



Klamath Community College
Budget Committee Meeting
7390 South Sixth Street * Klamath Falls, Oregon 97603
Wednesday, May 06, 2026 6:00 PM

MINUTES

I. CALL TO ORDER

Board Chair, Kenneth DeCrans, called the Klamath Community College Fiscal Year 2026-2027 Budget Committee meeting to order at 6:00 pm. The Pledge of Allegiance followed.

Members Present: Dan Hernandez; Raymond Holliday; Ivan Hernandez; Misty Buckley; Laura Limb; Kate Marquez; Kenneth DeCrans; Julie Matthews; Michael Stuhr; Rejeana Jackson and Kathleen Walker-Henderson. A quorum was confirmed.

Members Absent: Allen Ferreira (excused) Dave Jensen (excused), and Jonathan Flores (excused).

Staff Present: Dr. Roberto Gutierrez, President; Jamie Jennings, Vice President; Gail Schull, Vice President; Denise Reid, Vice President; Lucas Ritter, Vice President; Joshua Guest, Executive Director; Tonia Miller, staff; Nicole Baker, staff; Gerry O'Brien, staff; and Shannon Childs, Secretary to the Board.

Guests: None.

II. WELCOME

Dr. Roberto Gutierrez, President, welcomed everyone and asked for introductions of attendees.

- A. Dr. Gutierrez asked Klamath Community College (KCC) staff to introduce themselves, including Gail Schull, VP Student Affairs; Denise Reid, VP of Administrative Services; Jamie Jennings, VP of Academic Affairs; Lucas Ritter, VP of External Affairs; and Joshua Guest, Executive Director/Legal Counsel.

VP Reid introduced Tonia Miller, Director of Business Services and 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
Misty Buckley, Zone 3
Rejeana Jackson, Zone 5
Raymond Holliday, Zone 6
Kenneth DeCrans, Zone 7

Citizen Members

Dan Hernandez
Rafael Hernandez
Laura Limb

Julie Matthews
Michael Stuhr
Kathleen Walker-Henderson

III. NOMINATION OF BUDGET COMMITTEE CHAIRPERSON

A. Changing of the gavel

Nomination for Raymond Holliday to serve as Chair.

Nomination by: Kate Marquez

Chair DeCrans closed nominations.

Action: Raymond Holliday to serve as Chair.

Vote: Dan Hernandez, yay; Raymond Holliday, yay; Rafael Hernandez, yay; Misty Buckley, yay; Laura Limb, yay; Kate Marquez, yay; Kenneth DeCrans, yay; Julie Matthews, yay; Michael Stuhr, yay; Rejeana Jackson, yay; and Kathleen Walker-Henderson, yay.

Nomination passed for Raymond Holliday to serve as Chair.

IV. PRESIDENT'S UPDATE

A PowerPoint was handed out.

Dr. Gutierrez thanked the Budget Committee for what they do for the College and for being at the meeting.

Dr. Gutierrez shared updates with the committee, including KCC offering two bachelor's degrees. KCC has two projects occurring: the Childcare Learning Center (CLC) and Cosmetology. KCC and the Oregon Childhood Development Coalition are partners in the CLC. A capital campaign is continuing to raise funds for the CLC. KCC has also started work towards an Artificial Intelligence (AI) degree. Students will be required to be well-versed in AI.

VP Reid was invited to the podium and reviewed a PowerPoint as provided to the committee. The college's mission statement and strategic plan initiatives were reviewed. Student successes were highlighted. Future-focused education and services were shared. Organization viability was looked at by highlighting a partnership with Kingsley Field, an AI-ready campus initiative, and advanced English as a Second Language coursework. Community Engagement was shared, specifically the CLC being completed by late fall/early winter, and Strategic Plan 4.0 being prepared. VP Reid reviewed advanced planning and strategy with the example of the Facilities Master Plan being completed.

V. OVERVIEW OF THE BUDGET PROCESS

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.

VI. BUDGET MESSAGE and POWERPOINT

VP Reid continued to review the PowerPoint, beginning with the 2026-2027 fiscal year budget highlights. PowerPoint slides included the proposed budget of \$104,940,934, 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. VP Reid shared that Pell grants are in a special revenue fund.

VII. GENERAL FUND

Ms. Limb inquired about distance education, fall, winter, and spring. VP Reid shared that it is staying pretty steady.

