

**BUDGET WORK SESSION**  
BOARD OF ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 519  
Counties of Stephenson, Ogle, Jo Daviess and Carroll

**CALL TO ORDER**

The budget work session of the Board of Illinois Community College District No. 519 was called to order by Mr. Doug Block, Chairperson, at 3:03 p.m. on July 18, 2017, in the Robert J. Rimington Board Room (room H-228) in the Highland Community College Student/Conference Center, 2998 West Pearl City Road, Freeport, Illinois in said district.

**ROLL CALL**

The following members were present: Mrs. Diane Gallagher, Mr. David Shockey, Mr. Doug Block, Mr. Jim Endress, Dr. Steve Jennings, Mr. Blake Musser, and, Ms. Pennie Groezinger

The following members were absent: Ms. Abby Endress

Also present: Mr. Tim Hood, President; Ms. Jill Janssen, Vice President, Administrative Services; Ms. Liz Gerber, Vice President, Student Development and Support Services; Ms. Rose Ferguson, Associate Vice President, Human Resources; Mr. Pete Willging, Director, Marketing & Community Relations; Mr. Michael Gunderson, Audio Visual Specialist; Mr. Jeff Reinke, Executive Director, HCC Foundation; Ms. Mary Lloyd, Manager, Accounting; Ms. Andria Cornelius, Coordinator, Accounting; Ms. Pat Dunn, Director of Operations, HCC Foundation; Ms. Sue Sauer, Manager, Math Achievement Center; and Ms. Terri Grimes, Board Secretary.

**PUBLIC COMMENTS**

There were no public comments.

**FY18 BUDGET**

Ms. Janssen provided an overview of the FY18 tentative budget. The revenue in the tentative budget is based on the FY17 stopgap funding, since the tentative budget had to be completed by July 5 and the State budget was not adopted until July 6. The State match for Adult Education and Career & Technical Education is included in the FY18 tentative budget. Ms. Janssen noted that, at this point, it is unknown how the pension changes will affect the College. She also noted that Senate Bill 42 “requires the employer to pay the employer normal cost of the portion of an employee’s earnings that exceeds the amount of salary set for the Governor, for academic years beginning on or before July 1, 2017.”

The College will receive Illinois Veterans Grant (IVG) funding for FY17 but the College is not included on the list of community colleges to receive the IVG funding in FY18. Ms. Janssen also expressed the need for the College to plan in case the State funds are not paid, are paid slowly, or are offset by the pension costs.

With the passing of the State budget, Operating Fund revenue increased \$1,250,000 between FY16 actual numbers and the FY17 end-of-year projection, and is \$92,000 higher in the FY18 tentative budget than the FY17 end-of-year projection. Ms. Janssen reminded Trustees that the College lost \$1.1 million in State funding between FY15 and FY16.

Ms. Janssen reviewed the equalized assessed valuations (EAVs) for the district, noting that overall EAVs rose by one percent, with Stephenson County increasing by 1.5 percent, Ogle County by 3.5 percent, and Jo Daviess County by 2.1 percent, while Carroll County decreased by 0.4 percent. For the 2017 estimated tax year, if an EAV was \$50,000, Highland's portion would be \$280.

Credit hours are projected to be level in FY18, but tuition revenue will be higher because tuition increased to \$141 per credit hour effective with the Fall 2017 semester. Overall, 39 percent of the College's FY17 projected revenue came from tuition, 48 percent from local sources, and five percent from State funding; however, these numbers do not include the recently approved State funding. With the passing of the State budget, 39 percent of revenue in the FY18 projected budget will come from tuition, 45 percent from local sources, and nine percent from the State. Ms. Janssen suggested that it might be a good idea to take a percentage of what the College is supposed to get from the State and put it into the Contingency fund.


In FY17, the College budgeted for a deficit of \$270,000; however, the ending deficit was projected to be approximately \$408,000 before the State budget was approved. Ms. Janssen reported that the College's fund balance was at 21 percent of expenses in FY16. It is projected to end FY17 at 18 percent, and the FY18 tentative budget would result in a fund balance of 13 percent of expenses, although she anticipates that it will be in the range where we would like it to be when the FY18 permanent budget is approved.

Ms. Janssen reviewed the various funds and noted that Monetary Award Program (MAP) funding has been vouchered, so the College is one step closer to receiving the dollars.

### **ADJOURNMENT**

Mrs. Gallagher moved and Mr. Musser seconded the motion to adjourn the meeting. At 3:38 p.m., there being no further business, the Chairperson declared the meeting adjourned and the budget work session ended.

Respectfully submitted,

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