

**BOARD OF TRUSTEES  
McHENRY COUNTY COLLEGE DISTRICT #528**

Tuesday, February 19, 2019  
6:00 p.m.

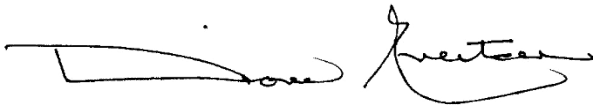


Board Room  
8900 U.S. Highway 14  
Crystal Lake, IL 60012

**COMMITTEE OF THE WHOLE MEETING**

**AGENDA**

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Acceptance of Minutes: Committee of the Whole, January 15, 2019
5. Open for Recognition of Visitors and Presentations  
***Three (3) minutes per person or less.***
6. President's Report
7. Strategic Planning Presentation: Dr. Clint Gabbard and Ms. Christina Haggerty
8. Preliminary January Financial Statements: Mr. Bob Tenuta
9. Presentation on College Investments: Mr. Jeff Schroeder, PFM Asset Management
10. College and Career Readiness Presentation: Mr. Tony Capalbo
11. Tuition Proposal Presentation: Mr. Bob Tenuta
12. Future Agenda Items/Summary Comments by Board Members
13. Closed Session
  - A. 120/2(c), Exception #1, Personnel
  - B. 120/2(c), Exception #21, Review of Closed Session Minutes
  - C. Other matters as pertain to the exceptions of the Open Meetings Act
14. Acceptance of Closed Session Minutes, Committee of the Whole Meeting, January 15, 2019
15. Adjournment



