

**CENTRAL OREGON**  
community college

## **BUDGET COMMITTEE MEETING**

### **AGENDA**

**Wednesday, May 14, 2014 6:30 PM**  
**Christiansen Board Room, Boyle Education Center**

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		<u>Exh.</u>	<u>Action</u>	<u>Presenter</u>
I.	Call to Order			Friedman
II.	Introduction of Guests			Friedman
III.	Public Hearing and Testimony			Friedman
IV.	Minutes Approval	4.a	X	Smith
	a. Budget Meeting – April 9, 2014			
V.	Continued Discussion 2014-15 Budget	5		Middleton
	Update on Proposed 2014-15 Budget	5.a		Dona
VI.	Resolution for Approval			
	Proposed 2014-15 Budget	6	X	Dona
VII.	Achievement Compact			
	Review & Approval	7	X	Middleton
VIII.	Adjourn			



Central Oregon Community College  
**BUDGET COMMITTEE MEETING**  
**MINUTES**  
Wednesday, April 9, 2014 - 6:00 PM  
Christiansen Board Room-Boyle Education Center

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**PRESENT:** Lester Friedman, Steve Curran, Gayle McConnell, Doug Ertner, Mark Copeland, Patricia Kearney, Charley Miller, David Ford, Vikki Ricks, Joe Krenowicz, Laura Craska-Cooper, James Middleton-President, Julie Smith-Executive Assistant

**ABSENT:** Al Jamison, Bruce Abernethy, Anthony Dorsch, Ron Bryant-Board Attorney

**CALL TO ORDER:** Chair Lester Friedman called the meeting to order of the 2014-15, Central Oregon Community College Budget Committee.

**INTRODUCTION OF GUESTS:**

Charles Abasa-Nyarko, Ron Paradis, Kevin Kimball, David Dona, Alicia Moore, Sally Sorenson, Lisa Bloyer, Dan Cecchini, Jenni Newby, Shirley Metcalf, Michael Fisher, Jerry Schulz, Kathy Smith-Faculty Forum President, Joe Viola, Julie Mosier, Sean Rule, Carol Higginbotham, Rebecca Plassmann, Cody Manriquez, Tyler Leeds-The Bulletin and others.

**PUBLIC HEARING AND TESTIMONY:** None.

**MINUTES APPROVAL:**

**Mr. Mark Copeland moved to approve the Budget Meeting Minutes of March 12, 2014.**  
**Mr. Doug Ertner seconded. MCU. Approved.** M04/14:1

6:16pm – Mr. Anthony Dorsch arrived at the meeting.

**2014-15 PROPOSED NON-GENERAL FUND BUDGET:** (Exhibits: 6, 6.a, 6.b)

Mr. David Dona-Associate Chief Financial Officer reviewed the Resources and Requirements of the nine Non-General Funds and Summary of Interfund Transfers. He then provided a PowerPoint presentation reviewing key activities for each of the nine Non-General Funds:

- Debt Service Fund
- Capital Project Fund
- Enterprise Fund
- Internal Service Fund
- Reserve Fund
- Special Revenue Fund
- Auxiliary Fund
- Financial Aid Fund
- Trust & Agency Fund.

Mr. Dona noted that each of the nine funds have a specific purpose and activity as defined by local budget law and governmental accounting standards. The primary budget objective is to ensure adequate appropriation authority and compliance to the funds specific operating

parameters. Each program or activity in the non-general funds is required to be self-balancing and expenditures cannot exceed available resources.

President Middleton gave a PowerPoint presentation reviewing Strategic Budget Choices the college will be making -

- Tuition (\$1 increase)
- Expenditures (current expenditure plan)
- Fund Balance (maintain 10% reserve requirement for next 5 years).

6:45pm – Mr. Ron Bryant-Board Attorney arrived at the meeting.

Discussion:

The budget committee continued the discussion concerning enrollment trends, additional State support targeted at helping community colleges hold down tuition and fee increases, and funding for instruction. The budget committee reached a consensus to hold tuition rates level for in-district and non-resident veteran students.

7:09pm – Mr. Bruce Abernethy arrived at the meeting.

**BUDGET CALENDAR:**

The next Budget Committee Meeting is scheduled for Wednesday, May 14, 2014 at 6:00 PM in the Christiansen Board Room, Boyle Education Center – Central Oregon Community College.

Chair Friedman adjourned the Budget Committee Meeting.

**ADJOURN: 7:15 PM**

APPROVED;

ATTEST TO;

\_\_\_\_\_  
Mr. Lester Friedman, Chair  
Budget Committee

\_\_\_\_\_  
Dr. James E. Middleton,  
President

Exhibit: 5  
Budget Committee Mtg.  
May 14, 2014  
Pages 1-10

# 2014-15 General Fund Budget

May 2014

Budget Committee Meeting

President Overview

# Month-to-Month Changes

- Traditionally, there has been little change from March presentation to May Budget Committee Action and June Board Action
  - 2014/15 situation has become much more fluid with tuition freeze, further enrollment erosion, and potential expanded State revenue
  - Further uncertainties require safeguard contingencies.

