

APPROVED MINUTES OF INFORMATION SESSION OF THE BOARD OF TRUSTEES OF THE COMMUNITY
COLLEGE DISTRICT OF THE COUNTY OF MACOMB

An open information session of the Board of Trustees of the Community College District of the County of Macomb was held Wednesday, June 21, 2017 at 6:00 p.m., in Room 109 of the University Center, Professional Development Center, Center Campus, 44575 Garfield Road, Clinton Township, Michigan.

1.0 CALL TO ORDER

The meeting was called to order by Chairperson Haase at 6:02 p.m.

2.0 ROLL CALL

Present: Jennifer Haase, Chairperson
Frank Cusumano, Vice Chairperson
Katherine Lorenzo, Secretary
Kristi Dean, Trustee
Joseph DeSantis, Trustee
Vincent Viviano, Trustee

Absent: Roseanne DiMaria, Treasurer

Also present: James Jacobs, President
Elizabeth Argiri, Vice President, Business
Sharon Kowal, Executive Administrative Assistant to the President
Jill Thomas-Little, Vice President, Student Services
Gerri Lynn Pavone, Executive Director, Research and Planning
James Sawyer, Provost/Senior Vice President, Learning Unit
Casandra Ulbrich, Vice President, College Advancement & Community Relations
Hunter L. Wendt, General Counsel/Executive Director, College Police
Denise Williams, Vice President, Human Resources

3.0 APPROVAL OF AGENDA

MOTION by Viviano, supported by Cusumano, to approve the agenda as presented.

Motion carried.

4.0 AUDIENCE PARTICIPATION

None.

5.0 REVIEW OF AGENDA ITEMS AND MATERIAL

Dr. Jacobs stated our committees have done great work in terms of hiring replacements for many positions. Tonight we have eight people coming before you. In the past with one or two hires we looked at each one separately. Due to the number of hires a suggestion would be to look at all one motion and then they would be introduced separately. Trustee Haase said if someone made the motion for all eight people and then they would go to roll call and she would call off their names individually to be introduced. Any discussion? Trustee Dean asked if the people were all new hires. Dr. Jacobs said they are all replacements but many of them have been at the College for a while. Trustee Dean asked if any are new to the College. Ms. Williams said three of the faculty are new and one of the administrators.

Trustee Haase said she thought we could do the same for the four emeritus because we have such a large agenda tonight. Trustee Cusumano has a concern about the bundling of any agenda item or in this case personnel, because in the event someone wanted to vote in opposition to an individual they'd have to make a motion to break it apart. Trustee Haase asked if he would vote to have them separate. Trustee Cusumano said he is not in a position to say one way or the other on tonight's particular package. But as a matter of policy, he has been against it for quite some time. How much time will it save, reading the name and asking for a motion?

Trustee Haase stated there would have to be a roll call for every person. If we are efficient in this meeting she doesn't think it would as big an issue, but if this meeting were to run over, and then we had to do that it would take longer. Dr. Jacobs made the suggestion of revisiting it and if someone has an objection we can readdress it. Trustee Haase said think about it and before we adjourn the meeting we can go back to it and decide how we want to proceed. She is fine with either way as long we stay on time for the next meeting. Trustee Cusumano said he would suggest then there would be a motion to amend the agenda for the combination for all of the personnel items and if there is support and that passes then we go ahead.

Dr. Jacobs thanked everyone who came on June 8. It was a very nice event.

Dr. Jacobs said the Foundation received an award from the Council for Advancement and Support of Education (CASE) as one of the outstanding Foundations among community colleges. That's a nice tribute to the work that Dr. Ulbrich and Dawn Magretta have done.

Dr. Jacobs stated that Lansing is close to a budget. The Governor has not signed it. It looks like a one percent increase with the personal property tax reimbursement. Ms. Argiri, Vice President for Business said it may not look that way in the budget. Dr. Jacobs added that another part we are going to have to watch closely is the question of the retirement law. The details have not been spelled out yet so we have to hold on that.

