

MINUTES
COMMITTEE OF THE WHOLE
OF McHENRY COUNTY COLLEGE

A meeting of the Committee of the Whole was held on Tuesday, November 10, 2015, in the Board Room, Room A217, of Building A on the Campus. Vice Chair Liddell called the meeting to order at 6:31 p.m.

When Mr. Jenner called the roll the following were present:

Mr. Memmen
Mr. Jenner
Ms. Kisser
Mr. Parrish
Ms. Tirio
Ms. Walsh
Ms. Liddell

Mr. Smith was absent. Dr. Smith was present. Attorney Daniel Curran was present as legal counsel.

ACCEPTANCE OF AGENDA

The agenda was accepted as presented.

ACCEPTANCE OF MINUTES

The minutes were accepted as presented.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

Mr. Mark Handeland advocated for space for student veterans, noting that the current space is not a good environment for combat veterans.

Mr. Cal Skinner asked whether any follow-up had been done regarding his suggestion on the use of success coaches. He asked that the Presidential Search Committee find a candidate with a history of cost cutting, asked for a flat levy again this year, and asked whether the Board Room could be used for veterans.

PRESIDENT'S REPORT

Dr. Smith proudly announced that the MCC women's volleyball team has earned a place at the NJCAA Nationals. She shared the latest 10th day enrollment reports from the ICCB Fall 2016 Tenth Day Opening

Enrollment Survey Results, showing that MCC's statistics are much better than the statewide averages, which she attributed to the quality of MCC's educational programs. Mr. Memmen noted it was amazing that the College was down only five students from last year.

PRELIMINARY OCTOBER FINANCIAL STATEMENTS

Mr. Tenuta gave a brief summary of the preliminary financial statements for November. He noted that travel, conference, and meeting expenses are larger this year due to the costs involved in the Presidential Search. He reminded the Board that when he came to the College a little over three years ago, he had specific priorities: rebuilding the Business Office, working with the audit, and increasing investments. He noted that PFM has helped increase investments about 1300% over what the College had previously been receiving.

QUARTERLY REPORT ON INVESTMENTS

Mr. Jeff Schroeder of PFM reported on the College's investments. His presentation featured details about the United States economy, inflation, outlook for federal funds target rate, a review of the College's investment portfolio featuring charts and graphs to show returns, long- and short-term portfolio performance, and examples of active management of the portfolio. After the presentation, Mr. Schroeder received comments and questions from the Board. The presentation can be seen at www.mchenry.edu/board.

NEXT STEPS FOR SPACE AT McHENRY COUNTY COLLEGE

Mr. Dominick Demonica, DKA, was present to answer any questions from the Board. Ms. Liddell summarized the process to this point: the Board has narrowed down to two options, which will be discussed tonight. She asked all for their thoughts.

Dr. Smith noted that DKA used the information from the Paulien study to create Options A and B, to address institutional programmatic needs. She noted that Option A contained the same options, except one option had a smaller student space, and that, even with rearranging space, all space needs were not

addressed. She noted that the difference with Option B was larger student space, which then impacted other areas. When done, there would be a little space for new programs.

Very extensive discussion followed on Options A and B in the space utilization plan proposed by DKA Architects; each Trustee provided feedback on which parts of the plan they could support. A straw poll was taken to ask, "Where do we go from here?" Support was stated as follows: Ms. Walsh supported space A, B, E with discussion on C. Mr. Parrish supported no referendum, \$30 million for improvements; administration would tell the Board what could be done. Ms. Kisser supported A through G with questions about what could be shoehorned down. Mr. Jenner agreed with Mr. Parrish, for a set amount of money with administration saying what could be done, with information about what sacrifices must be made. Mr. Memmen supported A-E with discussion on C and wanted discussion with constituencies on programs that would be eliminated. Ms. Tirio supported no referendum and agreed with Mr. Jenner. She wanted more information about the library renovation. Ms. Liddell supported the items Mr. Jenner and Mr. Parrish did, with a set amount of money.

A second straw poll was taken on extending money to extend DKA's scope of work. All were in favor; Mr. Jenner specified the amount should be under the Board threshold, \$25,000. Mr. Demonica will present more in-depth information about the library and testing center space changes.

