

MINUTES OF THE REGULAR MEETING of October 26, 2017

On October 26, 2017, the Board of Trustees of Community College District 507, in the Counties of Vermilion, Edgar, Iroquois, Champaign, and Ford in the State of Illinois, met in regular session in Room 101, at the DACC Higher Learning Center located at 847 East Orange Street in Hoopeston, Illinois.

ITEM 1: CALL TO ORDER

Chairman Dave Harby called the meeting to order at 5:30 p.m.

ITEM 2: PLEDGE OF ALLEGIANCE

Ms. Ashlyn Logue, Presidential Scholar, led the Board and those in attendance in reciting the Pledge of Allegiance to the Flag.

ITEM 3: ROLL CALL

The roll was called. Trustees present: Bill Black, Dave Harby, Terry Hill, Tonya Hill, Dr. Ron Serfoss, John Spezia, Greg Wolfe, and Student Trustee Sadie Edwards.

Others present: President Dr. Stephen Nacco, Board Secretary Kerri Thurman, Dave Kietzmann, Tammy Clark-Betancourt, Jill Cranmore, Mike Cunningham, Lara Conklin, Tracy Wahlfeldt, Jerry Davis, Karla Coon, Kendra Morts, Kathy Franklin, Bill Nicholls, Dr. Alice Marie Jacobs, Darrel Jacobs, Sandy Cook, Dan Grelecki, Casey Burge, Aubrey Irwin, and Ashlyn Logue.

Media present: Jordan Crook, Hoopeston Chronicle.

ITEM 4: ADOPTION OF AGENDA

Mr. Harby asked if there were any changes requested to the agenda. With no changes requested, upon motion by Mr. Wolfe, and a second by Mr. Black, the agenda was approved as presented. The motion passed by unanimous voice vote: 8 yeas, 0 nays.

ITEM 5: RECOGNITION OF VISITORS

Dr. Nacco introduced the following members of the Administrative Council: Dave Kietzmann, Executive Vice President of Instruction and Student Services; Tammy Clark-Betancourt, Vice President, Finance/Chief Financial Officer; Jill Cranmore, Vice President, Human Resources; Mike Cunningham, Vice President, Administrative Services; Lara Conklin, Executive Director, College Relations; and Tracy Wahlfeldt, Executive Director, DACC Foundation. Also present: Jerry Davis, Davis & Delanois; Karla Coon, Director, Hoopeston Higher Learning Center; Kendra Morts, Office Assistant, Hoopeston Higher Learning Center; Kathy Franklin, Instructor, Information Systems; Bill Nicholls, First Farmers Bank & Trust, DACC Foundation Board Member; Dr. Alice Marie Jacobs, President Emerita; Darrel Jacobs; Sandy Cook, CliftonLarsonAllen; Dan Grelecki, Old National Insurance; Casey Burge, Student; Aubrey Irwin, Student; and Ashlyn Logue, Presidential Scholar.

Media present: Jordan Crook, Hoopeston Chronicle.

ITEM 6: PORTRAIT UNVEILING CEREMONY

A portrait unveiling ceremony was held in honor of Dr. Alice Marie Jacobs for her efforts in making the Hoopeston Higher Learning Center possible. Mr. Harby, Mr. Nicholls, and Dr. Nacco spoke of the history of the Hoopeston HLC and how the educational center became a reality. Dr. Jacobs expressed appreciation for the honor and for everyone involved with the process.

ITEM 7: DACC HIGHER LEARNING CENTER – HOOPESTON REPORT

Ms. Karla Coon gave an update on the Hoopeston Higher Learning Center. She noted that the Hoopeston HLC offers the same services that are available on the DACC campus with the support of departments located on campus. She reported that duplicated headcount since the HLC opened in 2013 is just under 2,000. She also shared information on a new initiative with Hoopeston High School.

Ms. Coon introduced Ms. Casey Burge and Ms. Aubrey Irwin. Ms. Burge and Ms. Irwin were among the first students to take classes at the HLC in 2013. The students gave background information about themselves and shared how the Hoopeston HLC has benefited them as students.

The Board and Dr. Nacco thanked Ms. Coon for her report and the students for sharing their stories.

**ITEM 8: REPORT ON ACCT ANNUAL LEADERSHIP CONGRESS,
SEPTEMBER 25-27, 2017**

Mr. Harby and Mr. Wolfe attended the ACCT Annual Leadership Congress and shared information they received while attending the event.

