
Rogue Community College District Budget Committee
May 18, 2021 Meeting Minutes

1. **Call to Order** – The Rogue Community College (RCC) District Budget Committee meeting was called to order by Roger Stokes, Board of Education Vice Chair, at 2:35 p.m. on Tuesday, May 18, 2021, via Zoom. Due notice was given.
2. **Determine Presence of Quorum** – A quorum of the committee was confirmed including: Ian Bachtel, Colleen Padilla, Matt Stephenson, Jerry Work, Dawn Welch, Jay Randolph, Robert Begg, Roger Stokes, Pat Fahey, Claudia Sullivan, Maria Ramos Underwood, and Pat Ashley.
3. **Introduction of Guests** – The following RCC employees were in attendance: President Cathy Kemper-Pelle, Curtis Sommerfeld, Juliet Long, Kori Ebenhack, Lisa Stanton, Natalie Herklotz, Mary Middleton, and Rachelle Brown.
4. **Select Budget Committee Chair for Budget Process**

Budget Committee member Colleen Padilla volunteered to serve as the 2021/22 District Budget committee Chair.

MAIN MOTION

Pat Ashley moved, seconded by Pat Fahey, the RCC District Budget committee appoint Colleen Padilla as committee Chair.

The motion unanimously carried.

5. **Review Budget**

- A. **Review 2021/22 Budget Process**

A link to the 2021/22 budget documents was distributed via email prior to the start of this meeting (see file). Lisa Stanton, Chief Financial Officer, provided a PowerPoint presentation of the 2021/22 RCC proposed budget during the meeting (see file). Ms. Stanton proceeded to review the budget book and encouraged committee members to ask questions throughout the presentation.

- B. **Budget Message**

A joint Budget Message from President Cathy Kemper-Pelle and Lisa Stanton was presented in the beginning of the Proposed Budget 2021-22 documents (see file). This message addressed the balanced budget, economic environment, budget development process, as well as the following 2021/22 General Fund budget assumptions:

Revenue Assumptions:

- State Operations are based upon the Community College Support Funding level of \$673 million
- Property Taxes reflect a 3.5% increase over prior year projected
- Tuition and Fees
 - Assumes an enrollment decrease of 0% from 2020/2021
 - \$4 per credit increase in tuition
- Transfers In – see pages 64-66 for details (see attached)

Rogue Community College District Budget Committee
May 18, 2021 Meeting Minutes

Expenditure Assumptions:

- Exempt salary schedule increased by 1.4%, plus 1.6% performance adjustment for eligible employees; net reduction of 3 positions
- Full Time faculty salary schedule increased by 1.84% to statewide average, plus one step; net reduction of 4 positions
- Adjunct faculty salary schedule increased 1.84%, less reduction of 10.3% of overall adjunct budget
- Faculty Professional salary schedule increased by 1.4%, plus 1.5% performance adjustment for eligible employees
- Classified salary schedule increased by 1.4%, plus 1.85% performance adjustment for eligible employees, net reduction of 6 full-time and 4 part-time positions
- Student wages increased 2%
- Health insurance contractually stipulated increase of 6%
- PERS rate approximately 15.16%
- Fixed District costs, Departmental Materials & Services and Capital projected for General Fund
- Transfers Out – see pages 64-66 for details (see attached)

C. Review Proposed Budget 2021/22

Lisa Stanton gave an overview of Oregon’s current economic environment (see file). She noted that during COVID-19, lower wage jobs have been hit the hardest. RCC has experienced a 25% enrollment decrease over the last year. Ms. Stanton added that since 2012 RCC has experienced a 50% enrollment decline. The Higher Education Emergency Relief Fund (HEERF) will allow RCC to recover some of the lost tuition and fees that were due to the current pandemic. Ms. Stanton added that some of the HEERF funds will go directly to students to help them complete their education. Ms. Stanton highlighted the Community College Support Fund for the next biennium and she anticipates that RCC’s funding allocation will decrease due to our enrollment decline. Jerry Work asked to see what the budget was in 2012 to compare to this year’s proposed budget, in relation to the 50% enrollment decline during that timeframe. Ms. Stanton responded that she will gather that information and provide an answer to Mr. Work either at or before the next Budget Committee meeting.

