

BUDGET WORK SESSION
BOARD OF ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 519
Counties of Stephenson, Ogle, Jo Daviess and Carroll

CALL TO ORDER/ROLL CALL

The budget work session of the Board of Trustees of Illinois Community College District No. 519 was called to order by Mr. Jim Endress, Chairperson, at 3:03 p.m. on September 24, 2024, 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.

The following members were physically present: Mr. Doug Block, Mr. Jim Endress, Mr. Shawn Boldt, Mr. James Rhyne, Ms. Sarah Kuhlemeier, and Ms. Mary Kaufman

The following members attended virtually: None

The following members were absent: Ms. Pennie Groezinger, and Mr. Daeshon Verner

Others physically present: Ms. Chris Kuberski, President; Ms. Jill Janssen, Vice President/CFO, Administrative Services, Board Treasurer; Mr. Pete Fink, Director of IT; and, Ms. Terri Grimes, Board Secretary

Others virtually present: Ms. Liz Gerber, Vice President/CSSO, Student Development & Support Services

APPROVAL OF TRUSTEE(S) ATTENDING MEETING VIA ELECTRONIC MEANS

There were no trustees who requested to attend the meeting virtually.

PUBLIC COMMENTS

There were no public comments.

OVERVIEW AND DISCUSSION OF FY25 BUDGET

The tentative budget was approved at the July regular meeting and has been available for public inspection. The permanent budget will be presented to trustees for approval in the regular meeting later today, after which it will be sent to the Illinois Community College Board (ICCB) and the counties in the district. In developing the budget, the College has many federal, state, and local stakeholders and regulatory bodies to address, and demonstrates our implementation of the Higher Learning Commission criterion for accreditation. Ms. Janssen explained the budget-building process, noting that it takes about five to six months to develop. The FY25 budget follows the format required by the ICCB and includes expected revenues and expenses for all fund types of the College, as well as the expected fund balance. The College has several revenue sources including local, state, federal, student, and other. Expenses are broken down by program and by object. Since the tentative budget was approved, the operating funds increased by about \$4,000, while expenditures increased by about \$3,000. Overall, revenue for FY25 is expected to

be about \$17.6 million, which is about 5.4% more than FY24. Equalized assessed valuation (EAV) is currently estimated to increase by six percent but Ms. Janssen will confirm with the county assessors. The budget includes an estimated enrollment increase of 7%. Overall local taxes make up 54% of the revenue, while tuition and state make up 30% and 9%, respectively. Corporate Personal Property Replacement Taxes have decreased and returned to more historical levels. Jo Daviess County continues to be the highest contributor to EAV, followed by Stephenson, Carroll, and Ogle Counties. Tuition and fee revenue is the second largest source of revenue in the operating funds, and Ms. Janssen reminded trustees that the tuition rate has not changed since Fall 2023. FY25 enrollment currently looks to be above FY21 levels. State funding is based on several formulas. The College also receives a Small College grant of \$25,000, which is a flat sum for colleges with 2,500 or fewer full-time equivalent (FTE) students. Credit hour grants are the largest part of funding from the Illinois Community College Board (ICCB).

The FY25 permanent budget includes \$18 million in expenses, which is a 10% increase from FY24. Salaries and benefits make up 78 percent of the budget and include the addition of new positions, pay increases for regular employee groups, an increase in pay for athletic coaches, compensation adjustments, and more funds for the student worker program. The Bridge grant ended so the College absorbed the costs for student mentors, supplemental instruction, and tutors. Overall expenses increased by about four percent. The cost of programs that directly impact students, such as instruction, academic support, and student services, makes up a majority of the budget. The FY24 budget was balanced, and the FY25 permanent budget includes a deficit of \$541,000, due in large part to investments in new positions that support the College's strategic plan.

Ms. Janssen reviewed the changes in the other funds since the tentative budget was approved, which were mainly in the Operations and Maintenance, Restricted fund. She also reviewed some of the College's key results and goals, and how the budget supports those areas. She noted that the College has spending plans for about \$40 million, and resources are allocated according to the College's mission. At the November regular Board meeting, trustees will approve the tax levy, and the College may need to publish a Truth in Taxation notice, which will need to appear on the website at least 30 days prior to the posted meeting date. Work will begin on the Resource Allocation and Management Plan (RAMP) document, which is an annual document that includes historical information, projections, and future financial needs. Ms. Janssen is a member of ICCB's Adequacy and Equity in Community Colleges funding work group, and she will provide an update at Campus Connection this week. She will share system-wide data highlighting the impact of Illinois community colleges on our state. She noted that community college student enrollment is the largest sector of Illinois higher education enrollment. Community colleges have a diverse student population, and annual graduates have maintained or increased over time. Mr. Block asked how community colleges rank among other institutions for first-time students, and Ms. Janssen will see if she can locate the information and will report back to trustees.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

Mr. Block moved and Ms. Kaufman seconded the motion to adjourn the meeting. At 3:31 p.m., the vote being unanimous and 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