
MINUTES OF THE MAY 20, 2008
ROGUE COMMUNITY COLLEGE BUDGET COMMITTEE MEETING

1. **Call to Order** – Rogue Community College (RCC) Budget Committee Chair, Skip Patterson, called the meeting to order at 3:00 p.m. on Tuesday, May 20, 2008, Jackson County Library, Large Community Conference Room, 205 S. Central Avenue, Medford, Oregon. Due notice was given.
2. **Determine Presence of Quorum** – Confirmed by official roll call, a quorum of Budget Committee members were present including Mr. Patterson, Pat Ashley, Sharon Davidson, John Harelson, Dick Rudisile, Kevin Talbert, David Trump, Dean Wendle and Joseph Zagorski.
3. **Introduction of Guests** – Staff in attendance included Peter Angstadt, Curtis Sommerfeld, Lisa Stanton, Lynda Warren and Denise Nelson.
4. **Review Budget (Oregon Budget Law, Chapter 294 Oregon Revised Statutes)**

A. Updates on Proposed Budget Presented April 15, 2008

Lisa Stanton distributed copies of the 2008/09 budget and provided a visual presentation. Budget detail, which can be reviewed at www.roguecc.edu/budget/2008_09/approved, was provided for each account in addition to account descriptions as follows:

a. General Fund

The General Fund accounts for all financial resources and expenditures of the College, except for those required to be accounted for in another fund. The principle sources of revenue include property taxes, tuition and state community college support.

Discussion occurred regarding a decrease in the total budget. FTE reimbursement has declined. Kevin Talbert voiced his concern regarding a decrease (although small) in the contingency fund. Labor costs and the apparent trend in the budget also raised his concerns. Dean Wendle added recent state revenue forecasts reflect smaller increases than originally projected.

b. Capital Improvement Fund Type

The Capital Improvement Funds account for the receipt and disbursement of resources for buildings and land, buying or maintaining College facilities and equipment. The principle revenues include transfers from the General Fund, bond levy proceeds, certificates of participation and investment earnings.

c. CIP-Maintenance

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The Capital Improvement Fund – Maintenance accounts for the cost of maintaining College facilities and equipment. This includes replacement of aging HVAC units and windows, installation of emergency telephones and miscellaneous facility maintenance at the Redwood campus.

d. CIP-COPS & Bonds

The Capital Improvement Funds – COPS & Bonds accounts for the purchase or remodel of buildings and land with COPS and bond proceeds.

Budget detail for this fund includes:

- Completion of the Higher Education Center (HEC) Building and further development of Riverside campus.
- Replacement of aging HVAC units at the Riverside campus
- Maintenance of Jackson County facilities

e. CIP State Funds

The Capital Improvement Fund – State Funds accounts for state funding received for capital projects, such as the RCC/SOU HEC in Medford.

Budget detail for this fund reflects the remaining balance of the \$4,100,000 for construction of the RCC/SOU HEC. Brief discussion occurred regarding the RCC/SOU HEC in reference to the positive partnership with SOU and also the solar energy aspect of the facility.

f. DEBT Service Fund

The Debt Service Fund accounts for the accumulation of resources for and payment of principal and interest on the College's long-term debt obligations. The principal revenues are transfers from the General Fund and property taxes approved for bond levies. Discussion occurred regarding the contingency line item. Lisa Stanton provided an explanation for purpose of this item.

Budget detail for this fund includes:

- \$1.7 million for Series 2005 General Obligation and Refunding Bond
- \$1.18 million for Series 2005 Limited Tax Pension Obligation Bond
- \$25,746 for the Title VII loan payments
- \$60,000 of interest expense on the \$2.1 million TRAN to be issued in June 2008
- \$139,918 for the 1998 COP series payments

g. Special Revenue Fund Type

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The Special Revenue Funds account for revenues and expenditures for specific projects that are legally restricted for a specific purpose and the Financial Aid Fund. Funds included in this classification are College Services Fund, Contract and Grant Fund, Financial Aid Fund, Higher Education Center Fund, Intra-College Fund, PERS Fund, Self Support Fund, Technology and Equipment Fund, and Unemployment Reserve Fund.

h. College Services Fund

The College Services Fund accounts for College building remodel, building lease and/or building purchase. The principle revenue is from half of the College Services fee remitted by students.

