



---

**Klamath Community College**  
**Budget Committee Meeting**  
7390 South Sixth Street \* Klamath Falls, Oregon 97603  
Wednesday, May 08, 2024 6:00 PM

---

**MINUTES**

**I. CALL TO ORDER**

Board Chair, Dave Jensen, called the Klamath Community College Fiscal Year 2024-2025 Budget Committee meeting to order at 6:00 pm. The Pledge of Allegiance followed.

**Members Present:** Dan Hernandez; Misty Buckley; Michael Stuhr; Rafael Hernandez; Kate Marquez; Laura Limb; Dave Jensen; Linda Dill; Julie Matthews; Richard Harrington; Kathy Hewitt; Linda Weatherford; and Kathleen Walker-Henderson. A quorum was confirmed.

**Members Absent:** Raymond Holliday (excused).

**Staff Present:** Dr. Roberto Gutierrez, President; Jamie Jennings, Vice President; Gail Schull, Vice President; Denise Reid, Interim Vice President; Charles Massie, Vice President; Joshua Guest, Executive Director; Nicole Baker, staff; and Shannon Childs, Secretary to the Board.

**Guests:** None.

**II. ACTION ITEM**

**A. Appoint Budget Officer – Action Item**

**Motion to elect Denise Reid, Interim Vice President of Administrative Services as the Budget Officer.**

Motion by: Linda Weatherford

Second by: Kate Marquez

Discussion: None.

**Action: Motion passed. Unanimous approval**

**III. WELCOME**

Dr. Roberto Gutierrez, President, welcomed everyone and thanked everyone for their time and commitment to the College. Introductions were made of attendees.

- A. Dr. Gutierrez introduced Klamath Community College (KCC) staff, Gail Schull, VP Student Affairs; Denise Reid, Interim VP of Administrative Services; Jamie Jennings, VP of Academic Affairs; Charles Massie, VP of External Affairs; Joshua Guest, Executive Director Human Resources/Legal Counsel; and Shannon Childs, Secretary to the Board.

Interim VP Reid introduced Nicole Baker, Assistant Controller.

- B. The Board of Education and Budget Committee members present introduced themselves.

KCC Budget Committee

Board of Education Members

Kate Marquez, Zone 1

Linda Weatherford, Zone 2  
Misty Buckley, Zone 3 (excused)  
Dave Jensen, Chair, Zone 4  
Linda Dill, Zone 5  
Raymond Holliday, Zone 6 (excused)  
Richard Harrington, Zone 7

Citizen Members

Julie Matthews  
Rafael Hernandez  
Katherine Hewitt  
Laura Limb  
Dan Hernandez  
Michael Stuhr  
Kathleen Walker-Henderson

**IV. NOMINATION OF BUDGET COMMITTEE CHAIRPERSON**

**A. Changing of the gavel**

**Nomination for Kathy Hewitt to serve as Chair.**

Nomination by: Richard Harrington

No other nominations were made.

**Chair Jensen closed nominations.**

**Action: Nomination passed. Unanimous approval.**

**V. PRESIDENT'S UPDATE**

A PowerPoint was handed out.

Dr. Gutierrez approached the podium and gave an introduction. It was shared that KCC is the youngest of the 17 community colleges in Oregon. Compared to universities, community colleges are open access. KCC wants students to be academically prepared, and work hard with K12 partners to accomplish this. The Apprenticeship Center is going well and adds Klamath County to economic development. With an educated workforce, Klamath can attract businesses. There is child care here at the Childcare Center in working with the Oregon Childhood Development Coalition (OCDC). The College is now moving on to working with the County and OCDC to have a facility across the street. This is a \$10-12M dollar project.

