

Sauk Valley Community College  
February 22, 2021

Agenda Item 3.1.3

**Topic:** Capital Budget Planning and Funding Bonds

**College Health Metrics:** College Environment: College facilities and grounds are clean and updated. The campus is safe, secure and welcoming.

**Financial Stability:** The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.

**Planning:** The College conducts thoughtful, systematic planning to support future operations. Plans are updated annually or as necessary.

**Presented By:** Dr. David Hellmich and Kent Sorenson

**Presentation:**

An overview of current and prospective capital projects and planned funding bond issuances in 2021 and 2022 will be provided.



# Capital Budget Planning & Funding Bonds

Board of Trustees  
February 22, 2021

S A U K V A L L E Y C O M M U N I T Y C O L L E G E

*SVCC is dedicated to teaching and scholarship while engaging the community  
in lifelong learning, public service, and economic development.*

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# Capital Planning Goals

## College Health Metrics

- **Campus Environment:** College facilities and grounds are clean and updated. The campus is safe, secure and welcoming.
- **Financial Stability:** The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.
- **Planning:** The College conducts thoughtful, systematic planning to support future operations. Plans are updated annually or as necessary.

# Tax Levy Projections

Tax Year	Actuals			Projections						
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Tax Rate (per \$100 assessed valuation):</b>										
Bond and Interest Fund	0.0611	0.0592	0.1007	0.0945	0.0931	0.0983	0.0968	0.0954	0.0940	0.0926
Audit Fund	0.0035	0.003	0.0032	0.0025	0.0025	0.0025	0.0026	0.0026	0.0026	0.0027
Liability, Protection, and Settlement	0.0113	0.0189	0	0.0000	0.0100	0.0197	0.0242	0.0334	0.0376	0.0394
Social Security	0.0083	0.0073	0.0071	0.0045	0.0091	0.0068	0.0069	0.0070	0.0070	0.0072
Prior Year Adjustment	-0.0019	0.0011	0.0002	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Operations and Maintenance Accounts	0.0297	0.03	0.03	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Operations and Maintenance - Restricted	0.0495	0.0485	0.0479	0.0456	0.0374	0.0369	0.0363	0.0358	0.0352	0.0347
Educational Accounts	0.2444	0.245	0.245	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
Additional Tax	0.0212	0.0162	0.0155	0.0159	0.0159	0.0159	0.0159	0.0159	0.0159	0.0159
<b>Total tax rate</b>	<b>0.4271</b>	<b>0.4292</b>	<b>0.4496</b>	<b>0.4379</b>	<b>0.4430</b>	<b>0.4550</b>	<b>0.4577</b>	<b>0.4650</b>	<b>0.4674</b>	<b>0.4674</b>
<b>Tax assessment on \$100,000 home</b>	<b>\$142.37</b>	<b>\$143.07</b>	<b>\$149.87</b>	<b>\$145.96</b>	<b>\$147.66</b>	<b>\$151.67</b>	<b>\$152.56</b>	<b>\$155.01</b>	<b>\$155.80</b>	<b>\$155.81</b>

- Average less than 1% increase on \$100,000 home annually from 2017 through 2026
- Balances Tort Fund budget by 2026
- Assumptions in projection:
  - 1.5% EAV growth annually 2021 through 2016
  - \$2,000,000 Bond & Interest Levy 2022 through 2026
  - \$750,000 PHS levy starting in 2021

# Funding Bond Equipment Budgets

Department/Area	Fiscal Years				
	2021 (remaining)	2022	2023	2024	2025
Academics	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Athletics	-	50,000	50,000	50,000	50,000
Facilities	-	68,000	67,000	52,000	63,000
Information Technology Services	-	113,000	278,500	125,870	205,160
Learning Commons	40,000	50,000	50,000	50,000	50,000
Printshop (New Printer)	-	200,000	-	-	-
Security	-	50,000	50,000	50,000	50,000
<b>Total equipment</b>	<b>\$ 90,000</b>	<b>\$ 581,000</b>	<b>\$ 545,500</b>	<b>\$ 377,870</b>	<b>\$ 468,160</b>

IRS regulations for tax-exempt general obligation bonds allow expenditures for 'real and personal' property.