6.0 ISSUE AND UPDATES

6.1 Millage Report

Dr. Jacobs stated that this is an informational report to start the discussion of a number of different options that can be pursued regarding the millage. The context for this report is in the year 2020 the operating millage of this College is up. So we have to prepare to decide when to go for the millage and what rate. Administration has talked about this but we really want to hear from you. This is based on your level of comfort as the elected representatives of the county on how to do this.

Dr. Sawyer said what we hope to do tonight is to lay a foundation to give the Board an opportunity to think about the millage and present a couple options for you to consider. These are not without risk. The millage is obviously a big deal for us. The property tax revenue for this year's budget is 26% of our budget. The voters approved in 2000 a rate of 1.464 and as a result of the Headlee legislation that rate has been reduced. The result is we have a lower rate being charged and it ends up being less revenue coming into the College. We all aspire to keep tuition as reasonable as possible. However we are known to be a high-quality institution and to provide the services we need to provide for our students and for the community we need revenue. Revenue is an issue for us – so we thought it was important to give the Board an opportunity to consider the possibility of going for a millage restoration. That is not without risk. That's a challenge for us.

We see two options going forward; a pure millage renewal and we would do that in 2020 – our rate dropped again this year so we don't know what that final rate will be in 2020 and it is possible it may drop further. But we have some comfort that we'll be successful. The other option we would like you to think about is to go for a millage restoration. If we were to do that we would suggest doing that in 2018. Should that fail we will still have the opportunity to go for a renewal in 2020. Regardless how we choose to do this, we still need to know what to do. This is really just to get a sense of your thoughts and where you stand. We hope that discussion can be next month, this meeting is just to share information with you.

Ms. Argiri continued when the millage was approved in 2000 by the voters there were two components. The operating millage was 1.214 and the technology millage was .25. Although the voters approved or authorized those levels they were never levied due to the Headlee rollback. Today in 2017 the operating millage has been reduced by .0468 over time and the technology millage by .01. You will recall that the Headlee law that was passed many years ago was intended to keep property taxes reasonable for homeowners. In years where the property tax value increased greater than the rate of inflation the way they adjust for that is to actually reduce and rollback the levy to make sure that property taxes are not increasing greater than the rate of inflation. Since the millage was approved by voters in 2000 we have been subject to seven rollbacks or millage reduction fractions, two in the most recent years, this year and last year. In total, over time the levy has been reduced by .0568 and at the current taxable valuable for the County that equates to almost \$1.5 million per year. At the peak of our property tax values in the County in 2008/2009 the College received \$46 million in property tax revenues support. This year, considering the millage fraction reduction, we are at \$36 million. We have lost quite a bit of revenue along the way. If inflation continues to be low and the recovery continues in this area, it is possible that we will continue to be subject to future millage reduction fractions. So if we

were to go for a renewal in 2020 we are not even sure it would be at this rate and it could be something less than that.

When you go out for a renewal the rate you are asking the voters to approve is what it is today. At that point it is a permanent reduction – you have lost the ability to ask for the restoration for what the voters had approved in 2000.

Trustee Cusumano asked since the voters approved that millage at 1.464 but you said it was subject to the rollback immediately -- so what was initial operating millage in 2001 – in other words this is what was approved by the voters. Ms. Argiri said in total it was 1.4507 is what went on the tax bill the following year. So in 2000 it was the combination of 1.464 that was approved but in 2001 when we got the tax bill it was 1.4507 or .0133 was rolled back.

Dr. Jacobs stated this is complicated and what this really means is because of the nature of the great recession as property values increase in the County, it actually means our potential millage rate actually will decline. That is the kind of calculus we are involved in and it could decline further the longer we wait to go to the voters the more likely this decline is going to occur. It sounds paradoxical because of the way in which Headlee Amendment works it really puts us in a position where essentially our revenue is not only capped but actually declines as a result of the millage going down. The issue then becomes whether we decide to move forward with this millage or we want to restore it to where it was in 2001 which is what the taxpayers at that point voted on.

