

Highland Community College

Board Retreat

June 2, 2010

Student/Conference Center

Freeport, Illinois

ROLL CALL/CALL TO ORDER

Mr. Shockey called the meeting to order at 8:32 a.m.

Members Present: Mr. Steve Kroeger, Mrs. Maurita Scharman, Mrs. Diane Gallagher, Mr. David Shockey, Mr. Rob Urish, Mr. Doug Block, Mr. Jim Endress, and Mr. Dan Dick

Members Absent: None

Guests Present: Mr. Kevin Wills, First MidState (departed 9:25 a.m.); Mr. Steve Mihina, Faculty (departed 10:46 a.m.); Mr. Nathan Hensal, Director of ITS for Network, Desktop, and AV Support (arrived 8:55 p.m.; departed 9:22 a.m.); Ms. Leslie Herendeen, Cashier (arrived 9:28 a.m.; departed 9:55 a.m.); Ms. Ellen Conway, Accounting Specialist (arrived 9:30 a.m.; departed 9:55 a.m.); Ms. Patti Potter, Database Administrator (arrived 9:31 a.m.; departed 9:55 a.m.); and Ms. Sarah Miller, Administrative Applications Specialist (arrived 9:37 a.m.; departed 9:55 a.m.)

Also Present: Dr. Joe Kanosky, President (departed 12:29 p.m.; returned 12:55 p.m.); Dr. Jeff Davidson, Vice President, Academic Services (departed 11:17 a.m.; returned 12:25 p.m.; departed 12:29 p.m.); Ms. Jill Janssen, Vice President, Administrative Services (departed 11:17 a.m.; returned 12:25 p.m.; departed 12:29 p.m.); Ms. Liz Gerber, Associate Vice President, Student Services (departed 11:17 a.m.; returned 12:25 p.m.; departed 12:29 p.m.); Ms. Rose Ferguson, Associate Vice President, Human Resources (departed 11:17 a.m.; returned 12:25 p.m.; departed 12:29 p.m.); Mr. Pete Willging, Director of Marketing & Community Relations (departed 9:55 a.m.); and Ms. Terri Grimes, Board Secretary

OPENING REMARKS

Dr. Kanosky announced that pre-session classes end tomorrow, and regular summer classes begin next week. Dr. Kanosky will be in Springfield tomorrow for Presidents' Council.

We have received three of our quarterly payments from the State for the general operating funds and theoretically should get the fourth quarter payment by the end of the month. Our cash flow is currently good due to the working cash bonds, wise use of resources, and everyone cutting back on expenses.

PUBLIC COMMENTS

There were no public comments.

INFORMATION ON PROPOSED TECHNOLOGY BONDS

Mr. Kevin Wills of First MidState presented information on the proposed technology bond sale. The bonds would be used for technology, upgrades, and to pay off outstanding claims. He stated that the College has a potential bonding capacity of \$47,345,216, and the technology bonds will be issued without an overall increase in the tax rate. Many schools will have to issue funding bonds to pay health insurance, special ed., and other costs. The bonds will be marketed locally, and Mr. Wills said he would expect greater participation this time because they will be tax exempt bonds. The bond process will be completed in October and the money does not need to be spent immediately. Faculty and staff submitted approximately \$3 million in potential projects, of which approximately \$1.75 million will be funded, including a new greenhouse, testing center, upgrades to the natural science labs, and the purchase of audiovisual equipment, desktop computers, and servers. The current greenhouse is in need of replacement and is not ADA accessible. The old servers would be relocated to another building for disaster recovery in order to provide backup in the event the servers in building M were damaged. The new desktops that will be purchased will go into the computer labs so students always have access to the newest equipment first. The testing center would allow testing to be done in a central location. Mr. Block suggested that a list be provided to the Foundation of items that will not be able to be funded through the bonds so the Foundation is aware of our needs.