# Current Projects

## Current Projects

	PHS Eligible	Budget
Solar Project		\$ 277,000
Monument Sign		222,500
Grounds Master Plan (Ayers)		30,000
2021 AHU 9 Engineering		43,500
Facilities Master Plan Update (WHA)		28,400
2020 Switchgear	Yes	397,975
2021 Abatement 2FW	Yes	300,000
2021 Renovation 2FW		1,440,000
2021 Furniture 2FW		375,000
2021 ITS Equipment 2FW		100,000
2021 Dillon Mall Phase 1 (Workspace Architects)		111,950
2021 AHU 9	Yes	368,380
2021 Access Controls	Yes	200,000
CDB Generator Local Share	Yes	325,000
CDB HVAC Local Share	Yes	700,000
<b>Total current projects</b>		<b>\$ 4,919,705</b>



# Prospective Projects

## Prospective Projects

	PHS Eligible	Budget
Bathroom Renovations	Yes	450,000
East Parking Lot Lighting	Yes	50,000
Demolish Farmhouse		25,000
Sidewalk Lighting	Yes	150,000
Multimedia Studio		500,000
Condensate Pumps	Yes	100,000
ITS Abatement and Renovation	Partial	1,350,000
Road and Parking Lot Resurface	Yes	800,000
Learning Commons	Partial	2,250,000
Cafeteria Space	Partial	2,000,000
Dillon Mall	Partial	5,000,000
Grounds		1,500,000
		\$ 14,175,000
Total prospective projects		

# 2021 - \$4.6 Million Bond Issue

- February 24 - Term sheet forwarded to potential bidders for purchase of Debt Certificates
- March 15 - Bids due for sale of Debt Certificates
- **March 22 - Board adopts resolution for sale of Debt Certificates at regular meeting**
- **March 22 – Board adopts resolution to reimburse itself for 2<sup>nd</sup> Floor West project costs**
- April 12 - Debt Certificates close; College receives proceeds
- **April 26 - Board adopts resolution of intent and a resolution calling a public hearing for Funding Bonds at regular meeting**
- April 29 - Notices of intent and public hearing for the Bonds published in local newspaper
- **May 24 - Board holds public hearing for the Bonds at regular meeting**
- June 1 - 30-day petition period expires for the Bonds
- Mid-June - College secures credit rating for Funding Bonds
- **June 28 - Board adopts parameters resolution for sale of Funding Bonds at regular meeting at regular meeting**
- July 6 - Bonds sold delegates approve results
- July 27 - Bonds close; Debt Certificates paid off