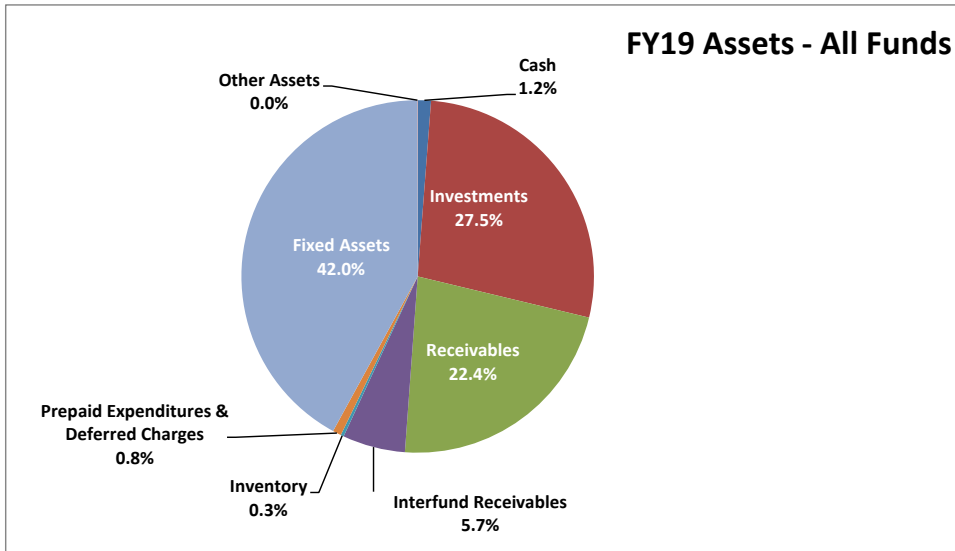
Diane Evertsen  
Chair

All Funds Statement of Net Position (Balance Sheet)  
January 31, 2019

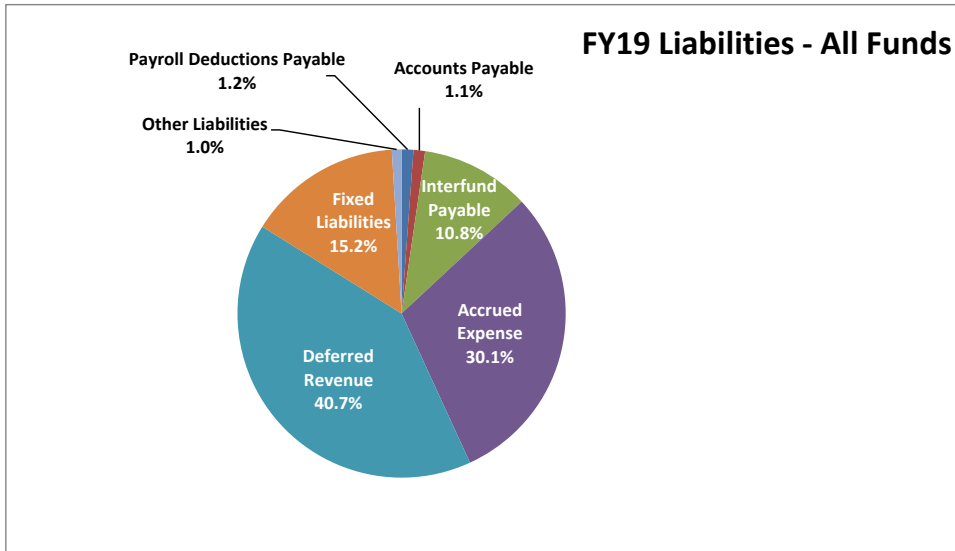
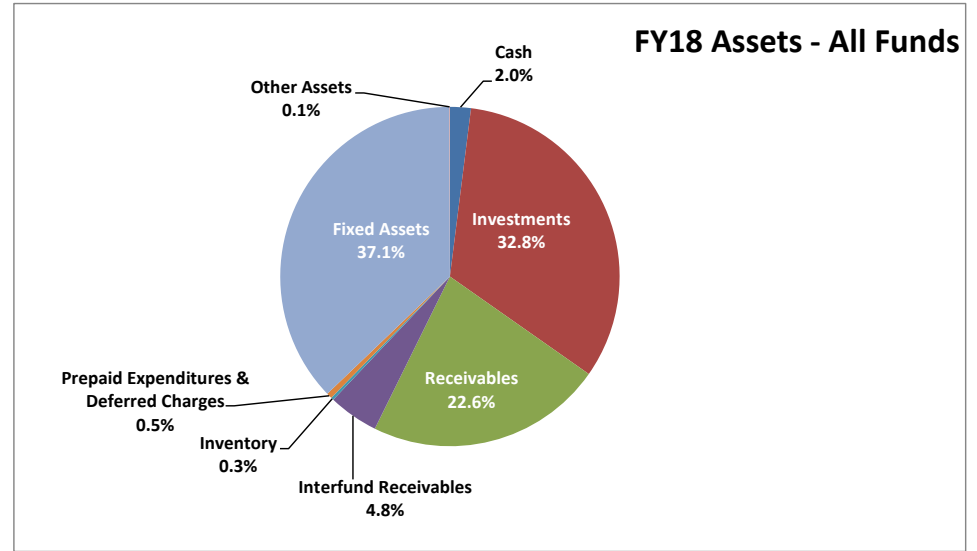
	01	02	03	04	05	06	07	08	09	10	11	12	17	
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond & Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Trust & Agency Fund	Audit Fund	Liability Protection & Settlement Fund	OPEB Fund	
<b>Assets</b>														
Cash	1,839,931	-	886,379	-	13,894.51	349,763	67,575	95,646	-	-	378,792	47,882	-	-
Investments	41,848,487	23,705,301	971,229	12,358,719	-	-	2,821,551	-	-	-	-	1,991,687	-	-
Receivables	34,046,389	29,046,545	2,896,147	-	-	75,034	572,921	-	-	-	75,000	1,380,742	-	-
Accrued Revenue	115,857	54,320	3,696	43,917	-	-	7,587	-	-	-	-	6,337	-	-
Interfund Receivables	8,728,953	752,101	8,728,953	-	-	(226,366)	(529,558)	-	-	1,936	-	1,886	-	-
Inventory	432,334	-	-	-	-	432,334	-	-	-	-	-	-	-	-
Prepaid Expenditures & Deferred Charges	1,191,267	571,617	20,573	-	-	6,262	-	-	38,066	-	-	94,494	460,255	-
Fixed Assets	63,795,703	-	-	-	-	-	-	63,795,703	-	-	-	-	-	-
Other Assets	63,963	-	-	-	-	-	-	-	63,963	-	-	-	-	-
<b>Total Assets</b>	<b>152,062,885</b>	<b>54,129,885</b>	<b>13,506,975</b>	<b>12,402,636</b>	<b>13,895</b>	<b>637,027</b>	<b>110,939</b>	<b>2,924,785</b>	<b>63,795,703</b>	<b>102,030</b>	<b>380,729</b>	<b>122,882</b>	<b>3,475,146</b>	<b>460,255</b>
<b>Liabilities</b>														
Payroll Deductions Payable	941,624	753,897	56,597	-	-	92,015	-	-	-	5,832	-	33,284	-	-
Accounts Payable	923,071	907,882	-	-	-	26,300	(11,112)	-	-	-	-	-	-	-
