

**Highland Community College**  
*Board Retreat*  
*June 8, 2022*  
*Highland Community College Student/Conference Center*  
*Robert J. Rimington Board Room*  
*Freeport, Illinois*

**CALL TO ORDER/ROLL CALL**

Mr. Jim Endress, Board Chairperson, called the meeting to order at 8:01 a.m.

***Members Physically Present:*** Mr. Doug Block, Mr. Jim Endress, Ms. Pennie Groezinger (arrived 8:17 a.m.), Mr. Shawn Boldt, Mr. James Rhyne, Ms. Sarah Kuhlemeier (arrived 8:29 a.m.), Mr. Craig Knaack, and Ms. Chloe Smith (departed 10:30 a.m.)

***Members Virtually Present:*** None

***Members Absent:*** None

***Others Physically Present:*** Ms. Chris Kuberski, President; Mr. Pete Fink, Director, ITS; Mr. Jim Reed, Executive Director, Illinois Community College Trustees Association; and, Ms. Terri Grimes, Board Secretary

***Others Virtually Present:*** Ms. Jill Janssen, Vice President/CFO, Administrative Services, Board Treasurer; Mr. Scott Anderson, Vice President, Business, Technology, and Community Programs; Ms. Liz Gerber, Vice President/CSSO, Student Development & Support Services; Mr. Jim Phillips, Interim Vice President/CAO, Academic Services; Ms. Karen Brown, Director, Human Resources; and, Ms. Jeniece Smith, Director, Marketing & Community Relations

Illinois continues to be under a disaster proclamation related to public health, and an in-person meeting is not practical or prudent due to the COVID-19 pandemic. This meeting was properly noticed and is accessible to the public over Zoom. Mr. Endress asked if trustees who were attending virtually were able to hear.

**PUBLIC COMMENTS**

There were no public comments.

**OPENING REMARKS**

Ms. Liz Gerber introduced Ms. Jeniece Smith, Director, Marketing & Community Relations, who began her new position on May 31.

### **CLOSED SESSION**

Mr. Block moved and Mr. Knaack seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body under Open Meetings Act exception 2-C-1; collective negotiating matters between the public body and its employees or their representatives under exception 2-C-2; and, self-evaluation, practices, and procedures or professional ethics under exception 2-C-16, pursuant to the Open Meetings Act, and to return to Open Session for possible action. The roll call on the motion was as follows:

AYES: Endress, Boldt, Rhyne, Knaack, Block, Smith  
NAYS: None

At 8:08 a.m., the Chairperson declared the motion carried and the meeting in Closed Session.

At 9:37 a.m., the Chairperson declared a recess; the meeting resumed at 9:51 a.m.

Ms. Groezinger moved and Mr. Rhyne seconded the motion to end the Closed Session. The roll call on the motion was as follows:

AYES: Groezinger, Boldt, Rhyne, Kuhlemeier, Knaack, Block, Endress  
NAYS: None

At 11:38 a.m., the Chairperson declared the motion carried and the Closed Session ended.

### **ADMINISTRATIVE UPDATES**

#### *Salary Increases for Nonunion Employees*

Ideally, based on discussion today, an agenda item regarding salary increases for nonunion employees will be presented to trustees for consideration at the June 28, 2022, regular meeting. Ms. Janssen explained that for FY23, a 2.75 percent increase on the base was negotiated with faculty, and the custodial/maintenance increase has not been negotiated at this time. Traditionally, the College has tried to provide nonunion employees with the same or basically equivalent increases as other groups. Ms. Janssen reviewed the salary increases for nonunion employees over the past five years, noting that a 2.75 percent increase would have a total cost of around \$117,000, and a three percent increase would be around \$127,000. There will also be compensation study adjustments that continue, which total around \$49,000. The difference between 2.75 percent and three percent is not significant per individual. The College also considers the cost to the employee of health insurance premium increases, which this year were pretty low at \$11 for single coverage and \$26 for family coverage. Both salary increase recommendations are included in the FY23 budget. Mr. Endress reminded trustees that, in addition to the 2.75 base adjustment for faculty, there was an added step of one percent at the bottom of the base so the lowest increase faculty would receive was 3.75 percent, with some receiving more. Sometimes the College has given nonunion employees a flat \$1,000 increase, which is added to their annual salary. Following discussion, it was agreed that a recommendation of three percent will be presented to trustees for approval at the June 28, 2022, regular meeting.

