

**NORTHWESTERN MICHIGAN COLLEGE  
BOARD OF TRUSTEES  
STUDY SESSION MINUTES  
Tuesday, November 19, 2024  
Timothy J. Nelson Innovation Center  
Room 14 (Lower Level)**

**CALL TO ORDER**—Chair Laura J. Oblinger called the regular meeting to order at 3:05 p.m.

**ROLL CALL**

**Trustees present:** Laura J. Oblinger, Andrew K. Robitshek, Kennard R. Weaver, Chris M. Bott, Douglas S. Bishop (until 3:58), Kenneth E. Warner, Bill F. Marsh

**Trustees absent:** None

**Also present:** President Nick Nissley, Troy Kierczynski, Todd Neibauer, Hollie DeWalt, Marcus Bennett, Lynne Moritz, Jason Slade, Diana Fairbanks, Stephen Siciliano, Pam Horne, Mark Keely, Dino Hernandez, Kathryn DePauw

**REVIEW OF AGENDA**—The agenda was accepted as presented.

**PUBLIC INPUT**—There was no public input offered.

**DISCUSSION**

Chair Oblinger recognized two incoming trustees, Mark Keely and Pam Horne, who were in attendance before they will officially begin their terms in January. Oblinger emphasized the objective and importance of the study session, citing that debriefing Benzie and seeking sustainable revenue sources are vital to the future of the college. President Nissley provided detail regarding the meeting agenda, noting that the first portion of the discussion will be a brief review after the Benzie Annexation effort that occurred earlier in the year. A majority of the discussion time is intended to review the existing revenue model and potential property tax revenue growth possibilities. Reaching a decision is *not* an objective at this time, as a Board Retreat is being planned for February 2025.

**After Action Review of Benzie Annexation Effort**—Nissley shared strengths and challenges that surfaced during multiple debrief conversations with both internal and external stakeholders. There was discussion pertaining to the impact of the Community College Guarantee. Out of District (OOD) students are charged the OOD tuition rate, and the state guarantee pays for the in-district portion; as PELL eligibility has expanded (covering their tuition and fees), this greatly changes the value proposition of county annexation into a community college district.

**Thinking Sustainably About the College's Revenue Model**—Vice President Kierczynski reviewed the traditional revenue sources for community colleges. Since 2003, state aid has decreased 13%, with tuition reliance increased by 9%. Considering other sources of revenue diversification, Kierczynski discussed projects such as leveraging the University Center as a real estate asset, confirmation of the Employee Retention Credit, housing development, growth of the Freshwater Research Innovation Center, and development of the Eastern Avenue property. The Building and Site Committee will be briefed on an assessment of the University Center and its potential uses at their meeting on December 10. Considering enrollment projections, Vice President Neibauer highlighted factors influencing enrollment: demographics, unemployment, and state programs. Of the over 96 thousand high school graduates in 2023, only 53.3% pursued college within 6 months. The projected budgetary impact of the Campus Master Plan was reviewed prior to consideration of pursuing a Headlee override or capital millage ballot initiative in Grand Traverse County.

Regarding housing projects, it was noted that legislative advocacy efforts also include seeking allowing housing projects for capital outlay project funding.

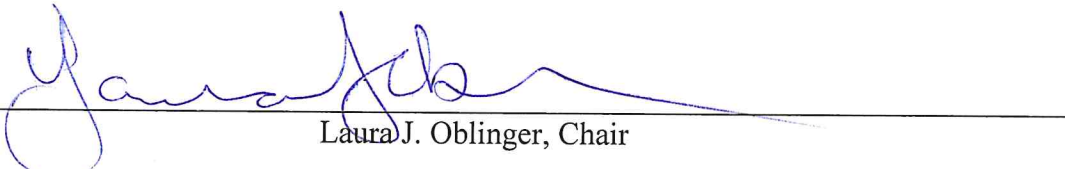
Five-year budget projections show deficits for the next five fiscal years; however, President Nissley provided context that those projects are if nothing is done to increase revenue or reduce expenses. As such, asking Grand Traverse voters to restore the college’s operating mileage to the amount originally supported by the community through a Headlee override would provide an additional \$4.2 million in revenue annually for operational support, strategic initiatives, capital initiatives, and more. Asking voters to support a levy for capital projects through a capital improvements millage is another consideration.

**REVIEW OF FOLLOW-UP REQUESTS**—Confirmed requests made by the Board that require administrative follow-up for information to be provided to the Board at a later date.

- Numbers of OOD students/tuition over the past 20 years
- Data on Foundation contribution to revenue, investment funds
- 2<sup>nd</sup> Day of February Retreat will include TIF topic
- March Study Session will be planned for executive staff to bring a recommendation to the Board re: potential ballot initiative

**ADJOURNMENT**—The meeting adjourned at 5:00 p.m.

Recorded by Lynne Moritz, Executive Director of the President’s Office and Board Operations.

SIGNED   
 Laura J. Oblinger, Chair

ATTESTED   
 Chris M. Bott, Secretary