

Minutes
May 17, 2023

CHEMEKETA COMMUNITY COLLEGE

**BUDGET COMMITTEE
MEETING MINUTES**

April 19, 2023

A. CALL TO ORDER AND ROLL CALL

Ray Beaty, Budget Committee Chair, called the meeting to order at 4:02 pm in the Board Room, Building 2, Room 170, at the Salem Campus.

Members in Attendance: Ray Beaty, Chair; Chris Brantley; Ed Dodson; Betsy Earls; Jackie Franke; Ken Hector, Vice-Chair; Neva Hutchinson; Jenne Marquez (Zoom); Barbara Nelson; Ron Pittman; Mike Stewart; Joe Van Meter; and Diane Watson. Excused Absence: Scott Muller.

College Administrators in Attendance: Jessica Howard, President/Chief Executive Officer; Alice Sprague, Interim Vice President, Governance and Administration; Aaron Hunter, Associate Vice President/Chief Financial Officer, College Support Services/Finance; and Brian Knowles, Director of Budget and Finance.

B. APPROVAL OF MINUTES OF APRIL 12, 2023

Jackie Franke moved and Joe Van Meter seconded a motion to approve the Budget Committee minutes of April 12, 2023.

The motion CARRIED.

C. QUESTIONS FROM PRIOR MEETING

Ray asked Aaron if questions had been submitted from the prior meeting, and Aaron Hunter said no.

D. PRESENTATION OF 2023–2024 OTHER FUNDS

Aaron thanked the Budget Committee for its time and effort during this process, thanked Brian Knowles, Director of Budget and Finance and Allison Stewart Hull, Management Analyst, and noted that this process reflects a team effort across the college. Aaron stated that the information in the presentation can be found on pages 165–199 in the spiral-bound Proposed Budget book for FY 2023–2024 and on PowerPoint (PP) slides 4-33.

Aaron referred to PP slide 4, Summary of All Funds. The chart shows a percentage breakdown of all the Other Funds as well as the General Fund.

The Other Funds covered were: Major Maintenance, Vehicle Replacement, Plant Emergency, Grants and Contracts Fund, Leased Properties, Self-Supporting Services, Universal Fee Fund, Debt Service, Chemeketa Cooperative Regional Library, Insurance, Auxiliary Enterprise, Intra-College Services, External Organization Billing, Student Government and Clubs, Athletics, and Financial Aid. The following highlights or questions were noted:

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Capital Development Fund (PP - Slide 6)

- This fund addresses construction of buildings, land improvements, utilities, major repair, renovation, and purchase of equipment, land, or buildings.
- Budget structure changes for FY 2023-2024 include adding Plant Emergency to the Major Maintenance Fund, adding a Vehicle Replacement Fund, and a Special Revenue Fund for Leased Properties. The intent is to show what is being budgeted and paid for out of these funds.

Major Maintenance Fund (pp. 166–167) (PP - Slide 7)

- Budget: \$14.9 million.
- Primary purpose is for the construction, renovation, and maintenance of buildings.
- Includes matching funds for the Article XI-G bonds.
- Significant restructure due to the separation of Leased Properties Fund.

Ray Beaty asked if there were any plans for adding construction or new projects in the immediate future. Aaron said the college does not have plans right now, and any future construction would most likely be part of a possible bond effort.

Vehicle Replacement Fund (pp. 168–169) (PP - Slide 8)

- Budget: \$165,000.
- New fund within Capital Projects.
- Created to better manage the replacement of the college's motorized fleet.

Plant Emergency Fund (pp. 170–171) (PP - Slide 9)

- This fund is dedicated to emergency repairs of campus facilities and facility-related equipment used during the year as needed.
- One-time transfer of \$750,000 to the Major Maintenance Fund.

Grants and Contracts Funds (pp. 172–173) (PP - Slide 11)

- These are accounts for the proceeds of revenue used specifically for grants and contracts.
- Current major grants include: Carl Perkins Vocational Education, TRIO (Student), College Assistance Migrant Program (CAMP), High School Equivalency Program (HEP), and Chemeketa Accelerated Pathways to Success (CAPS – HSI) grants.
- Budget: \$33,550,000.
- Funding will be moved or shifted to other funds for four partial positions (1.45 FTE total).
- The FY2023-2024 proposed budget includes the following number of FTE (subject to funding): Exempt 9.05, Classified 46.64, and Faculty 1.20, for a total of 56.89 FTE.

