

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE HEARTLAND COMMUNITY COLLEGE BOARD OF TRUSTEES
Community Commons Building, Room 2011
February 18, 2025
3:30 PM**

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

Others: Becky Ropp-Chair, Board of Trustees; Auston Koch-Student Trustee; Keith Cornille-President; Barb Leathers-Executive Director, Human Resources; Trevor Hoberty-Director, Financial Planning and Analysis; Melanie Fata-Incoming Executive Director, Human Resources; Andy Litwiller-Executive Director, Facilities; Scott Swanson-Senior Project Manager

Via Zoom: Chris Kramer, Tom West, and Patrick Mattefs (R&R Consulting)

The Finance Committee meeting was called to order at 3:30 PM Chair Janet Hood.

PUBLIC COMMENT

None.

FINANCE COMMITTEE MINUTES

Mr. Lamb moved to approve the minutes from January 21, 2025; Ms. Hughs seconded and the motion passed.

CONSENT AGENDA

Ms. Hood asked to take out 4.1.1. Bills Paid to discuss further with the Finance Committee. Ms. Hughs moved to approve the Consent Agenda with 4.1.1. taken out; Mr. Lamb seconded and the motion passed.

Bills Paid

Mr. Lamb discussed the significance of the bills paid reports and the highlights of the financial statements. Mr. Lamb also discussed financial planning and its parts, including the financial planning timeline, the professional services timeline, and the construction update report.

DISCUSSION ITEMS

Employee Benefits Presentation by R&R Consulting

The expected national median increase in healthcare is 8%. Healthcare is an above average inflationary industry at this time. The costs of care have gone up for a myriad of reasons. In our group as a whole, we are running 32% above the budgeted amount. The amount is up 38% from

the amount last year. They discussed our current cost containment programs and potential cost containment measures to consider for the future. These included changes to the prescription medication program, changes to the co-pay plan, reviewing the well-being strategy, enhancing the HSA program, reviewing the cost-sharing strategy, adding surcharges, creating direct contracts for certain services, near-site clinics, or potentially switching from BCBSIL.

Mr. Whitt asked about the differential necessary to generally encourage QHDHP participation. Mr. Kramer stated that it generally has to be a large difference and include an additional incentive in order to encourage a switch. Discussion ensued.

This came back up later. Ms. Ropp asked about the prescription programs and their inherent tiers. Discussion ensued. She would like a cost-benefit analysis of this with disruption factored in. Ms. Leathers mentioned that this has been discussed in the insurance review team. She emphasized the importance of seeing this from HCC's perspective and not just the health insurance industries. Discussion ensued. Ms. Hood mentioned she liked the well-being strategy (required checkups and labs). Ms. Hughs mentioned the idea of an incentive program for this. HSA and QHDHP incentives were discussed. Switching carriers was discussed and most were not in favor. Near-site clinics and direct contracts were discussed. The general consensus was that we would like information on all of the above. Several were in favor of surcharges for tobacco and spousal coverage. It was agreed that there must be changes made for cost containment and that the renewal estimate will factor into these decisions.

AY2025-2026 Tuition & Fees Recommendation (Oral)

The College will be recommending a \$2.00/credit hour increase with the endorsement of the Student Government Association, including Trustee Auston Koch. Mr. Lamb mentioned that community colleges in the area have an average of a \$5.00/credit hour increase for FY2026.

Approved Projects Threshold Recommendations

The draft of a new administrative standard was reviewed. Mr. Lamb is seeking input on this, which states that non-construction cost overages in Capital projects due to unforeseen situations up to 10% do not need full board approval. These will always be presented to the Finance Committee. Ms. Hood would like a somewhat differentiated system for bricks and mortar and software/technology. She is okay with what's written regarding construction in Capital projects here. Discussion ensued. Essentially, she would like to see it to be more defined on the software side of things. There was a question on whether this is tied to contingency; it is not.

Bloomington Normal Water Reclamation District Easement

Mr. Lamb presented. BNWRD intends to expand the sewer system for economic and community development purposes. They asked for an easement of two of our interstate-adjacent properties for a project starting in the next 3-5 years. We would not likely be able to develop these properties anyway and they have offered to compensate us. Mr. Lamb is not opposed to this. It is part of BNWARD's long-term plan.

Apartment Complex Intervention Resolution

Mr. Lamb presented. There is an agreement between all taxing bodies of Normal and Young America Realty. This was taken to the board of review and denied. They will now be submitting 57/110 properties to the board of appeals and asked for our support. This allows our attorneys to act on our behalf involving this agreement, specifically Brown, Hay-Stephens who has been involved since the beginning and is familiar with all aspects of this agreement.

Project Approval: Landscape Phase II

Mr. Lamb presented. This is approval sought for phase two of a current project, mostly the addition of benches, turf, trees, etc., not to exceed \$594,000 from deferred maintenance. These costs have already been budgeted for FY2025.

Project Approval: Constitution Trail

This is estimated at \$1,515,250 for the extension of the Constitution Trail and it includes the outdoor classroom. The Foundation is still seeking more donations, but some have come forth. This project is slated to start in April.

Project Approval: SCB Data Room

Mr. Lamb presented. An amended approval is being sought, as all of the bids were significantly above the original budget. This may partially be due to economic changes within the US and overseas. Mr. Whitt asked if the contractors have mentioned tariffs or sourcing issues. Mr. Litwiller mentioned the main issue now is lead times, as they have gotten longer over time. Fortunately, the additional costs were already budgeted and will be affect other future projects.

Bid Approvals: SCB Data Room

Mr. Lamb mentioned the contractor up for bid tonight is Reliable Mechanical at \$496,517.


ADJOURNMENT

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

The meeting was adjourned at 5:01 PM.



Janet Hood, Chair, Finance Committee



Tom Whitt, Member, Finance Committee

