

Lake Land College
Finance Committee
March 6, 2025

Minutes

The Finance Committee of the Board of Trustees met on March 6, 2025, in room 011, Board and Administration Center, Lake Land College, Mattoon, Illinois. Committee Chair Dave Storm called the meeting to order at 9:00 a.m.

Trustee Committee Members Physically Present:

Mr. Dave Storm, Committee Chair
Ms. Doris Reynolds, Committee Member
Mr. Gary Cadwell, Ex-officio Member

Trustee Committee Members Absent:

None

Other Trustees Physically Present:

None

Others Present:

Dr. Josh Bullock, President
Ms. Jean Anne Highland, Chief of Staff
Dr. Ike Nwosu, Vice President for Academic Services
Ms. Madge Shoot, Comptroller
Ms. Seirra Laughunn, Executive Assistant to the President's Office
Mr. John Woodruff, Vice President for Business Services

Hearing of Citizens, Faculty, or Staff.

There were no public comments.

Approval of Minutes of October 10, 2024 Meeting.

Trustee Cadwell moved and Trustee Reynolds seconded to approve the minutes of the October 10, 2024, Finance Committee meeting.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Reynolds, and Storm. No: None. Absent: None.

Motion Carried.

Tuition and Fees Rates for Summer 2025, Fall 2025 and Spring 2026.

President Bullock said the Cabinet is recommending in-district tuition be increased by 4.85% or \$5.50 to \$119.00 per credit hour and the service (including textbook rental) fee be increased by \$1.33 to \$29.00 per credit hour for the upcoming Summer 2025, Fall 2025 and Spring 2026 terms.

Trustees reviewed a memo from Ms. Madge Shoot, Comptroller, that detailed the proposed tuition and fees rates for all categories.

Dr. Bullock said we pride ourselves in offering affordable college pathways, believing that all students deserve accessible opportunities to better their lives through the power of education, and that achieving this goal also requires us to continuously ensure that our programs meet the highest standards of quality possible. Dr. Bullock said the reason the Administration recommends increasing the service fee is so that we can eliminate the digital content fee completely in favor of a more upfront and transparent digital access fee. This would replace the current process where students are charged a digital content fee following the 10th day of a new semester. He said this change will help align the College with industry shifts toward digital resources versus printed textbooks.

Dr. Bullock noted the administration is recommending we maintain the same rates for the Activity and Rec. fees. He reminded Trustees that in December 2024, the Board approved the dual credit fees structure through FY 2027 as part of the new Laker Connect program.

Dr. Bullock said that our in-district total tuition and fees cost for 30 credit hours will be \$4,620 for the 2025-2026 school year with the proposed increases. He said this represents an increase of about \$100 per semester for students. For further comparison, he said the average tuition and fees cost for community colleges across Illinois was \$4,813 during the 2024-2025 school year, according to the Illinois Community College Board. That means our proposed new tuition rate is already nearly \$200 below the current statewide average, before taking into account likely increases to this statewide average for the 2025-2026 school year. Dr. Bullock also said these proposed increases reflect only a 7.9% increase since the Summer 2020 term, far below the Bureau of Labor Statistics (BLS) identified inflation rate of 23.9% over this time period.

Committee Chair Storm shared his opinion that he liked the transition to become more transparent for students with the digital content fee becoming part of the overall service fee and that there would be no additional billing for digital content after 10th day. He also noted the College should be proactive to remain cost-effective yet ensuring quality for our students. Board Chair Cadwell and Trustee Reynolds both stressed their support to ensure we continue balancing inflationary pressures while still ensuring quality.

Trustee Reynolds moved and Trustee Cadwell seconded to recommend to the Board of Trustees approval of the tuition and fees rates for Summer 2025, Fall 2025 and Spring 2026

terms, including an in-district tuition increase of \$5.50 per credit hour and an increase of \$1.33 for the service (including textbook rental) fee.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Reynolds, and Storm. No: None. Absent: None.

Motion Carried.

Property, Casualty and Liability Insurance Renewal.

Trustees heard a recommendation from Mr. John Woodruff, Vice President for Business Services, for the College to renew our general property, casualty and liability insurance with Employers Mutual Casualty (EMC), at a cost of \$303,447 for the coverage period April 15, 2025 through April 15, 2026. Trustees were provided details of the bid sheet received from Dimond Bros, the College's property and casualty insurance consultant and learned how Dimond Bros. solicited bids from several providers, with only one quote being received from our current provider. Mr. Woodruff said Dimond Bros. reports the number of insurance companies willing and capable of covering a college with our building values is minimal and that the College had to complete a fire audit before even being able to get a bid from EMC for the renewal period.

Mr. Woodruff said that for the general liability coverage, the proposed bid from EMC represents an increase of \$12,517 or 4.3% in costs for the current policy year that expires April 15, 2025. He reported key reasons for the significant increase include a 9% increase in building value and content values due to the purchase of the Effingham Technology Center and the policy includes an increase of \$2.0 million in total insured building value due to the increased cost of materials. He said that to minimize the overall increase, the Administration recommends changing from a \$10,000 deductible to a \$25,000 deductible. Otherwise, we would have experienced an even larger increase in the annual premium.

Trustees learned that this policy renewal only includes \$25M in earthquake coverage, and the Administration is in the process of obtaining a quote for additional coverage, which would be brought to the Board at a later date for approval.

Committee Chair Storm said he agreed with the strategy to increase the deductible.

Trustee Cadwell moved and Trustee Reynolds seconded to recommend to the Board of Trustees approval of Employers Mutual Casualty (EMC) as our Property and Casualty insurance provider for the upcoming year for the period April 15, 2025 through April 15, 2026, at a cost of \$303,447.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Reynolds, and Storm. No: None. Absent: None.

Motion Carried.

January 2025 Financial Statements.

Trustees reviewed the January 2025 Financial Statements and a memorandum from Mr. Woodruff detailing significant variances for the statements. This information also contained corresponding monthly financial spreadsheets that included a summary of all operational expenditures (Funds 1 and 2 - General Fund) and a Salary, Wage and Benefits Report for FY 2025. Mr. Woodruff highlighted the overall summary of the revenues, expenditures and significant variances and said there were no significant areas of concern year to date.

Mr. Woodruff also highlighted the process currently underway to plan for the FY 2026 Budget. He noted that his team has been meeting with various cost center supervisors to help them understand the zero-based budgeting process and afford them plenty of time to plan their budgets.

Committee Chair Storm asked if the Administration was considering ways to offset the net favorable year to date. Dr. Bullock and Mr. Woodruff explained how the Administration is considering some one-time budget requests while still balancing the concerns for a potential future budget recession by the state. Trustees discussed the importance of being prepared for future difficult financial experiences with pending enrollment cliff and potential decline in state and federal funding support.

Trustee Reynolds moved and Trustee Cadwell seconded that the Finance Committee recommend to the Board approval of the January 2025 Financial Statements as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Reynolds, and Storm. No: None. Absent: None.

Motion Carried.

Other Business.

There was no additional discussion.

Adjournment.

Trustee Cadwell moved and Trustee Reynolds seconded to adjourn the meeting at 9:28 a.m. Motion carried by unanimous voice vote approval.

Approved by:

/s/ Larry D. Lilly

Finance Committee Chair/Secretary