# GOALS

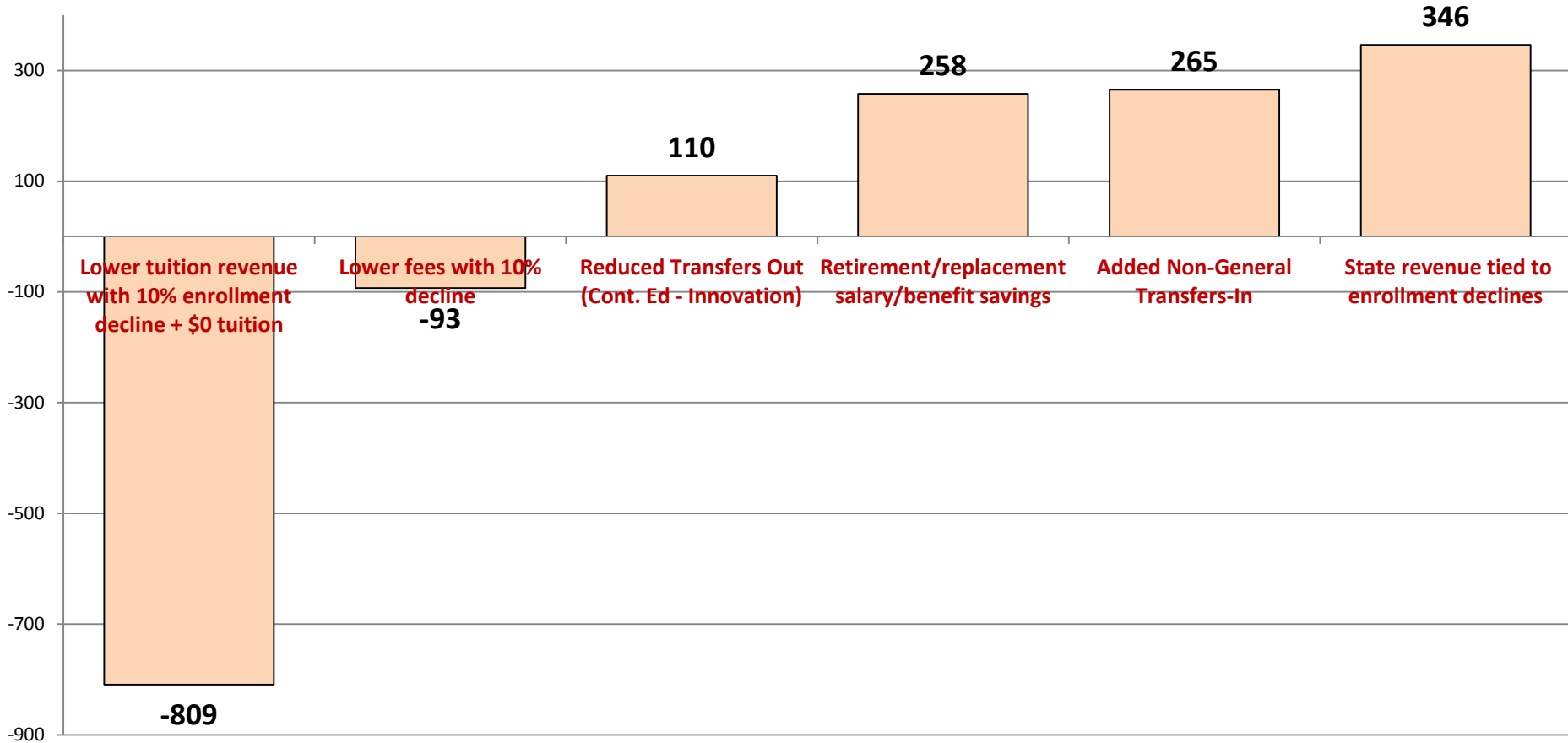
1. 2014/15 in Positive Net Fiscal Position
2. Maintain reserve above 10% target for at least three years.
3. If possible, avoid deficits in all years of projection.

# RESULTS

- 2014/15 +\$76k
- Above 10% through 2016/17 (3 years)
- Annual deficits for four years running after 2014/15

# Major Changes from April Presentation

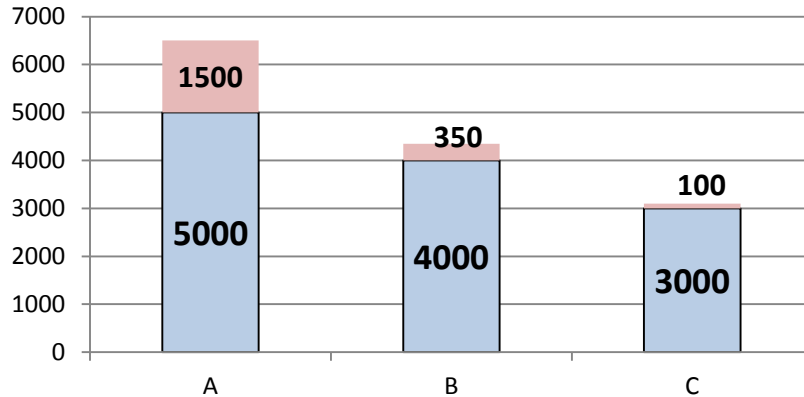
Net Change + \$77K



# PROBABLE CHANGE IN STATE RESOURCES

## *A Theoretical Example*

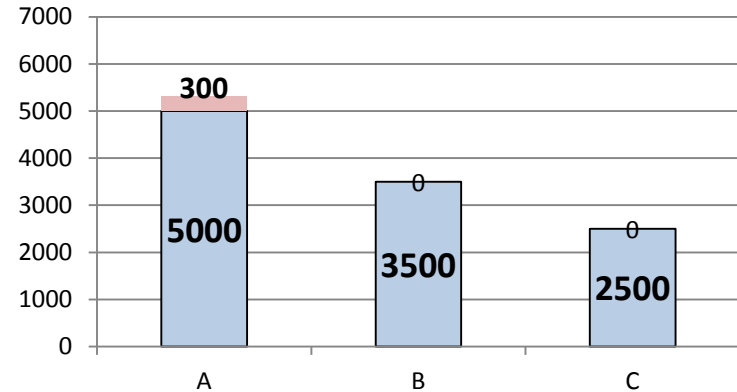
### Current



A's percentage of total = 41.67%  
 $5000 / (5000 + 4000 + 3000)$

All colleges over their cap.

### Likely



A's percentage of total = 45.45%  
 $5000 / (5000 + 3500 + 2500)$

A still above cap. B & C now below cap.

A experiences 9% increase in its portion of total enrollment counted.  
 $45.45 / 41.67 = 1.09$



# Additional Non-General Fund Transfers -- \$265K

Area	Transfer	Background
College Activities	\$50,000	Result of vending income. Appropriate for supporting student services.
College NOW	\$25,000	Income from courses in HS. Resources appropriate for funding COCC faculty supporting these programs.
Tutoring/Testing	\$35,000	Income from providing proctored testing. Resources can be used to sustain tutoring services.
Innovation	\$30,000	Account available to support range of innovations and student success initiatives.
Summer School	\$50,000	Net revenue can support regular term instruction.
SBCC Program	\$25,000	Can be used to reduce subsidy to continuing education programming.
Aviation	\$50,000	Income from lease of simulator time. Sufficient funds for simulator replacement and enhancement.