Interfund Payable	8,728,953	3,171,845	-	4,120,422	-	-	-	-	-	-	-	1,436,685	-	-
Accrued Expense	24,389,883	-	-	-	-	-	-	-	-	-	-	-	24,389,883	-
Deferred Revenue	33,013,496	26,871,514	2,706,416	-	-	194	-	-	-	-	68,750	1,265,680	2,100,942	-
Fixed Liabilities	12,299,793	-	-	-	-	-	-	-	12,299,793	-	-	-	-	-
Other Liabilities	772,478	26,253	-	-	-	20,836	-	-	350,493	374,896	-	-	-	-
<b>Total Liabilities</b>	<b>81,069,297</b>	<b>31,731,391</b>	<b>2,763,012</b>	<b>4,120,422</b>	<b>-</b>	<b>139,345</b>	<b>(11,112)</b>	<b>-</b>	<b>12,650,285</b>	<b>380,729</b>	<b>68,750</b>	<b>2,735,649</b>	<b>26,490,825</b>	<b>-</b>
<b>Designated Fund Balance</b>	<b>70,993,587</b>	<b>22,398,493</b>	<b>10,743,962</b>	<b>8,282,214</b>	<b>13,895</b>	<b>497,681</b>	<b>122,050</b>	<b>2,924,785</b>	<b>63,795,703</b>	<b>(12,548,256)</b>	<b>-</b>	<b>54,132</b>	<b>739,497</b>	<b>(26,030,570)</b>
<b>Assigned Fund Balance</b>														
33% Unassigned for annual budgeted expenditures	16,958,702	14,955,240	2,003,461	-	-	-	-	-	-	-	-	-	-	-
Other Designated Reserves	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Improvement/Investment in Capital Assets	72,077,917	-	-	8,282,214	0	-	-	63,795,703	-	0	-	739,497	-26,030,570	-
Liabilities, Protection, and Settlement	-37,590,866	-	-	-	-	-	-	-	-12,299,793	-	-	-	-	-
Working Cash/Other Restricted	1,926,182	-	-	-	-	-	122,050	1,750,000	-	-	54,132	-	-	-
<b>Remaining Unassigned Balance</b>	<b>17,621,652</b>	<b>7,443,253</b>	<b>8,740,501</b>	<b>0</b>	<b>13,895</b>	<b>497,681</b>	<b>0</b>	<b>1,174,785</b>	<b>0</b>	<b>-248,463</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