The college's mission statement and strategic plan initiatives were reviewed. Student success was highlighted including a New Century Transfer Pathway Scholar and winner. Future-focused education and services were shared. Organization viability was looked at by highlighting record Integrated Postsecondary Education Data System (IPED) student completion rate of 37% and a new Intro to Canvas and Digital Literacy Training. Community Engagement was shared, specifically business connectiveness and apprenticeships, engaging high school students, and the Commercial Driver's License Program providing training. Dr. Gutierrez reviewed advanced planning and strategy with examples of KCC being the leader in credit for prior learning articulations, launching NET Lab first online Computer Engineering Technology class, receiving the National Center of Academic Excellence in Cyber Defense for the Cyber Security Program, and new programs. New program including Heating, Ventilation, and Air Conditioning (HVAC), AAS Surgical Tech, and Human Resources One Year Certificate.

**VI. OVERVIEW OF THE BUDGET PROCESS**

Interim VP Reid thanked the budget committee and reviewed their role and the budget process via PowerPoint. The overview of the Budget Process was shared, as outlined in the PowerPoint.

## **VII. BUDGET MESSAGE and POWERPOINT**

Interim VP Reid continued to review the PowerPoint beginning with the 2024-25 fiscal year budget highlights. PowerPoint slides included the proposed budget of \$76,551,781, general fund revenue sources (by percent, by object, and by activity), greatest challenges, revenue and expenses, Full Time Equivalent (FTE) Trend, responses to challenges, tuition increase, and Oregon Community College Tuition.

Mr. Rafael Hernandez inquired on property taxes. Dr. Gutierrez addressed that North Lake County used to pay taxes to Central Oregon Community College before they became part of KCC. Those communities have to make the change, which is not encouraged by the state. KCC was the first to do this. It was noted that this does not add to the College budget, the funds go directly to Salem.

## **VIII. GENERAL FUND**

Ms. Limb referred to page 31; what is 15 to finish? VP Jennings shared this was an incentive to students for full-time enrollment. If a student takes 12 credits, they get 3 credits tuition-free. This is to help students accelerate learning. This has been a win for KCC and it has helped with completion and retention. This is recognized nationally. Dr. Gutierrez shared that this was the right thing to do for the students and community.

Trustee Harrington referred to page 58, the facility rental shows \$41K. In the contingency, there is \$1M in case the College needs to move the Cosmetology Program. Dr. Gutierrez shared that the College has to be prepared. They are renting the current space and it does not meet Economic Development Administration (EDA) standards. The reserve is just in case KCC has to remodel existing buildings to accommodate. The College is working with the landlord to fix issues. A new building would be even more, at least \$3M-\$5M.

Trustee Harrington inquired about the Childcare Center. He shared that contingencies show a couple of million to finish that project. Dr. Gutierrez shared that this was just in case the College needed it. This is a possible rollover if not needed this year. Dr. Gutierrez shared that this was a conservative budget.

Ms. Walker-Henderson asked to be pointed to the account to know how much the college owes on the current buildings and how many loans that is. Ms. Walker-Henderson asked where KCC stood. Interim VP Reid referred to the debt service is on page is on pages 233-234. The Apprenticeship Center is debt-free, and building 8 has about \$1M payoff. The loan is at 2% interest.

Ms. Limb referred to page 42, what is the 1/3 decrease in budget? Interim VP Reid shared that this has moved from this budget to External Programs, on page 77. Line item 7657 moved.

Trustee Marquez asked what the budget was last year. Interim VP Reid shared it was \$69,898,372.

Ms. Limb referred to page 46, what is the LPN exit option? VP Jennings explained that the Dean of Nursing, Health and Sciences came up with the opportunity to add 8 students to the cohort. To do this she added them into the first year of the program, however, to do that, they have to exit as Licensed Practical Nurse (LPN). There are different clinical sights, so it will not add pressure. It was approved by the state. It is a nice addition to 9 more nurses out to the community, which are highly needed. The College used to have the LPN program but KCC was required by the state to stop that program to be able to start the Registered Nurse (RN). This raised efficiency and cost margin positively.

Ms. Limb referred to page 48, do apprenticeship buy their own tools, what is the \$5K? VP Jennings shared that this has grown quickly. When apprenticeships started it was included in the aggregate Career and Technical (CTE) program. They use so many different supplies and tools, a separate budget was needed to track expenditures. This money is just designated to the program. There is hope to generate revenue to the College through some of its projects.