# 2022 - \$3 (est.) Million Bond Issue



# \$4.6 Million of Proceeds in 2021 and \$3 Million of Proceeds in 2022 – current rates plus 0.50%

General Obligation Debt Service												
Lew Year	Fiscal Year	\$3,885,000 GO Community College Funding Bonds, Series 2014		\$5,175,000 GO Community College Bonds, Series 2018		PROPOSED GO Community College Bonds, Series 2021 (1)	PROPOSED GO Community College Bonds, Series 2022 (1)	Less: Capitalized Interest	Total General Obligation Bonds Debt Service	Rate Setting EAV	Growth Rate	B&I Tax Rate
		2017	2019	\$ 1,045,000				\$	\$	\$	\$ 1,045,000	\$ 1,712,598,380
2018	2020	1,045,450		266,800				(266,800)	1,045,450	1,774,744,733	3.63%	0.0589
2019	2021	-		1,862,000		-	-	-	1,862,000	1,857,670,493	4.67%	0.1002
2020	2022	-		1,865,800		-	-	-	1,865,800	1,975,000,000	6.32%	0.0945
2021	2023	-		1,866,800		227,750	-	(227,750)	1,866,800	1,994,750,000	1.00%	0.0936
2022	2024	-		-		1,257,200	689,000	-	1,946,200	2,014,697,500	1.00%	0.0966
2023	2025	-		-		1,254,200	693,400	-	1,947,600	2,034,844,475	1.00%	0.0957
2024	2026	-		-		1,254,600	694,400	-	1,949,000	2,055,192,920	1.00%	0.0948
2025	2027	-		-		1,253,200	694,400	-	1,947,600	2,075,744,849	1.00%	0.0938
2026	2028	-		-		-	478,400	-	478,400	2,096,502,297	1.00%	0.0228
2027	2029	-		-		-	-	-	-	2,117,467,320	1.00%	0.0000
2028	2030	-		-		-	-	-	-	2,138,641,994	1.00%	0.0000
2029	2031	-		-		-	-	-	-	2,160,028,414	1.00%	0.0000
2030	2032	-		-		-	-	-	-	2,181,628,698	1.00%	0.0000
2031	2033	-		-		-	-	-	-	2,203,444,985	1.00%	0.0000
2032	2034	-		-		-	-	-	-	2,225,479,435	1.00%	0.0000
2033	2035	-		-		-	-	-	-	2,247,734,229	1.00%	0.0000
2034	2036	-		-		-	-	-	-	2,270,211,571	1.00%	0.0000
2035	2037	-		-		-	-	-	-	2,292,913,687	1.00%	0.0000
2036	2038	-		-		-	-	-	-	2,315,842,824	1.00%	0.0000
2037	2039	-		-		-	-	-	-	2,339,001,252	1.00%	0.0000
2038	2040	-		-		-	-	-	-	2,362,391,264	1.00%	0.0000
2039	2041	-		-		-	-	-	-	2,386,015,177	1.00%	0.0000
<b>Total DS From Current FY:</b>		<b>\$ -</b>	<b>\$ 5,594,600</b>	<b>\$ 5,246,950</b>	<b>\$ 3,249,600</b>	<b>\$ (227,750)</b>	<b>\$ 13,863,400</b>					
<b>Net Proceeds:</b>				<b>\$ 4,600,000</b>	<b>\$ 3,000,000</b>							

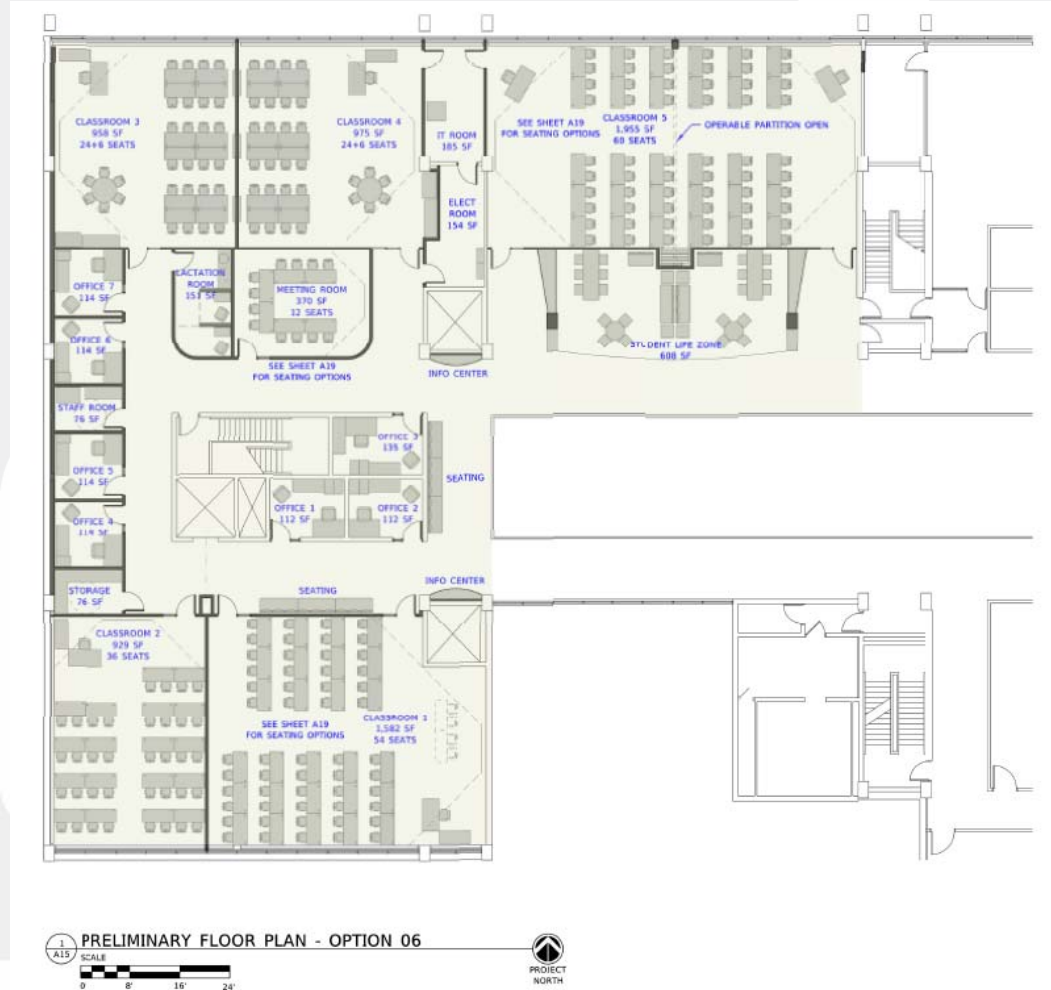
(1) Rates based upon market conditions as of January 15, 2021 and recent bond sales which PMA believes to be accurate and reliable plus 0.50%.  
 NOTE: Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

