

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

Tuesday, January 17, 2022  
6:00 p.m.



MCC Board Room, A217  
8900 US Highway 14  
Crystal Lake, IL 60012

**COMMITTEE OF THE WHOLE MEETING**

**AGENDA**

1. Call to Order
2. Roll Call
3. Oath of Office-Michael Smith
4. Acceptance of Agenda
5. Acceptance of Minutes: Committee of the Whole, November 8, 2022
6. Open for Recognition of Public Comments
7. President's Report
8. November Financial Statements: Mr. Bob Tenuta
9. Future Agenda Items/Summary Comments by Board Members
10. Closed Session
  - A. 120/2(c) Exception #21, Review of Closed Session Minutes
  - B. Other matters as pertain to the exceptions of the Open Meetings Act
11. Acceptance of Closed Session Minutes of November 8, 2022, Committee of the Whole Meeting
12. Adjournment



Suzanne Hoban  
Chair

## Executive Summary

Fiscal Year 2023 is currently 41.6% complete with the year-to-date results ending November 30, 2022 being reported. In the Operating Funds, total revenue is 31.3% of budget, as compared with 32.0% at the same time last year. Total expenditures are 25.2% of budget, as compared with 25.9% of budget at the same time last year. The Operating Funds include both the Education Fund and the Operations and Maintenance Fund, and together comprise most of the instruction and instructional support activities of the College. The following items relate to the Operating Funds (Fund 01 and Fund 02) as a whole:

### Revenue

- Local governmental is 41.7% of budget and up \$199,484 (1.7%) from last year at this time. FY 2023 revenue is \$12,082,761 vs. FY 2022 revenue of \$11,883,277. For FY 2023, this revenue is derived from 50% of the 2021 tax levy (as approved by the Board in November 2021) and 50% of the 2022 tax levy (as approved by the Board in November 2022).
- State government is 39.4% of budget and up \$217,808 (12.8%) from last year at this time. FY 2023 revenue is \$1,919,955 vs. FY 2022 revenue of \$1,702,148.
- Federal government is 0.0% of budget and even \$0 (0.0%) from last year at this time. FY 2023 revenue is \$0 vs. FY 2022 revenue of \$0.
- Student tuition and fees is 55.0% of budget and down \$275,609 (-3.6%) from last year at this time. FY 2023 revenue is \$7,348,294 vs. FY 2022 revenue of \$7,623,903. Budgeted tuition and fees revenue is calculated based on a calculated net billable credit hours and not total reported credit hours, which includes dual credit. Dual credit only generates tuition revenue if these classes are held on campus with our instructors.
- Sales and service fee is 28.6% of budget and up \$21,166 (82.0%) from last year at this time. FY 2023 revenue is \$46,981 vs. FY 2022 revenue of \$25,815. Activity in this area is comprised primarily from the Kids and College, Fitness Center, Horticulture Sales, and Sweet Scots.
- Facilities is 77.9% of budget and even \$0 (0.0%) from last year at this time. FY 2023 revenue is \$14,766 vs. FY 2022 revenue of \$14,766. Revenue in this category is comprised of the leasing of the land owned by the College to the radio station and as farmland.
- Investment is -0.3% of budget and down \$39,805 (-98.3%) from last year at this time. FY 2023 revenue is \$-687 vs. FY 2022 revenue of \$-40,493.
- Nongovernmental gifts, scholarships, grants & bequests is 25.0% of budget and down \$6,014 (-68.6%) from last year at this time. FY 2023 revenue is \$2,753 vs. FY 2022 revenue of \$8,766. Activity is due to contributions from the Foundation for faculty requested needs (travel, software, etc.).
- Other is 8.6% of budget and up \$4,679 (0.2%) from last year at this time. FY 2023 revenue is \$2,459,208 vs. FY 2022 revenue of \$2,454,529. The main items in this category consists largely of Employee Health Insurance Contributions, which account for \$2,418,976, Retiree Health contributions, which account for \$351, Other Misc. Income, which account for \$19,059 with the remaining balance being made up of smaller accounts such as NSF charges, assorted fines, fees, and miscellaneous income all of which total \$20,822. The large variance to budget is the result of the "On-Behalf Payment" for the employer's pension contribution for employees made by the State. For FY 2022 that "On-Behalf Payment" was \$14,228,829.