# Assumptions

1. Assuming anticipated additional State revenue holds.
2. No other major revenue or expenditure changes.

# Budget Safeguards related to State Revenue, Salary/Benefits, & Other Impacts

- Monitor and adjust planned expenditures if change occur.
  - Contingent expenditure reductions of \$427,000 have been identified.
  - Will freeze these allocations until other factors clarified.
  - Likely make dollar-for-dollar cuts if there are expense/revenue changes by fall and beyond.

# Under Consideration for “On Hold” Resources: \$427,000

Replacement staffing at lower costs (lower seniority)	\$47,000
Deferring first year start for NDT program - linked to staffing challenges	\$30,000
Reduced course offerings linked to enrollment decline	\$50,000
Defer filling planned College Relations graphics position	\$20,000
Alternative staffing for Redmond Campus Coordinator	\$70,000
Eliminate planned new custodial position	\$50,000
Eliminate Financial Aid staff increase due to enrollment decline	\$15,000
Reduction of Advising and Tutoring/Testing linked to enrollment decline	\$30,000
Eliminate expanded security staffing for RDM Campus	\$30,000
PT staffing for planned tenure track positions <b>if failed searches</b>	\$30,000
Consider alternative staffing to backfill vacancy in Instructional Technology	\$20,000
Possible reduction of Mazam Gym recreation hours and staffing	\$15,000
Reduce transfer to unemployment fund	\$20,000

# Aim

- Focus cuts outside of direct instruction
- But also recognize that enrollment impacts courses and services directly linked to the size of student body.

# May 2014 Budget Committee Meeting

Exhibit: 5.a  
Budget Committee  
Mtg. 5-14-14

- Current Year Budget Up-date
- Revenue/Expenditure Forecast (Ref: M.3)
- Proposed Budget Review

# General Fund Budget vs. Projected (REF: M.3)

		%	<u>Budget 2013/14</u>	%	<u>Projected 2013/14</u>	<u>Change \$</u>	<u>Change %</u>
<b>Revenue and Support:</b>							
1.	State Aid	16%	\$ 6,291,000	17%	\$ 6,734,634	\$ 443,634 a	7.1%
	Property Taxes						
2.	Current Year Taxes	29%	11,895,000	30%	12,306,623	411,623 b	3.5%
3.	Prior Year Taxes	2%	790,000	2%	743,525	(46,475) c	-5.9%
	Total Public Resources (1,2,3)	47%	18,976,000	49%	19,784,782	808,782	4.3%
4.	Tuition	44%	17,658,000	42%	16,790,169	(867,831) d	-4.9%
5.	Fees	5%	2,065,000	5%	1,983,171	(81,829) d	-4.0%
	Other Revenue & Transfers-in						
6.	Interest / Miscellaneous	0.2%	75,000	0.4%	149,000	74,000 e	98.7%
7.	Transfers-in	4%	1,745,000	4%	1,745,000	0 f	0.0%
8.	Subtotal	100%	\$40,519,000	100%	\$ 40,452,122	\$ (66,878)	-0.2%
<b>Expenditures:</b>							
9.	Salaries	49%	\$20,803,114	51%	\$ 20,949,342	\$ 146,228 g	0.7%
10.	Payroll Assessments	29%	12,122,084	27%	11,085,190	(1,036,894) h	-8.6%
11.	Material & Services	16%	6,765,525	15%	5,965,525	(800,000) i	-11.8%
12.	Capital Outlay	0%	151,055	0%	151,055	0	0.0%
13.	Transfers-out	6%	2,674,060	7%	2,674,060	0	0.0%
14.	Subtotal	100%	\$42,515,838	100%	\$ 40,825,173	\$ (1,690,665)	-4.0%
15.	Underutilization				(950,247)	0 j	
16.	<b>Operating Surplus (Deficit)</b>		<b>\$ (1,996,838)</b>		<b>\$ 577,197</b>	<b>\$ 2,574,035</b>	<b>128.9%</b>
17.	Transfers-out: Supplemental						
18.	<b>Surplus (Deficit)</b>		<b>\$ (1,996,838)</b>		<b>\$ 577,197</b>	<b>\$ 2,574,035</b>	<b>128.9%</b>
19.	<b>Ending Balance 06/30</b>				<b>\$ 6,023,293</b>	15%	
20.	<b>Required 10% Reserve Requirement</b>				<b>\$ 4,082,517</b>	10%	

**Notes:**

- a CCSF projected at \$450M (budgeted at \$428M).
- b Current year imposed property tax growth rate +5% (budgeted at +2%).
- c Prior Year taxes has lower collection rate.
- d Current year projected enrollment credits purchased -7.4% (budgeted -2.5%)
- e Includes BTOP grant support for Prineville instructional costs (\$68K).
- f Transfers-in from 12 other funds.
- g Salaries budgeted at +2% (approved FAC .+2.9%, CLASS. +3%, ADM. +2.9%)
- h PERS state assessment rate budgeted at 14.6% (actual 10.36%), health insurance rate budgeted at +6% (actual +4%).
- i Assumes operating contingency of \$800k remains uncommitted.
- j Underutilization (budget savings) projected at 2.5% of operating expenditures net of transfers-out and operating contingency.

