

WILLIAM RAINEY HARPER COLLEGE  
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512  
COUNTIES OF COOK, KANE, LAKE AND MCHENRY, STATE OF ILLINOIS

Minutes of the Special Board Meeting of Monday, November 8, 1993.

CALL TO ORDER: The Special meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman Norwood on Monday, November 8, 1993 at 7:05 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine, Illinois.

ROLL CALL: Present: Members Barton, Born, Coste, Gillette, Howard, Moats (7:15 p.m.) and Norwood

Absent: Student Member Norris

Also present: Paul Thompson, President; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David McShane, V.P. Information Systems; Susan Webb-Kmiec, Recording Secretary; Ted Agresta; Eloyse Amato; Felice Avila; Vic Berner; Larry Bielawa; Pat Bourke; Steve Catlin; Tom Choice; Donna Drake; Steve Dudek; Robert Getz; Pat Keir; Sylvia Kingsley; Patty Roberts; Jennifer Thomas; and Laurie Wren - Harper College. Guests: Fred Ludwig - Daily Herald. Michael Collins and Richard Kolze - Citizens.

ELECTION CANVASS

At the request of President Thompson, Vice President Manke explained the process for the election canvass. He stated that members of the College staff have been designated as canvass teams and Board members are free to observe the proceedings as the official election envelopes are opened and the vote totals compared with the unofficial results which were tabulated on election night. He stated that the College district has 462 precincts in the four-county areas. Following the canvass, copies of the completed Abstract of Votes will be delivered to the County Clerks' offices.

Member Gillette moved, Member Barton seconded, to authorize the canvass of the election and proclamation of the results.

In a voice vote, the motion carried.

At the completion of the canvass, Vice President Manke announced the official totals for the full six-year terms as follows:

Richard Gillette	9,623
Richard Kolze	11,106
Jacqueline Rothman	9,079
Kris Howard	10,932

Member Gillette moved, Member Howard seconded, the adoption of the resolution authorizing the canvass of the votes cast and the proclamation of results as read. Inasmuch as there was no discussion, Chairman Norwood directed the secretary to call the roll for a vote upon the motion to adopt the resolution.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste, Gillette, Howard, Moats, and Norwood

Nays: None

Motion carried.

Chairman Norwood declared the motion carried and the resolution as hereinafter set out adopted, approved the same in open meeting and directed the Secretary to record the same in full in the minutes of the meeting.

Vice President Manke thanked the members of the canvass teams for their assistance.

RESOLUTION AUTHORIZING THE CANVASS OF  
VOTES CAST AND PROCLAMATION OF RESULTS

WHEREAS, on the 2nd day of November, 1993, there was held in and for Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, State of Illinois, an election for the purpose of electing two (2) members to the College Board for the full term of six (6) years.

WHEREAS, the Board of Trustees (Ill. Rev Stat., ch. 122, sec. 9-18) must within seven (7) days after the election, canvass the votes and proclaim the results (Ill. Rev. Stat., ch. 46, sec. 22-18); and

WHEREAS, the Board of Trustees must immediately after the canvass of votes and proclamation of results transmit a signed copy or original duplicate of its completed Abstract of Votes to each election authority (County Clerks of Cook, Kane, Lake and McHenry Counties) and to the State Board of Elections in sealed envelopes and endorse same as to show the contents of the package; and

WHEREAS, the election has been regularly called and held as provided by law and the certificates of results have been filed with the Secretary of the Board of Trustees and the certificates of results are now before this Board and have been canvassed.

NOW, THEREFORE, Be it Resolved by the Board of Trustees of Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, State of Illinois as follows:

Section One: That the Board of Trustees finds the attached summary of votes cast for candidates at the Election held in and for this College district on the 2nd day of November, 1993.

Section Two: The Secretary of the Board is hereby directed to immediately transmit a signed copy or original duplicate of the following completed Abstract of Votes to the County Clerks of Cook, Kane, Lake and McHenry Counties and to the State Board of Elections, to wit:

Section Three: That Kris Howard and Richard C. Kolze received the highest number of votes for the full six (6) year terms of office.