ONLINE BILL PAYMENT (TOUCHNET) SYSTEM

Ms. Janssen reported that the online bill payment system began as a College-wide goal in the Fall of 2009. In addition to providing a student the opportunity to pay their bill online, the student has 24/7 access to their account. Student bills are also available online, and the system allows for electronic refunds. To-date, 52 students have signed up for electronic refunds, which saves the time and expense of processing a paper check. Ms. Janssen introduced four members of the TouchNet team who were able to attend the meeting today, including Ms. Leslie Herendeen, Ms. Ellen Conway, Ms. Patti Potter, and Ms. Sarah Miller.

Mr. Willging reported that students have received information about the new system through a wide variety of sources, including posters, flyers, banners, post cards, ads, articles, and personal letters for those students who typically register late.

At 9:55 a.m., the Chairperson declared a recess; the meeting resumed at 10:02 a.m.

FY'10 AND FY'11 BUDGETS

Ms. Janssen reported that FY'10 expenditures appear to be coming in about 3% lower than budgeted, which amounts to \$500,000. This is due in large part because summer overload and custodial/maintenance overtime were lower during the fiscal year. She proposed adding \$250,000 to \$300,000 to the fund balance to help with cash flow, should payments from the State be delayed. The fund balance could also help if we see a reduction in funding for FY'11. The current FY'11 proposed budget includes level State funding. FY'11 funding for adult ed. is projected to be level with what was originally budgeted in FY'10. ICCB will determine what individual community college funding will be once it is determined what the Governor has allocated to community colleges.

Ms. Janssen reviewed budget scenarios that included a 2% and 10% decrease in State funding. She stated that we may even want to put 25% into a contingency fund, which would equate to one quarterly payment from the State.

HEALTH INSURANCE RATES

Ms. Ferguson and Ms. Janssen met with representatives of Cottingham and Butler and learned that our total plan costs were about the same from FY'09 to FY'10. Changes which were made to the prescription drug plan saved the College about \$2,000. Currently the health insurance fund balance is about \$2 million dollars. Cottingham and Butler will keep the fees the same for the next fiscal year, although premium rates will increase about 26%. At this point, Ms. Janssen is recommending that the College decrease insurance premiums by 2%; each 1% decrease would save the College \$15,000 in the operating funds. A recommendation will be presented to the Board for approval at the June 15, 2010 regular meeting.

Ms. Ferguson reported on several issues that will impact the College as a result of the Health Insurance Reform Act, including the Mental Health Parity Act, coverage for preventive health services, and maximum lifetime benefits.

CLOSED SESSION

Mr. Kroeger moved and Mrs. Scharman seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance or dismissal of specific employees; and, collective negotiating matters between the public body and its employees or their representatives, pursuant to the Open Meetings Act, and to return to Open Session for possible action. The roll call on the motion was as follows:

AYES: Scharman, Gallagher, Shockey, Urish, Block, Endress, Kroeger, Dick
NAYS: None

At 10:46 a.m., the Chairperson declared the motion carried and the meeting in Closed Session.

At 11:21 a.m., the Chairperson declared a recess for lunch and to take the annual Board photograph; the meeting resumed at 12:25 p.m.

Mr. Urish moved and Mr. Endress seconded the motion to end the Closed Session. The roll call on the motion was as follows:

AYES: Gallagher, Shockey, Urish, Block, Endress, Kroeger, Scharman, Dick
NAYS: None

At 1:25 p.m., the Chairperson declared the motion carried and the Closed Session ended.

FOUNDATION REPORT

There was no report.

SEPTEMBER QUARTERLY RETREAT

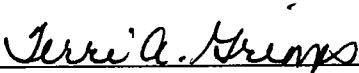
Dr. Kanosky reported that Mr. Joe Mattingley from the Eagle Ridge Property Owners' Association will make a presentation to the Board at the September retreat, which will be held at that facility.

NEW BUSINESS

Dr. Kanosky reported to the Board that the semi used by Rock Valley College's CDL program was in Freeport's Memorial Day parade this past Monday. Mr. Willging has contacted Rock Valley College to express our concern, since it is in competition with our CDL program.

ADJOURNMENT

Mr. Block moved and Mr. Dick seconded the motion to adjourn the meeting. At 1:29 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.



Terri A. Grimes, Board Secretary
Illinois Community College District No. 519