

**MINUTES OF THE MAY 1, 2018  
CLATSOP COMMUNITY COLLEGE  
BUDGET COMMITTEE**

I. CALL TO ORDER

The meeting was called to order by Karen Burke at 6:30 p.m.

Budget Committee Members Present: Rosemary Baker-Monaghan, Karen Burke, Anne Teaford-Cantor (by phone), Tessa Scheller, Esther Moberg , Robert Stricklin, Al Arp, Kim Shillinger, Larry Popkin, David Oser, Rachel Jensen, Nicole Williams Absent: Andrea Mazzarella, Robert Duehmig. Others Present: Shelly Alford, Evon Jacobsen, Deputy Clerk JoAnn Zahn, President Chris Breitmeyer, and Recording Secretary Stephanie Dorcheus.

II. ELECTION OF BUDGET COMMITTEE CHAIR AND SECRETARY

Oregon's Local Budget Law requires the election/appointment of a Budget Committee Chair and Secretary.

Nicole Williams **nominated Larry Popkin as Chair.** Kim Shillinger seconded. The motion carried unanimously.

Larry Popkin **nominated Nicole Williams as Secretary.** Robert Stricklin seconded. The motion carried unanimously.

III. ADOPTION OF AGENDA

Rosemary Baker Monaghan **moved to approve the agenda as presented.** Esther Moberg seconded. The motion carried unanimously.

IV. INTRODUCTION OF GUESTS

The audience members introduced themselves.

V. APPROVAL OF MINUTES

The May 2, 2017 minutes were not on the agenda and will be brought to the next Budget Committee meeting.

VI. REVIEW OF BUDGET MESSAGE, PRESIDENT'S MESSAGE, AND RELATED MATERIALS

President Chris Breitmeyer welcomed and acknowledged the Budget Committee for their service. He commented that this is a very positive budget with a large contingency fund due to

several unknown costs. The costs are attributed mainly to the college system software replacement, the possible purchase of the MERTS campus property, and the goals of the Strategic Plan initiatives that staff will be working on in the fall. There will need to be flexibility within the budget to address these unknowns. President Breitmeyer then turned the meeting over to Vice President of Finance and Operations, JoAnn Zahn.

Vice President Zahn presented information on YTD 2017-2018 Revenue and Expenditures, Ending Fund Balance Estimate, and FY2018-19 Budget Development. Some highlights of her presentation from the Budget Message included:

- 2017-18 revised budget reflects a flat tuition and fee revenue
- Fewer than anticipated expenditures, QMED program delay
- State support was approved at \$570 million for 2017-2019 biennium. The college had budgeted last year at \$556 million.
- Timber proceeds higher than expected
- No cash flow borrowing needed this year to cover payroll costs between July and November
- Staffing costs of Patriot Hall
- Institutional Research contract update

David Oser asked if there is an expected impact to students with the \$3 tuition increase. The president explained that the college is designating more money through financial aid to help offset the cost along with an increase in scholarships from the Foundation. There were a couple of student forums that were held to discuss the increase. While students preferred not to pay more, they were not surprised and most expected tuition to rise. High school students were being advised to expect a 10% rise in costs each year. The college is also working on using Online Educational Resources (OERs) to lower costs of textbooks.

Tessa James Scheller asked about the funding for a diversity plan. It is part of the Strategic Plan but in the last year there was no dedicated funding, there had been no meetings and there still is no diversity plan. President Breitmeyer explained that in the new Strategic Plan that diversity is one of the initiatives. There will be ongoing work over the summer and fall to determine goals for each area and to have teams start implementation. Budget would be a part of the plan for implementation. Scheller is concerned that there is no line item, no designated position for advocacy for diversity.

VP Zahn then outlined the college budgeting process and the role of the Budget Advisory Committee that included representatives from all areas of the college. This year the advisory committee started later in the year. Earlier the focus was finishing the Strategic Plan so when the budget process started it could easily align with the Strategic Goals. The committee will continue to review its role in the budget process and strive for continual improvement in linking the strategic plan with the budget process and to ensure decisions are sustainable.

2018-2019 General Fund Budget Assumptions included but were not limited to:

#### REVENUE

- No increase in tuition and fee revenue, FTE to remain flat

- Tuition increase by \$3, to be \$102 per credit
- \$450,000 timber revenue (exceeding debt service requirements).

### EXPENDITURES

- Steps for eligible employees
- 3% cost of living increase for eligible employees (collective bargaining defined rate)
- 5 percent increase for medical, dental, vision
- PERS rate remains at 21 percent
- Increases for fixed cost items such as utilities and insurance.

The Budget Advisory Committee prioritized twelve budget requests for the general budget. The top item, increasing counselor position to 1000 hours, has been budgeted for along with the following:

- Full Time Swing Shift Custodial/Maintenance Assistant
- Continuing Full Time Welding Faculty position
- Continuing Institutional Research contracted services with Linn-Benton Community College
- Establish \$20,000 Professional Development Fund for non-represented employees It is expected that more items from the list will be funded during the year. The college will also borrow for cash flow this year because of the unknown time frame for the possible MERTS property purchase and the ERP replacement contract.

VP Zahn then moved into the more detailed parts of the budget starting with a summary by fund and explanation of the types of funds; (11) General, (12) Auxiliary, (21) Grants/Financial Aid, (41) Unexpended Plant, (42) Plant Fund Debt, (54) Clubs & Organizations, and (60) NonPlant Debt Service. In the Auxiliary Fund, VP Zahn noted that again there is the \$25,000 interfund transfer to address the negative fund balance. She stated that the amount will need to increase so the balance can be taken care of over the next five to seven years. The general fund is responsible for the negative balance in the Auxiliary Fund. In the Unexpended Plant Fund, VP Zahn explained the budget behind the ERP replacement process. VP Zahn then went through the budget and breaking it down from the overall General Fund to the expenses in the areas of Instruction, Academic Support, Public Service, Student Service, Institutional Support, Plant Operation & Maintenance, Scholarships, and Reserves.

Kim Shillinger commented it is very important to celebrate diversity when you have a diverse population, making it a better and safer learning environment. He thinks \$25,000 or \$50,000 should be put in as a designated line item for diversity. He feels that the funding acts as a stimulus for the committees and projects that are being worked on. VP Zahn stated that the budget is built in through the Strategic Planning process. Her concern is there are a lot of objectives to be addressed and they should be done in totality. President Breitmeyer said the drafts will be in May 31 for review by the Strategic Planning Committee and final plans are due in November.

## VII. BUDGET COMMITTEE DELIBERATIONS

There were no other comments aside from the discussions during the presentation.

VIII. PUBLIC COMMENTS/CITIZENS TESTIMONY

None.

IX. FUTURE MEETING DATE

None.

X. OTHER

David Oser moved that the 2018-19 Clatsop Community College budget in the aggregate of amount of \$24,685,429 for all funds be approved as proposed and that the permanent tax rate of \$.7785 per \$1,000 of assessed value be assessed in support of the General Fund. Rachel Jensen seconded. The motion carried unanimously.

XI. ADJOURNMENT

Without further business, the Budget Committee Meeting was adjourned at approximately 8:15 p.m.

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Larry Popkin, Chair

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Nicole Williams, Secretary

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Stephanie Dorcheus, Recording Secretary