Section Four: That Kris Howard and Richard C. Kolze were elected as members of the College Board for the full six (6) year terms of office.

Section Five: That the Secretary of the Board is directed forthwith to transmit duplicate original copies of the Abstract of Votes to the State Board of Elections and the County Clerks of Cook, Kane, Lake and McHenry Counties in an envelope clearly designating its contents.

Member Gillette moved the adoption of the resolution as read, and Member Howard seconded the motion. After a full and complete discussion thereof, the Chairman directed the Secretary to call the roll for a vote upon the motion to adopt the resolution as read.

Upon the roll being called, the following members voted:

AYES: Members Norwood, Born, Moats, Coste, Barton, Howard,  
and Gillette  
NAYS: None  
ABSENT: Alfred Norris

The Chairman declared the motion carried and the resolution as hereinbefore set out adopted, approved the same in open meeting, and directed the Secretary to record the same in full in the minutes of this meeting.

State of Illinois )  
                  )  
County of Cook    )

ABSTRACT OF VOTES

Cast at the nonpartisan election held on November 2, 1993 in Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, State of Illinois, which is located at 1200 West Algonquin Road, Palatine, Illinois, 708.397.3000, we the undersigned members of the Board of Trustees of Community College District No. 512, do certify that on November 8, 1993 we canvassed the returns of said election and do proclaim and certify as follows:

1. The following list of candidates each received the number of votes ascribed to the candidate for the office indicated.

LIST BELOW:

1. Office as indicated on ballot (include term and whether filling a vacancy).
2. Party name, Independent or Nonpartisan
3. All candidates as they appear on ballot (include any write in candidates who may have received a vote(s)).
4. Mailing addresses including zip codes.
5. Total votes received for each candidate.

abstract

Office	Party	Candidates Names and Addresses	Votes Received
For member of the Board of Trustees of Community College District No. 512 Full Term - Six Years	Non-partisan	Richard F. Gillette 204 Circle Drive Tower Lakes, IL 60010	9,623
		Richard C. Kolze 1496 Thor Drive Inverness, IL 60067	11,106
		Jacqueline Rothman 1402 West Busse Avenue Mt. Prospect, IL 60056	9,079
		Dorothy K. (Kris) Howard 502 Park Barrington Way Barrington, IL 60010	10,932

2. We further certify and proclaim that as a result of said election the following candidates were elected to their respective offices:

<u>CANDIDATE NAME</u>	<u>OFFICE</u>
Kris Howard	Member, Board of Trustees - 6 Year Term
Richard C. Kolze	Member, Board of Trustees - 6 Year Term

We further certify that the foregoing Abstract of Votes was made in our presence in the office of the Board of Trustees of Community College District No. 512, at Palatine, Illinois.

<u>Molly J. Norwood</u>	Chairman, Board of Trustees
<u>John M. ...</u>	Secretary, Board of Trustees
<u>Alfred Norris</u>	Vice-Chairman " "
<u>John E. Curtis</u>	Member, " " "
<u>Barbara Bartol</u>	Member, " " "
<u>Kris Howard</u>	Member, " " "
<u>Richard F. Gillette</u>	Member, " " "
<u>Alfred Norris (Absent)</u>	Student Member, " "

ADJOURNMENT

Chairman Norwood moved, Member Howard seconded that the meeting be adjourned sine die. In a voice vote, the motion carried at 7:40 p.m.

CALL TO ORDER:

The reorganization meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman pro tem Norwood on Monday, November 8, 1993 at 7:41 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine, Illinois.

Chairman pro tem Norwood extended a warm welcome to newly-elected Board member Dr. Richard Kolze.