All Funds Statement of Net Position (Balance Sheet)  
January 31, 2019

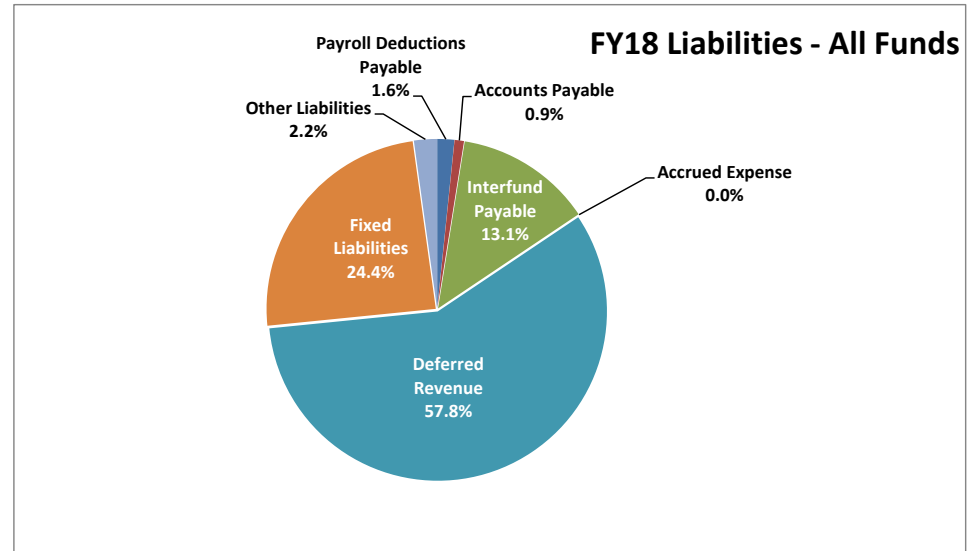
Total Assets = \$ 152,062,885



Total Assets = \$ 144,843,497



Total Liabilities = \$ 81,069,297



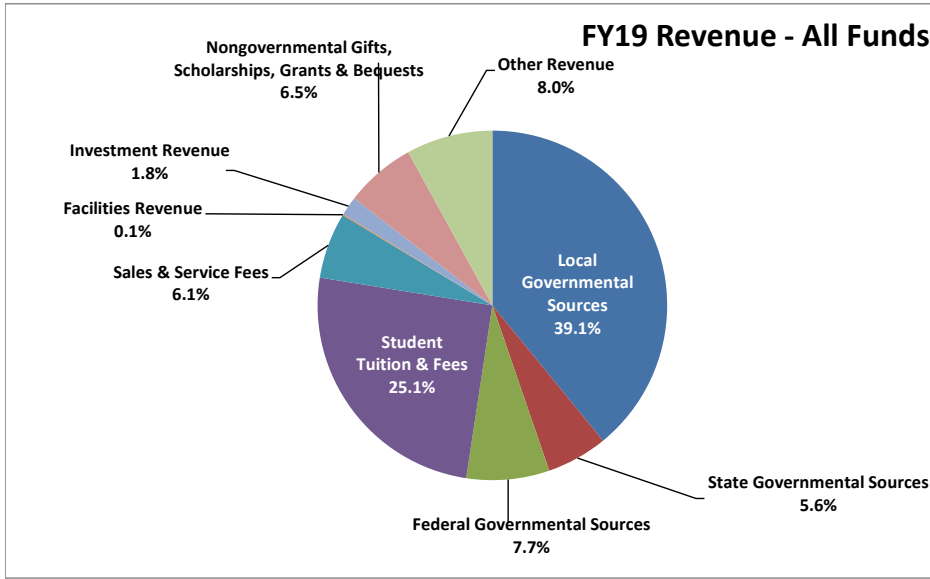
Total Liabilities = \$ 53,156,896

All Funds Statement of Activities (Income Statement)  
January 31, 2019

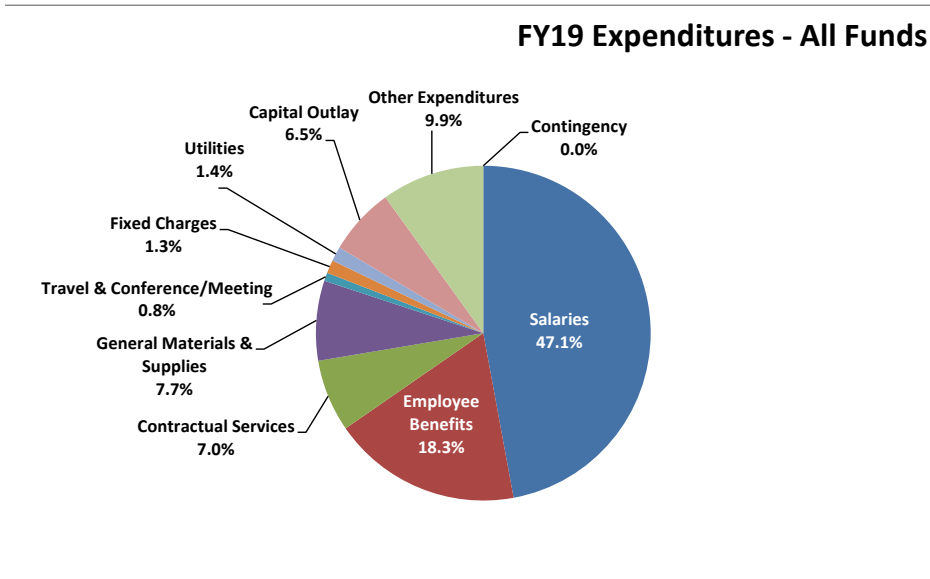
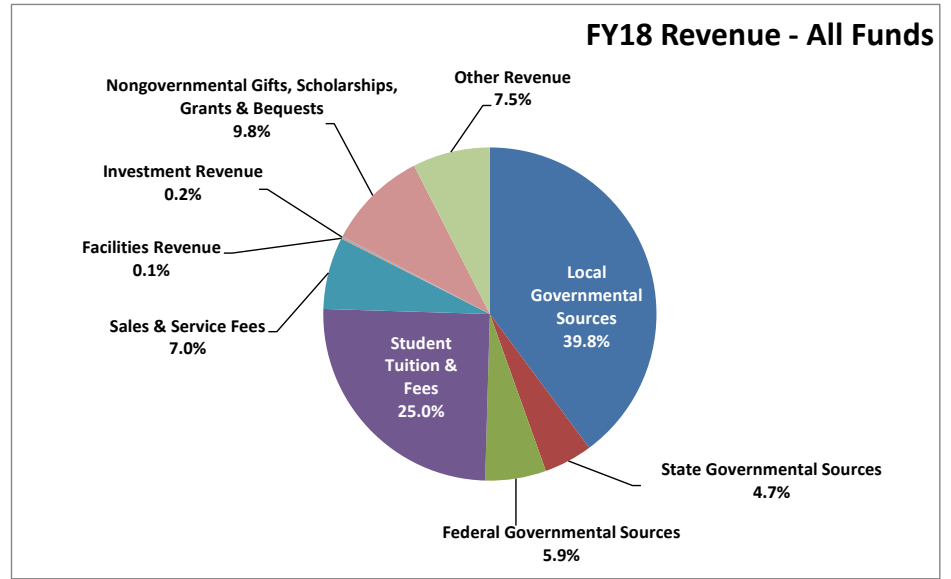
	01	02	03	04	05	06	07	08	09	11	12	17
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond and Interest	Auxilliary Entrerprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Audit Fund	Liability Protection & Settlement Fund	OPEB Fund
<b>Revenue</b>												
Local Governmental Sources	16,397,533	13,933,492	1,618,161	-	-	-	-	-	-	43,604	802,276	-
State Governmental Sources	2,365,945	1,501,191	344,584	-	-	520,170	-	-	-	-	-	-
Federal Governmental Sources	3,220,602	-	-	-	-	3,220,602	-	-	-	-	-	-
Student Tuition & Fees	10,549,885	8,162,878	1,290,894	106,466	718,646	271,000	-	-	-	-	-	-
Sales & Service Fees	2,551,537	128,287	-	-	-	2,423,250	-	-	-	-	-	-
Facilities Revenue	40,554	11,100	-	-	-	29,454	-	-	-	-	-	-
Investment Revenue	742,239	383,987	21,245	256,965	-	-	43,615	-	-	-	36,428	-
Nongovernmental Gifts, Scholarships, Grants & Bequests	2,730,060	15,909	-	2,650,000	-	64,151	-	-	-	-	-	-
Other Revenue	3,354,983	3,337,998	16,986	693,203	-	-	-	-	(693,203)	-	-	-
<b>Total Revenue</b>	<b>41,953,338</b>	<b>27,474,841</b>	<b>3,291,870</b>	<b>3,706,634</b>	<b>718,646</b>	<b>2,723,704</b>	<b>3,804,923</b>	<b>43,615</b>	<b>(693,203)</b>	<b>43,604</b>	<b>838,704</b>	<b>-</b>