## Expenditures

- Salaries expenditures are 39.4% of budget and up \$521,392 (4.9%) from last year at this time. FY 2023 expenditures are \$11,086,438 vs. FY 2022 expenditures of \$10,565,046.
- Employee benefit expenditures are 11.3% of budget and down \$230,898 (-5.9%) from last year at this time. FY 2023 expenditures are \$3,692,043 vs. FY 2022 expenditures of \$3,922,941. ***This line item is dependent on the health experience or the use of benefits by the employee group and their own independent choice of coverage. Therefore, it will always be difficult to budget in advance to any degree of certainty and will experience good years and bad years as a result.*** This account group will always be significantly below budget until year-end adjustments are made for SURS contributions paid by the State on behalf of the employees. The amount expensed for SURS contributions are about \$14-21 million annually depending on the actuarial tables maintained by the State. However, this expense is offset by an equal amount in “other revenue” and therefore has no effect on the operating performance of the College.
- Contractual services expenditures are 34.5% of budget and up \$136,253 (8.9%) from last year at this time. FY 2023 expenditures are \$1,665,904 vs. FY 2022 expenditures of \$1,529,650. The account includes contractual services for custodial services, legal services, construction management, roads and grounds, and architectural type services.
- Materials and supplies expenditures are 38.8% of budget and down \$151,076 (-10.5%) from last year at this time. FY 2023 expenditures are \$1,284,188 vs. FY 2022 expenditures of \$1,435,264.
- Travel and meeting expenditures are 22.9% of budget and down \$21,265 (-21.8%) from last year at this time. FY 2023 expenditures are \$76,253 vs. FY 2022 expenditures of \$97,518.
- Fixed charges expenditures are 23.6% of budget and down \$269,400 (-41.8%) from last year at this time. FY 2023 expenditures are \$375,069 vs. FY 2022 expenditures of \$644,469. Included in this category are bond principal, interest payments, lease payments, and general insurance.
- Utilities expenditures are 19.0% of budget and down \$146,336 (-38.7%) from last year at this time. FY 2023 expenditures are \$232,164 vs. FY 2022 expenditures of \$378,500.
- Capital Outlay expenditures are 0.6% of budget and down \$328,020 (-96.9%) from last year at this time. FY 2023 expenditures are \$10,389 vs. FY 2022 expenditures of \$338,409. ***Please be aware that large projects started in one fiscal year may cross into a new fiscal year and will therefore have an impact on two fiscal years (i.e. one year under budget and the next over budget).***
- Other expenditures are 40.7% of budget and down \$29,123 (-7.2%) from last year at this time. FY 2023 expenditures are \$372,811 vs. FY 2022 expenditures of \$401,934. The main category of expenses includes tuition waivers, tuition related refunds, and miscellaneous expense.
- Contingency expenditures are 0.0% of budget and even \$0 (0.0%) from last year at this time. FY 2023 expenditures are \$0 vs. FY 2022 expenditures of \$0.