ROLL CALL:

Present: Members Barton, Born, Coste,  
Howard, Kolze, Moats and Norwood  
Absent: Student Member Norris

Also present: Paul Thompson, President; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David McShane, V.P. Information Systems; Susan Webb-Kmiec, Recording Secretary; Ted Agresta; Eloyse Amato; Felice Avila; Vic Berner; Larry Bielawa; Pat Bourke; Steve Catlin; Tom Choice; Donna Drake; Steve Dudek; Robert Gortz; Pat Keir; Sylvia Kingsley; Patty Roberts; Jennifer Thomas; and Laurie Wren - Harper College. Guests: Fred Ludwig - Daily Herald. Michael Collins - Citizen.

ELECTION OF  
OFFICERS FOR  
1993-94

Member Born moved, Member Howard seconded, that Molly Norwood be re-elected as Chairman of the Board.

Member Barton moved, Member Born seconded, that the nominations be closed.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste,  
Howard, Kolze, Moats, and Norwood

Nays: None

Motion carried.

Chairman Norwood stated that there is a Board guideline that officers serve for a two-year period. She noted that she respects that guideline, but that she is willing to serve for an additional year. She expressed her appreciation to the Board for their continued confidence.

Member Barton moved, Member Howard seconded, that Larry Moats be re-elected as Vice-Chairman of the Board.



Member Born moved, Member Barton seconded, that the nominations be closed.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste,  
Howard, Kolze, Moats, and Norwood

Nays: None

Motion carried.

Member Howard moved, Member Barton seconded, that Sarah Born be re-elected as Secretary of the Board.

Member Born moved, Chairman Norwood seconded, that the nominations be closed.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste,  
Howard, Kolze, Moats, and Norwood

Nays: None

Motion carried.

ESTABLISHMENT  
OF REGULAR  
MEETINGS

Member Born moved, Member Howard seconded, that the Board adopt the resolution establishing the dates, time and place of the regular meetings as outlined in Exhibit VIII (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste,  
Howard, Kolze, Moats, and Norwood

Nays: None

Motion carried.

Member Barton expressed her appreciation for the earlier meeting time of 7:00 p.m. Member Moats asked if the time would remain at 7:00 during the spring and summer as well. President Thompson stated that it could be adjusted as needed.

BOARD LIAISON  
AND COMMITTEE  
APPOINTMENTS

Chairman Norwood deferred the appointment of these positions until the next regular Board meeting scheduled for November 23, 1993, with the exception of the appointment of Member Moats as Chairman of the Technology Committee. Member Moats requested that the Technology Committee meeting for November 10

be postponed. This was agreed on by the committee members.

Chairman Norwood appointed Member Born as the ICCTA delegate for the November 23 meeting.

The other committees will remain in place until the next regular Board meeting.

1993 ESTIMATED  
TAX LEVIES

Member Barton moved, Member Howard seconded, that the resolution providing for the estimated tax levies for 1993 be adopted as outlined in Exhibit X (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Member Kolze asked if the Budget Committee had studied other options before putting this recommendation forth. Member Coste stated that it was his personal view that the committee did not explore other options. Member Howard explained that the committee considered in depth the financial projections for the next three years. The committee made a formal motion that the College would have a balanced budget for the next three years and maintain fund balances of 20 percent of the operating funds. This decision, combined with the financial projections and the fact that the Board has levied at less than five percent and covered deficit budgets out of fund balance surpluses for at least the last two years, left the committee at the point where if they did not take action to levy at the maximum now, the financial status of the College would be jeopardized three years into the future. This would be an even more severe financial problem if in fact the state legislature puts a tax cap in place. It seemed prudent to levy what we are allowed to levy by law in order to secure our financial future. Member Howard noted that careful examinations of the budget will be necessary to maintain the balanced budget. This balanced budget recommendation puts sufficient pressure on the administration to hold costs. As for considering other options, Member Howard stated that the committee spent a great deal of time studying the figures and projections, and came to this conclusion after much discussion. Member Barton noted that it may not be necessary for the Board to levy at that same amount in the future, but that it will be available to them if need be. Member Howard stated that the projections are for decreasing percentages from the State of Illinois.