<b>Expenditures</b>												
Salaries	15,872,650	13,718,606	330,253	-	-	965,359	562,270	-	-	-	296,163	-
Employee Benefits	6,157,068	5,392,583	76,909	-	-	158,068	66,609	-	-	-	462,899	-
Contractual Services	2,355,588	1,315,243	642,118	31,337	-	237,764	45,890	-	-	64,839	18,397	-
General Materials & Supplies	2,599,050	1,089,339	152,132	210,379	-	1,051,332	83,206	-	-	-	12,661	-
Travel & Conference/Meeting	268,488	184,373	13,241	-	-	18,621	48,448	-	-	-	3,805	-
Fixed Charges	429,726	1,146,459	15,692	56	622,400	19,604	80	-	(1,410,499)	-	35,933	-
Utilities	474,265	98,576	372,469	-	-	870	672	-	-	-	1,679	-
Capital Outlay	2,193,643	21,824	(79,262)	2,649,198	-	-	11,760	(414,117)	-	-	4,240	-
Other Expenditures	3,350,955	463,621	-	-	-	216	2,887,117	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>33,701,432</b>	<b>23,430,623</b>	<b>1,523,551</b>	<b>2,890,971</b>	<b>622,400</b>	<b>2,451,834</b>	<b>3,706,052</b>	<b>(414,117)</b>	<b>(1,410,499)</b>	<b>64,839</b>	<b>835,777</b>	<b>-</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>8,251,907</b>	<b>4,044,218</b>	<b>1,768,319</b>	<b>815,663</b>	<b>96,246</b>	<b>271,870</b>	<b>98,871</b>	<b>43,615</b>	<b>414,117</b>	<b>717,296</b>	<b>(21,235)</b>	<b>2,927</b>
Operating transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	62,741,679	18,354,274	8,975,643	7,466,552	(82,352)	225,811	23,178	2,881,170	63,381,587	(13,265,552)	75,367	736,571
Ending Fund Balance	70,993,586	22,398,492	10,743,962	8,282,215	13,894	497,681	122,050	2,924,785	63,795,704	(12,548,256)	54,132	739,498

