

Rock Valley College
Community College District No. 511
3301 N. Mulford Road, Rockford, IL 61114
BOARD OF TRUSTEES COMMITTEE OF THE WHOLE MEETING
(Rescheduled from January 16, 2024)
8:30 a.m., Saturday, January 20, 2024
MINUTES

Call to Order

The Rock Valley College (RVC) Board of Trustees Committee of the Whole meeting was convened on Saturday, January 20, 2024, in Room 1308 of the Woodward Technology Center on the main campus. The meeting was called to order at 8:30 a.m. by Chairperson Gloria Cardenas Cudia.

Roll Call

The following members of the Board of Trustees were present at roll call:

Ms. Gloria Cardenas Cudia

Ms. Kristen Simpson

Mr. Richard Kennedy

Mr. Juan Noguera, RVC Student Trustee

Mr. Robert Trojan

Mr. John Nelson arrived at 9:00 a.m.

The following Trustees were absent at roll call: Ms. Crystal Soltow, Mr. Paul Gorski (joined later via teleconference), Mr. John Nelson (arrived at 9:00 a.m.)

Also present: Dr. Howard J. Spearman, President; Ms. Ellen Olson, Vice President of Finance; Mr. Jim Handley, Vice President of Human Resources; Dr. Patrick Peyer, Vice President of Student Affairs; Dr. Hansen Stewart, Vice President of Career and Technical Education and Workforce Development; Ms. Ann Kerwitz, Assistant to the President; Ms. Betsabe Saucedo, Assistant to the President; Attorney Christopher Gorman, Robbins Schwartz.

Communications and Petitions (Public Comment)

There were no visitors who wished to make public comment.

Board Member Attendance by Means Other than Physical Presence

Trustee Trojan noted that there was a quorum due to the physical presence of four trustees, and made a motion, seconded by Trustee Simpson, to allow Trustee Gorski to participate in the meeting by teleconference. The motion was approved by unanimous roll call vote.

Recognition of Visitors

Dr. Spearman welcomed Dick and Ann Rundall, community visitors, to the meeting.

Review of Minutes

There were no comments on the minutes from the December 5, 2023, Board of Trustees Committee of the Whole meeting.

At 8:37 a.m., Trustee Gorski joined the meeting by telephone.

General Presentation: Bookstore Presentation

Dr. Patrick Peyer, vice president of student affairs, presented information on the current bookstore contract with Barnes and Noble, as well as challenges students face when purchasing or renting textbooks. The College's Bookstore Committee, which has been exploring bookstore options since June 2022, has gathered input from faculty, staff, students and other institutions to determine bookstore trends and possible solutions. To provide the most cost-effective way for students to purchase books, considerations included cost, accessibility and convenience.

As a result of the research, a Request for Proposal (RFP) will be issued in February with a recommendation for a vendor and proposed solution to be brought to the Board of Trustees in April.

In response to a question from Trustee Trojan, Dr. Peyer confirmed that the RFP will include a proposed solution of how to handle non-textbook items such as apparel. Inzombia Coffee, located in the Educational Resource Center, is willing to open a retail operation on campus to cover the basics.

In response to a question from Trustee Gorski, Dr. Peyer indicated that he did not have details regarding current services available for the visually impaired, but that it is included in the RFP. Dr. Spearman added that a more detailed presentation will be made at a future Committee of the Whole meeting.

Teaching, Learning & Communications Discussion: Board Liaison Trustee Simpson

1. Enrollment Update

Ms. Heather Snider, vice president of institutional effectiveness and communications, presented an enrollment update. As of January 17, Spring enrollment is four percent (4%) above the budget goal. The Spring semester began January 13, but she anticipates enrollment will be up and down due to the add/drop process through January 30. Dr. Spearman added that an enrollment drop in the Spring semester is common in other schools, not only at RVC.

2. Cybersecurity Certificates

Dr. Hansen Stewart, vice president of career and technical education and workforce development, presented information on two new certificates, Cybersecurity Technician and Advanced Cybersecurity Technician. Dr. Stewart explained that these certificates will provide expedited entry into the workforce, and are also relevant to an advanced degree. Both certificates will be submitted to the Illinois Community College Board (ICCB) for final approval. In response to trustees' questions, Dr. Stewart confirmed that courses will be taught in the Woodward Technology Center and that they will lead to a degree as well as employment. Trustee Gorski added that industry is using some Artificial Intelligence (AI) tools now, but has different needs based on requirements of some insurance companies. Dr. Spearman added that faculty are urged to have dialogues with students to ensure they are not using AI appropriately to complete their work. While some faculty embrace AI, others discourage its use.

9:00 a.m. Trustee John Nelson arrived.

Finance Discussion: Board Liaison Trustee Trojan

1. Purchase Report

Ms. Ellen Olson, vice president of finance, reviewed the purchase reports.

Purchase Report A – FY2024 Amendments:

A. Software – (IT Maintenance Services Software Support – Student Services Departments)

1. Carahsoft Reston, VA \$40,000.00 *(1)

B. HVAC Equipment and Installation – (Capital Expense – Plant Operations and Maintenance)

2. Helm Service (formerly Mechanical Inc.) Freeport, IL \$43,000.00* (2)

In response to a question from Trustee Nelson regarding Item A., Dr. Patrick Peyer explained that since February 2023, Salesforce has been used by the College’s admissions and recruitment team, and it has been so successful that other departments such as adult education, academic advising, financial aid, records and registration, and downtown education groups will begin using it. In Salesforce, all information is put into one database to better coordinate information.

In regard to Item B., Vice President Olson explained that the five percent contingency for Helm Service is being added to cover any additional minor costs.