Budget detail for this fund includes:

- \$25,746 for the Title VII loan payments
- \$139,918 of principle and interest for 1998 COP series associated with JOCO
- \$176,933 for lease payments in Jackson County

i. Contract and Grant Fund

The Contract and Grant Fund accounts for grants and contracts for Vocational Education, Small Business Development Center, JOBS programs, U.S. Department of Education (which includes TRIO), U.S. Department of Labor construction expansion, RCC Foundation department projects and other activities. Revenues are primarily provided by federal, state and local sources. Discussion occurred regarding the \$1.3 million Strategic Reserve funding and the opportunity these funds will provide to grow FTE. He also explained the timeline for reports to OCCWD.

Budget detail for this fund includes:

- Department of Labor grant for Construction Technology for \$1.2 million
- CCWD Commissioner's Strategic Reserve Fund of \$1.3 million
- Meyer Memorial Trust \$250,000 for HEC Building furniture and fixtures

j. Financial Aid Fund

The Financial Aid Fund accounts for the provision of grants, stipends and other aid to enrolled students, including Pell grants, Supplemental Educational Opportunity Grants, Oregon State Scholarship Commission Grants, College Work-Study and awards from the RCC Foundation. Revenues are primarily provided by federal government grants.

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k. Higher Education Fund

The Higher Education Fund will account for the day-to-day expenditures such as utilities, custodial services, copiers, maintenance services and technology support necessary to run the HEC building. RCC and SOU will share these costs. RCC will provide accounting services for the HEC and SOU will pay RCC for said services. After discussion, it was determined a contingency line item should be added to this account. Staff will do so prior to Board approval in June.

l. Intra-College Fund

The Intra-College Fund accounts for activities performed by the College for the benefit of the College. Activities include Associated Students of RCC, Professional Growth, Staff Development and other departmental charges. The principal revenue for this fund is transfers in from other funds.

m. PERS Fund

The PERS Fund accounts for the potential PERS unfunded actuarial liability reserve being held by the College. The principal revenue is the PERS expense charged in other funds. Funds are transferred from this fund to the Debt Service Fund to pay Series 2005 Limited Tax Pension Obligation Bonds.

n. Self Support Fund

The Self Support Fund accounts for the self-support instructional activities of the College. The principle revenue is tuition and fees.

Budget detail for this fund includes (largest programs listed):

- Dental Assisting
- Commercial Truck
- High School Drivers Training

o. Technology and Equipment Fund

The Technology and Equipment Fund is designated for the replacement of the College's equipment and for distance delivery. The principle revenues are the \$4 per non-credit course technology fee, the \$25 per course distance education fee, host provider service fees and transfers in from the General Fund. The principle expenditures are upgrades/replacements for equipment and distance delivery services.

p. Unemployment Reserve Fund

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The Unemployment Reserve Fund accounts for payments to the Oregon Employment Division for unemployment benefits paid to terminated employees. Principle revenues are transfers from the General Fund and investment earnings.

q. Proprietary Fund Type

The Proprietary Funds are used to account for operations that are financed and operated in a manner similar to those of private business enterprises. The intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

r. Auxiliary Service Fund

This fund accounts for the operation of the College's bookstore. Principle revenue for this fund is book sales.

s. Other Auxiliary Services Fund

Accounts for the operation of Auto Artist, Black White and Blues, facility rentals, RogueNet and other miscellaneous activities.

t. Fiduciary Fund Type

Accounts for assets received and held by the College in a fiduciary capacity or as a trustee for other governments or other funds. Disbursements from this fund are made in accordance with the trust agreement or applicable legislative enactment and by local board resolution.

u. Agency Fund

The Agency Fund is custodial in nature (assets = liabilities) and does not involve measurement of results of operations. The Southern Oregon Library Information System (SOLIS) will be dissolved by December 2008. Discussion occurred regarding alternatives for this system. It was suggested to schedule a future program light presentation regarding this topic.

B. Public Comment

There was no public comment.

C. Approve 2008/09 Budget

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Dr. Trump moved, seconded by Pat Ashley, that the RCC Budget Committee approve the proposed budget for fiscal year 2008/09 and recommend adoption by the RCC Board of Education at their next meeting on June 17, 2008.

Committee members expressed gratitude for excellent preparation of the proposed budget by staff. Members also complimented staff on presentation of the budget.

5. **Old Business** – None
6. **New Business** – None
7. **Round Table** – None
8. **Adjournment** – The meeting adjourned at approximately 3:55 p.m.

Respectfully submitted,

Denise Nelson, Assistant to the President and Board of Education

Action: Approved

Dean Wendle, Chairman, RCC Board of Education

Dated: June 17, 2008