# General Fund Revenue/Expenditure Projection (REF: M.3)

<i>In Thousands ( 000's )</i>		2009/11 BIENNIUM		2011/13 BIENNIUM		2013/15 BIENNIUM		2015/17 BIENNIUM		2017/19 BIENNIUM	
		Actual 2009/10	Actual 2010/11	Actual 2011/12	Actual 2012/13	Projected 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17	Projected 2017/18	Projected 2018/19
<b>May 2014-15 Proposed Budget</b>											
<b>Revenue and Support:</b>											
1.	State Aid:	\$ 4,204	\$ 4,493	\$ 5,333	\$ 4,819	\$ 6,735	\$ 7,783	\$ 8,493	\$ 8,861	\$ 9,069	\$ 8,998
	Property Taxes										
2.	Current Year Taxes	11,838	11,695	11,651	11,699	12,307	13,022	13,673	14,323	14,967	15,603
3.	Prior Year Taxes	805	765	714	761	744	773	804	836	870	905
4.	Total Public Resources (1,2,3)	16,847	16,953	17,698	17,279	19,785	21,578	22,970	24,019	24,906	25,506
5.	Tuition	13,151	15,141	16,243	17,167	16,790	15,168	15,066	15,249	15,731	16,538
6.	Fees	1,165	1,382	1,636	2,063	1,983	1,812	1,773	1,771	1,824	1,917
	Other Revenue & Transfers-in										
7.	Interest / Miscellaneous	47	74	129	110	149	75	80	85	90	95
8.	Transfers-in	0	0	0	753	1,745	2,104	1,957	1,977	1,852	1,752
9.	Subtotal	\$ 31,210	\$ 33,550	\$ 35,706	\$ 37,373	\$ 40,452	\$ 40,737	\$ 41,846	\$ 43,101	\$ 44,404	\$ 45,808
<b>Expenditures:</b>											
10.	Salaries	\$ 15,486	\$ 17,090	\$ 18,208	\$ 19,329	\$ 20,949	\$ 21,156	\$ 21,721	\$ 22,152	\$ 22,660	\$ 22,996
11.	Payroll Assessments	6,545	7,383	9,117	9,900	11,085	11,670	12,674	13,118	14,213	14,707
12.	Materials & Services	3,821	4,234	4,566	4,792	5,966	6,351	6,404	6,558	6,716	6,879
13.	Capital Outlay	377	560	558	319	151	120	150	150	150	150
14.	Transfers-out: Operating	2,385	2,781	2,860	2,956	2,674	2,346	2,465	2,476	2,502	2,544
15.	Subtotal	\$ 28,614	\$ 32,048	\$ 35,309	\$ 37,295	\$ 40,825	\$ 41,643	\$ 43,413	\$ 44,453	\$ 46,241	\$ 47,276
16.	Underutilization					(950)	(982)	(1,024)	(1,050)	(1,093)	(1,118)
17.	<b>Operating Surplus (Deficit)</b>	<b>\$ 2,596</b>	<b>\$ 1,502</b>	<b>\$ 397</b>	<b>\$ 77</b>	<b>\$ 577</b>	<b>\$ 76</b>	<b>\$ (542)</b>	<b>\$ (302)</b>	<b>\$ (744)</b>	<b>\$ (350)</b>
18.	Transfers-out: Supplemental	2,000	1,000	375	100						
19.	<b>Surplus (Deficit)</b>	<b>\$ 596</b>	<b>\$ 502</b>	<b>\$ 22</b>	<b>\$ (23)</b>	<b>\$ 577</b>	<b>\$ 76</b>	<b>\$ (542)</b>	<b>\$ (302)</b>	<b>\$ (744)</b>	<b>\$ (350)</b>
20.	<b>Ending Balance 06/30</b>					<b>\$ 6,023</b>	<b>\$ 6,100</b>	<b>\$ 5,557</b>	<b>\$ 5,256</b>	<b>\$ 4,512</b>	<b>\$ 4,162</b>
21.	<b>Reserve Requirement (10%)</b>					<b>\$ 4,083</b>	<b>\$ 4,164</b>	<b>\$ 4,341</b>	<b>\$ 4,445</b>	<b>\$ 4,624</b>	<b>\$ 4,728</b>



# Changes to Proposed Budget

## General Fund:

### Resources

- 1) Reduce Tuition and Fees (-\$902,000) to reflect the projected larger decline in the enrollment and impact of holding in-district and non-resident veteran tuition rates level for 2014/15. The March Forecast (L.2) projected an annualized decline rate of -7%, whereas the May Forecast (M.3) uses an annualized enrollment decline rate of -10%.
- 2) Increase in State Aid (\$346,000) using updated funding formula with anticipated enrollment effects on growth management cap.
- 3) Increase transfers-in (+\$265,000) from auxiliary fund.
  - a) Self-Sustaining: College Activities \$50K, College Now \$25K, Testing/Tutoring \$35K, Innovation \$30K
  - b) Non-General Fund Instruction: Summer Term \$50K, SBDC Program \$25K, Aviation \$50K

### Requirements

- 4) Reduce budgeted salaries (\$164,320) and associated Payroll Assessments (-\$93,615).
- 5) Reduce transfers-out (-\$110,000) to innovation -\$45,000 and community learning -\$65,000.

## Auxiliary Fund:

### Self-Sustaining Activities

- 6) Reduce transfers-in (-\$45,000) from general fund to Innovation.
- 7) Increase transfers-out(+ \$140,000) to general fund.
- 8) Decrease ending fund balance (-\$185,000)

### Non-General Fund Instruction

- 9) Decrease transfer-in (-\$65,000) to community learning.
- 10) Increase transfers-out(+ \$125,000) to general fund.
- 11) Decrease ending fund balance (-\$190,000)

# Changes to Proposed Budget

## Capital Projects Fund:

- 12) Increase transfers-in (+\$300,000) from Bookstore.
- 13) Increase ending fund balance (+\$300,000).

## Enterprise Fund:

### **Residence Hall**

- 14) Changes in resources include increase in beginning working capital (+\$469,000) and decrease in room rental (-\$370,000) for meal plan now accounted for in food service fund.
- 15) Changes in requirements include decrease in materials and services (-\$349,000) and increase in ending working capital of (+\$447,990).

### **Food Service Operations (new)**

- 16) Change in resources include meal plan revenue (+\$370,000).
- 17) Changes in resources include increase in materials and services (+\$360,000) and increase in capital outlay (+\$10,000).

### **Bookstore**

- 18) Decrease in resources from reduced sales (-\$958,200).
- 19) Changes in requirements include decrease in materials and services (-\$795,000), increase in transfers-out (+\$300,000), and decrease in ending working capital of (-\$463,200).

# General Fund Resources Changes

<b>General Fund Resources Summary:</b>				
	<b>March Proposed 2014/15</b>	<b>May Proposed 2014/15</b>	<b>\$ Change</b>	<b>% Change</b>
Property Tax				
Current year	\$ 13,022,000	\$ 13,022,000		
Prior year	773,000	773,000		
Tuition & Fees	17,882,000	16,980,000	(902,000)	-5.0%
State and Federal Sources				
State Aid for Operations	7,437,000	7,783,000	346,000	4.7%
Federal Grants				
Other Sources				
Interest Income	5,000	5,000		
Miscellaneous income	70,000	70,000		
Transfers from Other Funds				
Interfund Transfers-In	1,839,000	2,104,000	265,000	14.4%
Total	<u>\$ 41,028,000</u>	<u>\$ 40,737,000</u>	<u>\$ (291,000)</u>	<u>-0.7%</u>
Beginning Fund Balance	5,500,000	5,500,000	-	0.0%
Total Resources	<u>\$ 46,528,000</u>	<u>\$ 46,237,000</u>	<u>\$ (291,000)</u>	<u>-0.6%</u>