Dr. Ulbrich continued that almost two years we started doing research in anticipation that we would have a millage renewal at some point in the very near future. Before sharing the results of that research she said we started by asking a couple of guiding questions. The first one was “can we go in 2018”. Because we weren’t sure if we were required to wait until 2020, as the millage was just ending, in order for us to go out. The answer to that is yes we can go in 2018 if we so choose. The language is quite vague. It basically says you have to go out for election before the expiration of your current millage and the current millage needs to be “about to expire” but that is not defined. The allowable election dates that are defined are May, August, and November. The next question is when do we go out and what would be the amount we would ask for?

Dr. Ulbrich said in September and October in 2015 we started doing qualitative and quantitative research. We hired a firm to do three focus groups from voters throughout Macomb County. One was all men, one was all women and one was a mixture of both from the south end of the County. We used the information that we learned from those focus groups to develop a scientific survey of 400 likely voters in Macomb County to determine not only the likelihood of success of an ask but also what are the messages that resonate with likely voters. Keep in mind the timing of this. This was done before the presidential election was gearing up. A lot of what we learned could be impacted by what happened in 2016.

Dr. Ulbrich continued on that what we learned overall is that there is a lot of support for the College. While people remember the past negative connotations that may have accompanied Macomb Community College, like “12 Mile High”, almost everyone said they don’t believe that really equates to what the College is today. They have very positive experiences with the College. They like the fact there is lower tuition for residents. We learned during the focus groups that as we were talking about the fact that there is lower tuition for people who live in the County they started referring to it as a discount for county residents. That resonated a lot with them.

We had never used that language before but apparently that is the language they support. Support for renewal is high - it does however drop when we include restoration.

We started out the survey by asking a simple basic question "If the election were held today would you vote yes on a millage renewal?" We followed that up with testing some positive messages about the College and after that we asked the question again. The Initial Renewal Ballot Test shown in presentation was before we provided any positive information about the College. The results from the survey, as a general rule, you want to be above 65% if you are going into an election and we are there. Even before we provide any positive information about the College we had a 62% hard yes and a 9% lean yes which gives us 71% - which is a really good number going into an election. After we gave them positive information about the College we went up even further - the hard yes improves to 69% and the lean to 10% so that gives us 79% yes. That is a really strong position to be in for a millage renewal. The no's actually decreased by 4% - we are heading in the right direction.

But then we get into the Headlee Recovery and the initial ballot test where we tried to explain what a Headlee Recovery was and if in fact we were to do a Headlee Recovery it equates to about an extra \$4 per year for the average homeowner in Macomb County. Our hard yes's go from 62% down to 50% and the lean goes from 9% down to 8% - so we end up with a 58% yes which is below that 65 point threshold. And a decrease of 13% and the no's actually increased from 21 to 33. That is a 12% increase in voters saying "no I'm not going to vote for that." We gave them some positive information and asked them the question again and we do see some positive results of that. The yes votes are now 67% which gets us up above that 65% but that includes the lean yes's and the no's are at 27%.

We were also able, when we broke down the data, to identify who is the typical yes voter versus the typical no voter. The typical yes voter for us tends to only vote in presidential elections. So they are not your consistent voter. They tend to be democratic or a ticket-splitter. They most likely vote at the polls not by absentee ballot. They tend to be female and young. Typical no voter is someone who votes in all elections, mostly like Republican or a ticket-splitter over the age of 65 and male.

We also looked at turnout. In Macomb County, presidential elections tend to attract the largest turnout which always happens. In Macomb County, primaries tend to be pretty stable around 20%. Presidential elections you get an increase of about 20% in turnout. This tells you that you can be much more targeted in a primary election but your success is also dependent on what elections are contested and what else is on the ballot. And the primaries tend to be more consistent voter which we know are not necessarily the yes voter.

We also looked at the May election turnout. This is really hard to decipher because generally there is not a county-wide election in May, they tend to be city or municipality elections, but if you look at the average turnout it is usually anywhere between 12 and 25% depending on the community and what is on the ballot.