Ms. Limb inquired which local employers have enrolled in the Apprenticeship Center, as there are 18 listed. VP Jennings shared this is in the budget presentation. Dr. Gutierrez will make sure the list is shared with the Budget Committee.

Trustee Weatherford asked for an explanation of student wages. VP Jennings shared this is to help grow workforce skill and learning opportunities for students. Programs are hiring students to apprentice in their programs.

Trustee Dill referred to page 77, is well drilling included? Well Drilling is in a grant and the work is done in the Apprenticeship Center. External Programs is in VP Massie's area.

Trustee Dill referred to page 87, marketing, what is the big difference in budgeting? Dr. Gutierrez shared that Marketing was centralized college-wide.

Ms. Limb referred to page 77, how is there over a million dollars in that budget from previous and 2-line items with same budget number? Interim VP Reid shared that credit recovery Lakeview and credit recovery Klamath Falls areas were split. With the increase in credit recovery, the cost increased because it moved from the other budget to here.

Dr. Gutierrez shared that Lake County (the whole county) has about 30 full-time equivalent (FTE). North County is fairly small and with about 5 FTE. VP Massie shared that academic-based students are about 94 students, around 18 FTE. There are almost the same amount of Community Education students, possibly a slightly smaller number. Credit recovery is about 70 students with around 7 FTE. Trustee Harrington asked for a breakdown between North and South County. Dr. Gutierrez verified that South County is online. There are high schools doing dual credit in Lake County. It was noted the college does not take away from Klamath County to do this work.

Ms. Limb referred to page 53, welding, what is the plan when the grant goes away and when? VP Massie shared it was a multi-year grant, and may continue. Dr. Gutierrez shared it if this is generated FTE and is paying for itself, it will be continued. If not, the position may go away.

Ms. Limb referred to page 56, there is a slight positive trend, how many is that? VP Jennings shared this is a small program, but it aligns with the other business degrees. There are 53 students in the program who generate 6.7 FTE. Chair Hewitt added that Business Technology is a great complementary degree.

Ms. Limb referred to page 60, where is the class and lab being developed? VP Jennings shared the old dental lab in 4 is being remodeled, as the space already has much of the need for the program. This will be a modest budget, as clinicals will be at Sky Lakes. There is hope that this kicks off in fall, after being approved by Northwest. Dr. Gutierrez shared his appreciation of the strong support of this program from Sky Lakes.

Ms. Limb referred to page 61, what is the increase in contracted services? VP Jennings works with Aisling Trucking. The growth in the program has been significant. The last cohort has all but one student who got the endorsement. This is profitable for the college. This is a great company to partner with.

Auto-diesel helps maintain the trucks. Auto-diesel needs new technology. KCC buys used trucks, but they are newer to us.

Ms. Limb referred to page 67, is this a subscription model under assessment for every year? VP Jennings shared the first year is more expensive and will cost less in year two. The faculty asked for a more up-to-date automated assessment system that is less labor intensive. Trustee Marquez inquired on subscription services and if the college would still own their own data. VP Jennings shared that the College would work with Institutional Research to make sure the college owns that data and it is not used how the college does not want. Dr. Gutierrez shared he was not aware of this being a problem at KCC. This will be double-checked with Bill Jennings. Trustee Harrington shared his preference to have all data and software in-house.

Ms. Limb referred to page 68, the funding went down, with a need for more part-time, what occurred? Dr. Gutierrez shared that there was a coordinator there who was out for some time and passed away. Last year there was a manager in training so the budget went from two to one.

Ms. Limb referred to page 73, what is the increase in staff and contracted services? VP Schull shared that part-time staffing includes student conduct, which is a full-time person in the financial aid office, which funds a portion of support instead of hiring another individual. Contract mainly supports hot spots and internet for students. It was moved from another budget to this.

Ms. Limb referred to page 80, who are the confidential health professionals? VP Schull shared that there is a contract through Klamath Basin Behavioral Health (KBBH) to have a full-time and part-time individual on campus for mental health resources. The partnership allows KCC to subsidize costs, and not pay for the full service. Trustee Marquez shared she felt there was additional funding for this from around the state. VP Schull shared that KBBH was a wonderful partnership.