Member Kolze stated that this seems to be a situation where there will be a large increase this year which should level off or stabilize in the future. The authorized maximum was passed in 1984. Member Howard stated that the maximum levy in the operating funds is a total of 25¢. That was approved by referendum of the voters, and was the only increase in the tax rate in 25 years. It is still a very low tax rate in comparison to the majority of the other taxing groups that levy a property tax.

Vice President Manke stated that the tax increase on a \$250,000 home will amount to \$26 per year. Last year the tax bill for Harper College was \$206, and the new rate will increase that to \$232. The dollar amount is not as large as the percentage might lead the public to think.

Member Kolze asked if there is anything in the debt service area that is going to be paid off that will also help to bring down the taxes. Mr. Manke replied that the first decrease in the debt service will start occurring in about 1996 when the Working Cash Bonds are paid off. This should have a relatively significant impact on the tax rate.

Member Howard pointed out to Member Kolze that some of the money being spent this year is an investment for the future because of the purchase of the Stevenson School. This will save taxpayers' dollars in the long run, and will return tax dollars to the people in that school district. This has to be paid off in two years, so there is a significant amount of money put aside for this purchase and the renovation. There is also a heavy investment over the next four years in order to bring Harper into the next century as far as our computer capability is concerned. Thus, some of the large investments being made are not annual operating budget type of expenditures.

Member Moats noted that this will result in a \$4.5 million increase in revenue, and asked how much of a surplus there will be. Member Coste replied that there will be a \$500,000 surplus in the Education Fund and a \$1.5 million in the O&M. Member Howard stated that this would not be the case in three years. Member Coste stated that with the levy increase, we will have approximately a

\$2.5 million surplus for the current budget year. Member Moats stated that he was troubled with a 16 percent increase when inflation is running at 2.5 percent, and felt that it will be hard to expect the community to accept this. He noted that he understands the pros and cons including the effect of the potential tax cap, but felt that this is an excessive increase. Member Moats stated that this is the largest increase in the history of the school. Member Barton stated that this is the largest percentage increase, not dollar increase. She added that if we should educate the public on the facts that show the resulting dollar amount rather than focus on the percentage of increase. Member Moats stated that he understood that argument, but that if this concept was applied by every taxing body in government, the amount paid in taxes would increase tremendously. Member Moats reiterated that this increase would generate a clear surplus. Member Barton stated that the projections show an increase in surpluses for this year and next, but not for three years in the future. The projections have been close to the estimates for the past couple of years. Member Moats agreed, but stated that prior to that time we were consistently running very significant surpluses. Member Barton felt that if do not enact this levy increase, we will have to cut major programs and drastically cut back in the school in order to balance the budget and keep the school running. Member Moats stated that he is troubled with the significant overhead for the College that does impact classroom teaching, and there does not seem to be clear data available as to where those increases have come in the last 10 years. He stated that he is uncomfortable with passing such a large increase when our overhead continues to spiral up at a much greater rate than the classroom teaching. Member Barton noted that the greatest majority of that is in salary and benefits. Member Moats agreed, but noted that there are a lot of people on the payroll who are not doing teaching in the classroom. Member Barton agreed with this observation. Member Moats stated that he could understand an increase over the 5 percent because of the arguments presented, but felt that 16 percent is too much in light of the present economy and inflation.

Member Barton noted that if the levy was only increased by 8 or 9 percent and a tax cap was then passed, they would find themselves

limited to that amount. If the College then found itself in financial difficulty, we would have to either raise tuition or go to a referendum. Member Moats felt that this is a risk that we may have to take. Member Barton felt that the proposed 16 percent levy is an educated move based on the projections of what we will be receiving from the state and the low interest rates. She noted that just because we raise the levy by 16 percent this year, we do not necessarily have to raise it that amount in subsequent years.

Member Moats stated that in terms of the reimbursement we receive from the state, over time we receive inflation or slightly more. He felt that one of the problems with education is that we keep increasing the cost of education significantly in excess of the inflation rate. Member Moats stated that there does not seem to be a good grasp of our cost structure in terms of why it keeps going up at such a high rate.