Trustee Cusumano said there are three r's - recovery, renewal and restoration - did you use the term restoration or Headlee Recovery? Dr. Ulbrich read exact wording when it is just for a renewal the wording "some time over the next few years Macomb County voters may be asked to renew Macomb Community College's current millage which is 1.42 mills, renewing it means property

owners of Macomb County would continue to pay that same rate. The renewal millage made of 1.42 mills means that a homeowner with a home value of \$100,000 would continue to pay approximately \$71 per year in taxes. This millage would not need to be up for renewal again until the year 2040. If the election were being held today would you vote yes to approve the Macomb Community College millage renewal or no to reject it?" the restoration reads "when Macomb County voters approved the Macomb Community College millage in the year 2000 they approved a rate of 1.5 mills, because of diminishing property values and the state's Headlee Amendment rollback that millage rate has been reduced to the current rate of 1.42 mills, you may be asked to support the original millage rate of 1.5 recovering the .08 mills decrease. If the original rate of 1.5 is approved property taxes on a home with a value of \$100,000 would pay about \$75 per year or \$4 more than the current amount. If the election were being held today would you vote yes to approve the original millage rate of 1.5 mills for Macomb Community College or no to reject it."

Trustee Cusumano asked if those two questions asked in the same order with the same people or two separate focus groups, in other words, was it ever presented, what you just said about the Headlee Recovery separate? Dr. Ulbrich said this specific question was asked on a survey not in a focus group. In the focus group we discussed what people thought a mill was and the Headlee and discovered most people have no idea what either one is – that is why we came up with these questions. These questions were asked of all 400 people who were given the survey and they were asked in the same order.

Trustee Lorenzo asked if these were the same people that were asked first about the renewal and then continued on to the recovery. Dr. Ulbrich said that is correct. Trustee Lorenzo said it would seem to her that if she got that kind of a phone call and heard the first option as renewal and then the second option, she would say no go back to the first one as well. Is that taken into account the psychology of how you place these questions? Dr. Ulbrich said no we didn't change the order of the questions or identify that there could be a potential drop-off because people could think that they have an option between the two. We simply presented it as this is question one and this is question two. Trustee Cusumano asked if there was any back analysis to the 2012 millage that failed. Dr. Ulbrich said it was a bond question so it is not similar it wasn't operational, it was a pure increase or a new request. And the one thing that she'll say about 2012 is that we were item seven on a list of six where the message was vote no on everything. There were six state proposals and if you recall the governor said vote yes on one and no on everything else. Everybody else said vote no on all of it. And as a result everyone voted no and none of them passed that year.

Trustee Dean asked of the 400 surveys how many did you send out to get to 400. Dr. Ulbrich said these were telephone surveys so there were 400 successful surveys.

Dr. Ulbrich continued with the considerations for 2018 versus 2020. One of the considerations is the political environment that you are dealing with. In 2018, we know there is a gubernatorial election and is also the first election following a new president. Which historically has benefited the party opposite whoever goes into the White House. She says that with the understanding with what we see now is completely new and she doesn't know that history will have any impact one way or the other. The other thing is the ballot initiatives - we know that SMART is going to go for a millage renewal we don't know if it is on the primary or the general at this point. But either way we could potentially be competing with another county-wide millage renewal.

The pros of going in 2018 is it is like a freebie, we can ask for a restoration and if we lose it doesn't necessarily put us at a disadvantage because we still have 2020, which we know is going to be a good year for us. We can reset the millage so we are not locked into that lower mill rate which we would be stuck with for the next 20 years and that could potentially limit future tuition increases. If we had to make up \$1.5 million a year that is \$3.69 just in a tuition increase to make up for \$1.5 million annually for twenty years.