Purchase Report B – FY2024 Purchases:

A. Environmental Maintenance – (Risk Management Fund)

1. Critical Environments Professionals Arlington Heights, IL \$12,000.00* (1)
Not to exceed

B. Door Repair – (Maintenance Services Buildings – Plant Operations)

2. Door Systems ASSA ABLOY US Inc.. Naperville, IL \$24,346.00* (2)

C. Backstage Communication System – (Theatre Program – Foundation)

3. Full Compass Systems LTD Madison, WI \$12,863.67* (3)
Sweetwater Fort Wayne, IN \$13,063.00
ProSound and Stage Lighting Westminster, CA \$13,474.16

D. JCSM Generator – (Other Capital Outlay – Current Capital Needs))

4. Powerlink Electric, LLC Vernon Hills, IL \$147,361.50* (4)
Helm Electric Rockford, IL \$149,990.96
Ballard Engineering Rockford, IL \$152,900.00

On Item A., Vice President Olson explained that the labs in JCSM and WTC were not shut down and there was no danger to students.

2. Cash and Investment Report

Ms. Olson presented the Cash and Investment Report through December 31, 2023. Total operating cash is \$40,090,908. Total operating cash and investments are \$86,619,649. Total capital funds are \$12,022,984. The change in operating cash and investments since November 30, 2023, is (\$776,682). Ms. Olson added that the total operating cash and investment funds were 80.70 percent of the Fiscal Year 2024 operating budget.

Vice President Olson explained that bond payments are made semi-annually on different dates based on the payment schedule set up when the bonds are issued. She estimated that annual bond payments are about \$14 million.

3. Purchase Policy Update Board Policy 5:10.120 Purchasing / Second Reading

Ms. Olson explained that this is a second reading and that copies of the old and new policies are in the meeting packet. Trustee Gorski added that he would like to see a review of the responsible bidder section of the Board Policy, as he sees no reason to put a limit on it. He believes it was last discussed in 2018 or 2019. Trustee Nelson suggested a \$25,000 limit and will propose an amendment to the policy at the next meeting.

Operations Discussion: Board Liaison Trustee Kennedy

1. Personnel Report

Vice President Jim Handley explained that due to the absence of Vice President Rick Jenks and Vice President Keith Barnes, he will review the Operations section of the agenda. He noted that changes have been made to the January 2024 Personnel Report, and a redlined copy will be available at the next meeting. He added that because recruitment is a continual process, redlined reports are included in the packets, as administration wants to ensure that trustees are aware of the changes and updates.

2. Lease Extension with The Iconic Building, LLC for Rock Valley College Downtown

Vice President Handley reviewed the lease extension for the facility at 99 E. State Street in Rockford. There was no discussion.

3. Strategic Plan Update: IBHE Equity Plan Update

Vice President Handley presented an update on the IBHE Equity Plan that will be submitted to the Illinois Community College Board (ICCB) by May 31, 2024. There was no discussion.

4. Certified Project Completion Certifications – Capital Projects Approval

Vice President Handley presented a brief review of the certifications of four completed capital projects that will be submitted to Illinois Community College Board (ICCB). There was no discussion.

5. Americans With Disabilities Act (ADA) New Board Policy 2:10.120 / Second Reading

Vice President Handley presented a brief review of the proposed Board Policy 2:10.120, Americans With Disabilities Act. There was no discussion.

6. Rock Valley College Events Calendar

Vice President Handley presented the RVC on-campus events calendar for January 2024. Highlighted upcoming events included the January 17 Martin Luther King Day Celebration, Spring Welcome Week to be held January 22-25, and the Black History Month Ebony Breakfast to be held February 2.

7. Rock Valley College Downtown-West Campus Update

Due to the absence of Vice President of Operations Rick Jenks, Vice President Snider reviewed the RVC Downtown-West Update, which included a list of proposed programs, enrollment trends and projections, the Construction Manager at Risk Selection Committee process, a list of the Selection Committee members, and a design update.

Comments and Answers to Trustees' Questions:

- Extra enrollment recruiting will be implemented as we near completion of the building.
- Possible tuition help will be addressed as we near completion of the building.
- RVC is partnering with Rockford RPS 205, University of Illinois, and others to develop the curriculum for the Human Services program.
- The Electric Vehicle program is an extension of the Automotive program.
- Proposed programs are listed in alphabetical order, not by priority. The College has a process in place to determine how much space is needed for each program. In an effort to be more efficient, collaborative conversations are being held to determine how to share space.
- Following the Selection Committee's selection, the top Construction Manager at Risk will be presented at the February 27, 2024 regular Board meeting.
- The selection process is very similar to selecting a college president. Faculty and trustees are represented on the Selection Committee. Committee members met January 19, 2024 to determine the process. Members will review and rate each applicant on a matrix, looking for the right mix to meet all needs.
- DKA Architects designed the automotive facility at Waubensee Community College.

New Business/Unfinished Business

1. **New Business:**

- a.) Board Chair Cudia commented that she wanted to address something that has come to her attention, having received a copy of an email that Trustee Gorski sent to Project First Rate and Northern Illinois Building Contractors alerting them to the Downtown-West construction project and to sign up to receive bid alerts. Mr. Gorski confirmed that he was acting as an individual, not as a trustee, and he also sent a copy of a news article on Downtown-West, thinking there would be a short turnaround to the bidding process. A copy was not sent to the Board Chair nor all trustees. Board Chair Cudia noted that she was concerned that this might show preference by RVC and reflect poorly on the College's reputation. She added that she will forward the document to all trustees. Trustee Gorski added that he has asked several times to be put on the list to receive all bid notices, but it has not been done. Trustee Trojan added that 87 companies have been alerted and/or contacted regarding the Downtown-West building project.
- b.) Chief Financial Officer Ellen Olson provided an update on the Employee Retention Credit (ERC) program., which provides a refundable tax credit for some organizations who had employees impacted by the COVID-19 pandemic. RVC originally was not qualified, but an amendment has been passed that makes RVC eligible. The College's auditor, Sikich LLC, is reviewing related documents and will advise on how the College should proceed. The new deadline to submit for reimbursement is January 31, 2024. Dr. Spearman added that Trustee Nelson heard about the program at the ACCT conference in October and brought it to Administration's attention. The advisory firm who will handle the submission will charge a 20 percent fee.

c.) President Spearman reminded trustees of a request made last fall urging local legislators to push the Capital Development Board (CDB) and the Governor's Office of Management and Budget (GOMB) to release funds for Classroom Building II. A letter from a team of engineers at IMEG that identified the urgent HVAC issues with the building was sent to local legislators urging them to contact CDB and GOMB. As a result of the efforts by local legislators, the CDB has agreed to release \$17 million. Due to the reduced amount, the arts center extension will be eliminated from the current renovation plan, although CFO Ellen Olson confirmed the College has \$5.6 million set aside for the CLII project.