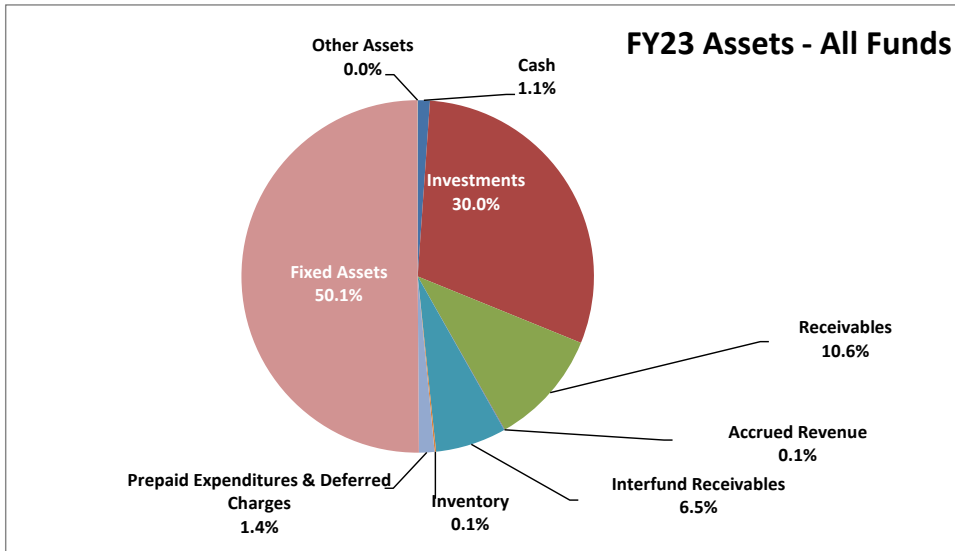
Clinton E. Gabbard  
President

All Funds Statement of Net Position (Balance Sheet)  
November 30, 2022

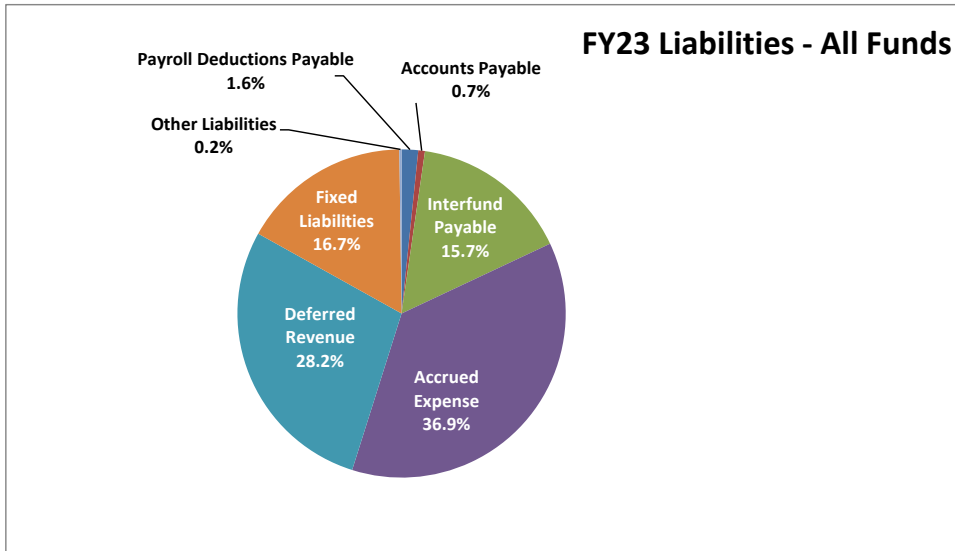
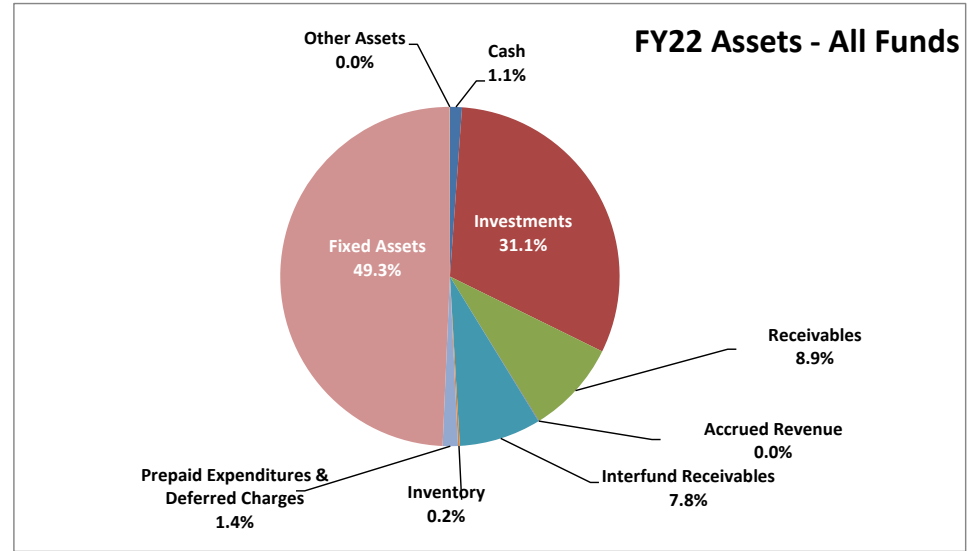
	01	02	03	04	05	06	07	08	09	10	11	12	17	
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond & Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Trust & Agency Fund	Audit Fund	Liability Protection & Settlement Fund	OPEB Fund	
<b>Assets</b>														
Cash	1,603,048	(0.00)	192,812	-	828,637.09	0	95,646	-	-	455,341	30,611	-	-	
Investments	43,203,394	21,660,083	1,013,663	15,556,533	-	-	2,908,667	-	-	-	-	2,064,447	-	
Receivables	15,278,668	14,090,537	503,047	-	-	15,202	663,839	-	-	-	573	5,470	-	
Accrued Revenue	79,383	26,989	2,135	42,214	-	-	4,384	-	-	-	-	3,661	-	
Interfund Receivables	9,355,777	2,570,866	5,919,350	0	(0)	195,918	19,644	-	-	(0)	0	(0)	650,000	
Inventory	200,740	-	-	-	-	200,740	-	-	-	-	-	-	-	
Prepaid Expenditures & Deferred Charges	2,042,370	1,266,108	33,839	-	-	33,136	42,433	-	72,084	-	-	167,027	427,744	
Fixed Assets	72,058,275	-	-	-	-	-	-	72,058,275	-	-	-	-	-	
Other Assets	20,298	-	-	-	-	-	-	-	20,298	-	-	-	-	
<b>Total Assets</b>	<b>143,841,953</b>	<b>39,614,583</b>	<b>7,664,846</b>	<b>15,598,747</b>	<b>828,637</b>	<b>444,995</b>	<b>725,915</b>	<b>3,008,697</b>	<b>72,058,275</b>	<b>92,382</b>	<b>455,341</b>	<b>31,185</b>	<b>2,240,606</b>	<b>1,077,744</b>
<b>Liabilities</b>														
Payroll Deductions Payable	968,010	820,323	22,274	-	-	125,414	-	-	-	-	-	-	-	
Accounts Payable	391,104	380,722	-	-	-	1,139	9,242	-	-	-	-	-	-	