Member Born stated to Member Moats that she did not think anyone was going to be able to change his mind or that of anyone else on the Board. However, she did feel that this was a very carefully considered decision among the committee members, and that it was done with the idea that there will have to be cuts in the budget. The committee talked at some length regarding the idea of prioritizing programs so that if in fact we get to the point that cuts will have to be made, there will be a plan in place. The Board is trying to encourage the administration to have a plan so that we know exactly where and how we are going to cut costs. Member Born noted that nobody is disagreeing with Member Moats philosophically on the need to do some radical cutting, but stated that the administration worked very hard at making cuts last year.

Member Howard stated that if the Board had levied at 7 or 8 percent the two previous years, the increase would not have to be 16 percent this year. Member Moats observed that apparently we did hire a significant number of people in the past year who are not classroom teachers. He also noted that we should be looking at significant cuts in areas of overhead unrelated to the classroom, as classroom programs are the last thing that should be cut. Member Barton stated that it would be helpful if the administration would

keep the Board appraised of cuts being made. Member Howard stated that when Member Born discussed prioritizing programs, this would also include other services and expenditures, not just academic programs.

Member Coste stated that the problem with the motion is that it still does not solve the long-range financial problems of the College. Member Barton agreed with this, but felt that if the Board does not do what is necessary to put the College in a position to take care of unexpected expenditures, then we are not doing our part to solve the problems.

Member Kolze asked for clarification on the Budget Committee recommendations to have a balanced budget and maintain cash reserves. He felt that this policy would drive the actions needed to contain costs and stabilize the budget, and added that this makes a lot of sense.

Member Coste stated that that motion was never adopted by the Board, but intended to correct that as soon as the present motion clears the table.

Member Born called the question.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Howard,  
Kolze, and Norwood

Nays: Members Coste and Moats

Motion carried.

With regard to the fiscal policies of the Board in the future, Member Coste moved, Member Howard seconded, 1) that the Board will require a balanced budget annually, and 2) that the reserves in the operating funds will be maintained at 20 percent of budget.

Chairman Norwood asked if in order to do this, the Board will have to do what is necessary to bring these things about. Member Coste agreed that this would be the end result. He stated that the Board has been talking about cuts during the whole budget process, and the discussion is still going on without serious action. Member Barton agreed, and felt that this is the reason that the Board needs to be made aware of significant cuts that are made.

Member Barton amended the motion to add the following: 1) that the balanced budget will be required annually for 3 years; 3) that we will maintain the fiscal integrity of the College, and 4) that the budget will provide for support of projects and programs that result in educational excellence.

Member Coste moved, Member Howard seconded, that the amendments be accepted.

Member Moats stated that he has no problem with doing this on an annual basis, but did not think it was possible to make decisions about the budget three years in the future. He felt that historically we are almost always showing deficits. Member Barton explained that the motion called for a three-year budget plan which includes a balanced budget each year, and that this would be done one year at a time.

Member Moats asked if taxes are going to be raised now in anticipation of a projected budget deficit. Member Barton responded that if there is a deficit, there may have to be major cuts. Member Moats stated that he was comfortable with doing this for one year, but historically we are always looking at deficits three years into the future because of the conservative posturing of the College administration. Member Coste noted that if the Board wants to change the motion at a future date, that would not present a problem.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Born, Coste,  
Howard, Kolze, Moats, and Norwood

Nays: None

Motion carried.

#### OTHER BUSINESS

Citizen Michael Collins asked to address the Board regarding the proposed tax levy increase. Chairman Norwood stated that because this was a Special meeting, this was not the appropriate time for citizen participation. She requested that he address the Board at the next Regular Board meeting, scheduled for Tuesday, November 23.

Member Moats stated that there will be a public hearing which will precede the tax levy increase.

ADJOURNMENT

Member Born moved, Member Howard seconded that the meeting be adjourned.

Upon roll call, the vote was as follows:

Ayes:       Members Barton, Born, Coste,  
              Howard, Kolze, Moats, and Norwood

Nays:       None

Motion carried. The meeting was adjourned at 8:28 p.m.

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Chairman

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Secretary