

**Lake Land College**  
**Finance Committee**  
**October 5, 2022**

***Minutes***

The Finance Committee of the Board of Trustees met on October 5, 2022, in room 011, Board and Administration Center, Lake Land College, Mattoon, Illinois. Committee Chair Dave Storm called the meeting to order at 9:10 a.m.

Trustee Committee Members Physically Present:

Mr. Dave Storm, Committee Chair  
Ms. Doris Reynolds, Committee Member (arrived at 9:17 a.m.)  
Mr. Mike Sullivan, Ex-officio Member  
Ms. Denise Walk

Trustee Committee Members Absent: None

Other Trustees Physically Present:

None

Others Present:

Dr. Josh Bullock, President  
Ms. Jean Anne Highland, Chief of Staff  
Ms. Seirra Laughhunn, Executive Assistant to the President's Office  
Mr. Ike Nwosu, Vice President for Academic Services  
Ms. Valerie Lynch, Vice President for Student Services  
Ms. Madge Shoot, Comptroller  
Ms. Dustha Wahls, Director of Human Resources

**Hearing of Citizens, Faculty, or Staff.**

There were no public comments.

**Approval of Minutes of April 14, 2022 Meeting.**

Trustee Sullivan moved and Trustee Walk seconded to approve the minutes of the April 14, 2022, Finance Committee meeting.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Storm, Sullivan and Walk. No: None. Absent: Reynolds.

Motion Carried.

### **Quarterly Investment Report.**

Mr. Gary Swearingen, financial advisor with SC3F Wealth Management Group (formerly Wells Fargo Advisors), highlighted the Quarterly Investment Report for the period ending September 30, 2022.

### **Presentation of Audit.**

Trustees heard a presentation from Ms. Tami Knight, CPA with Kemper CPA of Mattoon. Ms. Knight provided highlights of the 2022 Audit Report and various financial statements. She also gave an overview of a trend analysis for the College's assets, debt, and income statements. Trustees learned the financial statements present fairly in all material respects, there were no material weaknesses and all three related Audit reports were unmodified, meaning there were no issues or areas of concern. Ms. Knight did reference two areas of immaterial findings, a cutoff for the return of funds calculation issue and a Pell payment schedule issue in which the current year did not pull through for the new year. Ms. Madge Shoot, Comptroller, said Ms. Jennifer Hedges, Director of Financial Aid, has already taken action to correct the Pell payment schedule dates. Both Ms. Shoot and Ms. Knight noted the positive actions taken by the Financial Aid Department in the past few years to correct more serious issues of concern found in 2020 and older Audit Reports.

Ms. Knight expressed her appreciation for the excellent assistance from Ms. Shoot and the staff in the Accounting Department with the audit process. Ms. Knight also noted the College has several positive financial indicators, especially given all the challenges with the COVID-19 pandemic. She noted the College's increase in fund balance in recent years and how the College's utilization of debt has been kept low while still accomplishing many great improvements for the College.

Trustee Walk moved and Trustee Reynolds seconded that the Finance Committee recommend to the Board approval of the FY 2022 Audit Report as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Reynolds, Storm, Sullivan and Walk. No: None. Absent: None.

Motion Carried.

### **Health, Dental and Vision Renewal with Aetna.**

Trustees reviewed a recommendation from Mr. Greg Nuxoll, Vice President for Business Services, for the Board to approve the renewal of the College's health, dental and vision insurance plans with Aetna for 2023. President Bullock and Ms. Dustha Wahls, Director of Human Resources, also provided this same recommendation during the meeting. Trustees learned:

- The administration and the College's Health Insurance Committee have been actively working in recent months with the College's insurance consultant, Gallagher, to go

through a Request for Proposal (RFP) process seeking best pricing for all insurance lines.

- Overall, eleven different insurance carriers submitted a proposal and our incumbent carrier, Aetna, and Blue Cross Blue Shield (BCBS) were the two best potential insurance carrier options for the College.
- In aggregate expected costs, the BCBS proposal was \$93,616 less expensive than Aetna's proposal due to slightly deeper market discounts on gross service costs. However, the deeper market discounts come with a 2% margin of projection error. Aetna's proposal represents no change in the annual administration fee compared to the prior year and overall would represent a 5.4% overall cost increase to the College.
- After extensive review, Mr. Nuxoll and the College's Health Insurance Committee recommend that we proceed with the renewal with Aetna for plan year 2023 even though the BCBS proposal was less expensive than Aetna's proposal.
- The cost savings achieved in switching to BCBS would be mitigated by the significant time and energy from our Human Resource Team leading our College employees in going through the process of transitioning from Aetna to BCBS.
- The College has been pleased with Aetna's administration and coverage area and employee feedback from a benefits survey conducted earlier in 2022 reveals overall employee satisfaction with our current carrier, Aetna.
- Mr. Nuxoll is not recommending any plan design changes for the 2023 plan year for the College's health insurance. Additionally, the premium rate changes for all three plans will be as follows:
  - Health Insurance – A 4.96% increase in employee cost sharing.
  - Dental Insurance – A 5% increase in premiums to cover a cost/funding gap that has occurred over several years.
  - Vision Insurance - No cost changes.
- Mr. Nuxoll's memo provided additional details of the impact to employees for these proposed premium rates based on their various plan options (e.g. single, single+1, and family).

Trustees discussed the options of remaining with Aetna for the next plan year or switching to BCBS and all of the above-listed issues.

Trustee Reynolds moved and Trustee Walk seconded that the Finance Committee recommend to the Board approval of the renewal of the College's health, dental and vision insurance plans as presented with Aetna for plan year 2023.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Reynolds, Storm, Sullivan and Walk. No: None. Absent: None.

Motion Carried.

### **August 2022 Financial Statements.**

Trustees reviewed the August 2022 Financial Statements and a memorandum from Mr. Nuxoll 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 2023. Ms. Shoot highlighted the overall summary of the revenues, expenditures and significant variances.

Trustee Sullivan moved and Trustee Walk seconded that the Finance Committee recommend to the Board approval of the August 2022 Financial Statements as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Reynolds, Storm, Sullivan and Walk. No: None. Absent: None.

Motion Carried.

### **Other Business.**

There was no additional discussion.

### **Adjournment.**

Trustee Storm moved and Trustee Reynolds seconded to adjourn the meeting at 9:42 a.m.  
Motion carried by unanimous voice vote approval.

Approved by:

/s/ Dave Storm

Finance Committee Chair/Secretary