Interfund Payable	9,355,777	-	-	7,679,522	-	105,368	-	-	-	-	-	1,570,887	-	
Accrued Expense	21,933,552	-	-	-	-	-	-	-	(16,226)	-	-	-	21,949,778	
Deferred Revenue	16,789,496	9,366,357	705,620	-	-	5,918	-	-	-	-	6,250	58,539	6,646,812	
Fixed Liabilities	9,934,533	-	-	-	-	-	-	-	9,934,533	-	-	-	-	
Other Liabilities	128,916	32,327	-	-	-	96,589	-	-	-	-	-	-	-	
<b>Total Liabilities</b>	<b>59,501,388</b>	<b>10,599,729</b>	<b>727,894</b>	<b>7,679,522</b>	<b>-</b>	<b>334,428</b>	<b>9,242</b>	<b>-</b>	<b>9,918,307</b>	<b>-</b>	<b>6,250</b>	<b>1,629,426</b>	<b>28,596,590</b>	
<b>Designated Fund Balance</b>	<b>84,340,565</b>	<b>29,014,854</b>	<b>6,936,952</b>	<b>7,919,225</b>	<b>828,637</b>	<b>110,567</b>	<b>716,673</b>	<b>3,008,697</b>	<b>72,058,275</b>	<b>(9,825,925)</b>	<b>455,341</b>	<b>24,935</b>	<b>611,180</b>	<b>(27,518,846)</b>
<b>Assigned Fund Balance</b>														
33% Unassigned for annual budgeted expenditures	19,221,021	17,457,785	1,763,236	-	-	-	-	-	-	-	-	-	-	
Other Designated Reserves	0	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Improvement/Investment in Capital Assets	79,977,500	-	-	7,919,225	0	-	-	72,058,275	-	-	-	611,180	-27,518,846	
Liabilities, Protection, and Settlement	-36,842,199	-	-	-	-	-	-	-	-9,934,533	-	-	-	-	
Working Cash/Other Restricted	2,946,949	-	-	-	-	-	716,673	1,750,000	-	455,341	24,935	-	-	
<b>Remaining Unassigned Balance</b>	<b>19,037,294</b>	<b>11,557,069</b>	<b>5,173,716</b>	<b>0</b>	<b>828,637</b>	<b>110,567</b>	<b>0</b>	<b>1,258,697</b>	<b>0</b>	<b>108,608</b>	<b>0</b>	<b>0</b>	<b>0</b>	

