

**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 Mr. Doug Block, Chairperson, at 3:04 p.m. on July 19, 2016, 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. Doug Block, Mr. Jim Endress (arrived 3:06 p.m.), Dr. Steve Jennings, Ms. Whittney Zumdahl (arrived 3:09 p.m.), and Mr. Blake Musser

The following members were absent: Ms. Staci Hammer

Also present: Ms. Jill Janssen, Vice President, Administrative Services; Ms. Liz Gerber, Vice President, Student Development and Support Services; Ms. Rose Ferguson, Associate Vice President, Human Resources; Mr. Pete Willging, Director, Marketing & Community Relations; and, Ms. Terri Grimes, Board Secretary.

**FY17 BUDGET**

Ms. Janssen provided an overview of the FY17 tentative budget, stating that a notice will go to the newspaper indicating that the budget is on display. She also noted that, since this is a tentative budget, she does expect changes in the budget between now and when the permanent one is approved at the September regular meeting. The State's stopgap budget was completed after Ms. Janssen prepared the tentative budget and will affect the Operating funds and some Restricted funds. Ms. Janssen noted that local taxes are starting to rebound, and tuition and fees revenue has increased and is expected to increase. Corporate Personal Property Replacement Tax revenue is projected at this time based on an average of the last several years, and the State Department of Revenue will provide an estimate as to what the College should be receiving.

Equalized Assessed Valuations (EAVs) increased .5 percent in 2015-16 and may increase another one percent in 2016-17. Overall, 41 percent of tax revenue comes from Jo Daviess County, 37 percent from Stephenson County, 15 percent from Carroll County, and 7 percent from Ogle County. Farmland makes up 25 percent of the EAVs, while residential property makes up 60 percent. Unrestricted certified credit hours were 39,000 or about 4 percent higher than last year, and tuition will increase to \$129 this Fall. The FY16 permanent budget included an anticipated slight reduction in State funding, to \$1.3 million; however, the College received only \$300,000 in FY16. Monetary Award Program (MAP) funding has been released and distributed to students. Ms. Janssen had budgeted to receive half of what we should have received in FY16 from the State in FY17 or \$738,961, and the College was allocated \$630,841 through the stopgap budget, leaving a difference of \$108,120.

In FY16, local funding sources accounted for 48 percent of the College's revenue, tuition was 39 percent, other sources were 10 percent, and State funding was three percent. The FY17 tentative budget projects local sources to account for 46 percent of revenue, tuition at 41 percent, other sources at seven percent, and State at five percent. In FY16, salaries and benefits comprised 79 percent of the budget and are currently projected to stay nearly steady at 78 percent in FY17.

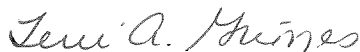
Ms. Janssen reminded trustees that the Illinois Community College Board recommends community colleges have 20 to 25 percent of their annual operating budget in reserves. In FY15, that number was 25 percent, but she currently projects that to drop to 19 percent in FY16. Based on the tentative FY17 budget, reserves would be at only 14 percent. She also noted that the Government Financial Officers Association recommends five to 15 percent be kept in reserves.

Overall, the FY17 tentative budget projects a deficit of \$605,000, including one scheduled drawdown from the Matching Grant Fund of \$266,000. No salary increases are currently included in the tentative budget other than the faculty step. The tentative budget also includes two furlough days for administrative, professional, and nonunion classified staff. Mr. Musser inquired whether there were efforts targeted at grant opportunities and foundations, and Ms. Janssen reported that the College definitely needs to look at that.

#### **ADJOURNMENT**

Dr. Jennings moved and Mr. Shockey seconded the motion to adjourn the meeting. At 3:44 p.m., there being no further business, the Chairperson declared the meeting adjourned and the budget work session ended.

Respectfully submitted,



---

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