Leased Properties Fund (pp. 174–175) (PP - Slides 12–13)

- Budget: \$12,990,000.
- This is a new fund that was separated from the Capital Development Fund, and includes activities that help support construction, acquisition or maintenance of college property related to the college's long-term commercial lease operations.
- \$1.5 million earned annually to supplement funding for facilities and capital projects

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- Numerous changes regarding the movement of revenue, expenses, and realignment of positions within this fund.
- The FY 2023-2024 proposed budget includes the following number of FTE (subject to funding): Exempt 1.45, Classified 4.88, for a total of 6.33 FTE.

Self-Supporting Funds (pp. 176–177) (PP - Slide 14–15)

- Budget: \$24,600,000.
- This fund accounts for activities that supplement General Fund programs and is self-supporting in nature. Programs include: Center for Business & Industry (CCBI), High School Partnerships, Corrections Education, and the Chemeketa Press.
- Numerous partial position moves to realign within this fund and position eliminations/investments.
- The FY 2023-2024 proposed budget includes the following number of FTE (subject to funding): Exempt 5.10, Classified 48.07, and Faculty 11.50, for a total 64.67 FTE.

Universal Fee Fund (pp. 178–179) (PP - Slide 16–18)

- Budget: \$11,235,000.
- Reviewed Universal Fee FY 2023-2024 reallocation from the current year to next year, and discussed the general fund rate being moved to the other areas.
- One-time transfer of \$3.65 million from the Major Maintenance, Self-Supporting Services, Athletics, and Student Government and Clubs funds to move the existing balances of the Universal Fee funds.
- Various positions with student connections were moved to the Universal Fee fund.
- The FY2023-2024 proposed budget includes the following number of FTE (subject to funding): Classified 7, and Faculty .50, for a total 7.5 FTE.

Neva Hutchinson asked if the college would be able to identify if an increase in the universal fee was necessary and then assign that to the appropriate line item. Aaron said this is one of the future goals.

Debt Service Fund (pp. 180–181) (PP - Slide 20)

- Budget: \$36,100,000.
- This fund accounts for the repayment of obligations for general obligation bonds, certificates of participation, and the PERS bonds. This fund also includes a PERS reserve to help smooth rate increases.
- This fund includes additional budget authority for debt payments in anticipation of issuing Certificates of Participation.
- A table showing the type of debt, remaining amounts, maturity date, and number of series for each obligation was shared.

Chemeketa Cooperative Regional Library Service (CCRLS) (pp. 182–183) (PP - Slide 22)

- Budget: \$4,565,000.
- Revenue is generated for CCRLS from a property tax levy.
- These funds are used to enhance public library service for all of the college's district residents

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- The FY 2023-2024 proposed budget for CCRLS includes the following number of FTE (subject to funding): Classified 8 and Exempt 1.00, for a total of 9 FTE.

CCRLS Reserve Funds (pp. 184–185) (PP - Slide 24)

- Budget: \$440,000.
- Provides resources for replacement of capital and technology needs for the CCRLS program.

Insurance Fund (pp. 186–187) (PP - Slide 25)

- Budget: \$5,750,000.
- One-time transfer from the Intra-College Services fund.
- New reserve fund. This fund was previously part of the Intra-College Services fund.
- These funds are used to partially self-insure the college for uninsured property loss, claim settlements, and to move existing insurance related fund balances.

Auxiliary Enterprise Fund (Bookstore) (pp. 188–189) (PP - Slide 27)

- Budget: \$5,500,000.
- This fund primarily funds the Bookstore.
- The FY 2023-2024 proposed budget includes the following number of FTE (subject to funding): Exempt 1.25 and Classified 5.58, for a total of 6.83 FTE.

Intra-College Services Fund (pp. 190–191) (PP - Slide 28)

- Budget: \$12,740,000.
- This fund accounts for revenue and expenses related to activities in which departments are charged back for services provided (i.e., telephone, copy machine, and printing).
- One-time transfer of \$5.75 million to the Insurance fund.
- The FY 2023-2024 proposed budget includes the following number of FTE (subject to funding): Exempt 1.66 and Classified 14.75, for a total of 16.41 FTE.

External Organization Billing Fund (pp. 192–193) (PP - Slide 30)

- Budget: \$460,000.
- This fund contains accounts for direct billing service for external organizations that lease space from the college, and professional organizations to which employees belong.
- \$50,000 reduction in materials and services.