# General Fund Requirement Changes

<b>General Fund Requirement Summary:</b>				
	<b>March Proposed 2014/15</b>	<b>May Proposed 2014/15</b>	<b>\$ Change</b>	<b>% Change</b>
Administrative Salaries - Full Time	\$ 2,322,899	\$ 2,277,616	(45,283)	-1.9%
Other Taxable Compensation	31,900	31,900		
Taxable Mileage Allowance	59,699	59,699		
Administrative Salaries - Part Time	36,727	36,727		
Faculty Salaries - Full Time	7,207,538	7,162,998	(44,540)	-0.6%
Faculty Salaries - Part Time	2,138,408	2,138,408		
Faculty Salaries - Adjunct	1,000,593	1,000,593		
Classified Salaries - Full Time	3,553,939	3,553,939		
Classified Salaries - Part Time	494,595	494,595		
Irregular Wages	1,012,053	1,012,053		
Professional/Non-Managerial	3,179,688	3,118,191	(61,497)	-1.9%
Professional/Non-Managerial - Part Time	282,424	269,424	(13,000)	-4.6%
Payroll Assessments	12,053,522	11,959,907	(93,615)	-0.8%
Materials and Supplies	1,267,504	1,267,504		
Outside Services	3,446,941	3,446,941		
Utilities	1,389,761	1,389,761		
Administrative Travel	208,708	208,708		
Professional Travel/Development	260,944	260,944		
Student Field Experience	123,244	123,244		
Repair and Replacement	158,622	158,622		
Insurance	242,600	242,600		
Other Financial Aid	52,897	52,897		
Capital Outlay	50,000	50,000		
Library Capital	70,000	70,000		
Transfers Out	2,455,615	2,345,615	(110,000)	-4.5%
Requirements	\$ 43,100,821	\$ 42,732,886	\$ (367,935)	-0.9%
Ending Fund Balance	3,427,179	3,504,114	76,935	2.2%
Total Requirements	<u>\$ 46,528,000</u>	<u>\$ 46,237,000</u>	<u>\$ (291,000)</u>	<u>-0.6%</u>

# Auxiliary Fund Changes

Auxiliary Fund:				
	April Proposed 2014/15	May Proposed 2014/15	\$ Change	% Change
<b>Self-Sustaining Activities</b>				
<b>Resources</b>				
Beginning Fund Balance	\$ 1,786,354	\$ 1,786,354	\$	
Tuition and Fees	273,602	273,602		
Grants and Contracts	34,956	34,956		
Other Income	400,000	400,000		
Sales of Goods and Services	28,000	28,000		
Program Income	721,995	721,995		
Donations	48,750	48,750		
Interest Income	8,650	8,650		
Transfers In	205,285	160,285	(45,000)	-21.9%
<b>Total Resources</b>	<b>\$ 3,507,592</b>	<b>\$ 3,462,592</b>	<b>\$ (45,000)</b>	<b>-21.9%</b>
<b>Requirements</b>				
Personnel Services	\$ 493,431	\$ 493,341	\$	
Material and Services	1,112,996	1,112,996		
Capital Outlay	216,000	216,000		
Transfers Out	255,928	395,928	140,000	54.7%
Ending Fund Balance	1,429,327	1,244,327	(185,000)	-12.9%
<b>Total Requirements</b>	<b>\$ 3,507,682</b>	<b>\$ 3,462,592</b>	<b>\$ (45,000)</b>	<b>41.8%</b>
<b>Non-General Fund Instruction</b>				
<b>Resources</b>				
Beginning Fund Balance	\$ 3,881,191	\$ 3,881,191	\$	
Tuition and Fees	4,881,000	4,881,000		
Grants and Contracts	30,000	30,000		
Other Income	20,000	20,000		
Sales of Goods and Services	13,000	13,000		
Program Income	733,000	733,000		
Donations	20,000	20,000		
Interest Income	12,198	12,198		
Transfers In	616,428	551,428	(65,000)	-10.5%
<b>Total Requirements</b>	<b>\$ 10,206,817</b>	<b>\$ 10,141,817</b>	<b>\$ (65,000)</b>	<b>-10.5%</b>
<b>Requirements</b>				
Personnel Services	\$ 4,064,525	\$ 4,064,525	\$	
Material and Services	1,147,849	1,147,849		
Capital Outlay	151,000	151,000		
Transfers Out	1,172,000	1,297,000	125,000	10.7%
Ending Fund Balance	3,671,443	3,481,443	(190,000)	-5.2%
<b>Total Requirements</b>	<b>\$ 10,206,817</b>	<b>\$ 10,141,817</b>	<b>\$ (65,000)</b>	<b>5.5%</b>

# Capital Projects Fund Changes

Capital Projects Fund:				
	April Proposed 2014/15	May Proposed 2014/15	\$ Change	% Change
<b>Resources</b>				
Beginning Fund Balance	\$ 28,587,000	\$ 28,587,000	\$	
Grants and Contracts	8,266,000	8,266,000		
Other Income	5,539,200	5,539,200		
Interest Income	174,593	174,593		
Transfers In	1,550,051	1,850,051	300,000	19.4%
<b>Total Resources</b>	<b>\$ 44,116,844</b>	<b>\$ 44,416,844</b>	<b>\$ 300,000</b>	<b>19.4%</b>
<b>Requirements</b>				
Personnel Services	\$ 340,606	\$ 340,606	\$	
Material and Services	9,284,000	9,284,000		
Capital Outlay	22,890,413	22,890,413		
Transfers Out	6,168,400	6,168,400		
Ending Fund Balance	5,433,425	5,733,425	300,000	5.5%
<b>Total Requirements</b>	<b>\$ 44,116,844</b>	<b>\$ 44,416,844</b>	<b>\$ 300,000</b>	<b>5.5%</b>

