

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE HEARTLAND COMMUNITY COLLEGE BOARD OF TRUSTEES
Workforce Development Center, Room 2004
September 17, 2024**

Members: Janet Hood, Tom Whitt, Noah Lamb, Laura Hughs

Others: Keith Cornille-President; Barb Leathers-Executive Director, Human Resources; Kaitlyn Cope-Program Assistant, Executive Office; Andy Litwiller-Executive Director, Facilities; Steve Riesenbergs- Executive Director, Public Safety; Joshua Crockett- Board of Trustees; Auston Koch-Student Trustee; JD Davis-Director, Purchasing and Auxiliary Services

The Finance Committee meeting was called to order at 3:37 by Chair Janet Hood.

PUBLIC COMMENT

None.

FINANCE COMMITTEE MINUTES

Mr. Whitt moved to approve the minutes from August 20, 2024; Mr. Lamb seconded and the motion was approved.

CONSENT AGENDA

Ms. Hughs moved to approve the Consent Agenda, as amended; Mr. Whitt seconded and the motion was approved.

FINANCIAL PLANNING

The following were made available for review: Financial Planning Timeline, Professional Services Review Timeline, and Construction Projects Update.

DISCUSSION ITEMS

FY2025 Strategic Budget Update

Mr. Lamb presented on the FY2025 budget updates. There have been minor adjustments, such as decreasing tuition and fees due to decreased enrollment and an increase in transfers to help cover additional capital expenditures. Our tax rate remains at \$0.58 as it has been for at least 5 to 7 years. Several slight increases: Salaries and benefits have been increased slightly to support Adult Education, contractual services have increased, among others. The reserves have increased from \$7 to \$137,625. Our expenditures have increased in some categories over last year and decreased in others, notably an increase in salaries due to the wage study adjustments. Mr. Whitt asked about the projects budget and discussion ensued.

FY2024 Surplus Equipment/Fixed Assets

Mr. Lamb reviewed the surplus report. Many items that were replaced during renovations were donated to various community organizations. Ms. JD Davis was recognized as a key player in the donation process. Mr. Whitt asked where money from sales of items go, and discussion ensued.

FY2024 Transfer to Restricted Purposes

The Committee reviewed and the Board will act on: (1) the recommendation to authorize transfers from the Education Fund to the Restricted Fund and (2) the recommendation to authorize transfers from the Operations and Maintenance Fund to the Operations and Maintenance Restricted Fund. Dr. Cornille mentioned that we strive towards a high standard in maintaining the reserve based on Board standards.

FY2024 Annual Audit Update

Mr. Lamb reports the audit is going well so far and that Wipfli will be presenting at the November BOT meeting.

Capital Finance Strategy Update

Mr. Lamb reviewed the updated financing plan to fund future implementation of the facilities and landscape master plans as well as growth of the College. There will be additional resolutions regarding this coming to the Board in future months. Mr. Whitt asked whether the Federal Reserve's projected rate cut is being considered with this. Discussion ensued.

Capital Projects List and Close Outs

Mr. Lamb reviewed. This was submitted to the Board last month, and Mr. Lamb asked if there were any questions or comments on the current list. There were none at this point. There was a discussion between differences in "closed projects" compared to "completed projects". The Agriculture Complex was used as an example of a completed but not closed project. Mr. Koch asked if the fire marshal inspection is during the completion or closing process. Mr. Litwiller stated that substantial completion is before the inspections, but official completion is after occupancy is granted. Dr. Cornille expanded on this and discussion ensued.

Professional Services: College Legal

Mr. Lamb reviewed this. Mr. Lamb thanked Ms. JD Davis for facilitating the process. Five legal firms were reviewed, three firms were interviewed, and Robin-Schwartz was selected. There was no dissatisfaction with the current legal services partner, Brown Hay + Stephens, but Robbins Schwartz had a different set of expertise that will be very helpful to the college. The transition should be smooth and a representative will be introduced to the Board within the next few months.

Annual Security Report (Clery Report)

Mr. Lamb reviewed the Clery Report. Mr. Lamb thanked Steve Riesenbergs for his hard work on this report, which reflected calendar year 2023. Chair Janet Hood asked which year a specific incident would have occurred in. Mr. Riesenbergs answered that it would be next year's and that we have one reportable offense for 2023; this was a case that was closed administratively by the Normal PD.

Equity Tax

Mr. Lamb stated that there has been no update as of this this morning. Dr. Cornille and Mr. Lamb stated this should be forthcoming.

Facilities Update

Mr. Litwiller discussed. The meeting with CORE Construction has occurred and explained the options for them as either construction managers (CM) or job order contracts (JOC) for our upcoming projects. The main differences are the pre-work contract types and the ordering process for long-lead items. He also mentioned that they have been pre-approved by the State of Illinois. He recommends the JOC and noted that we would have more control over projects. Chair Hood approves of this idea for the next phase as a trial run. Mr. Whitt is also supportive of this idea. Dr. Cornille also noted this would help with budget as well. Mr. Litwiller mentioned that CORE would prioritize efficiency. Discussion ensued.

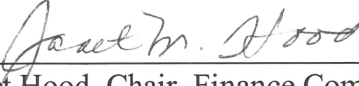
Dr. Cornille asked about an issue with Nicor at the Ag Complex. Mr. Litwiller stated that River City states that a Nicor representative approved this, but that we have to lower the gas line near the Ag Complex. Chair Hood asked if River City was responsible for any costs associated with this, and it appears they are not. Dr. Cornille noted that there may be litigation involved in this process. Further discussion ensued.

Mr. Lamb noted that fire inspection passed in WDC.

ADJOURNMENT

Mr. Lamb moved to adjourn the meeting; Mr. Whitt seconded and the motion was approved.

The meeting was adjourned at 4:34 pm.



Janet Hood, Chair, Finance Committee



Tom Whitt, Member, Finance Committee