Ms. Limb referred to page 81, what is the international program? Dr. Gutierrez shared that this program just started to help diversify the student population. This will also help with community diversity and economic development growth. This is currently being subsidized for the first three years, then it will need to pay for itself. There are two international students now with 7 or 8 possibly on their way. Trustee Jensen shared that KCC is in partnership with OregonTech also.

Ms. Limb referred to page 86, how is soccer doing? Dr. Gutierrez shared that the KCC club just beat the Southwestern Oregon Community College Team. It is going well. There are other clubs that are interested in sports. It is possible to start here and look at college athletics in the future.

## **SPECIAL REVENUE FUNDS**

Mr. Stuhr referred to page 1, where did the increase in financial aid come from? Interim VP Reid shared that this is an estimate. The College cannot go over, so they make sure to budget enough.

Trustee Jensen referred to page 170, what is the increase? Interim VP Reid shared that the College lost the funding and received it back.

Ms. Limb referred to page 59, what was the decrease in the Small Business Development Center? Klamath IDEA was traditionally in the budget. Interim VP Reid shared they are removing and becoming their own 501C3.

Ms. Limb referred to page 176, what is the decrease? The grant is ending in September. Dr. Gutierrez shared that this grant sunsets and the College cannot reapply. KCC is evaluating this for next year to see

if the College is picking up some of the work or not. VP Jennings shared this was split between the Center for Teaching and Learning and Career Services Center, which provided \$70K in funding for redesigning courses, access to innovative technology, and the Career Service Center (CSC). The CSC is trying to be more efficient and self-sustainable.

Ms. Limb referred to page 201, what is this? VP Jennings shared this is the Oregon Health Authority Grants. This provides for case managers in the health services field. It is a learn-to-earn program. Once the curriculum is approved. Students can recruit students

## **IX. ENTERPRISE FUNDS**

Dr. Gutierrez shared that there are charging stations on campus which were covered by the grant. There may be as many as 6 more coming with the solar grant. KCC will get revenue from the charging station. It was inquired on compatibility. Dr. Gutierrez shared he felt there was compatibility of all but possibly Tesla, who he feels has a patent. There is also a battery storage system.

Chair Hewitt shared that she appreciated the healthy rainy-day fund at the college. Trustee Jensen shared that the Board has a 90-day reserve, that the Board cannot go below. This has helped KCC through a lot of times.

Ms. Walker-Henderson referred to page 221, does the college really need to go over \$1M? Should the college take the 400,000 and put it somewhere else? Dr. Gutierrez recommends leaving it there at this time.

## **X. DEBT SERVICE FUND**

Ms. Walker-Henderson asked about the two loans and if there are balloon payments. Interim VP Reid shared it is paid the same all the way through. The College could pay these off, however they only have a 2% interest rate. The college is paying on borrowed money from a bank. The payoff will be in 2029 for both.

## **XI. CAPITAL PROJECTS FUND**

Ms. Mathews referred to page 257, what is tied in with South Central Oregon Economic Development (SCOED)? VP Massie shared that some of the money used to fund IDEA went through SCOED.

## **XII. PUBLIC COMMENT**

None.

## **XIII. APPROVAL OF BUDGET or DATE FOR NEXT COMMITTEE MEETING**

### **A. Motion to Approve Budget as Set Forth for Fiscal Year 2024-25 and Approve Taxes for Fiscal Year 2024-25 at the Permanent Tax Rate of \$0.4117 per \$1,000 of Assessed Value for Operating Purposes.**

Motion by: Dave Jensen

Second by: Richard Harrington

Discussion: None.

**Action: Motion passed. Unanimous approval.**

## **XIV. ADJOURNMENT**

Klamath Community College is an Equal Opportunity Educator and Employer.

May 08, 2024\* Page 6

Chair Hewitt adjourned the meeting of the Klamath Community College Budget Committee at 7:45 pm.

Respectfully submitted by:  
Shannon Childs  
Klamath Community College  
Board of Education Secretary