All Funds Statement of Net Position (Balance Sheet)  
November 30, 2022

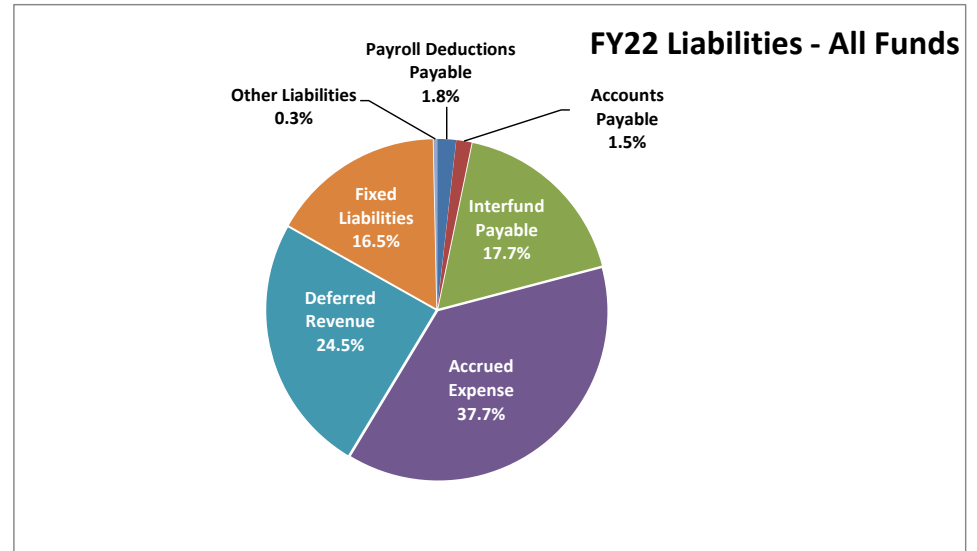
Total Assets = \$ 143,841,953



Total Assets = \$ 142,031,221



Total Liabilities = \$ 59,501,388



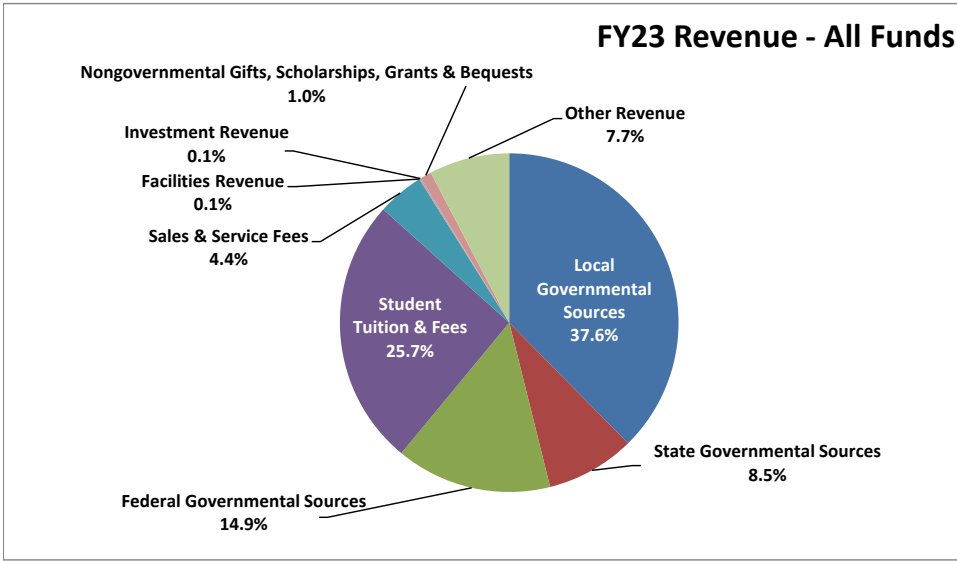
Total Liabilities = \$ 61,971,778

All Funds Statement of Activities (Income Statement)  
November 30, 2022

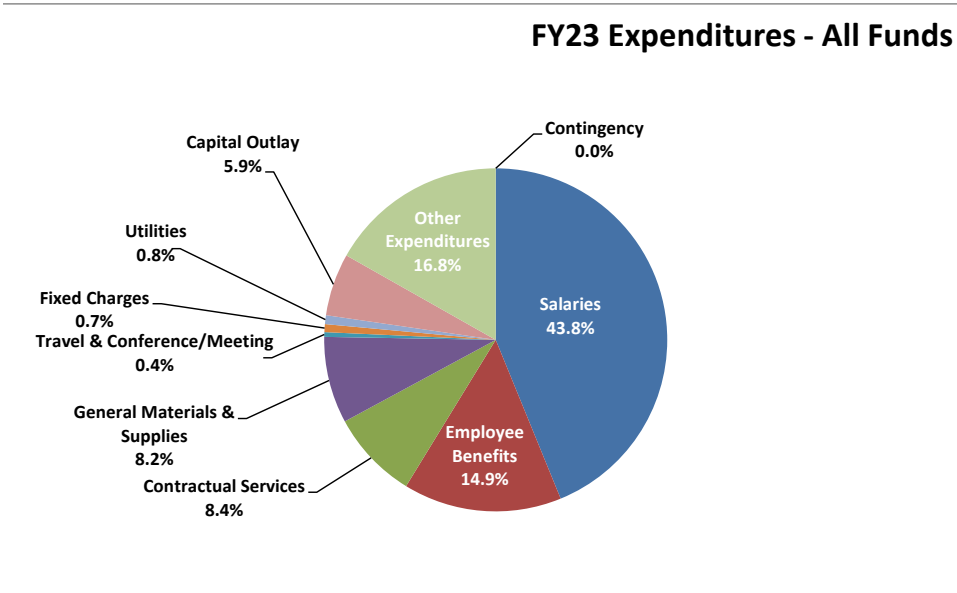
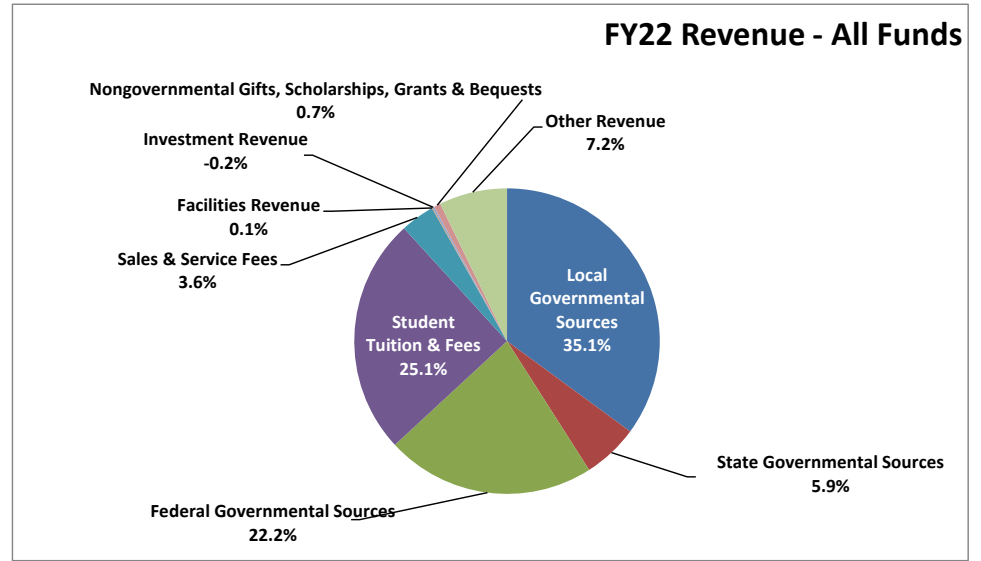
	01	02	03	04	05	06	07	08	09	10	11	12	17	
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond and Interest	Auxilliary Entrerprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Trust & Agency Fund	Audit Fund	Liability Protection & Settlement Fund	OPEB Fund	
<b>Revenue</b>														
Local Governmental Sources	12,406,716	10,930,686	1,152,075	-	-	-	-	-	-	-	31,250	292,705	-	
State Governmental Sources	2,800,758	1,556,134	363,822	-	-	-	880,803	-	-	-	-	-	-	
Federal Governmental Sources	4,907,624	-	-	-	-	4,907,624	-	-	-	-	-	-	-	
Student Tuition & Fees	8,464,875	6,600,297	747,997	67,798	632,793	415,989	-	-	-	-	-	-	-	
Sales & Service Fees	1,456,525	46,981	-	-	-	1,409,544	-	-	-	-	-	-	-	
Facilities Revenue	24,289	14,766	-	-	9,523	-	-	-	-	-	-	-	-	
Investment Revenue	41,411	295	(982)	45,806	-	-	(2,020)	-	-	-	-	(1,687)	-	
Nongovernmental Gifts, Scholarships, Grants & Bequests	346,213	2,753	-	-	2,006	282,938	-	-	-	58,516	-	-	-	
Other Revenue	2,530,901	2,445,283	13,926	-	9,689	-	-	-	-	62,003	-	-	-	
<b>Total Revenue</b>	<b>32,979,312</b>	<b>21,597,193</b>	<b>2,276,838</b>	<b>113,604</b>	<b>632,793</b>	<b>1,846,751</b>	<b>6,071,365</b>	<b>(2,020)</b>	<b>-</b>	<b>120,520</b>	<b>31,250</b>	<b>291,018</b>	<b>-</b>	
