

MINUTES
FINANCE AND NEGOTIATIONS COMMITTEE
OF McHENRY COUNTY COLLEGE

A meeting of the Finance and Negotiations Committee of the Board of Trustees of McHenry County College was held on Thursday, March 15, 2012, in the Board Room, Room A217, of Building A on the Campus. Chair Adams called the meeting to order at 8:08 a.m.

When Ms. Larson called the roll, the following were present:

Mr. Adams
Ms. Larson
Ms. Liddell

Mr. Parrish was absent. Ms. Walters was absent at roll call and arrived at 8:13 a.m. Mr. Adams left the meeting at 10:37 a.m. Attorney Nanci Rogers was present as legal counsel.

ACCEPTANCE OF AGENDA

The agenda order was changed. Item #12, Insurance Update, was moved immediately after Item #5, President's Report. Item #8, FY 2013 Budget Building Process, and Item #11, Parking Fees Discussion, followed Item #6, Presentation on Refunding 2004 Bond. The agenda was accepted as amended.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one signed in to address the combined Committees.

PRESIDENT'S REPORT

Dr. Smith stated she had nothing to report.

INSURANCE UPDATE

Mr. Manke stated that every year at this time, health and life insurance is reviewed as part of the fringe benefit package. He stated that the Insurance Advisory Committee has members from the Staff Council and Faculty Association and administrators. The past year's usage will be reviewed so that projections can be made for the remainder of the fiscal year. The College wants to provide employees with a good program while being cognizant of the costs, which are becoming a major issue. Mr. Manke stated that the College will need to find all economies possible to try to bring costs in line. The Committee will look at

all factors, hoping to put together a package that will balance costs versus benefits versus what seems to be an adequate program for employees.

PRESENTATION ON REFUNDING 2004 BOND, PMA FINANCIAL NETWORK

Mr. West arranged for a representative from PMA Financial Network to give a presentation. The College is looking for the possibility of savings by refunding (refinancing) the 2004 bonds. Ms. Tammie Beckwith Schallmo provided background information on PMA, and spoke about how a determination would be made whether to refund the bonds. If the Board decides to proceed, a resolution must be passed so that the process can start. This item will be placed on the March Board meeting agenda.

FY 2013 BUDGET BUILDING PROCESS

The FY2013 budget building process was discussed. Mr. West spoke about early projections and gave assumptions behind those projections. He stated the College has three main revenue sources and anticipates state funding to be flat. He anticipates enrollment to have a 7% decline in credit hours generated. He spoke about a liquidity management program, placing funds in short-term certificates of deposit, while timing when expenditures will be high. Mr. West stated that the state legislature is considering shifting the state's share of the College Insurance Plan costs to retirees and employers. He added that the state legislature is also considering ways to shift the state's share of the pension burden to the college; Dr. Smith stated that shifting these costs would be a significant hit to community colleges. Ms. Liddell stated that she plans to attend the lobbying event in Springfield in May.

PARKING FEES DISCUSSION

Mr. Manke gave an educational presentation on parking fees and the Trustees discussed the options provided. No decision was made on the issue. The Committee asked for additional information to be provided.

SUMMARY COMMENTS BY BOARD MEMBERS

No summary comments were made.

FUTURE AGENDA ITEMS

No future agenda items were proposed.

MEMORANDUM OF AGREEMENT WITH MCHENRY COUNTY COLLEGE STAFF COUNCIL

No action was taken.

CLOSED SESSION

At 9:59 a.m., Ms. Walters moved to go into Closed Session to discuss matters covered under the Illinois Open Meetings Act, 120/2 (c), Exception #1, *The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee to determine its validity.* Ms. Larson seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried. After a break was taken, closed session began at 10:10 a.m.

At 10:53 a.m., Ms. Liddell moved to come out of Closed Session and Ms. Larson seconded the motion. There was no discussion. A voice vote was taken and all were in favor. The motion carried. Closed Session ended at 10:53 a.m.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 10:54 a.m.

Patricia Kriegermeier, Recording Secretary