The cons – it is a tough sell, we know restoration is a really hard sell. There is no guarantee that we will win. It is also costly for us to run these elections. We have to look at increasing our marketing – we have to look at increasing direct mail, plus there is an outside group that we might want to put together to do direct advocacy – it can cost up to \$650,000 to run a campaign to be successful. There would also have to be quick ramp up – we thought we had two and a half years this would mean we necessarily don't. And would a loss in 2018 affect our chances in 2020, she doesn't think that it necessarily would because when it comes to politics people generally have shorter memory. She doesn't think that asking for this in 2018 that people are going to hold it against us in 2020. Dr. Sawyer added that the ask will be different in 2020. It will just be the renewal not the restoration.

Dr. Ulbrich stated that in 2020 we have a presidential election which is great for us. But there is also most likely going to be a regional transit proposal again which doesn't just affect Macomb County but all of Southeast Michigan. Which means they are going to put tons of money into that ask and we are going to be competing with that.

Pros we have a really good chance of winning – unless something catastrophic happens with the College in the next three years, people support us. They think we are doing a good job and they've shown through the research that they are willing to support us. We have two chances the primary and the general. So if for some reason we don't win in the primary we can go back in the general. The general is our absolute best shot anyway. We have plenty of time to ramp up and hopefully we won't be looking at budget cuts at that time so we can spend money without it becoming an issue. The cons are obviously if we lose we have a real problem. It is a simple renewal which means we are locked into that lower rate and stuck there for 20 years assuming we don't have more rollbacks. We can't use the word restoration at that point. We have given up the right to try to go back to our original millage because that becomes our new original millage.

Dr. Ulbrich stated the other thing to consider is May. Typically we haven't gone in May because it is not a county-wide election it is municipalities so we would have to fund the cost of the election. In most communities we would be the only thing on the ballot, but there is nothing to say that once communities find out that there is a ballot that they won't try to put something on there too. The pros are that we can put a renewal and restoration, limit future tuition increases – it also reduces the risks associated with a loss because we can be much more targeted in a May election. The turnout is so low that you can specifically target the voters without having to do a mass marketing communication type campaign. So while you are paying money to have the election you are actually spending less on marketing. So some of that will offset. The cons are that restoration is still a really tough sell; the College will fund the cost of the election; very quick ramp up and still no guarantee of victory. You are also opening yourself up to any entity that wants to attack something that particular time of year, the only thing on the ballot gets to be the target.

Dr. Ulbrich stated that the question is what do we ask for and when do we go? Dr. Jacobs added it is also an issue of the cost to the community and the cost to the students. Because if we do go for a millage renewal in 2020 and our giving up that \$1.4 million over a long period of time it is almost certain to mean some form of tuition increase, more than what we have even done in the past. On the other hand the restoration does in fact increase, marginally, people's taxes. But if we think of it in terms of what it really means it restores the original intent of the voters in 2001 on the cost of the millage. That would be one of the ways to try to sell that. But there is no question that the easiest way is to go in 2020.

Trustee Haase asked how much it would cost to finance the May election. Dr. Ulbrich responded the estimate we have been working with is about \$500,000. Trustee Haase that is just the election not the marketing too? Dr. Ulbrich said correct, but the marketing would be much more targeted so it would be considerably less. So if we were going out in a general election you would want to spend \$600,000-650,000 but if you are doing this you are spending way less than that – so really kind of spending the same amount of money.

Trustee Haase asked if each community will send us a bill. Mr. Wendt responded yes since it is a special election they would establish a cost. Trustee Haase asked if we would have to pay if they already have something on the ballot. Mr. Wendt responded no, if they have already scheduled something we would say just put us on the ballot. If they have to put it on only for us they can bill us, if they are already doing one they can't.

Dr. Jacobs added that marketing does not mean advocate. Marketing is just informing there is a millage. Dr. Ulbrich said informing about the millage but also your typical marketing that you think of but utilizing the messages that people tell us are most important to them. So when we did the survey for example we learned that affordability is really important. That is something we market to students also so we would just enhance the marketing we do and maybe do it in ways that get to people we don't traditionally target.

