

MINUTES
COMMITTEE OF THE WHOLE
OF McHENRY COUNTY COLLEGE

A meeting of the Committee of the Whole was held on Tuesday, January 19, 2016, 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. Sacramento
Mr. Jenner
Ms. Kisser
Mr. Smith
Ms. Tirio
Ms. Walsh
Ms. Liddell

Mr. Parrish was absent. Dr. Gabbard 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

No one addressed the Board.

PRESIDENT'S REPORT

Dr. Gabbard reported he is finding in the staff a lot of people who understand what they are supposed to do, understand why they are supposed to be doing it, and have a deep respect for the mission of the College. When out in the community, he asks those he meets what they know about McHenry County College. He stated there are many who wish the College the best, and are ready to renew, reinvest, or continue their relationship with the College.

PRELIMINARY DECEMBER FINANCIAL STATEMENTS

Mr. Tenuta spoke about the draft financial statements, and noted that he wants to continue to draw attention to the fact that the College has yet to receive fiscal year 2016 payments from the State of Illinois; right now, the entry shown is just an accounting entry. He stated that the College's net equity is still basically the same as it was last year. He noted that the budget is tracking quite well against last year. Mr. Tenuta noted that the College budgeted about \$700,000.00 for MAP funding. In the fall, 267 students would receive MAP. Dr. Gabbard added that the average award is \$800 per student in fall and in spring. In spring, 460 students receive MAP, and in fall, around 260 students. A discussion followed on MAP funding; the College has not awarded funds and will do so when funds are received from the state. Discussion followed on the fund balance; Mr. Tenuta noted that he projects what it should be and is making sure that the fund balance maintains the four-month threshold as dictated by Board Policy.

DISCUSSION OF TUITION AND FEES

Mr. Tenuta stated he has been working on the forecast and projecting where the College will be for FY 2016, followed by the five-year forecast, which will be based on a 25% reduction in state funding, and flat levies for the next five years. Mr. Tenuta will need direction from the Board on what will be supported in tuition & fees. He stated that based on the current scenario, with no tuition increase and no infrastructure fee, the College will hit the fund balance policy threshold in FY 2019; that is when a five-year plan would have to be implemented. Mr. Tenuta would like to propose a \$5.00 tuition increase along with an infrastructure fee of \$10.00. He noted that a decision must be made on tuition by the February Board meeting to allow time for Financial Aid to create student packages. Answering questions from the Board, Mr. Tenuta noted that MCC tuition is now 33rd lowest of the 39 Illinois community colleges. Discussion followed on a historical background of tuition, recent tuition increases, and salary expenditures as related to the collective bargaining agreements, enrollment, and Mr. Tenuta noted that tuition and fees are generally price inelastic, meaning that an increase in tuition generally does not

correlate to a decline in enrollment.. Dr. Gabbard stated that the idea of a tuition increase and infrastructure fee in the same year is a lot; he noted the user fee provides some flexibility. Student Trustee Sacramento was asked to poll the student body for their voice on this issue.

CURRENT UPDATE ON SPACE UTILIZATION AND FINANCING MODEL

The Executive Council is providing information to bring Dr. Gabbard up to speed on this project. Mr. Dominick Demonica will give the Foundation Board and Dr. Gabbard the same campus tour the Trustees received. Ms. Kisser noted that Dr. Smith shared information with her on space; 41% of the space is allocated as new space and 59% of the space is still within the same College footprint. Mr. Jenner questioned the financing; Ms. Kisser spoke about the donors Dr. Smith has spoken with. Mr. Tenuta has not changed the financing assumptions from the last version presented, and can easily revise those once more information is available.

FUTURE AGENDA ITEMS

Mr. Jenner asked about the College's current activity with Tax Increment Financing (TIF) districts, specifically the Lakewood TIF. Ms. Tirio asked about hover boards on campus. Ms. Kisser noted that the RAMP document will be discussed; Mr. Tenuta noted the RAMP is due in May.

SUMMARY COMMENTS BY BOARD MEMBERS

Ms. Walsh offered kudos to Ms. Haggerty for the great press coverage the College received over the holidays and noted that Mr. Nick Kachiroubas, former Student Trustee and Trustee, has been appointed to the Illinois Community College Board.

Chair Smith noted that Ms. Haggerty and Mr. Clesceri are making a presentation for sign variances to the City of Crystal Lake tonight. He added that the Planning and Zoning Board voted unanimously for the variances, and hoped the City Council would approve it tonight as well.

Ms. Liddell noted that she and Dr. Gabbard attended the recent Interfaith Prayer Breakfast.

Mr. Jenner will attend the January Board meeting telephonically, as he will be out of town on business.

Ms. Liddell welcomed Student Trustee Sacramento.

CLOSED SESSION

No closed session was held.

ACCEPTANCE OF CLOSED SESSION MINUTES

Ms. Kisser moved to accept the closed session minutes from the December 8, 2015 Committee of the Whole meeting and Ms. Walsh seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 7:30 p.m.

Pat Kriegermeier, Recording Secretary

Chris Jenner, Board Secretary