2. **Unfinished Business:** There was no unfinished business. Trustee Gorski commented that he will forward a copy of the RVC Downtown-West update to Project First Rate and the Northern Illinois Building Contractors.

At 10:25 a.m., the meeting recessed for a brief break.

At 10:41 a.m., the meeting reconvened.

Board of Trustees Retreat Discussion

1. **State of the College**

Vice President of Institutional Effectiveness and Communications Heather Snider reviewed the process for the State of the College, noting that trustees have received a video from Ms. Snider and Vice President of Finance Ellen Olson explaining the State of the College report. Trustees were invited to submit their questions, and this section of the meeting will be devoted to answering trustees' questions.

- a. The Questions and Answers document is attached hereto and made a part of these meeting minutes of January 20, 2024.
- b. With regard to job trends, the Stellantis announcement to reopen the Belvidere plant was made after data compiled historical projections were completed. Therefore, the Stellantis program is not included in the chart data.

2. **10-Year Financial Projections**

Vice President of Finance Ellen Olson reviewed the six financial strategies, noting that for Fiscal Year 2025, the College will be implementing a budget goal of 110,000 credit hours and a stretch goal of 115,000 credit hours.

- a. The Questions and Answers document is attached hereto and made a part of these meeting minutes of January 20, 2024.
- b. The state of Illinois is anticipating a deficit, however the Illinois Community College Board (ICCB) has asked for a seven percent (7%) increase.
- c. RVC staff are being challenged to reduce expenses by five percent for the Fiscal Year 2025 operational budget.
- d. Program Reviews are conducted every five years and monitored annually to track program efficiency.

3. Strategic Plan Update

Vice President Heather Snider reminded trustees of the four pillars of the Strategic Plan: Access; Education; Training and Diversity, and that updates are given at each Committee of the Whole meeting. This process will continue in 2024 and will include quarterly updates.

Highlights of the past year include the SMART Camp, expanded Dual Credit programs and enrollment, and strong workforce development. Recent grant data shows that Illinois is a leader in the Midwest, and RVC is among the highest performing in the state of those that received that grant. The creation of the Golden Eagles Academy (exceptional training opportunities for employees) is a direct result of the previous culture survey done in 2021.

Ms. Snider then presented a brief biography of Dr. Julie Kunselman, research and development leader at Studer Education, and introduced Dr. Kunselman who would present an update on results of the 2023 culture survey.

4. Studer Education Update/Employee Culture Survey

Dr. Kunselman explained that RVC administered the first culture survey completed two years ago, and Studer Education administered the second survey done in 2023. Although the first survey was not shared, results of the second survey will be shared with all RVC staff, which will build accountability and connect to RVC's values and the four pillars of the Strategic Plan. Dr. Kunselman reviewed the ratings and categories, including Board leadership.

Highlights include:

- Cabinet leaders can see the results of those reporting to them and will share results.
- Response rate is 77 percent (77%), a very good rate. Normal rate is around 30 percent (30%).
- Overall results have improved since the first survey was done in 2021.
- Having employee stability is very important especially at the Cabinet level.
- Although there is no way of knowing who did or did not respond, all staff will participate in the rollout process.
- Intentional conversations about DEI (diversity, equity and inclusion) will help build collaboration.
- Consistent rollout and seeing survey results may help improve the number of participants in the next survey. Some companies offer an incentive to complete the survey.
- Anything above a zero is good for the Employee Net promoter score. Nearly 50% of RVC employees recommend RVC as a good place to work. The goal is to move from mid-range to improvement, and ask employees what a 10 would look like, as we don't want to lose them.
- Trustees were given paper copies of the report and a few minutes to review the Board of Trustees comments report from the culture survey.
- RVC staff may not understand the responsibilities of the Board of Trustees.
- There has been very little trust in the Board over the years, but it seems to be improving.
- Communication can be an issue. What can be done to inform employees of what the Board does? Should minutes be distributed to all employees? Or have a video of the meetings available?
- To help employees not familiar with the Board, maybe meeting minutes should be distributed or make available a video of the meetings.

Dr. Kunselman reviewed the next steps in the rollout of the 2023-2024 culture survey to all employees. Dr. Spearman added that an update of the action steps will be presented to trustees in June.

At the request of Trustee Gorski and after polling the other trustees, Board Chair Cudia announced that the meeting on January 30, 2024 would begin at 5:45 p.m. rather than 5:15 p.m.

Adjourn to Closed Session

A closed session was not held.

Next Committee of the Whole Meeting

The next Committee of the Whole Meeting will be held on February 13, 2024, at 5:15 p.m.; The meeting will be held in the Performing Arts Room (PAR, Room 0214) in the Educational Resource Center (ERC) on the main campus.

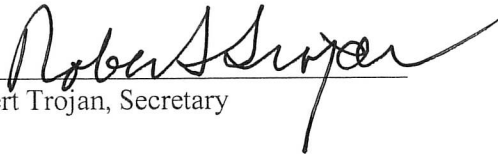
Next Regular Board of Trustees Meeting

The next Regular Board of Trustees Meeting will be held on January 30, 2024, at 5:15 p.m.; The meeting will be held in the Performing Arts Room (PAR, Room 0214) in the Educational Resource Center (ERC) on the main campus.

