



General Library Item

Name Minutes 2004-05-05

Content

LANE COMMUNITY COLLEGE
BOARD OF EDUCATION
Minutes - May 5, 2004

1) Attendance

The meeting of the Lane Community College Budget Committee was called to order by Bert Dotson at 6:00 pm in the Lane Community College Boardroom. Present were budget committee members Jay Bozievich, Paul Holman, Mike Rose, Kathleen Shelley, Dennis Shine, Jerry Sirois, and Rick Yecny. Also present were President Mary Spilde and Vice President Marie Matsen.

2) Election's

Chair

Dennis Shine nominated Bert Dotson to serve as chair of the Budget Committee for 2004-05. Holman seconded.

Motion carried unanimously.

Vice Chair

Kathleen Shelley nominated Jerry Sirois to serve as vice chair of the Budget Committee for 2004-05. Shine seconded.

Motion carried unanimously.

Secretary Paul Holman nominated Rick Yecny to serve as secretary of the Budget Committee for 2004-05. Shelley seconded.

Motion carried unanimously.

3) Budget Message Vice President Matsen read the 2004-05 budget message projecting a total general fund budget of \$79,232,500. This is an 11.6 percent increase over the current fiscal year. The budget development process this year focused on eight new strategic directions identified by the strategic planning team. The Budget Advisory Group this year proposed new financial policies eventually approved by the board. The proposed budget increases board and administrative contingency and the ending fund balance to comply with new policy. Issues facing the college include affordability and accessibility. Strategies include addressing only the most critical needs, investing to strengthen programs or save money, and establishing a financial reserve. The budget message is appended to these notes.

4) Budget Presentation Matsen presented the FY05 Proposed Budget Document showing proposed budget revenues and requirements for FY05, projected total balances for FY04, and actual budgets for FY03. Her presentation included these materials:

- Budget Document replacement pages 4-16 (corrected, formatted)
- Mandatory and recurring adjustments to FY05 recommendations
- A summary of OPE estimated costs for fiscal years 2003 through 2007
- An 8-year plan for proposed facilities maintenance and improvement
- A 7-year plan for capital asset replacement
- An explanation of the differences in resources and requirements between this fiscal year and next.
- Recommended FY05 budget investments totaling \$2,173,000
- Transportation Fee Assessment Team report and ET revised recommendation
- Long-Range Financial Plan (through FY07)

5) General Discussion Spilde explained the \$9300 increase in League for Innovation dues which have been static for many years. The League has implemented two new programs for board colleges – video streaming of keynote presentations and access to a federal lobbyist. Both will be monitored for success.

Bad debts have decreased by \$1M over the past 12 months, thanks to the diligent work of enrollment and financial aid staff.

Contingencies are funds held for unexpected expenses such as the carpet replacement in building one this year, salary increases, and the ending fund balance. New board policy requires administrative contingency at one percent of budgeted revenue and board contingency at one-half of one percent. Money not spent is carried forward to the following year.

Investing a portion of the ending fund balance is a risk. However investing in energy efficiency technology, for example, will save money and help prepare the college for expected revenue shortfalls in FY06 and FY07.

The Oregon Supreme Court may or may not overturn PERS reform legislation. The FY05 proposed budget holds \$1.6M for possible changes to PERS. This is about one-half of the savings gained from the reforms and is in line with other Oregon community college planning.

Money from the transportation fee will be used to upgrade parking lots, add lighting, and emergency phones. The proposed budget adds \$1 to the \$15 fee for main campus credit students. A parking sticker is expensive and unlikely. The next budget committee meeting on May 12 will begin at 5:15 rather than 5:30. The agenda includes:

- Public comment on the proposed budget
- Information requested by the Budget Committee
- The meeting will end by 6:15.

6) Adjournment

Chair Dotson adjourned the meeting at 8:00 pm.

Bert Dotson, Chair

Mary Spilde, President
Lane Community College