

Opportunity
starts
HERE

All Funds

	2025/26 Adopted	2026/27 Proposed	Increase/ (Decrease)
General Fund	\$ 61,080,525	\$ 61,827,422	\$ 746,897
Capital Projects Fund	16,793,471	22,513,271	5,719,800
Debt Service Fund	6,454,904	6,627,092	172,188
Community & Workforce Training Fund	2,245,835	2,286,783	40,948
Contract and Grant Fund	10,400,910	7,969,120	(2,431,790)
Innovation Fund	1,305,742	1,071,721	(234,021)
Intra-College Fund	1,180,529	1,125,270	(55,259)
Reserve Fund	20,849,525	20,849,525	-
Student Financial Aid Fund	25,095,000	26,281,694	1,186,694
Auxiliary Services Fund	490,550	0	(490,550)
Total All Funds	\$ 145,896,991	\$ 150,551,898	\$ 4,654,907

Questions

Question: Explain the changes internally to the college as a result of adopting this budget.

Instruction and Instructional Support

- *Net Reduction of 3.2 FTE
- *Net Reduction in Adjunct Faculty assignments
- *No longer host Small Business Development Center
- *Investment in High School Partnerships

Implications:

- Greater alignment of instructional resources with regional workforce demand, student enrollment patterns, and programs that lead to family-wage employment opportunities
- Reduced instructional capacity in selected areas, particularly Pre-College education, due to limited external funding and low tuition/fee revenue generation
- Reallocation of adjunct resources toward programs and courses that more directly support enrollment, tuition revenue, workforce training, and student completion

Questions

Question: Explain the changes internally to the college as a result of adopting this budget.

Student Services

*Reduction of 2.67 FTE

*Retrenching in areas such as travel, marketing, and other financial aid to students

Implications:

- Increased institutional focus on long-term financial sustainability, operational efficiency, and strategic allocation of limited, unrestricted resources
- Potential reduction in convenience and in-person access to certain student and community services due to consolidation of staffing and operations
- Preservation of core instructional and support operations during a period of significant fiscal constraint and budgetary pressure

Questions

Question: Explain the changes internally to the college as a result of adopting this budget.

Support Services

- *Reduction of 3.5 FTE
- *Postpone investment in technology for classroom upgrades
- *Prioritize deferred maintenance of facilities, delaying the less critical
- *Utilizing reinvestment reserves to address safety and security needs

Implications:

- Slows progress toward modern, tech-enabled learning environments
- Deferred maintenance often becomes more expensive later
- Potential disruptions equipment or facilities (HVAC, labs, etc.) may fail unexpectedly
- Ensures immediate mitigation of safety and compliance risks for college

Questions

The Higher Education Center (HEC) is a landmark building shared with our partner, Southern Oregon University. Both institutions work together to create a supportive environment for students pursuing two-year, four-year, and graduate degrees. HEC is 68,700 square feet, housing classrooms, science labs, computer labs, and a Business Center.

The current operating agreement allocates operating costs 74% to RCC and 26% to SOU. The 2026/27 budget for RCC's portion was prepared with an assumption of an operating cost allocation of 77% to RCC and 23% to SOU. The total RCC budget is \$695,200.

Reserve Fund

Planned use of reserves:

	FYE 25/26	FYE 26/27	FYE 27/28	FYE 28/29
Reinvestment Reserve	\$8,414,687	\$7,123,786	\$7,123,786	\$ 0
PERS Reserve	\$7,123,786	\$7,123,786	\$5,886,780	\$5,886,780
Stability Reserve	\$5,311,052	\$5,311,052	\$5,311,052	\$5,311,052
Total	\$20,849,525	\$19,829,825	\$18,592,819	\$11,197,832

Reserves

Board Policy 6250

Unrestricted budgeted reserves shall be no less than 5% of the total budgeted operating funds revenue.

2026/27 Proposed Budget

General Fund Operating Revenue \$53,926,902

	<u> </u>	x 5%
Reserve Required	\$	2,617,407

Reserve Philosophy

The College endeavors to maintain the Stability and PERS reserves at a minimum of three months (25%), with a maximum of six months (50%), of cash outflows. The target date to reach the minimum reserve level will be evaluated in conjunction with other reserve investment needs.

2026/27 Proposed Budget

General Fund Operating Expenditures \$57,996,007

	<u> </u>	x 25%
Reserve Required	\$	14,499,002

Questions

Question: What occurred with the CCSF funding over the last 10 years where the 55% increase in state funding was not fully accessible to RCC?

Response: RCC leadership will review and present factors impacting RCC's proportional share of Community College Support Fund growth at a future Board meeting to support legislative advocacy efforts.

- State Funding Is Distributed by Formula—Not Proportionally
- Property Tax Equalization Reduces Variability
- “Increases” Have Not Fully Covered Cost Growth

Questions

Question: Elaborate on the change of budgeting in current fiscal year (variance) and how that will impact the budget.

Response: Beginning with the 25/26 budget development, we made a strategic decision to remove planned variance from the **General Fund**. This approach allows us to:

- Reflect a more conservative and transparent budgeting approach;
- Align budgeted expenditures with realistic spending expectations;
- Accounts for typical timing-related savings, such as delayed hires or expenditures;
- Overall expenses are not expected to exceed available resources, including beginning fund balance, for the fiscal year.

	2025/26	2026/27
Variance	\$1,860,260	\$1,918,705
% of total budgeted expenditures	3.32%	3.31%

The background of the slide features a light blue and white image of a forest. A path winds through the trees, leading towards the horizon. The trees are silhouetted against a bright, hazy sky. The overall tone is serene and natural.

Questions?

Motion to Approve

Whereas, local budget law (ORS 294.414) requires approval of the budget by a Board-appointed Budget Committee, before being adopted by the RCC Board of Education; and

Whereas, all presentations have been made, all patron input offered/received, and all other related issues discussed, the Committee shall approve and/or revise the budget as proposed; therefore, be it

Resolved, that the Budget Committee of the RCC District adopt Resolution No. B49-25/26 approving the budget for the 2026/27 fiscal year, for action by the Board of Education in June 2026, for total requirements in the amount of \$150,551,898 and the property taxes for the 2026/27 fiscal year at the permanent rate of \$0.5128 per \$1,000 of assessed value for operating purposes in the General Fund and in the amount of \$1,691,244 for the general obligation bond principal and interest in the Debt Service Fund.

Thank you!