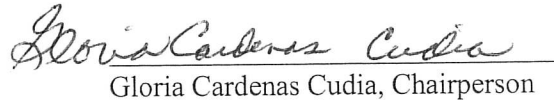
Adjourn

At 12:40p.m., a motion was made by Trustee Nelson, seconded by Trustee Trojan, to adjourn the meeting. The motion was approved by a unanimous roll call vote.

Submitted by: Ann L. Kerwitz

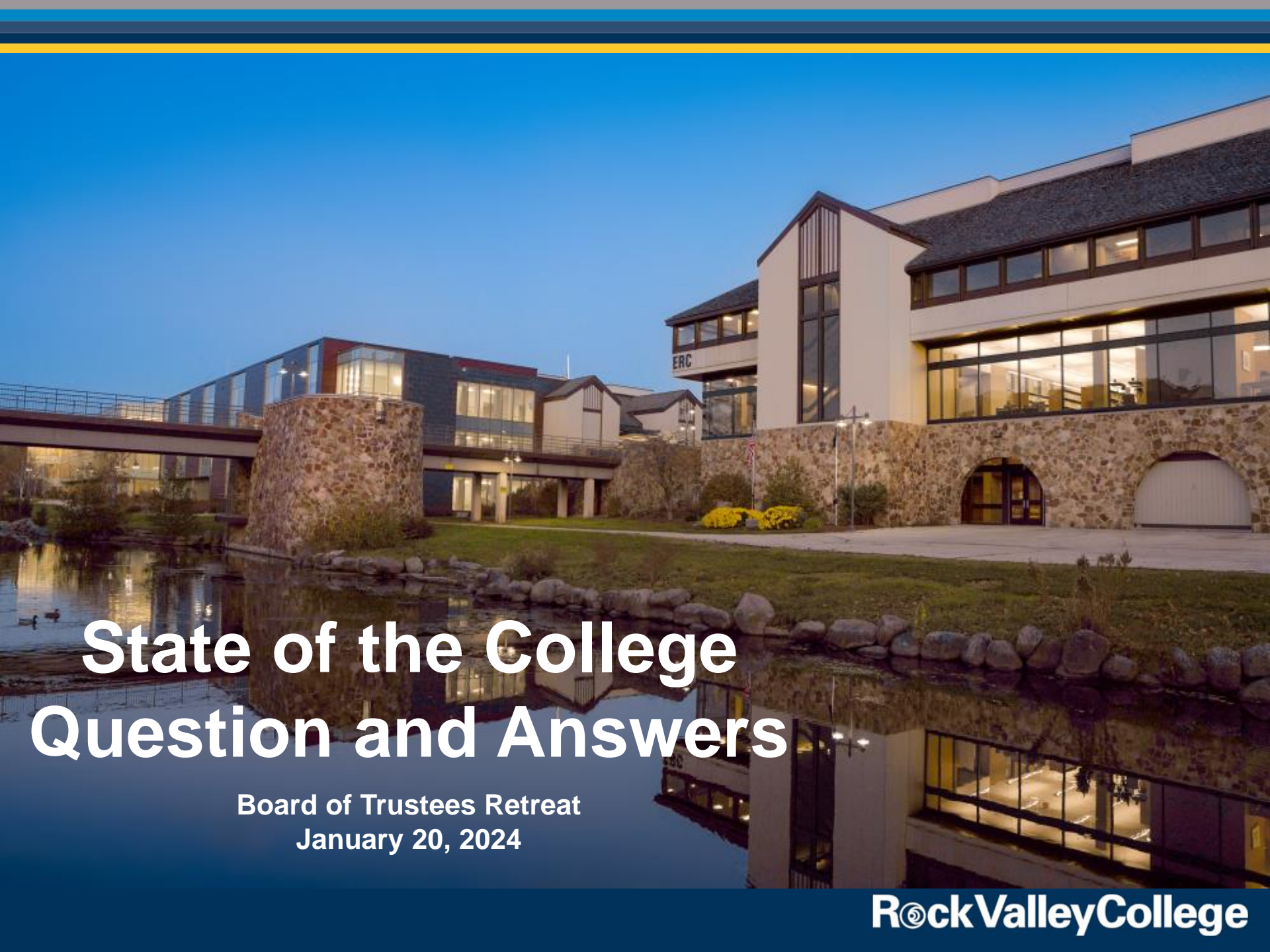


Robert Trojan, Secretary



Gloria Cardenas Cudia, Chairperson

Attachment: State of the College Questions and Answers, January 20, 2024



State of the College Question and Answers

Board of Trustees Retreat
January 20, 2024



Process

January 5, 2024

Trustees received State of the College video and slides

January 12, 2024

Questions from Trustees submitted to President

January 20, 2024

Questions addressed as part of annual retreat



DISTRICT DEMOGRAPHICS



Population by Age

Projected Change in Population by Age Tri-county Region (Boone, Ogle, and Winnebago Counties)

Age Cohort	2023 Population	2028 Population	Change	% Change	2028 % of Cohort
Under 5 years	22,494	22,516	22	0%	5.8%
5 to 9 years	24,886	23,242	(1,644)	(7%)	5.9%
10 to 14 years	25,429	26,545	1,116	4%	6.8%
15 to 19 years	25,401	25,424	23	0%	6.5%
20 to 24 years	24,253	25,046	792	3%	6.4%
25 to 29 years	23,174	24,059	884	4%	6.1%
30 to 34 years	24,371	22,791	(1,580)	(6%)	5.8%
35 to 39 years	23,231	25,478	2,247	10%	6.5%
40 to 44 years	23,372	23,640	268	1%	6.0%
45 to 49 years	21,903	23,865	1,962	9%	6.1%
50 to 54 years	24,513	21,656	(2,858)	(12%)	5.5%
55 to 59 years	24,593	24,297	(296)	(1%)	6.2%
60 to 64 years	25,870	22,846	(3,024)	(12%)	5.8%
65 to 69 years	23,284	24,372	1,088	5%	6.2%
70 to 74 years	18,864	20,099	1,235	7%	5.1%
75 to 79 years	14,597	15,895	1,298	9%	4.1%
80 to 84 years	9,134	10,474	1,341	15%	2.7%
85 years and over	8,562	9,170	609	7%	2.3%
Total	387,931	391,414	3,483	1%	100.0%

Contains
Traditional
College-age
Students



Population by Age

Question: Comparing this year's and last year's Change in Age Groups under 5 through 30-34. Last year was (6495); this year (387). What has happened to cause such a swing?

