

Oregon Coast Community College
Board of Education Budget Meeting Minutes
Wednesday, May 20, 2020
Zoom Meeting: <https://oregoncoast.zoom.us/j/8655516392>
Meeting ID: 865 551 6392

BUDGET COMMITTEE MEETING

I. Call to order

OCCC Board of Education Chair Nancy Osterlund called the meeting to order at 6:00 p.m.

II. Roll Call

Budget Committee members in attendance: Bigelow, Chandler, Crawford, Emery, Fetrow, Gruber, Kilduff, Nelson-Robertson, Osterlund, Ouderkirk, Roumagoux, Ryer, Smith.

Budget committee members absent: Hurley

Quorum established

Other attendees: Birgitte Ryslinge, Robin Gintner, Linda Mollino, Dan Lara, Dave Price, Joy Gutknecht and Kathleen Andrews.

III. Elect Chair of Budget Committee

Chandler moved, Roumagoux seconded the nomination of David Bigelow as Chair. Ouderkirk moved to close nominations, Ryer seconded. All voted in favor. Motion passed. David Bigelow was voted in as Chair.

IV. Review budget process, timeline, roles

Bigelow welcomed all present and asked Ryslinge to review with the budget committee, the budget approval process, timeline and roles. Ryslinge introduced two new members of the budget committee, Billie Jo Smith & Richard Fetrow and thanked them for their service on the committee. Ryslinge then reviewed the OR Budget Process for Public Entities and explained as in previous years, the Budget Committee will be asked to review, provide input, and approve the preliminary OCCC budget either this evening, or at a subsequent meeting if more time is needed. The preliminary budget was developed by the president and budget officer with input and guidance from others. Once approved, the president and budget officer will finalize the preliminary budget (as final numbers become available) and present it to the Board of Education for its adoption at its next regularly scheduled meeting. If the preliminary budget is not approved tonight, the Budget Committee will be invited back on May 27th for additional discussion/deliberation.

V. Fiscal Strategies for 2019-2021 Biennium

Ryslinge revisited the fiscal challenges initially shared with the committee last year, including ERP costs, PCC contract costs, capacity for newly achieved independence, additional PERS contributions, NWCCU expenses and the ongoing structural deficit. Ryslinge continued by addressing the strategies agreed upon last year including reducing the reserve to 10%. Ryslinge reminded the board they will see this reduction in the current budget proposal. Ryslinge summarized a five-year tracking chart provided to the committee. Ouderkirk appreciated that the Five-Year tracking chart had been updated for this year's committee meeting.

VI. Presentation of the proposed 2020-2021 OCCC Budget

Bigelow asked President Ryslinge to continue with the presentation of the proposed 2020-2021 budget. Ryslinge referred the committee to the President's Budget Message section of the budget, which is a narrative that puts the budget in the context of the environment, the strategic planning of the college and the processes followed. Ryslinge reminded the committee about the College's milestone achievement in gaining independent accreditation in February. The College's strategic plan is the Big Five Ideas created in 2015, with number five being "to create a College that is agile and flexible in its response to its environment." In the last five years the College has shown its flexibility as it achieved independence, withstood a cyber attack, and most recently in a span of two weeks, moved face-to-face instruction to virtual classes due to the pandemic. Ryslinge believes because of what the future looks like, the reduction of expenses in the proposed budget are painful but sensible, survivable and do not cut at the mission and strategic capacity of the College. Ryslinge summarized and reviewed the funding model and financial resources as described in the budget message. Ryslinge pointed out that included in the budget message is the plan for Phase 1 Reductions and Changes at OCCC in response to ongoing structural increases in personnel costs, IT & ERP costs, and fiscal impacts of the COVID pandemic. In conclusion President Ryslinge remains optimistic that the changes the College has put in place – not just independence, but the systems underlining independence; the move to replace antiquated systems with state of the art automated systems and the different approaches to staffing gives the college the capacity to do things in a very student centered way with more efficiency and better use of employee time. Ryslinge feels the college is a much stronger College today than it was five or six years ago. Bigelow read and appreciated the last paragraph of the second page of the President's message, he also commended the President in her approach to take action now, that she has acknowledged the road ahead is unpaved. With the College anticipating a potential 17% reduction in state funding it is very wise to begin to prepare the College with Phase 1 reductions.

Bigelow asked for comments and then turned the meeting over to Robin Gintner, CoFO to report on the proposed budget. Gintner began by summarizing Schedule 1 of the budget, then moved to Schedule 3 and continued to recap budget funds. Ouderkirk asked if Gintner could talk about the enrollment number listed. Gintner shared that normally enrollment numbers are conservative, she continued to go with a flat enrollment number since the College continues to weather the storms where other Colleges struggle. Gintner agreed that when unemployment rises the College has experienced a rise in enrollment. Having discussed the revenue picture Gintner continued with operating expenses. Billie Jo Smith asked for clarification about the Waldport property. Gintner explained where the property is located and that it is property the College does not plan to develop or use. Ryslinge noted the Board voted to surplus the property as part of the budget strategies for the 19-21 biennium. Sandy Roumagoux asked about grant funding and Ryslinge explained the budget line for grant funds. Smith asked about the ending fund balance. Gintner explained that the ending fund balance contains the mandated reserve (10%) and is an accumulation of year-end balance. Bigelow stated that PERS benefits are a growing percentage of salaries and if it continues unabated it will drive the college and other community colleges out of business, he asked that the board of education work on getting some attention brought to this issue. Ouderkirk replied that the board of education agrees. Gintner shared that PERS continues to be a State conversation and that College business officers are vocal in the conversation.

Smith asked to clarify college support services on schedule 8 specifically the ERP implementation. Gintner explained that the ERP is a significant part of college support services and the implementation costs will end and only licensing renewal fees will be included in the future.

Ouderkirk asked if there was some restriction or requirement that resulted in the Audubon fund. Ryslinge shared that she investigated, and it looks to be a verbal commitment between Lincoln City and OCCC to put up funds to build an Audubon center. The college has a board resolution to hold the funds, no MOU has been found. The funds have now been in reserve for 13 years meanwhile Lincoln City has not offered the matching funds.

The committee thanked Gintner for her time, effort and explanations.

VII. Public Comment

Ryslinge shared with the committee that public notice for the virtual budget meeting was made available in newsprint and on the College website. The public was provided with contact information and instruction to send any comments to ea@oregoncoastcc.org by 6:00pm May 20th. Bigelow asked the audience if there were any comments on the budget document. No comments from the public were received.

VIII. Discussion Budget committee members agreed to approve the proposed budget.

IX. Approval of proposed budget or announcement of next meeting

Ouderkirk moved and Crawford seconded, all voted in favor, and motion passed to approve the OCCC 2020-2021 preliminary budget as presented.

X. Adjournment

The Budget Committee Meeting adjourned at 7:36 pm.