

Southwestern Oregon Community College

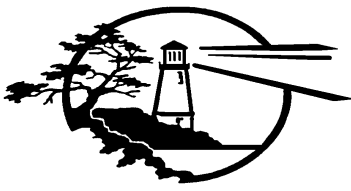
Board Clerk: Patty Scott
Campus Contact: Deb Nicholls (541) 888-7400, dnicholls@socc.edu

“Southwestern leads and inspires lifelong learning.”

Board of Education – Budget Committee

Monday, May 10, 2010






Southwestern Oregon Community College

Board Clerk: Patty Scott
Campus Contact: Deb Nicholls (541) 888-7400, dnicholls@socc.edu

“Southwestern leads and inspires lifelong learning” Board of Education Meeting – Budget Committee

Tioga 505, 1988 Newmark Ave., Coos Bay, Oregon
Monday, May 10, 2010
6:00 p.m.

AGENDA

Action Items = 

1. CALL TO ORDER
2. BUDGET COMMITTEE MEMBERS
 - A. 2010-11 Budget Committee Roster, **Exhibit # 2 A**
 - B. Oaths of Office
 1. Kathleen Mickelson, **Exhibit # 2 B 1**
 2. John Shank, **Exhibit # 2 B 2**
 3. Mike Helfrich, **Exhibit # 2 B 3**
 4. Brett Kenney, **Exhibit # 2 B 4**
 - C. Selection of Officers
 1. Chair
 2. Vice-Chair
3. AGENDA CHANGES
4. CONSENT AGENDA
 - A. Minutes
 1. June 1, 2009 Budget Committee Meeting, **Exhibit # 4 A 1**
5. 2010-2011 RECOMMENDED BUDGET
 - A. 2010-2011 Recommended Budget, **Exhibit # 5 A**
 - B. General Fund Supplemental Documentation, **Exhibit # 5 B**
 - C. Internal Services Fund Supplemental Documentation, **Exhibit # 5 C**
 - D. Enterprise Fund Supplemental Documentation, **Exhibit # 5 D**
6. PUBLIC COMMENT
7. BUDGET COMMITTEE RECOMMENDATION
 - A. Approval of Recommended Budget OR
 - B. Hold a Second Meeting on June 7, 2010, 6:00 p.m.
8. ADJOURNMENT



Shaded Exhibit included in meeting materials

* Materials may be distributed at the meeting

Board policy states that requests must be made by contacting the Clerk of the Board at least seven working days prior to the scheduled meeting. Requests for additions by visitors attending a meeting will be allowed by an affirmative vote of the majority of the Board Members. Time allocations will be at the discretion of the Board Chair.

It is the policy of the Board of Education to adjourn the meeting within three hours unless a motion to continue the meeting is made and approved by a majority vote of the members present.

**SOUTHWESTERN OREGON COMMUNITY COLLEGE
BOARD OF EDUCATION
Budget Committee
2010-11**

Mike Gaudette
440 14th Ave.
Coos Bay, OR 97420
Home: 267-2632

Term Expires: 06/30/10

Mike Helfrich
1020 Oakway Dr.
Coos Bay, OR 97420
Home: 269-2809

Term Expires: 06/30/12

Brett Kenney
2986 A St.
North Bend, OR 97459
Cell: 297-2996

Term Expires: 06/30/12

Kathleen Mickelson
PO Box 1323
Gold Beach, OR 97444
Home: 247-6974

Term Expires: 06/30/11

John Shank
93577 Greenacres Ln.
Coos Bay, OR 97420
Home: 269-5862

Term Expires: 06/30/10

Mike Sickels
2520 Koosbay Blvd.
Coos Bay, OR 97420
Home: 269-9528

Term Expires: 06/30/11

Timm Slater
1731 14th St.
North Bend, OR 97459
Home: 756-2625

Term Expires: 06/30/10

**Southwestern Oregon Community College District
Budget Committee**

I, **Kathleen Mickelson**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Kathleen Mickelson

State of Oregon
County of Coos

Subscribed and sworn to me this 10th Day of May 2010.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

