

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 Ms. Whitney Zumdahl, Vice Chairperson, at 3:00 p.m. on September 15, 2015, 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. Jim Endress, Dr. Steve Jennings, Ms. Whitney Zumdahl, and Mr. Blake Musser

The following members were absent: Mr. Doug Block and Ms. Alexa Buss

Also present: Mr. Tim Hood, President; Ms. Chris Kuberski, Executive Vice President; Ms. Jill Janssen, Vice President, Administrative Services; Ms. Liz Gerber, Vice President, Student Development and Support Services (arrived 3:03 p.m.); Ms. Rose Ferguson, Associate Vice President, Human Resources; Mr. Pete Willging, Director, Marketing and Community Relations; Ms. Mary Lloyd, Manager of Accounting; Ms. Andria Cornelius, Coordinator of Accounting; Mr. Kurt Simpson, Director, Facilities and Safety; and, Ms. Terri Grimes, Board Secretary

REVIEW OF FY16 BUDGET

Ms. Janssen reviewed the FY16 permanent budget that will be presented to trustees for approval during the regular meeting. She noted that the budget includes an estimated one-half percent increase in equalized assessed valuations (EAVs) for tax year 2015. Twenty-nine percent of the revenue from EAVs is from farm land, while 55 percent is residential. Jo Daviess County accounts for 41 percent of the assessed valuation, while Stephenson County is next highest at 37 percent. State funding has decreased by \$1.1 million or seven percent from FY07 to FY16. Tuition revenue is based on a tuition rate of \$123 per credit hour and 36,700 unrestricted credit hours. The FY16 budget includes an estimate of certified credit hours to ICCB that is about three percent lower than in FY15. Overall, revenue is projected to be at \$14.1 million, while expenses are projected at \$14.5 million or 4.3 percent more than FY15 actual, resulting in a projected deficit of \$330,549.

Ms. Janssen reported that the legislature has a proposal to freeze property tax extensions with the 2016 tax extension, and proposed that perhaps this year we could do a larger Protection, Health, and Safety (PH&S) project to raise the PH&S rate in anticipation of the freeze. PH&S is the only funding source for upgrades or improvements on campus due to there being no availability of Operating Funds for these types of expenses. Mr. Endress reported that ICCTA's legislative consultant has said that there will be no budget deal without some language related to property taxes. Ms. Janssen presented two options for a PH&S project, which must be included in the FY16 budget. Trustees voiced their support for the larger project because it will allow some

flexibility in the tax extension, noting that the extension can always be lowered at a later time if the State budget turns around. Trustees will vote on the PH&S project during the regular meeting.

Ms. Janssen concluded her presentation by reviewing the budgets for the other funds, noting that the fund balance of the College will be reduced by \$5 million or 28 percent in FY16, including spending of the bond funds.

ADJOURNMENT

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

Respectfully submitted,



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