Ms. Limb referred to page 30/32, How many full-time faculty are there in communications? VP Jennings shared they were staffed well with 4, 9-month faculty.

Ms. Limb inquired about Mathematics. Does Mathematics have a cost margin, negative or positive? VP Jennings shared that each area has a cost-margin analysis by discipline, math is negative 94,807.

Ms. Limb asked what Arts and Letters was. It has art, English literature, and philosophy classes.

Ms. Limb inquired about a reduction in adjunct funds to streamline. VP Jennings shared it was a balance of supply and demand based on enrollment.

43:00 Chair Holliday referred to page 52, the Business Technology budget went from \$157k to \$23k. VP Reid shared a faculty retired and the full-time position went to Gen Ed computer skills, this reduced the Business Technology budget. A full time faculty was moved. The offset is in 1309, page 46.

VP Reid shared that she sent a 10% or more changes with descriptions on it for reference.

Ms. Limb referred to page 43, what is the cost analysis? VP Jennings shared that the CMA is negative \$167K. It also had the largest cohort of RN and LPN in the history of the college. 27 are in the program now. Dr. Gutierrez shared that nursing is the most expensive program, which is why KCC appreciated the partnership with the hospital.

Trustee Buckley, referred to the unemployment lines being down. VP Reid shared that unemployment is down to a better rate.

Chair Holliday shared that travel was down in many departments. VP Reid explained that this was an outcome of efficiencies and doing professional development online.

Ms. Limb referred to page 41, and confirmed the college did not buy a fire engine. Ms. Limb asked what was the decline of 200K was? VP Reid explained that the Wildland Fire grant did not continue, so the position was sunsetted. There was also a decrease in adjunct faculty. Chair Holliday asked about enrollments. VP Jennings shared that in that area, there are 25 FTE and 259 students enrolled in Emergency Response Operations classes. This is on the uptick.

Ms. Limb referred to page 44, how is the strength in the diesel program? VP Jennings shared that enrollment is up. It is a unique program where students can register for one degree path, but sit for the certification for both. There is a positive margin with one of the largest cohorts we have had. Diesel has 33 FTE with 145 students, and Auto has 25 FTE with 377 students. This is duplicated enrollment; FTE is a better gauge for actual student enrollment.

Chair Holliday referred to page 79 International and commented on what looked like increased success. Dr. Gutierrez shared that KCC is trying something different with the cut down on visas. KCC is using online degrees, reaching across the world. This includes ESL. KCC is taking the programs to the student instead of them coming to KCC.

Ms. Limb referred to page 83, the athletics team. VP Reid clarified that this doubled due to the women's team.

Chair Holliday referred to page 91, and inquired about money in salaries. VP Reid shared that this was for unanticipated hiring.

Trustee Buckley asked about security; she appreciates the increased budget with the ongoing concerns. The sheriff contract is in this budget.

Trustee Buckley referred to page 100, elections run in the odd years, there is \$7,500 in the elections here. VP Reid shared that this was put in contracted services last time, and next time it will go to elections.

Ms. Walker-Henderson shared that she joined the last Board meeting and was concerned about the discussion on tuition and fees, and the raising it 4%, and that there were questions about financial aid packages. In her opinion, scholarship applications are showing that this is really not meeting all their needs, and they are paying more out of pocket in the last two years. It was noticed that in the budget, she was pleased to see that student fees were narrowing and KCC is not overcharging. The committee discussed the balance of needs, wants, educating students and examples of student stories. Overall, it was noted that it was appreciated fees were not increased with tuition.

VIII. SPECIAL REVENUE FUNDS

Ms. Limb referred to page 110, there was a significant drop in technology fees. VP Reid shared that the change is that KCC is eliminating the carry forward, as they are trying to spend those fees.

Trustee Buckley referred to page 111, subscriptions went up. VP Reid explained that this went to a different line item. Equipment is replacement cost. Software is up \$120K, some of the student-focused software was moved to the technology fees. They are trying to realign where student tech fees are paying for technology.

Trustee DeCrans, the course fees for diesel are zero. VP Reid shared that auto and diesel were combined.