**Southwestern Oregon Community College District
Budget Committee**

I, **John Shank**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: John Shank

State of Oregon
County of Coos

Subscribed and sworn to me this 10th Day of May 2010.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

**Southwestern Oregon Community College District
Budget Committee**

I, **Mike Helfrich**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Mike Helfrich

State of Oregon
County of Coos

Subscribed and sworn to me this 10th Day of May 2010.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

**Southwestern Oregon Community College District
Budget Committee**

I, **Brett Kenney**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Oregon and the laws thereof, and the policies of the Southwestern Oregon Community College District. During my term, I will faithfully and impartially perform the duties of the Office of College Budget Committee member to the best of my abilities.

Signed: Brett Kenney

State of Oregon
County of Coos

Subscribed and sworn to me this 10th Day of May 2010.

D Nicholls, Notary, State of Oregon
Commission Expires: November 3, 2011

Exhibit # 4 A 1
Date May 10, 2010
Approved YES ___ NO ___
Motion # _____

SOUTHWESTERN OREGON COMMUNITY COLLEGE
Board of Education – Budget Committee
Meeting Minutes
June 1, 2009

**CALL TO
ORDER**

Board of Education Vice Chair Cherie Mitchell called the meeting to order at 6:00 p.m. Members of the Budget Committee met in Tioga Hall, Room 505. Due and proper public meeting notice was provided.

ATTENDANCE

Board of Education (quorum present)

Harry Abel
David Bridgham
Rick Howell
Marcia Jensen
Cherie Mitchell (Vice Chair)

Deb Nicholls (Recording Secretary)

Absent: Lonny Anderson
Carol Oelke

Budget Committee (quorum present)

Mike Gaudette
Kathy Rosencrantz
Tim Salisbury
Mike Sickels

Absent: Doug Fletcher
Kathleen Mickelson
Timm Slater

Staff

Patty Scott (Interim President)
Linda Kridelbaugh
Bruce Locker
Val Martinez

Ron Olson
Janet Pretti
Cherie Rescorla
Arlene Soto

Guests

Julie Kremers
Ken Newman

Bernadine Vincent
Laura Vincent

**BUDGET COMMITTEE
MEMBERS/OFFICERS**

OATH OF OFFICE

Vice Chair Mitchell administered the Oath of Office to Sickels.

Mike Sickels

Mike Sickels promised to support the Constitution of the United States, the Constitution of the State of Oregon and the policies of the Southwestern Oregon Community College District during his term as a member of the Budget Committee.

Kathleen Mickelson

Mickelson was not in attendance. Therefore, her Oath of Office will be administered at a future meeting.

OFFICERS

Budget Committee Chair

Nominations Opened –

Bdgt M06/09-1

Harry Abel's motion to *nominate Mike Gaudette, Budget Committee Chair*, was seconded by Kathy Rosencrantz. Upon call for the vote, the **MOTION PASSED** unanimously.

Budget Committee Vice-Chair

Bdgt M06/09-2

Marcia Jensen's motion to *nominate Kathy Rosencrantz, Budget Committee Vice-Chair*, was seconded by Mike Gaudette. Upon call for the vote, the **MOTION PASSED** unanimously.

AGENDA CHANGES

No changes noted.

CONSENT AGENDA

Bdgt M06/09-3

Marcia Jensen's motion to *approve the Consent Agenda, as presented*, was seconded by Harry Abel. Upon call of the vote, the **MOTION PASSED** unanimously.

BE IT RESOLVED, that the Board of Education and Budget Committee of Southwestern Oregon Community College District reviewed and approved the Budget Committee meeting minutes dated June 3, 2008, Exhibit # 4 A 1.

2009-10 RECOMMENDED BUDGET

2009-2010 Recommended Budget, Exhibit # 5 A

Interim President Patty Scott briefed the Board on the work that the administration had conducted in preparing the presented budget document for Committee review. It was noted that the state funding figures continue to move, but that the document was built on the plan for a \$428 million community college budget. All three of the employee groups (classified, faculty and management) suffered reductions this year. It was noted that the budgeting process really began in October '08 when they had to balance the current year's (08-09) budget. As a result of cutbacks, the amount of workload that employees have absorbed to have the least impact on students has been substantial.