Dr. Jacobs said it would really be important for the Board to be united on this whatever position you take. It would be a good thing especially if we were to do this May 2018. Trustee Dean asked what the sinkhole is costing Macomb County taxpayers, because they are going to be getting hit by all of this. Trustee Viviano said the estimate is \$72-75 million dollars; about \$60 a household a year for 30 years starting July of this year.

Trustee Cusumano asked is there a requirement that similar language about the Headlee Rollback that would be phrased on the ballot. One of things he is concerned about is the College being seen as overreaching or grasping. He sees four scenarios, 2018 – 2020 renewal and if that fails renewal; restore and restore again; renewal and if that fails restore which probably wouldn't be a good idea and then restore and then renewal. What is the downside in just seeking the renewal which you have tremendous support and locking that in and moving forward and if we do have declining student enrollment and learn to live on that as our new normal rather than trying to go back. Dr. Ulbrich said the downside is you are locking yourself into a smaller millage rate for 20 years, plus you are still subject to Headlee rollbacks so even when you are locked into that and you can still get rollbacks every year.

Trustee Cusumano asked if it is possible to set a whole new millage rate. Dr. Jacobs said yes. Trustee Cusumano asked if we asked the question if there is any support for an increase – Dr. Ulbrich said no we did not ask. She thinks that you can look at past history to see what the likelihood of success is and the most recent one we had was in 2012 which was the \$56 million bond that failed with 47% and then going back to 1990's we had bonds that passed that were increases but we have had some mixed results some wins and some losses. You go back to the fact if people are hesitant about a restoration you would have a really hard time asking for a blatant increase. Trustee Lorenzo said she thinks that what Trustee Cusumano is saying is ditch the word restoration. Trustee Cusumano said do we need the language in there at all? Mr. Wendt said we have engaged Miller Canfield to assist us in this process and one of the things talked about is when you put a millage on the ballot unless it is a renewal what the language is "shall the millage be increased" that is the natural language. When you are doing a renewal the "can the tax rate be renewed" language comes in. If you want to put a new millage out at a higher rate than the language would say "shall the tax based be increased by" that is the default, to make it sound like everything is an increase. Dr. Ulbrich stated the sample language begins for the renewal says "this renewal proposal if approved by the electors will allow the college to continue to levy the number of operating mills required for the college to continue to adequately fund its operations" then it goes in and talks about the mills and what that means per thousand dollars of taxable value. The renewal and restoration is very similar it says "this renewal and restoration proposal if approved by the electors" and then the language is essentially the same. So it is a major change for people but a minor change on the ballot as opposed to if you were asking for an absolute increase which would be a major change in language.

Trustee Cusumano asked what the trajectory of property values is. Dr. Jacobs said almost every community except for one had an increase in the overall value. Another wildcard factor given the tendency of the legislators to set up subsidies through property tax either reclaiming district or changing that...and we just went through this when you form a DDA and suddenly take all that property and say that increases in taxable revenue of the property can only be spent within that district – it is one of the reasons why the heavy dependence on the property tax versus the sales tax. The sales tax is what helps support the school aid fund. That's why you see the school aid fund to continue to rise. The property taxes are very uneven and very hard to predict. He thinks there is going to be an increase because we still haven't recovered from 2008. In the next two or three years that increase is not going to grow as fast as it has over the last three years. One thing that is certainly true now, it used to be that property values were relatively easy to predict now it is extremely difficult because there are a lot of different variables. Another factor has to do with new houses, new industry starts and new commercial developments, etc. Macomb County is one of the few counties in Michigan that is growing in population so you do have some of that. How much that growth will result in significant increase of values of property is a good question.

Trustee Haase asked when would a decision have to be made? Dr. Sawyer said in July they need to have direction from the Board. Dr. Jacobs asked if there are questions they would like to see answered.

Trustee Cusumano where is automotive industry projected to be when we are thinking of putting this on the ballot? Dr. Jacobs said it is a hard one to call, we could be entering into a recession, we could be already in a recession. If it was May 2018, he doesn't think we will have a significant recession, if it is 2020 then you may have a different ballgame.