Ogle County was added to Boone and Winnebago Counties to create a tri-county region for district demographics; however, this does not explain the difference in projected declines. In fact, this same question could be asked for the total population. The 2023 State of the College data projected declines in populations for both Boone and Winnebago Counties from 2022 to 2027. The 2024 State of the College projections indicate a decline for Winnebago County only. The populations of Boone and Ogle are projected to remain relatively flat.

Three factors impact population projections:

- Births
- Deaths
- Migrations



Job Trends: Top Industries

Question: The Manufacturing Projection shows flat, but what about the impact of the recently announced Stellantis programs adding many new jobs. If it is accounted for, then the rest of the manufacturing will decrease? Also, currently Aerospace is in a down market but hopefully will recover within the forecasted timeframe.

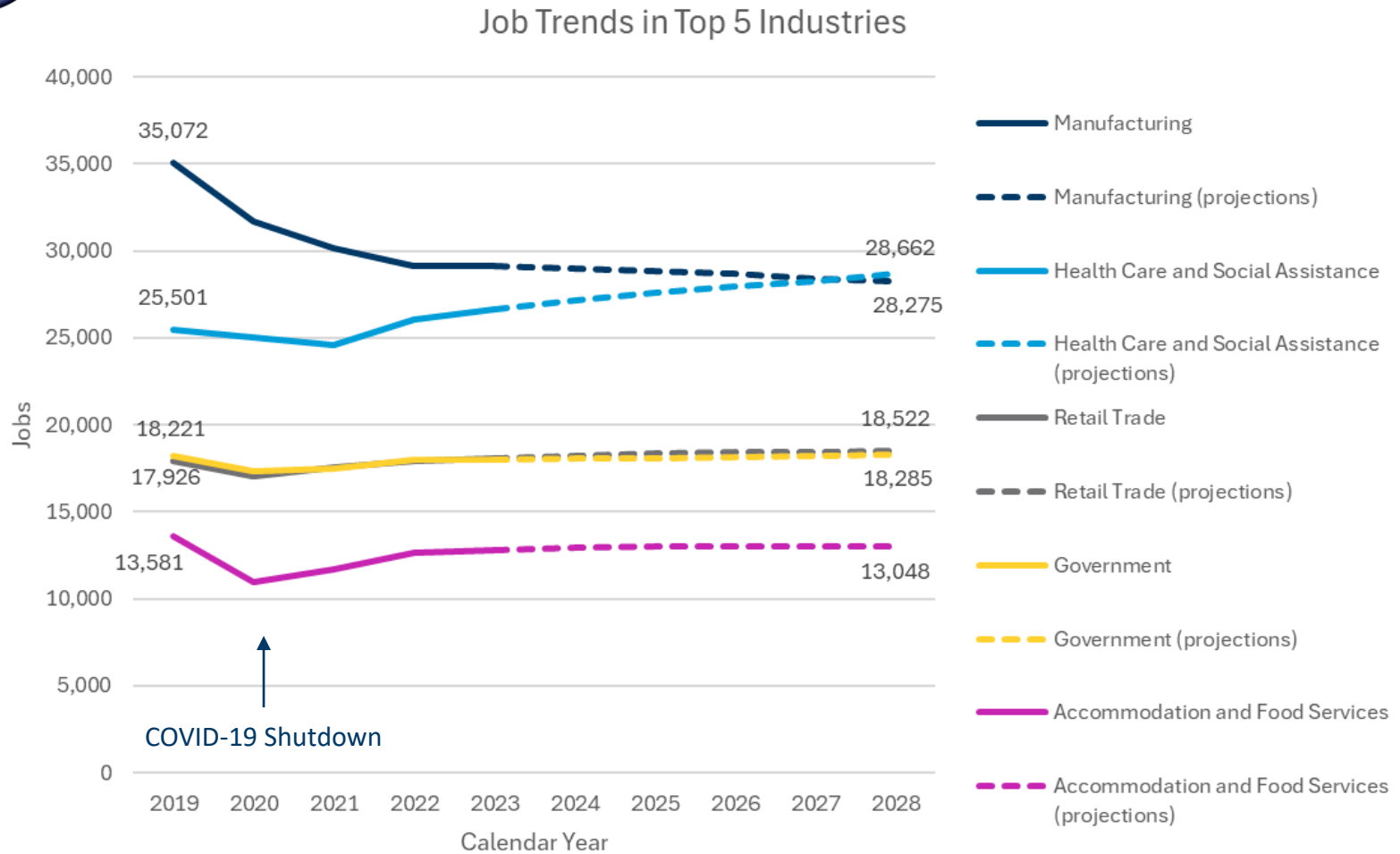
Lightcast industry projections are based on:

- Final Lightcast industry data from the Bureau of Labor Statistics' (BLS) Quarterly Census of Employment and Wages (QCEW) dataset
- BLS National Industry-Occupation Employment Matrix (NIOEM)
- Long-term industry projections published by each state

None of these specifically account for the programs recently announced by Stellantis.



Job Trends: Top Industries



Source: Lightcast Economy Overview, Q4 2023 Data Set

Note: Projections are based on historical data and do not account for plans to increase (e.g., Stellantis or Hard Rock Casino) or reduce jobs opportunities.



