

Oregon Coast Community College
Budget Committee Meeting

Minutes of Budget Committee – Wednesday, April 16, 2014 at 6:00 PM
OCCC – Central County Campus
Newport, OR 97366

BUDGET COMMITTEE MEETING

I. Call to order

OCCC Board of Education Chair Chris Chandler called the meeting to order at 6:02 p.m.

II. Roll Call

Budget Committee members attending: Bigelow, Chandler, Crawford, Guempelein, Hurley, Kilduff, Krabbe, Nelson-Robertson, Ouderkirk, Pritchett, Romagoux, Ryer and Welch
Budget committee members excused: Nelson

III. Elections of Officers

Roumagoux nominated John Hurley as Chair and Herman Welch volunteered as Secretary. Ryer moved, Nelson-Robertson seconded and the motion passed.
Hurley took over the chairing of the meeting.

IV. Public Comment

Hurley asked the audience if there were any comments on the budget document. There were none.

V. Budget Message – Bruce Koike, Interim President

Koike commented on a PowerPoint presentation he showed. He first thanked the faculty and staff for their support of students as well as the managers and directors for overseeing their budget areas. He noted that the last three years have been financially difficult for the college and acknowledged the decisions that had to be made during this time such as cuts in faculty and staff hours as well as cuts in funding for Adult Basic Education and the Small Business Development Center (SBDC).

For the 2013-2015 biennium the legislature originally approved a budget of \$450 million for community colleges but during the fall they added an additional \$15 million to bring it up to a total of \$465 million. The Oregon Community College Association (OCCA) communicated that the additional \$15 million is not a part of the roll over. He noted that although there has been increased funding since 2012-2013 it is still not enough to undo the heavy cuts that took place over the last six years. The college is still modifying and refining its staffing.

Over the past several years OCCC has increased its FTE, in 2014 it is estimated that the colleges FTE will increase by 4% over the FTE from 2013. In the academic year 2012-2013 the colleges FTE increased by 7% over 2011-2012. Last year OCCC was the only college in Oregon to experience an increase in enrollment, this year OCCC and Klamath Community College are the only two colleges to see an increase in enrollment. The college is projecting a 2% decrease in enrollment for 2014-2015. He noted that last year the cost per FTE for OCCC was \$2,000 more than the average cost per FTE for all other Oregon community colleges.

OCCC will receive \$1,501,361 from the state for 2014-2015, the 2% holdback will also be released. While enrollment is projected to decrease property tax revenue and collections will remain steady at a 3% annual increase.

Koike noted a few priorities which are:

1. To promote student progression and completion at OCCC.
2. Invest available funds in strategic activities and sectors of the College;
3. Maintain the ending fund balance, not to exceed 15% of the operating budget;
4. Increase enrollment;
5. Maintain accessible, affordable education of the highest quality;
6. Manage a smooth transition and operation with Portland Community College.

He commented on the achievement compact which is a tool by which the Senate Bill 253 can be utilized to achieve the target of 40-40-20 by 2025. He proposed that OCCC do a 2-5% increase in each of the metrics in the achievement compact. This will be made easier if enrollment continues to stay steady.

OCCC is utilizing the energies and connections that developed from the Achieving the Dream effort to address areas of the compact. Such as reducing the amount of time a student spends at the developmental writing and math level, and implementing an AAOT Advisory Board to create and implement strategies to enhance progression, completion and connection. The college can also use the data gathered from Achieving the Dream to help in the accreditation process.

VI. Presentation of the Budget – Greg Holmes, Budget Officer

Holmes commented on the budget document and answered questions from Budget Committee members.

He noted that the budget does have a \$69,000 one-time fund to help keep the budget balanced.

Roumagoux asked if there was any plan to increase the tax base while OCCC is going through the accreditation process. Koike replied that increasing the tax base would be too difficult but there is a local option that could generate around \$110,000 but would require a measure to be voted on by taxpayers. However, there is no current plan to pursue this. Holmes commented that he believes the college is set up well for accreditation from a financial standpoint.

Welch asked about the reason OCCC's cost per FTE is so much higher than Oregon's other colleges. Holmes commented that OCCC has two programs that have higher cost per FTE, the college is looking at solutions to lower this cost, such as looking at faculty positions to lower cost per FTE.

Roumagoux noted that there is an opportunity to attract OSU freshman and sophomores to take their first two years here before transferring as OSU is looking to bring marine studies program (with a 500 student maximum limit) to Lincoln County.

Ouderkirk asked about the increase in tax base, Holmes commented that OCCC levied about 1.2 million from the tax base last year, the college is expecting to receive 1.6 million, the bulk of increase is for debt service.

\$723,000 was budgeted for a staff and faculty salary increase. This will be the first salary increase staff and faculty will receive since 2009.

Cherie Chevalier was introduced as OCCC's new Interim Chief of Finance and Business Operations.

VII. Approval or Announcement of Next Meeting

Welch announced the following Budget Committee meeting to take place on Wednesday, May 21, 2013 at 6:00 pm at the Central County Campus in Newport.

VIII. Adjournment

The Budget Committee Meeting adjourned at 7:25 pm.