
Rogue Community College District Budget Committee
May 21, 2019 Meeting Minutes

1. **Call to Order** – The Rogue Community College (RCC) District Budget Committee meeting was called to order by Claudia Sullivan, Board Chair, at 3:00 p.m. on May 21, 2019, Table Rock Campus (TRC), room 206, 7800 Pacific Avenue, White City, OR. Due notice was given.
2. **Determine Presence of Quorum** – A quorum of the committee was confirmed including Pat Ashley, Ian Bachtel, Darlene Dart, Pat Fahey, Ron Fox, Shawn Hogan, Matt Stephenson, Roger Stokes, Claudia Sullivan and Kevin Talbert.
3. **Introduction of Guests** – The following RCC employees were in attendance: Debbie Dice, Kori Ebenhack, August Farnsworth, Natalie Herklotz, Juliet Long, Rene McKenzie, Rosalyn Mendoza, Curtis Sommerfeld, Lisa Stanton, Linda Wagner, Sarah Wofford, and Denise Nelson.
4. **Select Budget Committee Chair for Budget Process**

Budget Committee member Matt Stephenson volunteered to serve as the 2019/20 District Budget committee Chair.

MAIN MOTION

Kevin Talbert moved, seconded by Pat Ashley, the RCC District Budget committee appoint Matt Stephenson as committee Chair.

The motion unanimously carried.

5. **Review Budget**

- A. **Review 2019/20 Budget Process**

Lisa Stanton, Chief Financial Officer, distributed budget documents (see file) and provided a PowerPoint presentation of the 2019/20 RCC proposed budget (see file). Ms. Stanton proceeded to review the budget book and encouraged committee members to ask questions throughout the presentation.

- B. **President's Message**

President Kemper-Pelle distributed RCC Connections magazines to committee members who do not serve on the Board of Education. She reported, last year, these members requested to receive more information about what was happening at the College and the magazines serve as a resource of this information. She added that the legislature is looking at the largest kicker in Oregon's history but is not considering funding Oregon's community colleges. The Oregon Community College Association (OCCA) is working hard at bringing this topic to the forefront.

State funding never increases at the same rate of inflation. Community colleges are continually asked to do more which require additional personnel. This year, OCCA took a good approach toward working with the legislature by asking for the actual need.

Rogue Community College District Budget Committee
May 21, 2019 Meeting Minutes

C. Review Proposed Budget 2019/20

Lisa Stanton and Curtis Sommerfeld provided a budget presentation consisting of the following highlights:

- Presenting a balanced budget
- Economic environment
- Development process
- Resources
- Assumptions

Economic Environment Student FTE

- 32% decrease in FTE since 2011

President Kemper-Pelle reported Instructional Deans prioritized cutbacks so if we receive better funding we will know what to bring back and in what order.

Economic Environment State Reimbursement

- 2019/20 biennium – Community Colleges will receive \$590 million from the State of Oregon Community College Support Fund (RCC's share would be \$18.9 million)

Development Process and Resources

- Internal budget forums
- Budget Advisory Team meetings
- 'Things You Should Know' distributed to all of RCC by e-mail from the President

Revenues (Pie Chart)

- Tuition and fees – 36.9%
- Property taxes – 36.6%
- State operations – 24.2%
- Other Revenue & Transfers In – 2.3%

Budget Changes – Revenues

- General Fund and College Services Fund Combined
 - FY 2018/19 Adopted Budget \$51,961,370
 - State operations \$247,922 – CCSF \$570m to \$590m
 - Property taxes \$700,261 – Increased 3.5%
 - Tuition and fees \$650,020 – \$5 per credit increase; 2% enrollment decline
 - Other \$190,853 – interest revenue
 - Transfers in \$(4,584,285) -
 - Beginning fund balance \$(360,639)
 - FY 2019/20 Proposed Budget \$48,805,502
- Overall change – decrease of \$1.87m
- Transfers in
 - The new enterprise resources planning system (CampusNexus) \$2.9m
Used \$850,000 from reserves

Rogue Community College District Budget Committee
May 21, 2019 Meeting Minutes

- Change in Tech Fund \$255,000 – asking staff to find alternative resources first. We are finding that we have community partnerships that want to help.
- In order to maintain current services levels at Oregon’s community colleges, the State of Oregon CCSF would need to be \$643 million. If the CCSF received \$630 million, it would mean *about* \$1 million more in additional funding for RCC.

