RCC Budget Committee reviews proposed budget

It was challenging, but Rogue Community College administrators presented a balanced budget Tuesday to the RCC Budget Committee.

“Developing the 2006-07 general fund budget while confronting a projected $2.7 million shortfall has been, in many ways, akin to assembling an airplane in mid-flight,” RCC President Peter Angstadt said in his budget message. “Along the way, we have dealt with unanticipated turbulence and limited visibility,” he continued. “Meanwhile, however, we continue to operate effectively and provide our student passengers with quality educational services.”

The proposed budget is $26,994,604, down 4.3 percent from the current year and down even more from the $29.3 million budgeters had originally anticipated due to rising costs associated with personnel, materials and services, and fixed costs such as utilities and gasoline.

The revenue shortfall was due in part to a nearly $900,000 reduction in state funding, according to Lynda Warren, executive dean of College Services, who presented the budget to committee members. The result is that state support now accounts for 29 percent of the general fund budget, down from 40 percent.

RCC carved out the difference by reducing expenditures and raising tuition. Fourteen positions lost through attrition, a zero increase in materials and services, cuts to the district’s travel budget and unemployment reserves, and reduction in publication costs will trim approximately $1 million dollars.

On the revenue side, a $5 per credit increase in tuition helped bring the budget into balance. The tuition increase, which raises the cost of one credit from $59 to $64 per credit beginning summer term, will generate about $600,000 and represents approximately $60 per term for a full-time student.

“Raising tuition was a tough decision and made only after listening carefully to students’ concerns,” Angstadt said in the budget message. The alternative is to cut programs, “but it became clear that a priority for our students is maintaining access to quality programs and (over)
classes so they can complete college in a timely manner,” he explained.

Owning rather than leasing buildings also will result in an annual savings of approximately $231,000. On the Riverside Campus in Medford, RCC purchased three buildings using proceeds from a $40 million bond measured approved in 2005 by Jackson County voters. The college received a fourth building as a donation. Rogue is evaluating the cost savings of giving up another leased facility in Medford, and construction of a shared education center with Southern Oregon University will result in additional savings from expired leases beginning in 2008.

The budget includes a 2 percent increase in personnel costs, although negotiations with faculty and classified staff are still in progress.

“We are working with faculty and classified employees associations on ways to provide reasonable salary increases and incentives within budget constraints,” Angstadt said.

“The college is committed to developing creative approaches to increasing enrollment and assisting the RCC Foundation,” he continued. “And we will all keep striving to build and maintain a stable craft that will help transport our students to the destinations and goals they aspire to reach in their lives.”

The RCC Budget Committee is comprised of the seven RCC Board of Education members and six advisory committee members.

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