Trustee Dean asked if administration has talked about it internally. Dr. Sawyer said much as Dr. Ulbrich has tried to put caution in her whole presentation we're suggesting the restoration might be the way to go. Let me be clear it is not like this is a 100% slam dunk. In an effort to try to come up with additional revenue sources that is \$1.4 million, let's use for talking purposes, that if we get that over the next 20 years, that will mitigate some tuition increases. We will always continue to try to cut and be more resourceful with our budget. We will try to be more efficient, but we are not going to cut our self from being a great community college that is just not going to be the case. We need to have revenue to maintain the College and offer good programs and keep up the good services. From his perspective this is \$1.4 million, again for talking purposes, if we pursue it is just a question of how much downside there is. As he said in his initial remarks we still need to vet this out, if we go out and do a quick study and it's a 80/20 loser then we don't go forward. We don't spend any more money or waste any more time. But if we come up with similar results where we are around 60/65% it is clearly a gamble. But if we go back in 2020 we are going back with a different ask. We heard you, the restoration didn't play, this isn't a restoration this is a renewal.

Trustee Cusumano asked if demographically the number of people 65 and older was going to increase. Dr. Jacobs said they are increasing.

Dr. Sawyer said Trustee Cusumano's question earlier about going for the renewal right now, we did talk about that and our thought is there is really little value in trying a renewal now, so we lock it in for 20 years we are still subject to rollbacks so we haven't really "gained" anything. Dr. Ulbrich said all you have done is lost two years of your millage. Trustee Viviano asked if the renewal is guaranteed. Dr. Ulbrich said nothing is ever guaranteed but the numbers that we have seen are suggestive that people are very supportive of the renewal. Dr. Jacobs said everything is a basis of risk and what Dr. Sawyer outlined is it is still a risk but the advantages are worth maybe taking a shot at it. On the other hand another way to look at this is – if we were to do this that means our resources in terms of what we do as an institution are going to be focusing very much on this. That means we are not focusing on other things.

Trustee Lorenzo asked if we have done a recovery before. We have done increases so prior to 2012 how many of each was successful. Dr. Ulbrich said in 2000 operating millage plus the technology millage, both passed. Trustee Haase what percentage? Dr. Ulbrich said 1.241 mills passed with 56% and .25 mills passed with 53%. In 1998 there was a bond for technology which passed with 60%. In 1996, University Center renewal which passed with 61% and there was a 19.6 million bond for equipment and facilities which passed with 52%. Then in 1992, this was actually split, there was a \$15.9 million bond for equipment replacement and facilities which passed with 54% there was also a \$15.9 million bond for the same thing that failed at 49%. Then the University Center renewal which passed at 54%. Trustee Lorenzo asked if there was a recovery. Dr. Ulbrich said there was never a recovery. Trustee Lorenzo said so the track record is superior. Trustee Haase said she doesn't think you can count 2012, it is an outlier.

Trustee Cusumano asked about the recent school district failure. Dr. Jacobs said school elections have a very clear defined community - very targeted. This is the entire County you could have something going on in one part of the County that has an effect on us – in some ways it is hard way to run a business because of the uncertainty of this is enormous. Trustee Cusumano said and we are only having the option to put a single millage on the ballot, we couldn't put a millage for technology alongside in combination with. Dr. Jacobs said yes you could, you could do the technology in 2018 and the renewal in 2020. Dr. Ulrich one of the things we heard in the focus

group was a lot people say "I don't mind you come to me once and you ask for something I will say yes, but if you keep coming back then I am going to say no." The fear is that you do something new in 2018 and it's an increase and then you turnaround and have a renewal what impact does that have on your renewal. Trustee Cusumano said what impact does the restoration have which is an increase on our renewal in 2020? Dr. Ulbrich responded we know it has an impact the question is to what extent. We can still get ourselves above that 65%. It doesn't start there which is a concern.