All Funds Statement of Activities (Income Statement)  
January 31, 2019

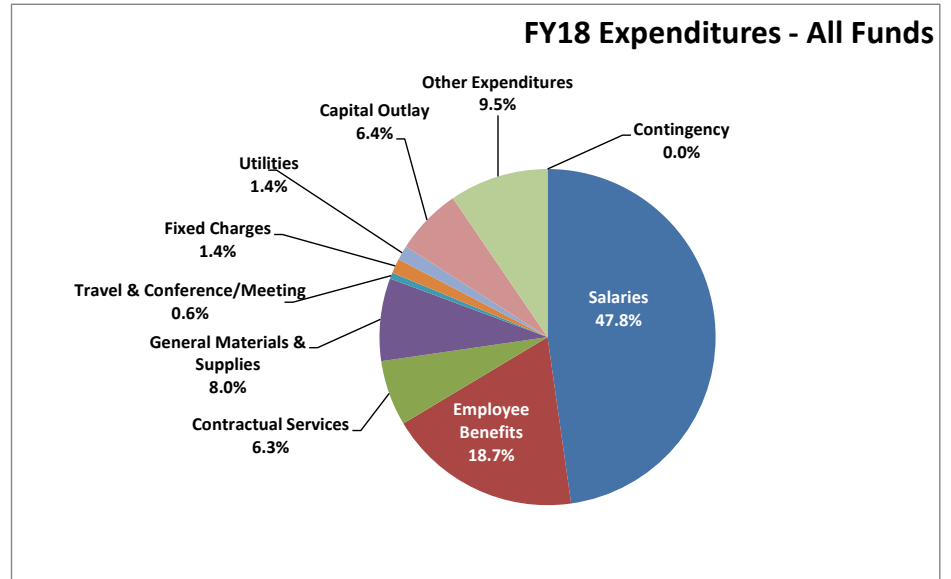
Total Revenue = \$ 41,953,338



Total Revenue = \$ 41,135,979



Total Expense = \$ 33,701,432



Total Expense = \$ 32,299,149

**Operating (Funds 01 & 02) Statement of Activities**

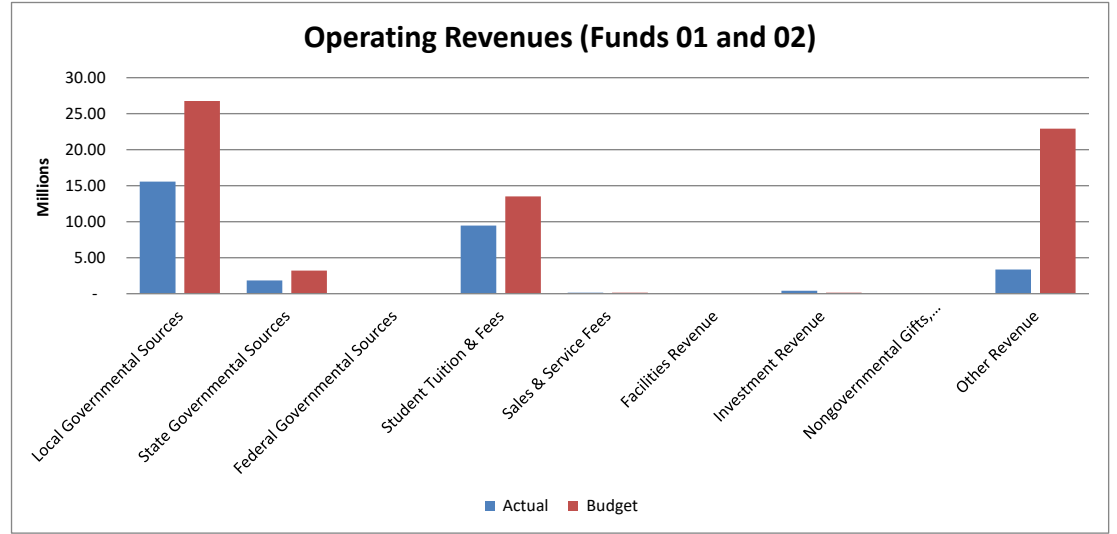
January 31, 2019

	FY19			FY18			FY19	%
	Actual	Budget		Actual	Budget		Change Over FY18	Change
<b>Revenue</b>								
Local Governmental Sources	\$ 15,551,653	\$ 26,771,195	58.1%	\$ 15,540,439	\$ 26,772,195	58.0%	\$ 11,214	0.1%
State Governmental Sources	1,845,775	3,196,860	57.7%	1,667,322	2,998,730	55.6%	\$ 178,453	10.7%
Federal Governmental Sources	-	-	0.0%	-	-	0.0%	\$ -	0.0%
Student Tuition & Fees	9,453,773	13,511,264	70.0%	9,271,190	13,388,138	69.2%	\$ 182,582	2.0%
Sales & Service Fees	128,287	153,150	83.8%	135,872	134,150	101.3%	\$ (7,585)	-5.6%
Facilities Revenue	11,100	11,100	100.0%	11,100	11,100	100.0%	\$ -	0.0%
Investment Revenue	405,232	154,141	262.9%	2,378	188,203	1.3%	\$ 402,854	16941.5%
Nongovernmental Gifts, Scholarships, Grants & Bequests	15,909	-	0.0%	5,295	-	0.0%	\$ 10,614	200.4%
Other Revenue	3,354,983	22,929,765	14.6%	3,085,313	17,631,608	17.5%	\$ 269,671	8.7%
<b>Total Revenue</b>	<b>\$ 30,766,712</b>	<b>\$ 66,727,475</b>	<b>46.1%</b>	<b>\$ 29,718,909</b>	<b>\$ 61,124,124</b>	<b>48.6%</b>	<b>\$ 1,047,803</b>	<b>3.5%</b>
<b>Expenditures</b>								
Salaries	\$ 14,048,858	\$ 26,048,499	53.9%	\$ 13,839,116	\$ 26,050,874	53.1%	\$ 209,743	1.5%
Employee Benefits	5,469,492	28,154,048	19.4%	5,366,922	22,297,765	24.1%	\$ 102,570	1.9%
Contractual Services	1,957,361	3,820,618	51.2%	1,685,913	4,044,952	41.7%	\$ 271,448	16.1%
General Materials & Supplies	1,241,471	2,484,172	50.0%	1,057,321	2,319,905	45.6%	\$ 184,150	17.4%
Travel & Conference/Meeting	197,614	531,145	37.2%	148,597	485,082	30.6%	\$ 49,017	33.0%