### *FY22 and FY23 Budgets*

Ms. Janssen compared the FY22 permanent budget and FY22 projections, noting that local property taxes were impacted by an increase in equalized assessed valuation (EAV) of 5.4 percent. The Corporate Personal Property Replacement Tax (CPPRT) is over budget by about 76 percent due to economic conditions and interfund transfers done at the State level. This affected all Illinois community colleges, but it is unclear if this is a one-time thing or if it can be expected in future years. In addition, in May the State announced an additional FY22 allocation of about five percent for ICCB unrestricted grants. Ms. Janssen is currently projecting about 27,300 unrestricted credit hours based on current enrollment levels, which is about two percent lower than FY21, but truck driving revenue is \$300,000 more than anticipated, so those two combined create a \$100,000 increase in tuition and fees. Foundation gifts should be on budget and interest income will probably come in lower. Salaries will probably be under budget due to vacancies, some part-time positions not being utilized, and the ability to charge certain payoffs to the federal HEERF grants. Benefits will also be under budget due to vacancies. Contractual services will be significantly over budget directly related to the instructional costs for truck driving. We will recognize less lost tuition revenue than budgeted because our enrollment was a little better than anticipated, which means we have less lost revenue that can be claimed. If the results for FY23 are close to projection, it would result in a \$1.1 million surplus and an ending fund balance of about 48 percent of normal operating expenses, which exceeds the minimum fund balance we strive for of about 25 percent.

The budget-building process has begun for FY23, and Ms. Janssen is compiling the budget manager requests. She will discuss the initial results with Cabinet on June 15, and there will likely be next steps to make some adjustments. The tentative budget will be shared with trustees at the July budget work session. Ms. Janssen is currently projecting a deficit of between \$320,000 to \$340,000 and a fund balance of about 42 percent of expenses. She suggested that we may need to consider proceeding with a deficit budget in FY23, utilize some of the fund balance, and continue putting into play some of the things we are working on to reimagine the budget for FY24 and the future. Mr. Boldt thought the Illinois Community College Board (ICCB) had been talking about recommending an increase in the recommended fund balance from 25 percent to 40 percent of expenses, and Ms. Janssen will reach out to ICCB to get more information. Ms. Groezinger asked about the actual adjusted expenses going up by \$623,000, and Ms. Janssen reported that she will be going back to budget managers to discuss the requests for some initiatives. In addition, the truck driving expenses went up in relation to increased revenue. There were also items that were previously funded by a grant or Foundation gift that will no longer be funded that way. The tentative budget will be presented to trustees in July, with the permanent budget presented in September.

### *Strategic Plan*

Ms. Gerber provided an update on the status of the strategic plan. Ms. Kuberski has referenced "reimagine" in a number of meetings, which has resonated with the faculty and staff and with the people on the Strategic Planning Council, so the Council has been referring to "Reimagine 2026" when talking about the strategic plan. The Strategic Planning Council is comprised of 35 members, including Full Cabinet and external constituents. The process included a number of subcommittees, a series of focus groups throughout the district, both online and in person, a number of key informant interviews and panel discussions, and an environmental scan through the NIU Governmental Studies Office. The Council reviewed a number of internal reports and, when needed, they worked with Dr. Misty Thuman to gather institutional research. Everything was summarized in a SWOT (strengths, weaknesses,

opportunities, and threats) analysis that was coded thematically so it could be sorted, revised, and looked at not just through SWOT but also the different areas they fell into. The subcommittees helped develop goals and objectives, and many subcommittees also have strategies in mind. The plan is currently being drafted, and Ms. Gerber is working on gathering feedback. One thing that was different with the process this year is the structure of the plan, which includes themes, goals, objectives, strategies, and tactics. The subcommittees were asked to focus in on “gamechangers,” i.e., what will make a difference for our students and our community. Ms. Gerber provided several examples of key results and how they will be achieved, including a theme, goal, and objectives for each, as well as performance metrics to measure progress toward the goals and objectives. A project management database will be used to ensure there is accountability for carrying out the projects. Ms. Gerber will forward the environmental scan to Ms. Grimes to send to trustees.

### **BOARD UPDATES**

There were no additional updates.

### **OLD BUSINESS**

There was no old business

### **NEW BUSINESS**

The ICCTA Northwest Region meeting is at 4:30 p.m. tonight in the Natural Science building, with parking available in the south lot. Mr. Endress thanked Mr. Jim Reed for leading the Board self-evaluation today.

### **ADJOURNMENT**

Mr. Knaack moved and Ms. Groezinger seconded the motion to adjourn the meeting. The roll call on the motion was as follows:

AYES:	Boldt, Rhyne, Kuhlemeier, Knaack, Block, Endress, Groezinger
NAYS:	None

At 12:09 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

Respectfully submitted,



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