ITEM 9: PRESIDENT’S REPORT

Dr. Nacco shared the *DACC Flash* with the Board and highlighted the events from the month since the last meeting.

ITEM 10: PUBLIC COMMENT

There was no public comment.

ITEM 11: CONSENT AGENDA

- A. BOARD CONSIDERATION OF THE MINUTES OF THE PUBLIC HEARING OF SEPTEMBER 28, 2017; THE REGULAR BOARD MEETING OF SEPTEMBER 28, 2017; AND THE BOARD AUDIT COMMITTEE MEETING OF OCTOBER 16, 2017**
- B. FINANCIAL REPORT**
- C. HUMAN RESOURCES REPORT**
- D. BOARD CONSIDERATION OF AUTHORIZATION FOR DESTRUCTION OF VERBATIM RECORDING OF CLOSED SESSION DATED APRIL 26, 2016 (WRITTEN MINUTES OF**

**THE NAMED MEETING WERE APPROVED BY THE BOARD
ON MAY 24, 2016)**

Upon motion by Dr. Serfoss, and a second by Mrs. Hill, the items on the Consent Agenda were approved. The motion passed by roll call vote: 8 yeas, 0 nays.

ITEM 12: UNFINISHED BUSINESS

ITEM 13: NEW BUSINESS

**A. BOARD CONSIDERATION OF ACCEPTANCE OF FY2017
COLLEGE COMPREHENSIVE ANNUAL FINANCIAL AUDIT
REPORT (EXTERNAL EXHIBIT)**

The Board of Trustees Audit Committee (Mr. Black, Mr. Harby, and Dr. Serfoss) met on October 16, 2017 with the Auditors, Mike Hillary, Whitney Yoder, and Sandy Cook, of CliftonLarsonAllen, LLP. The purpose of the meeting was to review and discuss the audited Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. Also in attendance from the DACC Staff were Dr. Nacco, Debbie Knight, Tammy Clark-Betancourt, Dave Kietzmann, and Kerri Thurman.

CliftonLarsonAllen issued an unqualified (clean) opinion on Danville Area Community College for the year ended June 30, 2017.

Upon motion by Dr. Serfoss, and a second by Mr. Black, the Board accepted the Fiscal Year 2017 Comprehensive Annual Financial Audit Report. The motion passed by roll call vote: 8 yeas, 0 nays.

**B. BOARD CONSIDERATION OF RESOLUTION ABATING
TAXES HERETOFORE LEVIED FOR THE YEAR 2017 TO PAY
DEBT SERVICE ON GENERAL OBLIGATION COMMUNITY
COLLEGE BONDS, SERIES 2013A, OF COMMUNITY
COLLEGE DISTRICT NO. 507, COUNTIES OF VERMILION,
EDGAR, IROQUOIS, CHAMPAIGN, AND FORD AND STATE
OF ILLINOIS**

The College issued \$2,995,000 of General Obligation Bonds on September 24, 2013, which included a tax levy sufficient to pay the principal of and interest on the Bonds based on the maturity schedule. However, the Bond and Interest Fund will have funds available to meet the debt service, which will allow the College to abate the applicable 2017 tax levy. The funds are comprised of \$100,000 to be received from the Foundation as a result of the donation from Mr. Julius W. Hegeler II and \$27,287.50 of unspent 2013A bond proceeds. Bond counsel has advised that the available funds from the unspent 2013A bond proceeds may be used to meet the debt service requirements of this bond issue. The amount of the levy to be abated is \$127,287.50.

Upon motion by Mr. Black, and a second by Mrs. Hill, the Board approved the Resolution abating taxes heretofore levied for the year 2017 to pay debt service on General Obligation Community College Bonds, Series 2013A, of Community College District No. 507,

Counties of Vermilion, Edgar, Iroquois, Champaign and Ford and State of Illinois. The motion passed by roll call vote: 8 yeas, 0 nays.

**C. BOARD CONSIDERATION TO ACCEPT THE ANNUAL POST-
ISSUANCE TAX COMPLIANCE REPORT FOR THE DANVILLE
AREA COMMUNITY COLLEGE DISTRICT NO. 507,
COUNTIES OF VERMILION, EDGAR, IROQUOIS,
CHAMPAIGN, AND FORD AND STATE OF ILLINOIS**

When the District issued Tax Advantaged Obligations (e.g. Tax-Exempt Bonds and/or Debt Certificates), the District covenanted generally to take all action necessary to comply with the applicable federal tax rules and regulations relating to those obligations, including covenants necessary to preserve the excludability of interest in those obligations from gross income for federal income taxation purposes.

