

APPROVED

MORAIN VALLEY COMMUNITY COLLEGE 9000 West College Parkway Palos Hills, IL 60465

The Governing Board of Moraine Valley Community College, District No. 524, Public Hearing on the Budget, was held on Tuesday, August 18, 2020, in the Board Room D219, 9000 West College Parkway, Palos Hills, Illinois 60465. Public notice was given pursuant to the Open Meetings Act Section 42.02.

I. CALL TO ORDER

The meeting was called to order by Chair Kimberly Hastings Cristelli at 6:05 PM.

II. ROLL CALL

Present: Kimberly Hastings Cristelli, Chair; Bernadette Barrett; John Coleman; Beth McElroy Kirkwood; Joseph Murphy; Patricia Joan Murphy; Brian O'Neill; Lauren Hassen, Student Trustee

Absent: None

III. BUDGET PRESENTATION

Ms. Theresa O'Carroll, Vice President, Financial and Business Services/College Treasurer, provided an overview of the FY'21 budget, identifying projected revenues and expenditures in the college's general education and operations & maintenance funds. Total projected Operating Fund revenues by source indicate that the college receives 14.1% from the state government, 34.7% from local taxes, 49.2% from tuition and fees, and 2% from other sources. She identified auxiliary enterprises at the college, which are intended to be self-supporting through fees charged to students/staff. These include the college bookstore; Corporate, Community and Continuing Education; Fine and Performing Arts Center; athletics; Student Life/Judicial Affairs; food services; child care; and the Health Fitness and Recreation Center. Ms. O'Carroll shared the five-year trend for Operating Fund Revenues, showing the changes in funding sources for the college's operating fund revenues. FY'21 total operating fund revenue is projected at \$93,559,274 and total operating fund expenditures are projected at \$93,559,274. Ms. O'Carroll indicated that the budget was developed at a

level 5% lower than what was allocated, to allow for possible budget cuts from the state and also outlined the various reductions that were made in the budget to reflect enrollment and funding projections. Total projected revenues for all funds is \$179,552,420; total projected expenditures for all funds is \$182,563,959. Ms. O'Carroll indicated that this is a balanced operating budget. Some of the projected expenditures in the total are for capital improvement projects for which funds have already been designated and are held in restricted purpose accounts.

Ms. Barrett asked what effect the enrollment decline would have on this year's budget. Ms. O'Carroll indicated that enrollment has been factored into the budget. Ms. Barrett indicated that there is a 20% decline in enrollment and asked what steps have been done and whether instructional costs would also be reduced by 20%. Ms. O'Carroll reviewed the cuts that were made in the budget and indicated that the actuals reported each month to the Board will show the revenue and expense comparison during the year, indicating that the college will not overspend its budget. Ms. Barrett asked what percentage the cuts are of the total budget and whether it reflects the 20% enrollment decline. Chair Cristelli asked Ms. Barrett if there was a purpose to her questions. Ms. Barrett indicated she was trying to understand the budget that the Board was being asked to approve.

Dr. Jenkins provided additional clarification that the college schedules sections of classes but if enrollment is down, not all the sections will run, resulting in lowered salary costs. She also shared that the budget is built on a 12-month fiscal year, not one semester.

Mr. O'Neill asked Ms. O'Carroll if she was confident that the college has the flexibility to meet the upcoming or unknown potential lack of revenue in the next fiscal year. Ms. O'Carroll reported on the college's reserves that have been built up over the years to provide a financial backup to cushion the college against potential revenue shortfalls. She stated that she felt confident that the college could weather the next fiscal year. Mr. O'Neill congratulated Ms. O'Carroll and the administration for building up its reserves. He indicated that he was very comfortable with the budget that has been presented.

Chair Cristelli reminded the Board that the budget can be amended by the Board, if that were to be necessary. Trustees P. Murphy and Kirkwood also expressed their confidence in the budget as prepared and presented by the administration.

IV. PUBLIC HEARING

Mrs. Cristelli opened the floor for any public comments on the budget, which has been on public display for 30 days. There was no audience participation regarding the budget.

V. ADJOURNMENT

The meeting adjourned at 6:42 PM.