ENROLLMENT



Enrollment Target 2: Non-credit Enrollment

Enrollment/Growth					
Pillar	Strategic Goal	5 Year Target	FY2022 Outcome	FY2023 Outcome	Related Metric(s)
Access	I.2: Provide district residents improved accessibility to noncredit programs, certificates, and training.	Achieve 20,000 seats sold by 2027.	10,767 seats sold	12,971 seats sold	<ul style="list-style-type: none">Noncredit enrollment by category

1 = Alert

2 = Area of Concern

3 = Met Goal

4 = Stretch Goal

5 = Super Stretch Goal



Enrollment Target 2: Non-credit Enrollment

Question: Five-year target 20,000...is that per year?

The goal increases incrementally each year.

Fiscal Year	Goal (Seats Sold)	% Annual Increase
2023	12,517	16%
2024	14,267	14%
2025	16,017	12%
2026	17,767	11%
2027	20,000	13%

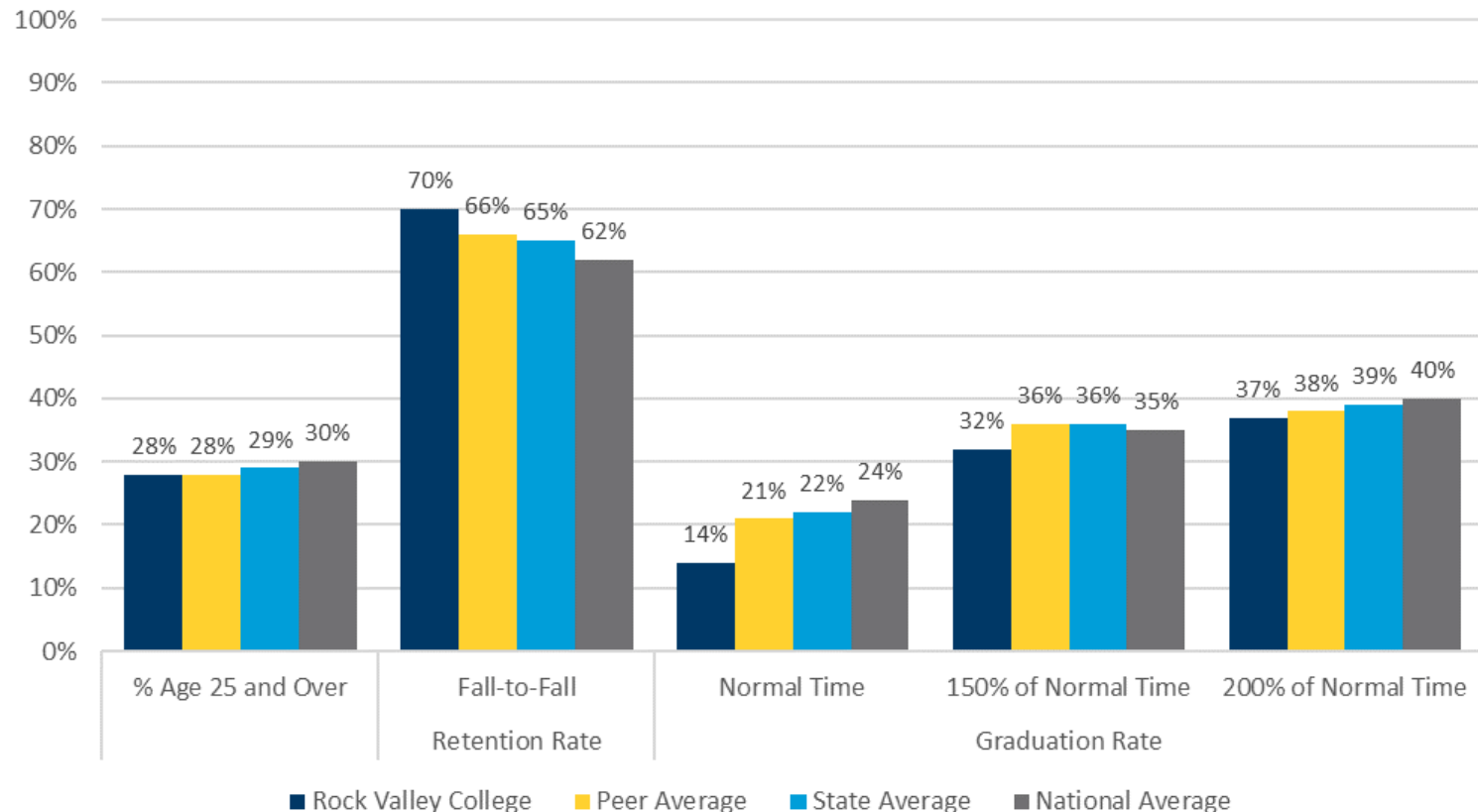


STUDENT SUCCESS



Retention & Graduation Rates

Question: Retention and Graduation Rates with Peer, State and National. How does our student age of 26 compare and does it have an impact on retention and graduation?