<b>Expenditures</b>														
Salaries	12,216,454	10,881,354	205,084	-	718,522	411,495	-	-	-	-	-	-	-	
Employee Benefits	4,162,473	3,646,132	45,911	-	120,357	78,368	-	-	-	-	-	271,705	-	
Contractual Services	2,332,121	1,167,372	498,532	108,842	225,559	272,816	-	-	-	-	59,000	-	-	
General Materials & Supplies	2,275,687	1,053,615	230,573	412	804,902	186,185	-	-	-	-	-	-	-	
Travel & Conference/Meeting	122,991	70,626	5,627	-	25,196	21,542	-	-	-	-	-	-	-	
Fixed Charges	208,623	358,093	16,976	-	138,900	5,236	416	-	(354,458)	-	-	43,460	-	
Utilities	232,164	74,745	157,419	-	-	-	-	-	-	-	-	-	-	
Capital Outlay	1,641,864	51,186	(40,798)	-	-	131,816	-	1,499,659	-	-	-	-	-	
Other Expenditures	4,686,512	372,811	-	-	3,940	4,240,708	-	-	-	69,052	-	-	-	
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditures</b>	<b>27,878,888</b>	<b>17,675,934</b>	<b>1,119,324</b>	<b>109,254</b>	<b>138,900</b>	<b>1,903,711</b>	<b>5,343,347</b>	<b>-</b>	<b>1,499,659</b>	<b>(354,458)</b>	<b>69,052</b>	<b>59,000</b>	<b>315,165</b>	
<b>Excess/(deficit) of revenues over expenditures</b>	<b>5,100,424</b>	<b>3,921,259</b>	<b>1,157,513</b>	<b>4,350</b>	<b>493,893</b>	<b>(56,960)</b>	<b>728,018</b>	<b>(2,020)</b>	<b>(1,499,659)</b>	<b>354,458</b>	<b>51,468</b>	<b>(27,750)</b>	<b>(24,148)</b>	
Operating transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	
Beginning Fund Balance	79,240,141.00	25,093,593	5,779,438	7,914,874	334,743	167,528	(11,346)	3,010,717	73,557,934	(10,180,383)	403,874	52,685	635,329	(27,518,845)
Ending Fund Balance	84,340,565	29,014,852	6,936,951	7,919,224	828,636	110,568	716,672	3,008,697	72,058,275	(9,825,925)	455,342	24,935	611,181	(27,518,845)