Student Government, Student Clubs and Student Newspaper Fund (pp. 194–195) (PP - Slide 31)

- Budget: \$376,000.
- This fund accounts for student government and club activities.
- One-time transfer of \$200,000 to the Universal Fee fund.

Athletics Fund (pp. 196–197) (PP - Slide 32)

- Budget: \$150,000.
- This fund accounts for men's and women's intercollegiate athletics programs
- In FY 2023-2024 the Athletics fund will be incorporated into the new Universal Fee fund.

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Financial Aid Fund (pp. 198–199) (PP - Slide 33)

- Budget: \$52,020,000.
- This fund accounts for the receipt and disbursement of funds for students grants, scholarships and loans. Includes the Federal Pell Grant, Supplemental Educational Opportunity Grant, Federal College Work Study, the Oregon Opportunity Grant, the Oregon Promise Grant, private scholarships, and college-paid tuition scholarships like the Chemeketa Scholars program.
- The FY 2023-2024 proposed budget includes the following number of FTE (subject to funding): Classified 0.60 FTE.

PP slide 35 is a Summary of All Funds FTE broken down by fund and employee category: 190.5 Faculty; 349.79 Classified; and 106.25 Exempt, for a total of 646.54 FTE salaried positions.

Ken Hector referenced the Debt Service Fund slide and noted the interest rates to finance what is owed to PERS through bonds is much better than what PERS offers, and saves taxpayers dollars by funding it this way. Aaron noted in addition to preserving taxpayer dollars, it also helps fund additional programs here at the college for students.

E. PUBLIC TESTIMONY REGARDING PROPOSED BUDGET

One written comment was submitted, and it was addressed by Ray Beaty. There were no public comments.

F. PRESENTATION OF BUDGET RECOMMENDATION—ACTION REQUIRED

Aaron articulated the process for the budget recommendation. Ray Beaty referred to the Motion for Approval in the budget packet, listing the figures for the motion and noting that the total of all funds is \$321,076,759. He also listed the property tax rates and amounts to be imposed. The following budget recommendation for the FY 2023–2024 proposed budget was submitted for approval, including the following totals by fund:

General Fund	104,785,759
Major Maintenance Fund	14,900,000
Vehicle Replacement Fund	165,000
Plant Emergency Fund	750,000
Grants and Contracts Fund	33,550,000
Leased Properties Fund	12,990,000
Self-Supporting Services Fund	24,600,000
Universal Fee Fund	11,235,000
Debt Service Fund	36,100,000
Chemeketa Cooperative Regional Library Service Fund	4,565,000
Chemeketa Cooperative Regional Library Reserve Funds	440,000
Insurance Fund	5,750,000
Auxiliary Enterprise Fund	5,500,000
Intra-College Services Fund	12,740,000
External Organization Billing Fund	460,000
Student Government, Clubs, and Newspaper Funds	376,000

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Athletics Fund	150,000
Financial Aid Fund	<u>52,020,000</u>
Total All Funds	\$321,076,759

and the following property tax rates and amounts to be imposed:

Chemeketa Community College	\$0.6259/\$1,000
CCRLS	\$0.0818/\$1,000
General Obligation Bonds	\$11,550,000

G. DISCUSSION OF RECOMMENDED BUDGET

No discussion.

H. ACTION ON RECOMMENDED BUDGET

Ken Hector moved and Ed Dodson seconded a motion that the FY 2023–2024 proposed budget of \$321,076,759 be approved and that the property tax rates for Chemeketa Community College at \$0.6259/\$1,000, CCRLS at \$0.0818/\$1,000, and General Obligation Bonds of \$11,550,000 be imposed.

The motion CARRIED unanimously.

Ray Beaty thanked the Budget Committee and the college staff for their hard work and dedication.

Ken noted that since Jenne was on Zoom, her vote on the recommended budget came in at the same time Ray was asking for any opposed votes. Ken asked for clarification regarding whether this was a unanimous vote. Ray asked Jenne if she was in favor or against the motion. Jenne stated that she was in favor.

I. ADJOURNMENT

The meeting adjourned at 4:48 pm.

Respectfully submitted,

Julie Deuchars
Board Secretary

Ray Beaty
Budget Committee Chair

Jessica Howard
President/Chief Executive Officer

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Date