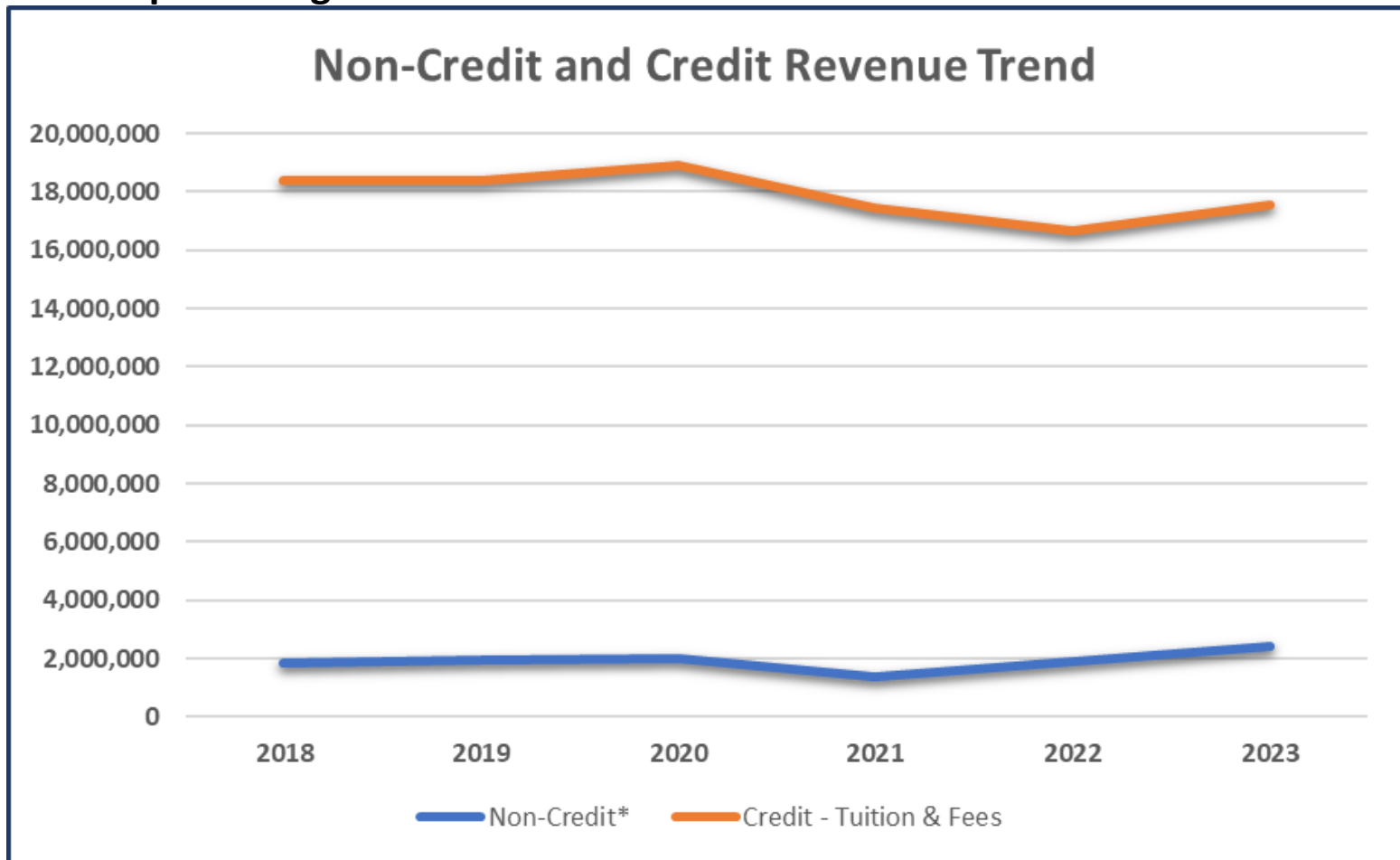


FINANCE



Non-credit Revenue

Question: Net Non-Credit Revenue shows loss. But what is the gross revenue as compared to gross credit revenue.



10-YEAR FINANCIAL FORECAST





10-year Financial Forecast: Financial Strategies

- Implement stretch goals for credit hour attainment.
- Create a culture of cost awareness.
- Continue to transfer funds to OPEB so that any transfer to the Colleges will not have an immediate impact.
- Continue to transfer to O&M restricted to maintain existing campus facilities and for replacement of capital equipment.
- Maintain Fund Balance between 35% and 50%.
- Create an Emergency Savings and invest accordingly.



Revenue Assumptions: Property Tax

Question: Property Tax revenue, hard to predict, but at some point, maybe property EAV will decrease or flatten, then increase in our rate?

- The levy rates for Education and Operations & Maintenance (Funds 01 and 02) are capped by previous referendum at .23 and .04, respectively. The College has been levying at the maximum for over the past 20 plus years.
- For Tort (Fund 12), Audit (Fund 11) and Protection, Health & Safety (Fund 03), if the College keeps the dollar levy amount flat, the levy rate would increase if the EAV declined.
- The levy rate for Bonds is dependent on the scheduled debt service payments. As we try to keep the dollar amount flat, if EAV should decline, the levy rate would increase.



Revenue Assumptions: Credit Hour Enrollment

Question: Stretch Goal...does this become the Budget?

- The budget for FY25 will be 110,000 credit hours. The stretch goal of 115,000 credit hours is the goal for Student Affairs.
- Additional revenue will be applied toward deferred maintenance. The College will have a report to measure actual credit hours against both the budget and stretch goal.
- The stretch goal of 115,000 may become the budget goal once we start meeting it consistently year over year.



Revenue Assumptions: Tuition Rates

Question: What are the average \$/hour of CTE and LAS?

- Current tuition rates are \$125 per credit hour for LAS and \$150 per credit hour for CTE.
- Based on the assumption of 75% LAS and 25% CTE, the weighted tuition rate is \$131.25 per credit hour.



Operating Funds 01 and 02: Revenue Assumptions

Question: Last year showed Revenues over Expenses at a loss starting in 2028; now Net Income. Which assumptions caused this swing?

Changes to revenue assumptions:

- Increased the number of credit hours from 110,000 to 115,000, which offset the \$5 per credit hour annual increase previously forecasted. The new assumption is a \$10 per credit hour increase in FY 2027, 2030 and 2033.
- Modified the rates of EAV increase, FY25 moved from 3% to 6%, FY26 increased from 2% to 4%, FY27 increased from 2% to 3% and FY28 increased from 1.5% to 3%.
- State appropriation assumption changed from a flat 2% annually to 5% in FY25 & FY26 and 4% in FY27 through FY29.



Operating Funds 01 and 02: Expense Assumptions

Question: Last year showed Revenues over Expenses at a loss starting in 2028; now Net Income. Which assumptions caused this swing?

