

JOHN A. LOGAN COLLEGE
Board of Trustees
Carterville, Illinois

Minutes of the public hearing on the tentative budget for FY 2023 (2022-2023) of the Board of Trustees of Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry, and Randolph, State of Illinois, held at Carterville, Illinois, on June 28, 2022, commencing at 6:00 p.m.

The meeting was called to order by Board Chairman Bill Kilquist.

The Chair directed the recording secretary to call the roll:

Rebecca Borgsmiller	-- present
Brent Clark	-- present
William Kilquist	-- present
Mandy Little	-- present
Glenn Poshard	-- present
Jake Rendleman	-- present
Aaron R. Smith	-- not present
Jeremiah Brown	-- present

Board Chairman Bill Kilquist declared the public hearing on the FY 2023 budget open for public comments and questions.

Vice-President of Business Services and CFO Stacy Buckingham disclosed the changes between the tentative and proposed budgets. The Education Fund budgeted revenue decreased by \$106,916, and there was a decrease of \$121,403 in budgeted expenditures, which resulted in a net change of \$14,487 to the budgeted ending balance. The budget revenue for the Operations and Maintenance Fund decreased by \$78,780, and budgeted expenditures decreased by \$84,000, for a net change of \$5,220 to the budgeted ending balance. The only difference in the Auxiliary Fund was a net decrease of \$2,391 in budgeted expenditures.

Factors contributing to changes in the Education Fund revenues included actual EAV data received for two counties and actual ICCB Allocation amounts for base operating and equalization grants. Changes in the Education Fund Operating Expenditures resulted from a pause in hiring a full-time massage therapy faculty, a reduction in computer replacements for training labs, and reduced conference expenses. Adjustments to the Operations and Maintenance Fund resulted from actual EAV Data, ICCB Allocations, and the actual cost of the new phone system. Finally, changes to the Auxiliary Fund resulted from increased assistant coach stipends and decreased actual salaries and benefits for the new head coach position.

Ms. Buckingham and President Overstreet responded to questions from Trustees Glenn Poshard and Brent Clark regarding the proposed FY23 budget. President Overstreet affirmed that the Strategic Long-Range Plan would be used to develop annual institutional goals aligned with budget planning in succeeding years according to the priorities of the academics of the College. Vice-President Buckingham explained that the \$300,000 transferred to the Restricted Fund includes student technology fees (\$280,000) and Early School Leavers Grant matching funds (\$20,000). Technology fees collected from students are utilized for specific projects that benefit students, such as classroom technology and computer lab replacements. The overall revenue stream breakdown, including 36 percent from student

tuition and fees, 34 percent from state revenue, and 27 percent from local government, is proportionately consistent with the last three years. Trustee Jake Rendleman added that the community college system initially established each category to provide one-third of the funding.

Regarding underspend, Ms. Buckingham noted that In prior years, the College had as much as 10 percent underspend; however, she would not estimate more than five percent for FY23, which would equate to \$1.5 million in savings. Budgeted utility costs remain steady due to a 25-year agreement on the solar array that locked in energy costs. The College also has a contract with Ameren for a much shorter term to lock in energy rates. Health insurance costs were budgeted at a five percent increase; however, the College just received notice of an eight percent increase, so there may be some adjustments to that line item. The budgeted corporate and personal property replacement tax was based on FY21 levels, and the tuition increase of \$7 per credit hour is the third year of a four-year agreement approved by the Board. Ms. Buckingham added that the projected target for the Operating Fund ending fund balance, based on the average of the 2020 and 2021 audits, is 23.2 percent. There was a discussion about the budgeting process for public institutions. Ms. Buckingham affirmed that many times out of the last ten years, the College was able to close the deficit gap by June 30. Still, she noted that federal assistance for lost revenue from the Higher Education Emergency Relief Fund (HEERF), which was approximately \$1.9 million in FY22, is not projected for FY23.

There were no public questions or comments on the tentative budget for FY2023.

Board Chairman Kilquist declared the public hearing closed at 6:40 p.m.

Respectfully submitted by: Susan May, Recording Secretary to the Board of Trustees



William J. Kilquist, Chair



Jacob "Jake" Rendleman, Secretary