said he hoped to have the CNCC Budget ready next month, but he may come back and ask the Board for help. Rust said that he wanted to come back to the Board with a budget for next year that complies with the original intent that the mil levies were passed with.

Rust explained that his adjustments for salaries would not show up in the Board's budget. Linda Gordon explained that when salaries are moved within a budget it causes a need for journal entries. Journal entries throughout the audit process cause a red flag.

Scott Rust explained that he was not sure how it was done in the past. But typically as the revenues come in, a lump-sum check is cut and as you spent it down monthly. A report is submitted monthly on how the money was spent for accountability purposes. The mass amount of journal entries probably happened at year-end when a Controller saw the year-end reports and realized they had not spent any of the Board money. So in June the Controller created journal entries for all the salaries back over so they could bill the Board.

Granger explained that CNCC needed to pull salaries away from the Board and put salaries into the general fund and get to a better system. He said research on how CNCC can utilize the funds from the Board and do it the proper way is necessary. Granger said that the CNCC budget had become too complicated and so the plan is to simplify the budget so everyone understands it. Rust said he was hoping to present the budget in a more palatable way.

Granger went on to explain that RJCD has a reserve, Moffat County has a reserve, and our general fund also has a reserve. CNCC can't include the Boards reserves into our total reserves that the State is looking at. They are only looking at what CNCC has in reserves as a college. The system is requiring that the college always has \$1 million dollars (6%) in its reserve. If the college does not spend all the Board reserves, it then has to spend out of its \$1 million reserve.

Both Holly Boomer and Peggy Rector expressed their appreciation for the finance and accounting attention directed at finalizing the budget. Boomer added that since she came on staff at CNCC she was pleased with Ron Granger's finance background and Scott Rust's attention to cleaning up the budget.

Michael Melneck asked Linda Gordon about the timeline for CCITF funding? Gordon explained that for CCITF, you have to include any type of construction in your budget. CNCC puts the full amount needed under the Capital/Maintenance Fund, and then in August the RJCD presents the CCITF paperwork. For example, say CNCC anticipates that a targeted construction project will cost \$50,000, so the college comes up with \$25,000 and you request the other \$25,000 from a CCITF grant. If CCITF says "yes" to the request then you can proceed. If they say "no" to the request; the college would have to decide if it would proceed on the construction without any additional funding. Gordon emphasized that in order for any of the CCITF grant funding to work it has to be planned in your CNCC budget that starts on July 1st, and it has to be approved by the RJCD Board because the full amount has to come out of the RJCD budget.

4.0 CNCC President's Report

- Ron Granger reported that he just received the enrollment numbers from the system, and we are slightly down for the spring semester. Only four of the colleges throughout the system are showing an increase, however, we still need to work on getting our enrollment numbers up for next year.
- Granger reported that CNCC had reached the end of the 5-year period set to raise average faculty salaries up to be competitive. He mentioned that average faculty salaries were now higher in all rural schools. He was not sure what the System will require for raises this year.
- Granger and Cabinet were working diligently on the budget to make sure that with deep cuts this year that they get to a balanced budget.
- Holly Boomer liked the fact that CNCC's vice presidents are very involved with the State System as they share all the good things CNCC is doing.
- Boomer gave the example of the CNCC Newsletter which was informing CNCC about activities taking place at the college each month.

- Granger reported on his meeting with the Herald Times editor and their hopes to feature CNCC a lot more. This is important because CNCC news releases go to the System and then around the state.
- Ann Brady requested that as part of the monthly RJCD Board packets, a report on CNCC staff new hires and also on staff members who have left the college be included. She said the Board should have these monthly updates on the CNCC staff.
- Peggy Rector reported that she attended the Rangely Chamber Crab Crack on Saturday, February 11, 2017 and there was a tremendous turn-out for the Chamber. She expressed her concerns about the Colorado Room reservation process, and suggested that a standard amount for seating in the room be established for all entities requesting its use.

5.0 Payment of RJCD Bills

Linda Gordon presented the following checks for payment—one to CNCC \$\$174,493.47 for December 2016 operating, one to CNCC \$36,975.50 for December 2016 Capital/Maintenance and one to Linda Gordon \$1,600.00 January 2017 contract and one to Linda Gordon to reimburse for Board lunch and office supplies for \$111.87. A motion was made by Ann Brady and seconded by Peggy Rector that the Board approve the checks presented by Linda Gordon as written. Motion carried.

6.0 Other

7.0 Adjournment

A motion was made by Teri Wilczek to adjourn the meeting at 1:30 p.m. Motion carried.