# Enterprise Fund Changes

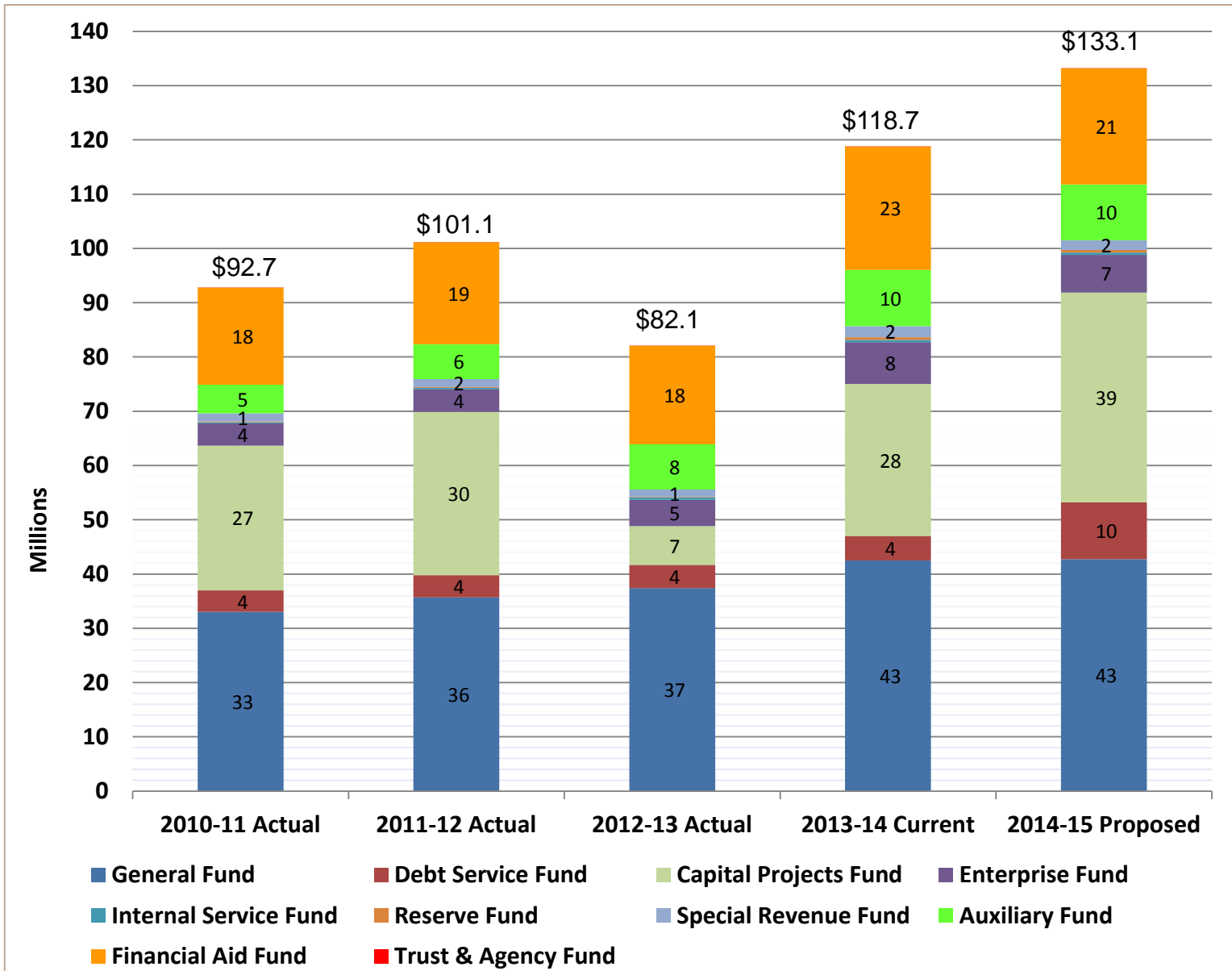
Enterprise Fund:				
	April Proposed 2014/15	May Proposed 2014/15	\$ Change	% Change
<b>Residence Hall</b>				
<b>Resources</b>				
Beginning Net Working Capital	\$ 453,030	\$ 922,030	\$ 469,000	103.5%
Room Rental	807,206	437,206	(370,000)	-45.8%
Interest Income	2,527	2,527	-	
<b>Total Resources</b>	<b>\$ 1,262,763</b>	<b>\$ 1,361,763</b>	<b>\$ 99,000</b>	<b>57.7%</b>
<b>Requirements</b>				
Personnel Services	\$ 210,650	\$ 210,650	\$	
Materials and Services	466,937	117,937	(349,000)	-74.7%
Capital Outlay	20,000	20,000		
Transfers Out	350,000	350,000		
Ending Net Working Capital	215,176	663,176	448,000	208.2%
<b>Total Requirements</b>	<b>\$ 1,262,763</b>	<b>\$ 1,361,763</b>	<b>\$ 99,000</b>	<b>133.5%</b>
<b>Food Service Operations</b>				
<b>Resources</b>				
Beginning Net Working Capital	\$	\$	\$	
Meal Plan		370,000	370,000	100%
<b>Total Resources</b>	<b>\$ -</b>	<b>\$ 370,000</b>	<b>\$ 370,000</b>	<b>100%</b>
<b>Requirements</b>				
Materials and Services	\$	\$ 360,000	\$ 360,000	100%
Capital Outlay		10,000	10,000	100%
Ending Net Working Capital				
<b>Total Requirements</b>	<b>\$ -</b>	<b>\$ 370,000</b>	<b>\$ 370,000</b>	<b>100%</b>
<b>Bookstore</b>				
<b>Resources</b>				
Beginning Net Working Capital	\$ 2,950,000	\$ 2,950,000	\$	
Bookstore Sales	6,388,000	5,429,800	(958,200)	-15.0%
Interest Income	7,570	7,570		
<b>Total Resources</b>	<b>\$ 9,345,570</b>	<b>\$ 8,387,370</b>	<b>\$ (958,200)</b>	<b>-15.0%</b>
<b>Requirements</b>				
Personnel Services	\$ 581,685	\$ 581,685	\$	
Materials and Services	5,384,950	4,589,950	(795,000)	-14.8%
Capital Outlay	250,000	250,000		
Transfers Out	150,000	450,000	300,000	200.0%
Ending Net Working Capital	2,978,935	2,515,735	(463,200)	-15.5%
<b>Total Requirements</b>	<b>\$ 9,345,570</b>	<b>\$ 8,387,370</b>	<b>\$ (958,200)</b>	<b>169.7%</b>