Lisa Stanton noted that the budget development process is transparent, allows opportunities for participation, and ties to RCC’s strategic plan. Ms. Stanton then reviewed the General Fund (see file):

General Fund Revenues- 2021-22 Proposed Budget (Pie Chart)

- Property Taxes- 36.0%
- Tuition and Fees- 27.9%
- State Operations- 23.7%
- Other Revenue and Transfers In- 12.4%

Budget Changes- Revenues (General Fund)

- Fiscal Year 2020/21 Adopted Budget- \$49,941,864

Rogue Community College District Budget Committee
May 18, 2021 Meeting Minutes

- State Operations \$(775,961)- Community College Support Fund (CCDF) \$640.9m to \$673m
- Property Taxes \$1,053,848- Increased 3.5%
- Tuition and Fess \$(3,565,472)- \$4 per credit tuition increase; 0% enrollment decline
- Other \$(100,000)- Interest revenue
- Transfers In \$3,738,996:
 - Renewal and Replacement \$621,000
 - Intra-College \$170,750
 - High Education Emergency Relief Fund (HEERF) \$3,000,000
 - Unemployment Reserve \$(100,000)
- Beginning Fund Balance \$(326,108)
- Fiscal Year 2021/22 Proposed Budget- \$49,967,167

General Fund Expenditures- 2021-22 Proposed Budget (Pie Chart)

- Personnel and Other- 78.20%
- Materials and Services and Capital- 18.2%
- Transfers Out- 3.60%

Budget Changes- Expenditures (General Fund)

- Fiscal Year 2020/21 Adopted Budget- \$49,941,864
 - Personnel \$(1,389,870):
 - Salary adjustments \$625,000
 - Position reductions \$(1,500,000)
 - Non-position personnel \$(520,000)
 - Other Personnel \$58,040
 - PERS Composite Rate of 24.21%
 - Health Insurance 6%
 - Materials and Services District \$(305,238)
 - Materials and Services Non-District \$(37,966)
 - Capital \$4,615
 - Transfers Out \$(434,829):
 - Community College and Workforce Development (CWD) Fund \$(72,000)
 - Inter College (IC) Fund \$(163,500)
 - Renewal and Replacement (RR) Fund \$(90,000)
 - Entrepreneurial Fund \$(139,000)
 - Auxiliary Services (AS) Fund \$30,000
 - Contingency Planned Increase- \$2,130,551
- Fiscal Year 2021/22 Proposed Budget- \$49,967,167

2021/22 Budget Unresolved Topics

- COVID-19- Lisa Stanton noted that we are still unsure about how COVID-19 will impact the upcoming year.

***Rogue Community College District Budget Committee
May 18, 2021 Meeting Minutes***

- Enrollment- Ms. Stanton added that RCC is hopeful that as we begin to open back up, more students will start to enroll and our enrollment level will at least stay the same, if not increase.
- Community College Support Fund (CCSF)- RCC is still unsure of exactly how much funding will come from the state for the upcoming biennium. Ms. Stanton added that we are required by law to adopt a budget before June 30th, which is why we move forward with an assumption on the CCSF.
- Federal Stimulus (ARPA)- Ms. Stanton noted that we just received the regulations regarding the distribution of the ARPA funds and are in the process of reviewing those regulations.

Discussion was had on workforce development throughout the Rogue Valley. Lisa Stanton noted that the proposed budget is very much tied to RCC's strategic plan and that part of that plan focuses on workforce development, particularly to strengthen and expand internal and external collaborative partnerships.

President Cathy Kemper-Pelle noted that if the chart (see file) demonstrating RCC's 50% enrollment decline over the last 10 years were expanded to show another previous 10 years, it would show an enrollment bubble for the time period following the Great Recession. She added that enrollment at that time was not typical for overall enrollment at RCC.

Discussion was had on how community colleges are able to provide trainings, certificates, and career pathways toward achieving living wage jobs.

Discussion followed on inflation and remote work. Matt Stephenson commended RCC for always taking a conversation approach to the budget.

Lisa Stanton asked that committee members submit any questions in writing to the Business Office by 7:00pm on Friday, May 21, 2021.

D. Public Comment – None.

6. New Business

Next meeting: Thursday, 5/27, 2:00-4:00 p.m., via Zoom.

7. Adjournment

Ms. Padilla adjourned the meeting at 3:34 p.m.

Meeting minutes respectfully submitted by Rachelle Brown, Assistant to the President-Governance.