Expenditures (Pie Chart)

- Personnel & other – 77.2%
- Material & services and capital – 15.4%
- Transfers out – 7.4%

Budget Changes – Expenditures

- General Fund and College Services Fund Combined
 - FY 2018/19 Adopted Budget \$51,961,370
 - Personnel \$(114,235) – Reduced Adjunct Faculty and 1 FTE-Classified; Furloughed 1 FTE-Full-time Faculty and 1 FTE Exempt Added 1 FTE Classified
 - Other Personnel \$944,319 – PERS Composite Rate of 23.21% Health Insurance 7%
 - Materials and services district \$(2,868,710) – One time reduction ERP \$2.9m; Ongoing expenses increased \$101,000
 - Materials and services non-district \$94,879 – Increase of 5%
 - Capital \$13,465 – Increase of 15%
 - Transfers \$(2,136,249) – ERP \$2.1
 - Contingency \$331,261 – Planned increase
 - Reserve for future expenditures - \$579,402
 - FY 2019/20 Proposed Budget \$48,805,502
- Decrease in personnel
 - Reduction of Adjunct Faculty by \$500,000 or approximately 173 sections
- Reserve for future expenditures is \$5.5m with \$3.3m anticipated to be used in 2020/21. Ian Bachtel asked if reserve funds will be built-up again. Vice President Sommerfeld answered yes, he believes they can be.

President Kemper-Pelle reported the College made a deliberate effort to look at sections we are offering. By strategically identifying sections of low enrollment, we could reduce and maximize enrollments in the courses we offer. This has been challenging and has varied by campus. The Deans have worked many hours on determining the right formula. Curtis Sommerfeld added that administration will be watching and managing this closely.

***Rogue Community College District Budget Committee
May 21, 2019 Meeting Minutes***

Budget Assumptions

- Tuition increase
- No enrollment decline
- New facility costs – largely centered around the Health Professions Center
Pat Fahey asked if the new facility will drive enrollment. President Kemper-Pelle responded, yes, through the attraction to the state of the art facility plus the capacity. We have conducted a lot of tours. Ron Fox commented the CTE Academy might help with this. We are also relocating programs to this facility.
- Significant draw one time dollars
- Community college support fund
 - FY 2018/19 Adopted Budget \$51,961,370

Lisa Stanton encouraged committee members to forward questions to her or Curtis Sommerfeld by the end of next week. The next District Budget Committee meeting is scheduled for May 30, 2019 and staff will provide answers to questions at that time.

6. **Public Comment** – Linda Wagner, Nursing Department Chair, distributed a 2.5 page letter she wrote to Board members (see file). The letter contained her thoughts regarding the potential impact on the Nursing department, and other departments, of a planned change to the non-computer tech fee funds. Next year, the funds will be going into the general fund and programs will be encouraged to try to obtain grants or donations from other agencies for equipment and large ticket items. She expressed concern that the Nursing program discretionary budgets are being decreased and now the non-computer tech funds will not be available. Staff do not have time to write grant requests. More concerns and specific details are expressed in the aforementioned letter. Mr. Stephenson thanked Ms. Wagner for her comments.

7. **New Business**

Next meeting: Thursday, 5/30, 2:00-4:00 p.m., HEC 127/129, Medford

8. **Adjournment**

Mr. Stephenson adjourned the meeting at 4:00 p.m.