Dr. Sawyer said as questions come up over the next month please send them to him. Trustee Haase said to be prepared for another discussion at the July meeting and a decision on how to move forward.

Trustee Dean asked if we know how many students in the County that could potentially come – has there been demographics in household where there is elderly not going back to college are they going to support it or is this young couple with college bound kids. Dr. Ulbrich said surprisingly we found that people without kids in their households were more likely to support it. Dr. Ulbrich said there could be a number of reasons why that is, part of it might be that there are a lot of households without children so that can skew the percentage. But we found that having children in the house doesn't necessarily impact negatively their desire to support the college.

6.2 Wrestling Club Report

Dr. Jacobs asked if there were any questions about the report. Trustee Lorenzo asked about the difference in costs for the mats, how is there such a discrepancy between \$2,000 if it is a club and \$20,000 if it is a team. Ms. Thomas-Little said it has to do with having used mats versus new.

Mr. Wendt said there is no need for a motion. Club sports don't initiate at the Board level. If you know people that are interested and they can convince a faculty member to work with the administration to try to set it up it is an option. Dr. Sawyer asked if there was consensus amongst the Board. Trustee Haase asked if anyone had any concerns about forming a club of this nature. Trustee Dean asked how quickly can they get the team going. Trustee Viviano said at this point they are looking to start it quickly to stay on track with the wrestling season. Ms. Thomas-Little said she has already had a conversation with them. Trustee Haase said if it is a club they have to finance it themselves, but would they pay us to use the facilities. Ms. Thomas-Little said we would still have overhead costs with staff running the facilities.

Trustee Dean said she thought they had to enroll at Macomb. Trustee Viviano said absolutely they have to be students. Ms. Thomas-Little said the main difference between the club and the varsity is the varsity we have scholarships available for the students who compete through the NJCAA and we pay the coaches. Trustee Viviano said these guys are doing it for the love of the sport and they would like to see it become a varsity sport like at Henry Ford College but it was a club sport there for five years.

Dr. Jacobs asked if there were any objections. Trustee Lorenzo asked if the optics play into the millage. We are saying we cut back on programs, staffing, is it going to look bad if we say the average person doesn't they had money to start up this and now they are asking for money. Dr. Sawyer responded that is a fair observation – some people may look at it like that. But it being a club sport mitigates it where if it was a varsity sport would more likely comment if it was a varsity

sport with college resources being put into it. Dr. Jacobs said there is a positive side to this it will attract students and that increases our enrollment. Dr. Jacobs said we are agreed we will move ahead.

6.3 Action Plan 2016/2017 – Progress Report

Dr. Jacobs said this report is just for information. One of the things he tried to do each year with the administrative team was hold a retreat and talk about what things each unit is trying to accomplish over the year. He handed out the memo to show what the priorities were this year as an administration and how well we did to meet those priorities. Trustee Haase said she thought it was very thorough and helpful. She personally enjoyed going through and seeing the whole picture in one document, what the goals are and where people are in terms of meeting them.

7.0 EXECUTIVE SESSION

MOTION by Viviano, supported by Dean to move into Executive Session to discuss collective bargaining.

ROLL CALL VOTE:

Ayes: Viviano, Dean, Cusumano, DeSantis, Lorenzo, Haase

Nays: None.

Absent: DiMaria

RECESS

The meeting recessed at 7:21 p.m.

RECONVENE

The meeting reconvened at 7:30 p.m.

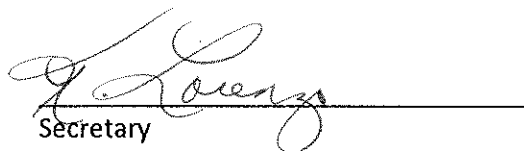
8.0 ADJOURNMENT

MOTION by Viviano, supported by Lorenzo, to adjourn the meeting.

Motion carried.

The meeting adjourned at 7:30 p.m.

COMMUNITY COLLEGE DISTRICT OF THE COUNTY OF MACOMB BOARD OF TRUSTEES


Secretary