# Comparison of Proposed to Current Year Budget

	Fiscal Year 2013/14 Current Budget	Fiscal Year 2014/15 Proposed Budget	\$ Change	Key Changes
General Fund	\$ 42,515,838	\$ 42,732,886	\$ 217,048	<i>Increases in personnel services (\$191K) and materials &amp; services (\$385K), net of decreases in transfers-out (-\$328K) and capital outlay (-\$31K).</i>
Debt Service Fund	4,488,590	10,459,337	5,970,747	<i>Increase in principal (\$5.9M) net of decrease in interest (-\$15K) payments related to long-term debt.</i>
Capital Projects Fund	27,998,138	38,683,419	10,685,281	<i>Increases in residence hall construction (\$10.2M), new construction &amp; renovation (\$4.8M), HE building (\$5.3M), Redmond Campus (\$438K), net of reductions in GO bond projects (-\$9.8M) and IT server/Infrastructure (-\$265K).</i>
Enterprise Fund	7,744,533	6,940,222	(804,311)	<i>Increase in transfers-out (\$300K) net of decreases in personnel services (-\$80K), materials &amp; services (-\$784K) and capital outlay (-\$240K).</i>
Internal Service Fund	410,070	393,516	(16,554)	<i>Decreases in personnel services (-\$1.5K), materials &amp; services (-\$5K) and capital outlay (-\$10K).</i>
Reserve Fund	480,000	480,000	-	<i>No changes in transfer out (\$300K) and material and services (\$180K) amounts.</i>
Special Revenue Fund	2,029,866	1,815,260	(214,606)	<i>Increase in transfers-out (\$24K) net of reductions in materials &amp; services (-\$133K), capital outlay (-\$80K), and personnel services (-\$25K).</i>
Auxiliary Fund	10,397,527	10,299,434	(98,093)	<i>Increase in transfers-out (\$312K) net of decreases in personnel services (-\$192K), materials &amp; services (-\$183K) and capital outlay (-\$35K).</i>
Financial Aid Fund	22,697,785	21,369,235	(1,328,550)	<i>Increases in personnel services (\$60) net of decreases in materials &amp; services (-\$1.3M).</i>
Trust & Agency Fund	3,000	3,500	500	<i>Increase in materials and services (\$500).</i>
<b>Total of All Funds</b>	<b>\$118,765,347</b>	<b>\$133,176,809</b>	<b>\$ 14,411,462</b>	



# History By Fund



# Fiscal Safety Measures and Contingencies

- ❖ Retain a general fund reserve above required 10% (~14%)
- ❖ General fund includes \$800K operating contingency
- ❖ Conservative projections on tuition ( ? ), state aid, and net property tax revenue.
- ❖ Conservative position on PERS rates.
- ❖ Identified \$427K of expenses that could be delayed, postponed or eliminated.
- ❖ Health insurance: budgeted +5% (OEBC will release rates later in the month)
- ❖ Major long-term projects, activities and obligations.
  - Debt Service - *funded*
  - Capital Projects - *funded*
  - Building Maintenance & Repair and Technology Replacement – *funded*
  - Enterprise and Internal Services Activities – *self-funded*
    - Residence Hall, Food Service Operations (new), and Bookstore
    - Copy Center and Copier Fleet
  - Regional Centers – *funded*
    - Redmond, Madras, and Prineville Centers
  - Retiree health care liability – *funded*
  - Adequate spending authorization for financial aid and grants and contracts

## **Before The Vote (Budget Committee)**

Are there questions about the implementation of the Proposed Budget assumptions and priorities?

Exhibit: 6  
Date: May 14, 2014  
Approve:      Yes      No  
Motion: \_\_\_\_\_

**CENTRAL OREGON COMMUNITY COLLEGE  
BUDGET COMMITTEE**

**RESOLUTION**

**Prepared by:** David Dona – Associate Chief Financial Officer

**A. Action Under Consideration**

Approval of the 2014-2015 Fiscal Year Budget, including the approval of the property tax rate and general obligation bonds debt service levy.

**B. Discussion/History**

As part of the budgeting process, the Budget Committee has the following duties; a) specify the amount of tax revenue or tax rate for all funds, b) establish a maximum for total expenditures for each fund, c) approve the total taxes for the local government as an amount and/or rate and, d) approve the budget. The College's established permanent tax rate of \$0.6204 per thousand dollars of assessed property value is a result of the voter approved Measure 50 (1997), a constitutional amendment. The amount to be levied for general obligation bonds debt service is \$2,804,081. The Proposed Budget for all funds totals \$133,176,809.

**C. Options/Analysis**

1. Approve the Proposed Budget, tax rate, and bond levy at this time.
2. Do not approve the Proposed Budget, tax rate, and bond levy at this time.

**D. Timing**

Approval of the proposed 2014-2015 Fiscal Year Budget is requested at this time. Approval now will facilitate the remainder of the budget process, which involves adoption of the Budget by the Board of Directors in June after an additional public hearing.

**E. Recommendation**

Be it resolved that the Budget Committee of Central Oregon Community College does hereby approve the Central Oregon Community College District Proposed Budget for Fiscal Year 2014-2015 in the aggregate amount of \$133,176,809 (total of all funds) and that the permanent tax rate of \$0.6204 per thousand of assessed value be levied against all assessed property in support of the General Fund. It is further resolved that a tax of \$2,804,081 be approved for the Debt Service Fund for the purpose of satisfying the required debt service of voter approved general obligation bonds issued by the district.