Changes to Expense Assumptions - Factored in expense management

- The two items with the largest impact are Salaries and Benefits as they make up 73% of total expenses when excluding SURS On-Behalf.
 - Factored in a 5% vacancy rate for salaries and reduced salary increases from 3.5% to 3%
 - Anticipate that benefit expenses will not be at the same rate, reduced from 10% in FY25 and 7% thereafter to a more modest 7% in FY25 and 6% thereafter
- Updated the following assumptions with expectation of cost containment:
 - Contractual Services from 5% annual increase to 3% increase in FY25 and flat thereafter
 - Materials & Supplies from 5% annual increase to 5% reduction in FY25 and hold flat thereafter
 - Travel & Conference, reduce 5% in FY25 and hold flat thereafter
 - Utilities previously had a 5% annual increase, updated it to hold flat



Bonds

Question: no projection for Bonds for Downtown and impact on Tax Rates?

- Bond tax levy projection was presented at the November Committee of the Whole Meeting, including tax levy rates.
- Until the College has a better estimate of total project costs and timing, a better estimate is not available.
- The goal is to schedule debt service repayment to keep the levy amount as flat as possible.



Bonds

General Obligation Debt Service

Ley Year	Fiscal Year	Prior Bonds Debt Service	\$23,675,000			PROPOSED GO Bonds, Series 2024 (1)	PROPOSED GO Bonds, Series 2025 (Funding) (1)	PROPOSED GO Bonds, Series 2025 (WC) (1)	PROPOSED GO Bonds, Series 2026 (1)	Capitalized Interest	Total General Obligation Bonds Debt Service		Growth Rate	B&I Tax Rate
			Community College Bonds, Series 2015C	Taxable GO Comm Bonds, Series 2022A	\$17,805,000 GO Comm College Refunding Bonds, Series 2022B						\$12,955,000 GO Comm College Refunding Bonds, Series 2022B	EAV		
2017	2019	\$ 11,536,749	\$ 605,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,142,119	\$ 5,617,226,123	2.43%	0.2162	
2018	2020	11,538,689	605,370	-	-	-	-	-	-	12,144,059	5,786,184,091	3.01%	0.2099	
2019	2021	11,538,766	605,370	-	-	-	-	-	-	12,144,136	6,087,389,555	5.21%	0.1995	
2020	2022	11,538,573	605,370	-	-	-	-	-	-	12,143,943	6,373,157,081	4.69%	0.1905	
2021	2023	11,537,425	605,370	-	-	-	-	-	-	12,142,795	6,683,597,509	4.87%	0.1817	
2022	2024	4,878,053	141,950	6,473,900	647,750	-	-	-	(646,620)	11,495,033	7,160,871,153	7.14%	0.1605	
2023	2025	-	141,950	11,350,500	647,750	-	-	-	(158,339)	11,981,861	7,304,088,576	2.00%	0.1640	
2024	2026	-	141,950	6,715,600	5,282,750	2,352,771	-	-	-	14,493,071	7,450,170,348	2.00%	0.1945	
2025	2027	-	3,400,595	-	8,736,000	639,000	1,666,422	766,043	(1,413,663)	14,493,846	7,599,173,755	2.00%	0.1907	
2026	2028	-	874,620	-	-	639,000	3,574,500	2,679,250	-	14,495,120	7,751,157,230	2.00%	0.1870	
2027	2029	-	-	-	-	639,000	4,851,250	2,579,250	-	14,497,250	7,906,180,374	2.00%	0.1834	
2028	2030	-	-	-	-	4,434,000	3,863,250	3,519,250	-	14,499,250	8,064,303,982	2.00%	0.1798	
2029	2031	-	-	-	-	4,434,250	6,540,250	3,522,250	-	14,496,750	8,225,590,061	2.00%	0.1762	
2030	2032	-	-	-	-	5,250,000	5,731,000	3,517,500	-	14,498,500	8,390,101,863	2.00%	0.1728	
2031	2033	-	-	-	-	-	4,257,750	-	-	14,498,500	8,557,903,900	2.00%	0.0498	
2032	2034	-	-	-	-	-	-	-	-	14,498,500	8,729,061,978	2.00%	0.0000	
2033	2035	-	-	-	-	-	-	-	-	-	8,903,643,217	2.00%	0.0000	
2034	2036	-	-	-	-	-	-	-	-	-	9,081,716,082	2.00%	0.0000	
2035	2037	-	-	-	-	-	-	-	-	-	9,263,350,403	2.00%	0.0000	
2036	2038	-	-	-	-	-	-	-	-	-	9,448,617,411	2.00%	0.0000	
2037	2039	-	-	-	-	-	-	-	-	-	9,637,589,760	2.00%	0.0000	
2038	2040	-	-	-	-	-	-	-	-	-	9,830,341,555	2.00%	0.0000	
2039	2041	-	-	-	-	-	-	-	-	-	10,026,948,386	2.00%	0.0000	
2040	2042	-	-	-	-	-	-	-	-	-	10,227,487,354	2.00%	0.0000	
2041	2043	-	-	-	-	-	-	-	-	-	10,432,037,101	2.00%	0.0000	
2042	2044	-	-	-	-	-	-	-	-	-	10,640,677,843	2.00%	0.0000	
Total DS From Current FY:		\$ 4,878,053	\$ 4,701,065	\$24,540,000	\$15,314,250	\$ 18,388,021	\$30,484,422	\$16,583,543	\$ 16,537,699	\$ (2,218,622)	\$ 129,208,431			
Net Proceeds:						\$14,250,000	\$23,500,000	\$13,000,000	\$14,250,000	\$65,000,000				

(1) Rates based upon market conditions as of September 20, 2023 and recent bond sales which PMA believes to be accurate and reliable plus 0.75%. Estimated 2024 TIC = 4.43%.
 NOTE: Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.



Thank you

