
MINUTES OF THE MAY 19, 2009
ROGUE COMMUNITY COLLEGE BUDGET COMMITTEE MEETING

1. **Call to Order** – Rogue Community College (RCC) Budget Committee Chair, James Patterson, called the meeting to order at 3:00 p.m. on Tuesday, May 19, 2009, RCC/SOU Higher Education Center (HEC), Rooms 127/129, 101 S. Bartlett, Medford, Oregon. Due notice was given.
2. **Determine Presence of Quorum** – A quorum of Budget Committee members were present including Mr. Patterson, Pat Ashley, Sharon Davidson, Pat Huycke, Midge Renton, Dick Rudisile, Kevin Talbert, David Trump, Dawn Welch, Dean Wendle, and Joseph Zagorski.
3. **Introduction of Guests** – Tim Johnson and Al Solomon, Board of Education candidates; Paul Fisher, faculty representative and management and staff including Peter Angstadt, Curtis Sommerfeld, Lisa Stanton, Lynda Warren and Denise Nelson.
4. **Review Budget and Public Comment (Oregon Budget Law, Chapter 294 Oregon Revised Statutes)**

A. Updates on Proposed Budget Presented April 21, 2009

Lynda Warren indicated general fund revenue assumptions have been based upon the Community College Support Funding (CCSF) level of \$440 million. Since the State's budget has yet to be approved, this number is subject to change. President Angstadt has been in contact with local legislators regarding this. E-mails and letters to legislators, in support of community college funding, have been encouraged. Board members discussed the impact on the proposed budget if the CCSF level is reduced to \$423 million, or lower. The contingency fund level was also reviewed.

Lisa Stanton distributed copies of the 2009/10 budget presentation and proposed budget (see file). Budget detail, which can be reviewed at www.roguecc.edu/budget/2009_10/approved/, was provided for each account in addition to account descriptions as follows:

a. **General Fund**

The General Fund covers general operation for the College and 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.

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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

The Capital Improvement Fund – Maintenance accounts for the cost of maintaining College facilities and equipment.

Budget detail for this fund includes:

- Miscellaneous facility maintenance and emergency facility needs.

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:

- Further development of Riverside campus.

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 includes:

- “Go Oregon!” grant dollars for maintenance projects at all three locations.

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.

Budget detail for this fund includes:

- \$1,75 million for Series 2005 General Obligation and Refunding Bond
- \$1.23 million for Series 2005 Limited Tax Pension Obligation Bond
- \$25,746 for the Title VII loan payments

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- \$46,000 of interest expense on the \$1.89 million TRAN to be issued in June 2009
- \$135,160 for the 1998 COP series payments

Discussion occurred regarding the Title VII loan payments. Staff will check into the rate on this payment and see if a payoff is possible.

g. Special Revenue Fund Type

The Special Revenue Funds account for revenues and expenditures for specific projects that are legally restricted for a specific purpose. 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 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
- \$135,160 of principle and interest for 1998 COP series associated with JOCO
- \$180,790 for lease payments in Jackson County

i. Contract and Grant Fund

The Contract and Grant Fund accounts for grants and contracts for the Small Business Development Center, Title III, 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.

Budget detail for this fund includes:

- Community College and Workforce Development Grant \$532,048
- Perkins \$440,928
- DOLETA (construction) \$405,809

Discussion occurred regarding the CCWD grant. A three-year proposal was originally submitted; however, grants are awarded on a biennium basis only. At time of submittal, President Angstadt was

advised to resubmit the request for the final year when applicable. He is planning to do so.

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Pat Huycke asked for clarification regarding contingency funds. Lynda Warren provided explanation of contingency funds, specifically, in accounts other than the General Fund account.

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.

k. Higher Education Fund

The Higher Education Fund accounts for the day-to-day expenditures such as security, utilities, custodial services, copiers, maintenance services and technology support necessary to run the Higher Education Center building. RCC and SOU share these costs.

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.

Dean Wendle asked about the College Support Services line item, proposed total of \$174,663 and approved total of \$264,663. Staff will look into this.

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.

Lynda Warren reported the College is in the process of appealing prior year PERS charges relative to eligibility date.

n. Self Support Fund

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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. The principle revenues are the \$4 per credit and 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 expenditure is upgrades/replacements for equipment.

p. Unemployment Reserve Fund

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 Service Fund

The Other Auxiliary Service Fund accounts for the operation of ATM machines, Auto Artist, Black White and the Blues, Diesel Technology, Facility Rental, Friends of the Library, Gallery Projects, HPE, Humanities, Massage, Math, Pay Phones, Rogue Net intergovernmental agreements, Testing Center and Welding.

t. Fiduciary Fund Type

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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. Currently, the RCC Foundation is the only agency represented in this fund.

B. Public Comment

There was no public comment.

C. Approve 2009/10 Budget

Midge Renton moved, seconded by Pat Ashley, the RCC Budget Committee adopt Resolution No. B99-08/09 approving RCC's 2009/10 budget for Board action in June 2009.

The motion was unanimously approved.

5. **Old Business** – None
6. **New Business** – None
7. **Round Table** – Pat Ashley commended Business Services Department staff for their excellent work in preparing the budget. This was even more challenging this year due to economic uncertainties.
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

David Trump, Chairman, RCC Board of Education

Dated: June 16, 2009