**F. Budget Impact**

NA

**Central Oregon Community College Achievement Compact for 2014-15**

Outcome Measures	2012-13 Actual		2013-14 Projected		2014-15 Target	
<b>Are students completing their courses of study and earning certificates and degrees?</b>						
<i>Number of students completing:</i>	All	Underrepresented	All	Underrepresented	All	Underrepresented
Adult HS diplomas/GEDs	373	N/A	485	N/A	400	N/A
Certificates/Oregon Transfer Modules	491	357	528	380	526	374
Associate degrees	697	367	720	375	718	366
Transfers to four-year institutions	1732	618	1722	603	1581	538
Programs of study (under development)						
<b>Are students making progress at the college?</b>						
<i>Number ( &amp;/or % where indicated) of students:</i>	All	Underrepresented	All	Underrepresented	All	Underrepresented
Enrolled Dev. Ed. Writing who complete (%)	63%	61%	63%	63%	63%	63%
Enrolled in Dev. Ed. Math who complete (%)	64%	63%	65%	65%	66%	66%
Who earn 15/30 college credits in the year (#)	5134/2360	3106/1471	4700/2205	2820/1367	4300/2018	2537/1231
Who pass a national licensure exam (#/%)	248/88%	N/A	251/90%	N/A	254/90%	N/A
<b>Are students making connections to and from the college?</b>						
<i>Number of students who:</i>	All	Underrepresented	All	Underrepresented	All	Underrepresented
Are dual enrolled in Oregon high schools	1044	110	901	64	950	71
Are dual enrolled in OUS	971	168	1016	152	1045	146
Who transfer to OUS	1349	484	1340	481	1230	430
Employment (under development)						
<b>Local Priorities (Optional for each district)</b>						
<i>Number and/or percentage of students who:</i>	All	Underrepresented	All	Underrepresented	All	Underrepresented
<b>What is the level of public investment in the district?</b>						
	2012-13 Actual		2013-14 Projected		2014-15 Target	
State funds	4,818,740		6,775,891		7,436,547	
Local Property tax revenue	12,461,138		13,033,906		13,677,670	
Total state and local operating funds	17,279,878		19,809,797		21,114,217	

**Central Oregon Community College Achievement Compact for 2014-15  
For Underrepresented Students 2012-13**

<b>Outcome Measures Actuals for 2012-13</b>	<b>African-American</b>	<b>Hispanic/ Latino</b>	<b>Native Amer. Or Alaskan Native</b>	<b>Pacific Islander</b>	<b>Multi-Racial Multi- Ethnic</b>	<b>Economically Disadvantaged</b>
<b>Are students completing their courses of study and earning certificates and degrees?</b>						
<i>Number of students completing:</i>						
Adult HS diplomas/GEDs	N/A	N/A	N/A	N/A	N/A	N/A
Certificates/Oregon Transfer Modules	*	34	10	*	21	342
Associate degrees	*	32	14	*	*	333
Transfers to four-year institutions	7	84	36	*	10	541
Programs of study (under development)						
<b>Are students making progress at the college?</b>						
<i>Number ( &amp;/or % where indicated) of students:</i>						
Enrolled Dev. Ed. Writing who complete (%)	50.0%	100.0%	100.0%	0.0%	0.0%	61.4%
Enrolled in Dev. Ed. Math who complete (%)	40.0%	67.9%	68.4%	0.0%	42.9%	62.8%
Who earn 15/30 college credits in the year (#)	36/11	365/159	95/38	22/8	82/29	2888/1394
Who pass a national licensure exam (#/%)	N/A	N/A	N/A	N/A	N/A	N/A
<b>Are students making connections to and from the college?</b>						
<i>Number of students who:</i>						
Are dual enrolled in Oregon high schools	*	69	*	*	25	*
Are dual enrolled in OUS	*	47	22	*	*	101
Who transfer to OUS	*	69	24	*	7	424
Employment (under development)						

*\*In accordance with federal regulations, cell sizes fewer than six are suppressed*

**Central Oregon Community College Achievement Compact for 2014-15  
For Underrepresented Students 2013-14**

<b>Outcome Measures Projected for 2013-14</b>	<b>African-American</b>	<b>Hispanic/ Latino</b>	<b>Native Amer. Or Alaskan Native</b>	<b>Pacific Islander</b>	<b>Multi-Racial Multi- Ethnic</b>	<b>Economically Disadvantaged</b>
<b>Are students completing their courses of study and earning certificates and degrees?</b>						
<i>Number of students completing:</i>						
Adult HS diplomas/GEDs	N/A	N/A	N/A	N/A	N/A	N/A
Certificates/Oregon Transfer Modules	*	42	22	*	21	364
Associate degrees	*	32	16	*	*	339
Transfers to four-year institutions	9	71	34	*	10	534
Programs of study (under development)						
<b>Are students making progress at the college?</b>						
<i>Number ( &amp;/or % where indicated) of students:</i>						
Enrolled Dev. Ed. Writing who complete (%)	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
Enrolled in Dev. Ed. Math who complete (%)	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%
Who earn 15/30 college credits in the year (#)	33/13	268/119	99/46	14/*	28/11	2632/1279
Who pass a national licensure exam (#/%)	N/A	N/A	N/A	N/A	N/A	N/A
<b>Are students making connections to and from the college?</b>						
<i>Number of students who:</i>						
Are dual enrolled in Oregon high schools	*	36	8	*	15	*
Are dual enrolled in OUS	*	52	16	*	8	78
Who transfer to OUS	*	58	27	*	*	335
Employment (under development)						

*\*In accordance with federal regulations, cell sizes fewer than six are suppressed*

**Central Oregon Community College Achievement Compact for 2014-15  
For Underrepresented Students 2014-15**

<b>Outcome Measures Targets for 2014-15</b>	<b>African-American</b>	<b>Hispanic/ Latino</b>	<b>Native Amer. Or Alaskan Native</b>	<b>Pacific Islander</b>	<b>Multi-Racial Multi- Ethnic</b>	<b>Economically Disadvantaged</b>
<b>Are students completing their courses of study and earning certificates and degrees?</b>						
<i>Number of students completing:</i>						
Adult HS diplomas/GEDs	N/A	N/A	N/A	N/A	N/A	N/A
Certificates/Oregon Transfer Modules	*	42	22	*	21	358
Associate degrees	*	32	16	*	*	330
Transfers to four-year institutions	8	65	32	*	9	474
Programs of study (under development)						
<b>Are students making progress at the college?</b>						
<i>Number ( &amp;/or % where indicated) of students:</i>						
Enrolled Dev. Ed. Writing who complete (%)	63%	63%	63%	63%	63%	63%
Enrolled in Dev. Ed. Math who complete (%)	66%	66%	66%	66%	66%	66%
Who earn 15/30 college credits in the year (#)	30/12	245/109	90/42	13/*	26/10	2365/1150
Who pass a national licensure exam (#/%)	N/A	N/A	N/A	N/A	N/A	N/A
<b>Are students making connections to and from the college?</b>						
<i>Number of students who:</i>						
Are dual enrolled in Oregon high schools	*	48	12	*	23	*
Are dual enrolled in OUS	*	54	20	*	8	73
Who transfer to OUS	*	53	25	*	*	295
Employment (under development)						

*\*In accordance with federal regulations, cell sizes fewer than six are suppressed*