All Funds Statement of Activities (Income Statement)  
November 30, 2022

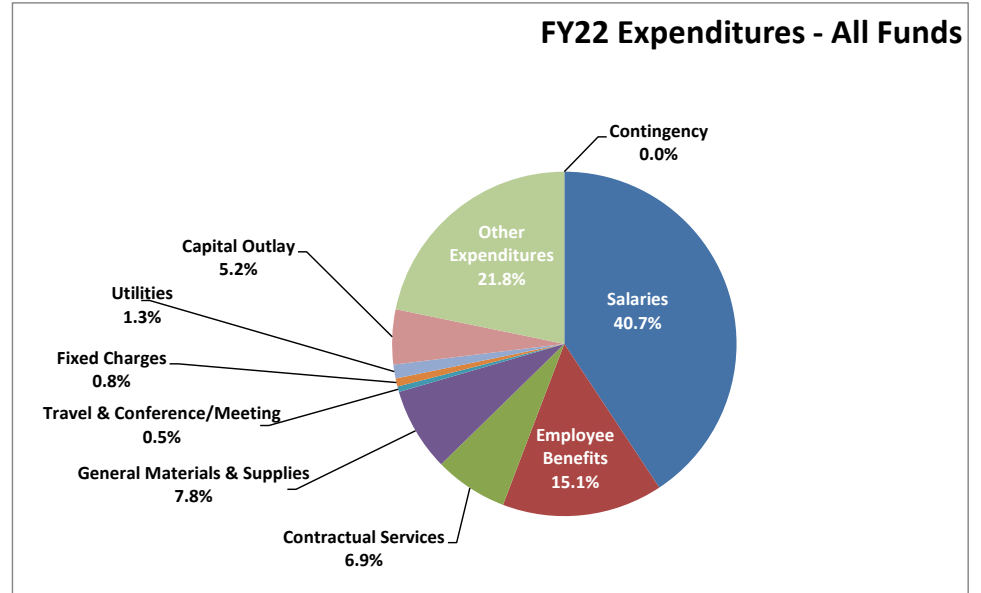
Total Revenue = \$ 32,979,312



Total Revenue = \$ 34,658,687



Total Expense = \$ 27,878,888



Total Expense = \$ 29,068,542

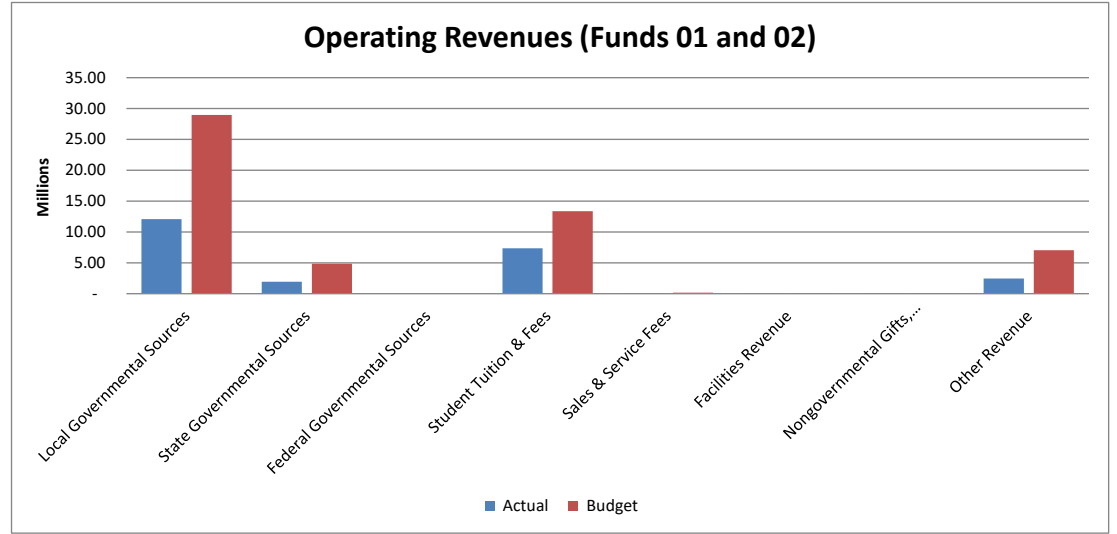
**Operating (Funds 01 & 02) Statement of Activities (Net of SURS/Investments)**  
**November 30, 2022**

	FY23			FY22		FY22			FY23 Act.	
	YTD Actual	YTD Budget	Full Budget	YTD Actual to:		YTD Actual	Budget	%	Change Over	%
				YTD Bud.	Full Bud.			Chng	FY22 Act.	Chng
<b>Revenue</b>										
Local Governmental Sources	\$ 12,082,761	\$ 12,052,790	\$ 28,962,379	100.2%	41.7%	\$ 11,883,277	\$ 28,225,058	42.1%	\$ 199,484	1.7%
State Governmental Sources	1,919,955	2,027,522	4,872,056	94.7%	39.4%	1,702,148	4,056,435	42.0%	\$ 217,808	12.8%
Federal Governmental Sources	-	-	-	0.0%	0.0%	-	-	0.0%	\$ -	0.0%
Student Tuition & Fees	7,348,294	6,060,899	13,350,427	121.2%	55.0%	7,623,903	13,350,427	57.1%	\$ (275,609)	-3.6%
Sales & Service Fees	46,981	68,249	164,000	68.8%	28.6%	25,815	52,750	48.9%	\$ 21,166	82.0%
Facilities Revenue	14,766	7,893	18,966	187.1%	77.9%	14,766	18,966	77.9%	\$ -	0.0%
Nongovernmental Gifts	2,753	4,578	11,000	60.1%	25.0%	8,766	11,000	79.7%	\$ (6,014)	-68.6%
Other Revenue	2,459,208	2,933,809	7,049,827	83.8%	34.9%	2,454,529	10,743,466	22.8%	\$ 4,679	0.2%
<b>Total Revenue</b>	<b>\$ 23,874,718</b>	<b>\$ 23,155,740</b>	<b>\$ 54,428,655</b>	<b>103.1%</b>	<b>43.9%</b>	<b>\$ 23,713,204</b>	<b>\$ 56,458,102</b>	<b>42.0%</b>	<b>\$ 161,514</b>	<b>0.7%</b>
<b>Expenditures</b>										
Salaries	\$ 11,086,438	\$ 11,723,054	\$ 28,170,035	94.6%	39.4%	\$ 10,565,046	\$ 28,197,974	37.5%	\$ 521,392	4.9%
Employee Benefits	3,692,043	4,574,560	10,992,486	80.7%	33.6%	3,922,941	15,185,346	25.8%	\$ (230,898)	-5.9%
Contractual Services	1,665,904	2,007,009	4,822,764	83.0%	34.5%	1,529,650	4,143,904	36.9%	\$ 136,253	8.9%
General Materials & Supplies	1,284,188	1,376,568	3,307,839	93.3%	38.8%	1,435,264	2,770,327	51.8%	\$ (151,076)	-10.5%
Travel & Conference/Meeting	76,253	138,384	332,532	55.1%	22.9%	97,518	274,572	35.5%	\$ (21,265)	-21.8%
Fixed Charges	375,069	662,244	1,591,347	56.6%	23.6%	644,469	1,616,557	39.9%	\$ (269,400)	-41.8%
Utilities	232,164	507,988	1,220,675	45.7%	19.0%	378,500	1,212,502	31.2%	\$ (146,336)	-38.7%
Capital Outlay	10,389	702,163	1,687,269	1.5%	0.6%	338,409	3,171,420	10.7%	\$ (328,020)	-96.9%
Other Expenditures	372,811	381,405	916,500	97.7%	40.7%	401,934	907,807	44.3%	\$ (29,123)	-7.2%
Contingency	-	41,615	100,000	0.0%	0.0%	-	150,000	0.0%	\$ -	0.0%
<b>Total Expenditures</b>	<b>\$ 18,795,259</b>	<b>\$ 22,114,990</b>	<b>\$ 53,141,447</b>	<b>85.0%</b>	<b>35.4%</b>	<b>\$ 19,313,732</b>	<b>\$ 57,630,409</b>	<b>33.5%</b>	<b>\$ (518,473)</b>	<b>-2.7%</b>
<b>Surplus/(deficit)</b>	<b>\$ 5,079,460</b>	<b>\$ 1,040,751</b>	<b>\$ 1,287,208</b>			<b>\$ 4,399,472</b>	<b>\$ (662,123)</b>		<b>\$ 679,987</b>	<b>15.5%</b>
Net Transfers Out/(In)	\$ -		\$ 1,530,279			\$ -	\$ 1,000,000		\$ -	0.0%
<b>Net Operating Funds Surplus/(Deficit)</b>	<b>\$ 5,079,460</b>	<b>\$ 1,040,751</b>	<b>\$ (243,071)</b>			<b>\$ 4,399,472</b>	<b>\$ (1,662,123)</b>		<b>\$ 679,987</b>	<b>15.5%</b>
<i>Beginning Fund Balance</i>	<i>30,873,031</i>	<i>30,873,031</i>	<i>30,873,031</i>			<i>32,311,033</i>				
<i>Net Operating Funds Surplus/(Deficit)</i>	<i>5,079,460</i>	<i>1,040,751</i>	<i>(243,071)</i>			<i>4,399,472</i>				
<i>Add: Contingency (assumption is it is not used)</i>			<i>100,000</i>							
<b>Calculated YTD Ending Fund Balance (b)</b>	<b>\$ 35,952,491</b>	<b>\$ 31,913,782</b>	<b>\$ 30,729,960</b>			<b>\$ 36,710,505</b>				

