



TACOMA COMMUNITY COLLEGE
BOARD OF TRUSTEES

6501 South 19th Street
Tacoma, WA 98466

BOARD SPECIAL MEETING
Wednesday, June 10, 2020
3:00 p.m. – 4:00 p.m.
Virtual Meeting (information below)

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AGENDA

- I. CALL TO ORDER Liz Dunbar
- Chair Dunbar called the meeting to order at 3:03pm
- II. 2020 – 2021 BUDGET Ivan Harrell & Patty McCray-Roberts
- Vice President McCray-Roberts provided an overview of the college’s budget and the process for budgetary planning going forward. She highlighted that between 2016 – 2019 revenue increased by 3% and expenses increased by 16%. The current projection for the fiscal year ending on 6/30/20, after depreciation, is a \$2.9 million loss. Looking to the next fiscal year, there is the possibility of a significant decline in state allocated funds but we will not know exactly how much until the legislative session, which has yet to be determined. As we plan for next year, we are taking the advice to plan for a minimum of a 15% cut in state allocation. Vice President McCray-Roberts emphasizes that regardless of what happens with the state allocation, we must strive for a balanced budget and not rely on college reserves.
 - Going forward, the college will budget for all funds. This is necessary to know exactly how much it takes to operate the college and so that we are aware of all funds that can contribute to the reserves.
 - Vice President McCray-Roberts reviewed the process and timeline of Fiscal Year 2021. All information in this presentation is based on the best information we currently have.
 - **Revenue:** Tuition will go up 2.5% this year but expect a decrease in WEI funds (workforce education and investment ACT), which cover Guided Pathways and programs like nursing. We are also expecting a decrease in FTE and international revenue.
 - **Expenses:** We are now using a “Zero Based” budgeting practice to develop a minimum budget needed to run divisions. The presented information included COLA contingency and Strategic Planning. All expenses to operate Learning Centers moved from course fees to operating budget. In reviewing our budgets closer, there are too many

positions paid by soft funds. Moving forward we need to move all employees currently paid by soft funds to the operating budget. Budget Managers and departments worked hard to reduce expenses. Small decrease in salaries through minimizing part-time employees. Largest cut in supplies and other operating expenses. Originally planned to cut training expenses by 50% but had to change it to 30%. The CTCLink chart string did not separate out training and mandatory memberships so we had to readjust how much could be cut.

- Vice President McCray-Roberts reviewed various budget reduction strategies. One way will be through position cuts. There will be 38 positions vacant by end of year. There are 15 positions that approved for full year (can be filled right away) and 4 approved for ½ year (will be filled in six months). FY21 savings is \$2.3 million after payout (9months) and FY22 (12month) savings of \$3.3 million. The use of CARES Funding will also help to reduce budget expenditures. The funds are available for one year and are to recoup costs incurred during COVID-19 (ex. To cover fees we did not charge). Will not use all funds for FY20; need to plan for other quarters.

Trustee Questions/Comments:

Trustee Bernstein: Will the COLA stay? – VP McCray-Roberts: there is a high likelihood it will for classified staff as removing their COLA would require a decision by the Governor. Not sure if it will be removed for everyone else or not. Dr. Harrell: Important to remember that we do not receive funding for COLAs.

Chair Dunbar: The information presented shows that enterprise sales went up? - VP McCray-Roberts: Originally, enterprise revenue tracked was mostly bookstore and ELC but when we went back to look there are many enterprise sales attached to fees and moving this to the correct place results in an increase.

Trustee Bernstein: What are the dollar amounts for training and travel? - VP McCray-Roberts: In 2019 the total budget for travel was 519,000 but actual was 468,667 so we were able to cut down to 180,394.00. There could only be a 29% cut to memberships, not the 50% that we originally planned, since most memberships are required.

Trustee Ryan: What would the best-case scenario be? - VP McCray-Roberts: There are so many possibilities that could happen which makes it challenging to determine what a best-case scenario could be.

Chair Dunbar: We are projecting a 15% cut for state allocation but we are not sure if it will be that much or not. As Patty said, there are so many unknowns and how do we plan for that.

VP McCray-Roberts: This year we will really focus on quarterly projections and reviews throughout the year which we have not done in the past.

Trustee Bernstein: Know that everyone went through extensive process. What are the deepest cuts? – Dr. Harrell: we are at the deepest cut and if we have to make more reductions, we will have to eliminate additional positions.

Trustee Bernstein: have we looked at what those positions could be? We do not want to have to keep going back and forth.- Dr. Harrell: if this was a normal year we could make these decisions easier. Since circumstances are continually changing, we do not want to cut more than we have to especially since we don't know what will happen once the legislature meets. I have asked the VPs to continue to think about what else can be cut in the event that we need to do that.

Trustee Ryan: 15 vacant positions that have payout? - Dr. Harrell: they will be vacant as of July 1st so they are filled now but will be vacant as of June (retired, etc.)

Trustee Shuman: When will CARES funds be available? - VP McCray-Roberts: The funds are available now and will be applied at the end of the year. They are a onetime fund and we have from May 2020 to April 2021 to use it.

III. ADJOURNMENT

Liz Dunbar

Chair Dunbar thanked Vice President Patty McCray-Roberts for the presentation and with no further business will adjourn. 4:08 pm

Interpreters for people with hearing impairments and Braille or taped information for people with impairments can be provided. Please contact Karyssa Mathison, Office of the President at 6501 South 19th St., Tacoma WA 98466; Tel: 253/566-5169; Telephone Device for the Deaf TDD) 253/566-5139; or e-mail: kmathison@tacomacc.edu.

Virtual Meeting Information

Login on your computer, tablet, phone or
other electronic devices:
<https://zoom.us/j/93087154606>

Join by phone: 1-253-215-8782
Meeting ID: 930-8715-4606