# 2<sup>nd</sup> Floor West Area - Current





# 2<sup>nd</sup> Floor West Area - Design



# 2<sup>nd</sup> Floor West Area - Renderings



**Sauk Valley Community College  
February 22, 2021**

**Action Item 4.1**

**Topic: Tuition and Fee Adjustments for 2021-2022 Academic Year**

**Strategic Direction: Metric 3 – The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.**

**Presented By: Dr. David Hellmich and Kent Sorenson**

**Presentation:**

Discussion of possible tuition and fee adjustments were presented during last month's Board meeting. Below is a summary of recommended 2021-22 adjustments compared to 2020-21 rates. Adjustments are effective for academic terms beginning subsequent to July 1, 2021.

	<u>2020-21</u>		<u>2021-22</u>		<u>Difference</u>
<b>Universal Tuition &amp; Fees</b>					
In-District Tuition	\$ 135	\$	139	\$	4
Out-of-District Tuition <sup>1</sup>	\$ 360	\$	360	\$	-
Out-of-State Tuition <sup>2</sup>	\$ 402	\$	402	\$	-
Student Support Services Fee	\$ 16	\$	16	\$	-
<b>Online Courses</b>					
Tuition <sup>3</sup>	\$ 135	\$	139	\$	4
Student Support Services Fee	\$ 16	\$	16	\$	-
Online Fee	\$ 10	\$	10	\$	-
<b>Course Fees</b>					
General	\$ 2	\$	2	\$	-
Ag	\$ 36	\$	36	\$	-
Fitness Center	\$ 12	\$	12	\$	-
Lab Sciences	\$ 7	\$	7	\$	-
Nursing (CNA)	\$ 32	\$	32	\$	-
Nursing (ADN/LPN)	\$ 52	\$	52	\$	-
RadTech	\$ 23	\$	23	\$	-
Studio Art	\$ 63	\$	63	\$	-
Tech Labs	\$ 10	\$	10	\$	-
Welding	\$ 41	\$	41	\$	-
CDL (10 credit hour program) <sup>4</sup>	\$ 269	\$	265	\$	(4)
<b>Dual Credit Fee<sup>5</sup></b>	<b>\$ 50</b>	<b>\$</b>	<b>50</b>	<b>\$</b>	<b>-</b>