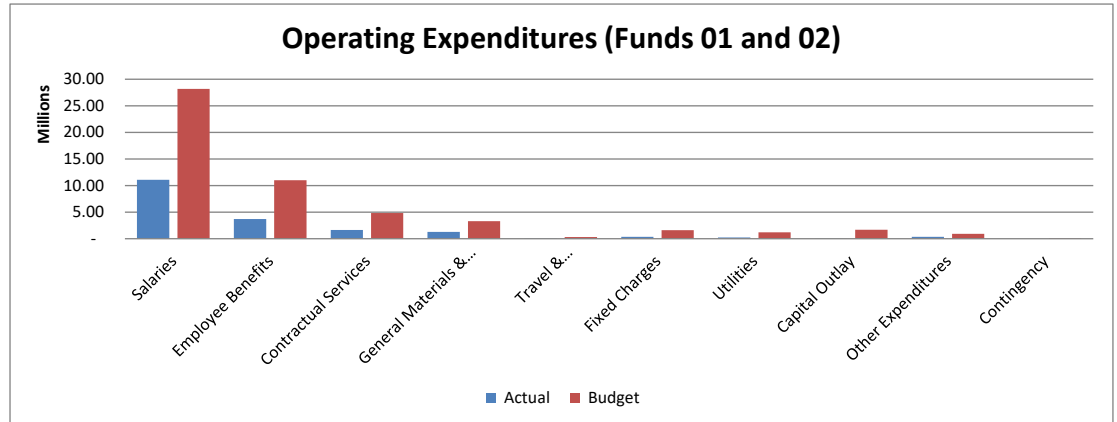


**Operating Funds - Statement of Activities**  
**November 30, 2022**

	Actual	Budget
<b>Revenue</b>		
Local Governmental Sources	12,082,760.86	28,962,379.00
State Governmental Sources	1,919,955.46	4,872,056.00
Federal Governmental Sources	-	-
Student Tuition & Fees	7,348,294.30	13,350,427.00
Sales & Service Fees	46,980.65	164,000.00
Facilities Revenue	14,766.00	18,966.00
Nongovernmental Gifts, Scholarships, Grants & Bequests	2,752.63	11,000.00
Other Revenue	2,459,208.42	7,049,827.00
<b>Total Revenue</b>	<b>23,874,718.32</b>	<b>54,428,655.00</b>



<b>Expenditures</b>		
Salaries	11,086,437.73	28,170,035.00
Employee Benefits	3,692,043.25	10,992,486.00
Contractual Services	1,665,903.80	4,822,764.00
General Materials & Supplies	1,284,187.80	3,307,839.00
Travel & Conference/Meeting	76,253.13	332,532.00
Fixed Charges	375,069.12	1,591,347.00
Utilities	232,163.95	1,220,675.00
Capital Outlay	10,388.82	1,687,269.00
Other Expenditures	372,811.00	916,500.00
Contingency	-	100,000.00
<b>Total Expenditures</b>	<b>18,795,258.60</b>	<b>53,141,447.00</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>5,079,459.72</b>	<b>1,287,208.00</b>



\*#N/A or "-" indicates that there is no activity to record for this category in Fund 01 or 02.