Ms. Limb referred to page 122, and inquired how many pilots are graduating? Dr. Gutierrez shared that students are from all over the state. VP Jennings shared that enrollments are up significantly. The airplane program has 51 students and helicopter has 37 students. Graduations are mixed; there were 4 last year. What happens is that they get a license to work in the industry and do not necessarily complete the degree. VP Reid shared that the contract with Pureflight was here. This has the second-highest CMA. There is a positive margin.

VP Reid shared that Well Drilling is in apprenticeships. Dr. Gutierrez shared that teaching has not started in this program due to the state Bureau of Labor and Industry.

Ms. Limb asked how cosmetology was doing. VP Jennings highlighted a 110 FTE, which is the highest in Career and Technical Education (CTE). It has a positive margin of 105K.

Trustee DeCrans referred to page 138, asked about the best estimate. VP Reid shared that funds are passed through the Perkins Federal Grant; they come through and are used to purchase equipment for the CTE programs.

Chair Holliday referred to page 139, there is another Education Service District (ESD), YTP. VP Reid shared that this is the youth transition program. This is for accommodations to help students.

Ms. Limb referred to page 147, the Department of Human Services (DHS) grant? It went down \$200K. VP Reid explained that the ICAP (voc rehab) grant sunsetted as of June 30.

Ms. Limb inquired about well drilling and how long the grant went for. VP Reid stated that it goes through June of 2027.

Trustee DeCrans referred to page 149, which reads inactive. VP Reid shared that this department was inactivated. This is the budget for 3508.

The Board moved on to Reserve Funds.

Trustee Buckley referred to page 184, program development, is this because the program was not as needed? VP Reid explained that last year, Artificial Intelligence (AI) tech was funded there; this is for the coordinator of credit recovery due to state changes.

Ms. Limb referred to page 190, what is the furniture? VP Reid shared that this is a replacement of furniture and renovation. A brief update of remodels and renovations was made. Dr. Gutierrez shared that KCC is fortunate that the facilities team does a lot of the work in-house. VP Reid gave an update to in-house work being done.

Trustee Buckley, reserve for building, is this the best that can be done for now, or is this an accurate reflection of needs? VP Reid shared that there was also a budget for reserve building maintenance. This should be enough; however, it is hard to tell what cost is going to do.

Mr. Dan Hernandez referred to page 192, the technology budget, are these upgrades? VP Reid explained that during COVID, computers got updated, and now they are up for replacement as they stop working. Technology is on a 3-year replacement cycle. Dr. Gutierrez shared that there is an offset, so it is not every year.

Trustee Buckley referred to page 203, what is the liability insurance? VP Reid shared that this was created this year as a strategic reduction in insurance premiums.

Trustee Buckley, PERS liability, what is this? VP Reid shared that this is for future bills for unfunded PERS liability.

Chair Holliday called a 5-minute break at 7:36 pm

IX. ENTERPRISE FUNDS

Chair Holliday called the meeting to order at 8:43 pm

Trustee DeCrans referred to page 206; and inquired why this has negatives, going from \$84K to zero, but then negative \$15K. VP Reid shared that this is losing money, as it is with many bookstores. The \$45k that was transferred in 23-24 was not enough to cover the overspend. It is short by \$15k, which is actually shows up on page 208 as the ending fund balance. The 25K supplemental did not cover the overspend, so it carried over in 24-25. There had to be a transfer in from the general fund to right that to a zero-fund balance, \$84,993. The bookstore is losing money each year, and it is increasing. Ms. Walker-Henderson commented that it was not created for proceeds. Trustee DeCrans expressed that it is bleeding out bad, and that not making money and bleeding out are two different things. Dr. Gutierrez shared that the College is trying to work on the bookstore, because many colleges like OIT outsourced it years ago. KCC is trying to work with this, but this is not acceptable; something has to be done about it.

Trustee DeCrans added that there are a lot of KCC programs that are going to the free resource, online resource books, to help with the ease of students. Ms. Walker Henderson shared that there was not one for everything. It is easy to get things online and at a better cost, so it is a hard problem to solve. The shrinkage line was inquired on. VP Reid shared that this is food in the bookstore, drinks, books that are no longer available, dead stock returns, and books that are no longer relevant that did not sell. Trustee Buckley asked about the \$50k in postage. VP Reid explained that when books are ordered online the bookstore ships them out to people. KCC pays to get them here and then it cost to ship them to somebody else. VP Reid explained that the contracted services in the bookstore is the computer system that is used to chart books, the point of sale, subscription. Trustee Buckley noted that this should maybe be in software.