A Bond Record-Keeping Policy was adopted by the Board of Trustees on December 14, 2010 and amended on September 23, 2014 as part of the resolution process for the issuance of certain Tax Advantaged Obligations. This Bond-Record Keeping Policy designated the Treasurer as the Compliance Officer for Tax Advantaged Obligations compliance purposes. Our bond counsel, Chapman and Cutler, LLP has recommended that the Compliance Officer prepare and submit an Annual Post-Issuance Tax Compliance Report to ensure that the Board of Trustees is aware of the District's compliance with Tax Advantaged Obligation covenants.

Upon motion by Dr. Serfoss, and a second by Mr. Hill, the Board accepted the annual Post-Issuance Tax Compliance Report for Danville Area Community College District No. 507, Counties of Vermilion, Edgar, Iroquois, Champaign and Ford and the State of Illinois. The motion passed by roll call vote: 8 yeas, 0 nays.

**D. BOARD CONSIDERATION OF BIDS FOR COMPUTER
EQUIPMENT**

Bids were advertised for computer equipment approved on the FY18 Capital Equipment list. Funding for the computer equipment will be through Technology/Equipment Bonds.

Upon motion by Mr. Wolfe, and a second by Mrs. Hill, the Board approved the low bid from Strictly Technology in the amount of \$164,994.11 to purchase Computer Equipment. The motion passed by roll call vote: 8 yeas, 0 nays.

**E. BOARD CONSIDERATION OF COLLEGE HEALTH
INSURANCE**

As health insurance costs continue to rise, the College continues to experience increased costs in providing comprehensive, affordable health insurance for our employees and their families. The health insurance industry continues to become more and more complex each year and the contributing factors to the increase in costs continue to expand and grow.

The College has been with CCIC (Community College Self-Insured Cooperative) for 15 years and membership has declined to only five (5) remaining members, DACC, Richland, Shawnee, Spoon River and the Illinois Community College Trustees Association (ICCTA). DACC is now the largest member of CCIC. Unfortunately, the College experienced a significant increase in premiums the last two years—on average 16% for calendar year 2016 and 28% for calendar year 2017. These increases are the result of a combination of the College's claims, experience, current network utilization and the decrease in CCIC membership.

As a result of these large increases in premiums the last two years, combined with the complexities of the health insurance industry, the Board approved in February to enter into an agreement with ONI Risk Partners to provide consulting services to assist in evaluating all of the options available to the College to ensure we are providing health insurance for our employees that is financially sustainable to the College.

ONI obtained proposals for our health insurance coverage for calendar year 2018. They received rates from both Health Alliance and Blue Cross/Blue Shield for fully insured plans and from Health Alliance for a self-insured plan. The Insurance Committee reviewed these proposals, along with the renewal rates received from CCIC.

A summary of the average rate percentage change from our 2017 rates is as follows:

- CCIC – 8.5% increase
- Health Alliance Fully-Insured – 23% decrease
- Blue Cross/Blue Shield Fully-Insured – 8.8% decrease
- Health Alliance Self-Insured – 4% increase

The Health Alliance Fully-Insured plan would result in an overall savings to the College of over \$600,000 from our current 2017 rates and over \$830,000 from the 2018 CCIC renewal rates.

ONI Risk Partners' recommendations, based on all relevant data, plan design, facility and provider utilization by employees, etc. is to move from CCIC to the Health Alliance Fully-Insured plan. The Insurance Committee by majority vote agreed with this recommendation.

Upon motion by Mr. Black, and a second by Mr. Wolfe, the Board approved Health Alliance as the College's health insurance provider effective January 1, 2018. The motion passed by roll call vote: 8 yeas, 0 nays.

ITEM 14: INFORMATION
A. COMMUNICATIONS

Mr. Harby noted the Board Retreat is scheduled for Saturday, November 4 at 8:30 a.m. at 24 North Jackson, Danville. Mike Monaghan will be the facilitator.

Students Mr. Brad Leitz and Mr. Austin Price spoke about their future plans and how the Hoopston HLC has benefitted their educational journey.

ITEM 15: ADJOURNMENT

There being no further business to discuss, Mr. Harby adjourned the meeting at 6:50 p.m.

Chairperson, Board of Trustees

Secretary, Board of Trustees

Approved: _____