Fixed Charges	1,162,151	1,734,425	67.0%	1,281,642	1,774,375	72.2%	\$ (119,491)	-9.3%
Utilities	471,045	1,126,600	41.8%	446,920	1,022,200	43.7%	\$ 24,125	5.4%
Capital Outlay	(57,438)	3,038,653	-1.9%	458,232	2,005,592	22.8%	\$ (515,670)	-112.5%
Other Expenditures	463,621	873,350	53.1%	497,851	853,378	58.3%	\$ (34,230)	-6.9%
Contingency	-	194,130	0.0%	-	270,000	0.0%	\$ -	0.0%
<b>Total Expenditures</b>	<b>\$ 24,954,174</b>	<b>\$ 68,005,640</b>	<b>36.7%</b>	<b>\$ 24,782,514</b>	<b>\$ 61,124,124</b>	<b>40.5%</b>	<b>\$ 171,660</b>	<b>0.7%</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>\$ 5,812,538</b>	<b>\$ (1,278,165)</b>		<b>\$ 4,936,395</b>	<b>\$ -</b>		<b>\$ 876,142</b>	<b>17.7%</b>
Net Transfers Out/(In)	\$ -	\$ 160,488		\$ -	\$ -		\$ -	0.0%
<b>Net Operating Funds Surplus/(Deficit)</b>	<b>\$ 5,812,538</b>	<b>\$ (1,438,653)</b>		<b>\$ 4,936,395</b>	<b>\$ -</b>		<b>\$ 876,142</b>	<b>17.7%</b>
<i>Operating Fund Balance Unassigned @33% based on Total Budgeted Expenditures*</i>		<i>22,668,547</i>			<i>20,374,708</i>			
<i>Less : Adj. for budgeted SURS Pass Thru (\$0m &amp; \$0m respectively) *.3334</i>		<i>5,645,135</i>			<i>4,091,407</i>			
<i>Adj. for Contingency (\$0.19m &amp; \$0.27m respectively) x .3334</i>		<i>64,710</i>			<i>90,000</i>			
<b>Unassigned Fund Balance needed @ 33% of adjusted budgeted expenditures (a)</b>		<b>16,958,702</b>			<b>16,193,301</b>			
<b>Unaudited Beginning Fund Balance</b>	<b>27,329,917</b>	<b>27,329,917</b>		<b>25,189,972</b>	<b>25,189,972</b>			
<b>Net Operating Funds Surplus/(Deficit)</b>	<b>5,812,538</b>	<b>(1,438,653)</b>		<b>4,936,395</b>	<b>-</b>			
<b>Add back Contingency (assumption is it is not used)</b>		<b>194,130</b>			<b>270,000</b>			
<b>Calculated YTD Ending Fund Balance (budget estimate) (b)</b>	<b>\$ 33,142,455</b>	<b>\$ 26,085,394</b>		<b>\$ 30,126,367</b>	<b>\$ 25,459,972</b>			
<b>Amount Over/(Under) Fund balance reserve (b)-(a)</b>		<b>9,126,692</b>			<b>9,266,671</b>			

