

MINUTES
COMMITTEE OF THE WHOLE
OF McHENRY COUNTY COLLEGE

A meeting of the Committee of the Whole was held on Tuesday, October 15, 2019, in the Board Room, Room A217, of Building A on the Campus. Vice Chair Walsh called the meeting to order at 6:00 p.m. When Secretary Allen called the roll, the following were present:

Mr. Rendon
Ms. Evertsen
Ms. Hoban
Ms. Siddons
Mr. Smith
Ms. Speros
Ms. Walsh
Mr. Allen

Dr. Gabbard was present. Attorney Samuel Cavnar was present as legal counsel.

ACCEPTANCE OF AGENDA

The agenda was accepted as presented.

ACCEPTANCE OF MINUTES

The minutes of the September 17, 2019 Committee of the Whole meeting were accepted as presented.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one addressed the Board.

PRESIDENT'S REPORT

Dr. Gabbard reported that the Center for Advanced Technology (CATI) is moving forward with artists' renderings, which are critical to fundraising. Initial concepts will be shown at the President's Dinner in November. In response to Ms. Speros' question, Dr. Gabbard stated that he suspects one new faculty person may be needed for the CATI, as well as adjunct faculty. He noted there will be some retirements between now and when construction would start, which provide a chance to repurpose faculty funds.

Dr. Gabbard shared that today was Professional Development Day, when awards for Behaviors of Excellence were given to winners voted for by faculty, staff, and administration. He spoke about receipt of \$2.25 million in Title III funds. The grant has very specific guidelines on how the funds will be spent; our plans are to renovate existing spaces to create student learning hubs throughout campus and enhance curriculum. Dr. Gabbard noted that many schools across the country received Title III funds, with only four in Illinois. He provided several upcoming event dates for the Trustees: the new faculty speaker series begins Thursday, 10/17, Education to Empowerment will be held Wednesday, October

23, and the fall theatre production opens Thursday, October 24. A full listing is noted on the President's Report.

FY2019 AUDIT PRESENTATION

Mr. Fred Lantz and Mr. Ray Krouse from Sikich presented our recent audit, and recapped the three documents provided to the Board. They noted that five clean, unmodified opinions were given on these documents. Mr. Lantz was pleased to report that there were no proposed adjusting journal entries this year, which is quite an accomplishment. He also noted that there were no findings on internal controls, deficiencies or weaknesses in the single audit. Mr. Lantz went through each document provided and spoke about the highlights of the audit. After the presentation, questions were taken from the Trustees. Mr. Lantz noted that two of the auditors this year are graduates of McHenry County College.

DISCUSSION OF THE 2019 TAX LEVY

Dr. Gabbard stated that since 2011, the College has proactively sought to control the economic impact to taxpayers by not raising the levy, and approving modest tuition increases that kept MCC near the lowest tuition rate in the state. Significant fundraising has also been done, which allowed campus improvements to be made. Cost savings included a FY 2018 reduction in force, which eliminated 35 positions. In other cost-saving measures, the College also joined an insurance consortium and refinanced debt certificates. These measures had a positive impact on the community: 13.62% was saved on tax bills and there was a direct savings of \$10,000,000 from 2013 to 2018.

The recommendation is to increase the levy 2.61%. The net estimated average is \$5.15 annually, or 43 cents per month for the average homeowner. This would still save an average homeowner \$31.75 annually since 2013. Dr. Gabbard noted that MCC represents 3.27% of the average taxpayer's bill, adding that the K-12 districts comprise 63%. Extensive discussion followed; a poll was taken on raising the levy and on raising tuition. At that time, Board members weighed in on where they stand regarding a levy increase. Discussion followed as to methods of increasing needed revenue, including the option of raising our tuition and fees. It was requested by Mr. Smith that administration bring tuition information for consideration to the October Board meeting.

PRELIMINARY SEPTEMBER FINANCIAL STATEMENTS

Mr. Tenuta provided a brief summary of the preliminary financials. He noted that \$1.9 million in capital funds will be consumed during this year and that we will be operating with zero net result. Dr. Gabbard added that bid packages will be in soon for renovations in these areas of campus: Registration, Admissions, and the bookstore, all slated for spring and summer construction.

FUTURE AGENDA ITEMS/SUMMARY COMMENTS BY BOARD MEMBERS

Mr. Allen praised the art exhibit in the library, and noted that the Leadership Greater McHenry County education day and other events were well done. Ms. Walsh remarked that while the press release about MCC being awarded the Title III grant, it has resulted in questions from the community as to what those funds will be used for. She requested a presentation about the grant at the time when more details are confirmed. Dr. Gabbard replied that this project is in the formative stage, and as plans progress, information will be shared with the Board.

CLOSED SESSION

At 8:06 p.m., Ms. Evertsen moved to go into Closed Session under Illinois Open Meetings Act 120/2(c), Exception #1, Personnel, and 120/2(c), Exception #21, Review of Closed Session Minutes. Mr. Smith seconded the motion. There was no discussion. The roll was called, and all were in favor. The motion carried. A short break was taken, and closed session began at 8:19 p.m.

At 8:38 p.m., Ms. Hoban moved to come out of Closed Session, and Ms. Evertsen seconded the motion. There was no discussion. A voice vote was taken and all were in favor. The motion carried. Closed Session ended at 8:38 p.m.

ACCEPTANCE OF CLOSED SESSION MINUTES, Committee of the Whole Meeting, August 13, 2019

Ms. Hoban moved to accept the closed session minutes from August 13, 2019, and Ms. Evertsen 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 8:39 p.m.

Pat Kriegermeier, Recording Secretary

Tom Allen, Board Secretary