The College will be moving forward with the Curry Campus project as there is match money earmarked for the College at the state for this project.

Revisions to the 2009-2010 Recommended Budget

Copies of the document were distributed at the meeting. Kridelbaugh briefed the Board Budget Committee on the budget document that was built on \$428 million. It was noted that the state altered the funding formula for the small school baseline.

It was clarified that the \$600,000 increase reflected in the Recommended Budget was from tuition and fees – not enrollment. The Board was reminded that Other Income in the 2008-09 Budget was inflated and that the revenue was never realized.

Transfers will be made this year, which are legal and recommended by the state auditors. The \$200,000 state reduced payment is reflected in a lower EFB (\$345,000) that would have been \$545,000.

Personnel Services were reduced by nearly \$500,000 for the proposed 5% pay reduction and that was taken into account in balancing the budget even though the employee groups had not yet voted on the issue at the time the Recommended Budget was printed.

Kridelbaugh anticipated that it would cost the College approximately \$50,000 in interest to borrow \$6 million to assist with cash flow. However, having limited cash on hand means that the College no longer has money sitting in the LGIP account collecting interest and creating a revenue stream as it has in the past.

Discussion occurred on the Contingency Fund. The \$800,000 Beginning Fund Balance is listed as an expenditure – which is made up of several items – it is not an additional rainy day fund. It was clarified that if those anticipated savings are not realized throughout the year it will result in a lower Ending Fund Balance that gets carried over to next year’s budget problem. When the state reduces its funding contribution to the College, this comes directly out of that fund area.

General Fund Supplemental Documentation, Exhibit # 5 B

Kridelbaugh explained the revisions to the 2009-2010 Recommended Budget, cross referencing the Revisions to the 2009-2010 Recommended Budget sheet throughout her presentation.

Gaudette suggested that only items +/- \$5,000 be reviewed in detail.

It was noted that:

- Last fall, all faculty received a \$1,446 adjustment to their base salaries.
- Additional money was given to full-time faculty for positive evaluations and tenure (4, 6 or 8%). This was in the ‘unfunded’ Contingency Fund.

The Board thinks it is critical to keep computer replacement funding, if possible. The College is now on a four to five-year cycle – this moves us into a six to seven-year cycle, but it should be on a three-year cycle.

Internal Services Fund Supplemental Documentation, Exhibit # 5 C

The documentation that was included in the meeting materials was reviewed.

Enterprise Fund Supplemental Documentation, Exhibit # 5 D

The documentation that was included in the meeting materials was reviewed.

It was noted that the CCWD auditor indicated that the money left over in the capital construction area could be moved to the Plant Fund.

PUBLIC COMMENT

Budget Chair Gaudette called for public comment. Hearing none, the Board proceeded to the approval of the 2009-2010 Budget Document.

**BUDGET COMMITTEE
RECOMMENDATION**

Approval of Recommended Budget, Exhibit # 7 A

Copies of the document were distributed at the meeting. Discussion occurred on property tax numbers.

Bdgt M06/09-4

Marcia Jensen’s motion to approve the Recommended FY 2009-2010 General, Auxiliary, Financial Aid, Trust and Agency, Special Projects, Plan, Enterprise, Insurance Reserve, Debt Service Fund, and Internal Service Fund budgets that includes a tax rate of \$.7017 per \$1,000 assessed valuation, unchanged from previous years, as amended, was seconded by Cherie Mitchell. Upon call for the vote, the **MOTION PASSED** unanimously.

The Board commended the staff on their presentation and efforts.

ADJOURNMENT

No further business was presented and the meeting was adjourned at 8:28 p.m.

Respectfully submitted,

Mike Gaudette, Budget Committee Chair

Patty Scott, Clerk

Deb Nicholls, Recording Secretary

DRAFT