A break was taken at 9:12 p.m. and the meeting reconvened at 9:21 p.m.

DISCUSSION OF LEVY RECOMMENDATION

Mr. Tenuta presented a recap of information presented to date; he noted the forecast shows a declining downward trend, as three main revenue sources have been flat. He noted that tuition and fees are now level, and added that the SURS pass-through is recorded, but does not represent actual revenue. He spoke to the 2015 tax levy, which included the allowable PTELL equal to the CPI-U of 0.8% and estimated tax from the estimated new property growth that we are allowed to capture. After computing all the

variables in estimating the levy, the total equates to a 1.4% increase over the last year's extended levy.

The additional cost would be \$4.90 a year for a \$100,000 home, or 41 cents a month.

A straw poll was taken: Mr. Parrish stated he did not know what he supported. Mr. Memmen, Ms.

Kisser, and Ms. Liddell supported the levy that that included PTELL and new growth. Ms. Walsh, Ms.

Tirio, and Mr. Jenner supported a flat levy.

DISCUSSION OF TUITION AND FEES

Dr. Miksa and Mr. Tenuta presented preliminary information on tuition and fees; the topic will be discussed at Committee of the Whole meetings through February. Mr. Memmen prefers an incremental increase over several years; Mr. Parrish stated he would like to maintain MCC's state ranking, 33rd out of 39 colleges.

UPDATE ON PRESIDENTIAL SEARCH

Ms. Liddell provided a brief update, noting that the candidates would be interviewed soon, with final candidates brought to the Board in December.

LEGISLATIVE REPORT/UPDATE

Dr. Smith stated she has heard it will be January before any movement on a state budget would happen, with a possible 50% reduction in aid to community colleges.

Mr. Memmen spoke about his involvement with the Illinois Community College Board Student Advisory Committee. He noted that student government leaders and student trustees have created a petition for all students to sign, urging congressional leaders to pass a MAP grant bill.

COMMUNITY EVENTS ATTENDED BY TRUSTEES

Ms. Tirio attended the McHenry County Council of Governments (MCCG) dinner, the McHenry County Economic Development Corporation (MCEDC) dinner, and several other events.

Mr. Jenner attended a non-partisan TIF seminar, a social event with the Foundation Board, the MCC Veterans' Day ceremony, and the Green Living Expo.

Ms. Walsh attended the Green Living Expo, the manufacturing breakfast, and the MCEDC dinner.

Mr. Parrish attended the manufacturing breakfast, and spoke about the upcoming McHenry County Conservation District Conservation Congress.

Mr. Memmen attended the Foundation Board social event, the Veterans' Day Ceremony, the manufacturing breakfast, and plans to tour Sage Industries with a veterans group.

Ms. Kissler attended the Black Box Theatre play, the Foundation Board event, the Veterans Town Hall meeting, and the Green Living Expo.

Ms. Liddell attended the Foundation Board event, and a fundraiser dinner for the Illinois Diaper Bank, in which Mr. Memmen was a contestant.

FUTURE AGENDA ITEMS

Ms. Tirio asked what the Board Room was used for besides Board meetings; Dr. Smith replied that because the College has so little meeting space, the room is booked many hours a day for College committee meetings, interviews, and faculty meetings.

Ms. Walsh asked when the Sustainability Strategic Plan would be brought to the Board. Dr. Smith replied that once the plan has been reviewed, it will come forward.

SUMMARY COMMENTS BY BOARD MEMBERS

Mr. Parrish will share with the Trustees his reports on mandatory retirement and FERPA.

Mr. Memmen shared photos of veteran space at Joliet Junior College.

Ms. Kissler shared her concern that the College's email system may have been hacked, as a media outlet featured a message from Ms. Liddell that had been sent confidentially to the Board.

Ms. Tirio commented that veteran space should be found.

Mr. Jenner noted that no taxpayer money was spent on the recent social event between the Board and the Foundation Board.

Ms. Liddell thanked staff for their work on the financial thought process and financial modeling.

CLOSED SESSION

No closed session was held.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 10:12 p.m.

Pat Kriegermeier, Recording Secretary

Chris Jenner, Board Secretary