

TARRANT COUNTY COLLEGE DISTRICT

Meeting of the Board of Trustees

August 15, 2013

6:00 p.m.

1. Call to Order. The Board of Trustees conducted a special meeting on Thursday, August 15, 2013, in the May Owen Center with Mrs. Louise Appleman presiding. Other trustees present were Mr. O.K. Carter, Mrs. Kristin Vandergriff, Mr. William Greenhill, Dr. Gwendolyn Morrison, and Mr. Conrad Heede. Also present were Chancellor Erma Johnson Hadley and members of the TCCD staff.
2. Public Comment. There was no public comment.
3. Board Budget Workshop V. The presentation by Chancellor Hadley consisted of six topics: Budget Process Summary, CELT Budget Planning Initiatives, Capital Improvement Projects, Chancellor's Recommendations, and Questions/Discussion.
 - a. Budget Process Summary: Mr. Mark McClendon, vice chancellor for finance, reviewed how campus and departmental budget requests are gathered and also noted the board and CELT budget sessions conducted to date. He showed a five-year chart showing three-month expenditures vs. fund balance. He gave a detailed report on TCC's excellent financial strength as compared with other large Texas colleges.
 - b. CELT Budget Planning Initiatives: Each CELT member presented selected initiatives from their respective areas of responsibility. These can be found on the copy of the PowerPoint presentation found in Supplemental Board Materials.
 - c. Capital Improvement Projects: Mrs. Nina Petty, vice chancellor for real estate and facilities, briefed trustees on selected capital improvement and repair/renovation projects for each campus and District wide.
 - d. Chancellor's Recommendations: Chancellor Hadley noted that CELT budget requests, initially calling for \$15.8 million and 124 new positions, had been trimmed to \$5.1million and 30.5 positions. The proposed revenue for 2013-14 is \$309,322,179 for Educational and General, \$39,144,256 for Capital

Improvements and Repair/Renovation, and \$8,166,000 for Debt

Service for a total of \$317,488,179, an increase of \$14,690,981 over the previous year. The Proposed Budget Summary shows a total expenditure of \$361,826,126, an increase of \$10,653,339. The chancellor detailed the proposed new staff members and reviewed salary increases expected to be enacted by the other large college districts. Her salary proposal includes a 3.5 percent salary increase for all budgeted employees, a \$1.50 per hour increase for credit adjunct faculty and full-time faculty overload, and an amount to cover promotions in rank/salary adjustments/department chair pay. The total for this salary proposal is \$9,457,815. Additionally, she recommends transferring \$467,920 of “sticky spaces” funds to hire 10 academic advisors. The proposed tax rate for 2013 is 14.950 cents per \$100 valuation, the .53 cent increase coming in debt service.

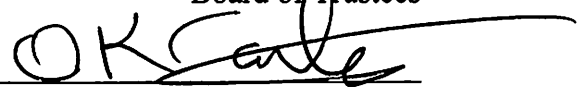
- e. Questions/Discussion: Mr. Greenhill asked Mr. McClendon how he judged the College’s continued financial stability in the context of rising expenses and limited sources of income. Mr. McClendon replied that, in his opinion, there may come a time when the pay-as-you-go method of financing major capital outlay will not be sustainable. He noted that, with the dramatic changes in methods of instructional delivery, some colleges and universities may find themselves with an excess of real estate and buildings. He also noted, however, the issue of immigration and how many more students that might bring. Chancellor Hadley observed that higher education is very different from what it was 10 years ago and from what it will be 10 years from now. Her view is that the College must examine how to serve more students with our present facilities. She added, however, that should the board someday want to construct another campus, the pay-as-you-go practice would not be viable unless CIP spending is dramatically curtailed. How would that, she asked, effect ongoing operations? Mr. Heede expressed concern with the proposed 3.5 percent salary increase. He said that, in his opinion, 3 percent is sufficient and would result in another \$1 million that could be used elsewhere. Mr. Carter said that the figure for new staff is, in reality, 40.5 when the new academic advisors are added. He expressed continued opposition to the transfer of “sticky space” funds. Mrs. Hadley clarified the 30.5

number, saying that the additional advisors were kept separate because the total budget figure would be the same regardless of what the board decided. There being no other questions, Mrs. Hadley said that the budget would be up for a vote at the next meeting.

4. Adjournment and Announcement of Next Meeting. Mrs. Appleman said that the next meeting of the board will be at 6 p.m. on Monday, August 19, at the May Owen Center. She adjourned the meeting at 9:06 p.m.



Louise Appleman, President
Board of Trustees



O.K. Carter, Secretary
Board of Trustees