\*Net of Transfers Out/(In) and contingency

**Operating Funds - Statement of Activities**  
**January 31, 2019**

	Actual	Budget
<b>Revenue</b>		
Local Governmental Sources	15,551,653.02	26,771,195.00
State Governmental Sources	1,845,775.09	3,196,860.00
Federal Governmental Sources	-	-
Student Tuition & Fees	9,453,772.54	13,511,264.00
Sales & Service Fees	128,287.28	153,150.00
Facilities Revenue	11,100.00	11,100.00
Investment Revenue	405,231.66	154,141.00
Nongovernmental Gifts, Scholarships, Grants & Bequests	15,908.68	-
Other Revenue	3,354,983.41	22,929,765.00
<b>Total Revenue</b>	<b>30,766,711.68</b>	<b>66,727,475.00</b>



<b>Expenditures</b>		
Salaries	14,048,858.16	26,048,499.00
Employee Benefits	5,469,491.76	28,154,048.00
Contractual Services	1,957,360.53	3,820,618.00
General Materials & Supplies	1,241,471.02	2,484,172.00
Travel & Conference/Meeting	197,613.78	531,145.00
Fixed Charges	1,162,151.06	1,734,425.00
Utilities	471,044.98	1,126,600.00
Capital Outlay	(57,438.12)	3,038,653.00
Other Expenditures	463,620.94	873,350.00
Contingency	-	194,130.00
<b>Total Expenditures</b>	<b>24,954,174.11</b>	<b>68,005,640.00</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>5,812,537.57</b>	<b>(1,278,165.00)</b>