Trustee Buckley asked what the bookstore did that cannot be done somewhere else? Ms. Walker-Henderson shared caps and gowns. Trustee DeCrans noted that this only happened once a year. VP Reid reiterated that most people are going online. KCC has tried to keep this service on campus and provide to the students, at a cost. Trustee Buckley expressed that it may be weird to not have a bookstore here, but most things could be outsourced. Ms. Walker-Henderson shared that KCC used to work with OIT. KCC could do other things. Chair Holliday inquired if OIT has a bookstore. Dr. Gutierrez answered that it is outsourced. The Board talked about the possibilities of partnerships. Trustee DeCrans inquired if the college knew of bookstores that are profitable. Dr. Gutierrez expressed that it used to be profitable years ago with publishers. Now, with faculty doing their own books, it is not. Dr. Gutierrez shared that KCC is one of the last ones to have a typical bookstore like it has; a lot of them are going a different direction. The College is not sure what is going to happen, but is looking into it. It was added that KCC has food options in other areas and that clothing and items are moving online.

Trustee DeCrans referred to page 212, it was short in 23-24, and the fund balance for their negative is \$6,493. VP Reid shared that this was one of their first years, so there is some work to be done on how things are coded and distributed. KCC has to make sure that things are coded through the auxiliary. KCC is working on coding and balancing. Merchandising, this is a product in the store and part of the student experience of learning.

VP Reid shared that ChargePoint was the electric charging station. It has been seen in use. Dr. Gutierrez shared that this is on the GPS. VP Reid shared KCC made 1K last year. It was covered by a grant, so it did not cost KCC money to put in. The lifespan was 15-20 years. There is a maintenance contract with the company, and thus far, there have been zero expenses. It's like a self-serve gas station without having to fill the tank.

X. CAPITAL PROJECTS FUND

Ms. Walker-Henderson asked about the 4 projects, VP Reid shared that it was housing, cosmetology, Childcare Learning Center, and general capital fund. KCC still owns the land across the street. There was a discussion of what may go across the street. The plan is in the future to have an athletics field in the area behind building 8.

Trustee Rejeana Jackson left the meeting at 8:00 pm.

Ms. Limb inquired about the timeline for Badger Village. Julie Matthews shared that a small focus group is working on this. They are trying to do a workplace study for students and short-term rentals.

Trustee Buckley referred to well drilling and the curriculum and whether it will transfer into a different type of fund. VP Reid shared that this was to finish formulating the curriculum and the balance of the other grant they had previously.

Ms. Walker-Henderson asked what page the Foundation budget was on. VP Reid stated it was on page 101.

XI. PUBLIC COMMENT

None.

XII. APPROVAL OF BUDGET or DATE FOR NEXT COMMITTEE MEETING

A. Motion to Approve Budget as Set Forth for Fiscal Year 2026-27 as presented.

Motion by: Kenneth DeCrans

Second by: Laura Limb

Discussion: None.

Vote: Dan Hernandez, yay; Raymond Holliday, yay; Rafael Hernandez, yay; Misty Buckley, yay; Laura Limb, yay; Kate Marquez, yay; Kenneth DeCrans, yay; Julie Matthews, yay; Michael Stuhr, yay; and Kathleen Walker-Henderson, yay.

Motion passed. Unanimous approval

B. Motion to Approve Taxes for Fiscal Year 2026-27 at the Permanent Tax Rate of \$0.4117 per \$1,000 of Assessed Value for Operating Purposes.

Motion by: Kenneth DeCrans

Second by: Julie Matthews

Discussion: None.

Vote: Dan Hernandez, yay; Raymond Holliday, yay; Rafael Hernandez, yay; Misty Buckley, yay; Laura Limb, yay; Kate Marquez, yay; Kenneth DeCrans, yay; Julie Matthews, yay; Michael Stuhr, yay; and Kathleen Walker-Henderson, yay.

Motion passed. Unanimous approval.

Dr. Gutierrez thanked the Business Office for their work to be prepared for this meeting. Chair Holliday shared that in all the years he has been part, the team has always had the answers.

XIII. ADJOURNMENT

Chair Holliday adjourned the meeting of the Klamath Community College Budget Committee at 8:07 pm.

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