

## TSCC Meeting Minutes

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Via Telephone conference call

Commissioners Barringer, Ofsink, Norton, Wubbold, and Quiroz were present as were Executive Director Craig Gibons, Budget Analyst Tunie Betschart all via telephone conference call.

Chair Barringer convened the TSCC Regular Meeting at 1:05

1. Chair Barringer approved the April 29 meeting minutes with one correction.
2. The question was asked if there were any old business, problems, or unfinished business left from the previous meeting held April 29 that needed attention. There was none.
3. There was a brief discussion about the review covering the City of Maywood Park concerning the number of FTE reported. It was noted that the 0.7 FTE reported in this review is actually more reflective of the actual hours being utilized by the city. Another concern of the commissioners was about the \$39,000 being transferred from the Wastewater Reserve Fund back to the General Fund since only the planning stage was completed on the future wastewater system<sup>1</sup>. Executive Director Gibons sent an email requesting clarification on this. It was noted that the certification letter was addressed using an incorrect name. This correction would need to be made prior to sending to the Mayor and council members.

*Commissioner Wubbold moved to certify that the Commission had no objections or recommendations with regard to the City of Maywood Park's 2020-21 Approved Budget and their budget process. Commissioner Ofsink seconded the motion which passed with a unanimous vote.*

4. Multnomah ESD was discussed next. The budget was prepared prior to the pandemic and the changes it has created. There was discussion on how to handle reviews on budgets that were prepared prior to knowing what adjustments would be needed to reflect the current circumstances. The dilemma for the commissioners is that many districts may have approved budgets having appropriations much higher than applicable in the current environment. This could create a management problem for those districts. TSCC will have no oversight of the mid-year issues. Each district will need to monitor and respond to these changes.

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<sup>1</sup> In a follow up exchange, the district clarified that the purpose of the fund was only to facilitate the planning process and not the actual project costs. The name of the fund was a misnomer. clg

Commissioner Wubbold asked if MESD developed a new board policy last year concerning the fund balance. There was nothing mentioned in the budget message about this so Executive Director Gibons sent an email to Sara Bottomley asking about this and will report back<sup>2</sup>.

Commissioners decided on the following questions for MESD's hearing: The questions for commissioners to asking at the MESD hearing were decided as follows:

- a) In the current year ending June 30, is the district expecting any year-end budgetary problems arising from revenue shortfalls or unanticipated expenditures due to the Covid-19 situation? What impact will this have on the district's ending fund balances that are not yet reflected in upcoming budget?
  - b) For the upcoming FY 2020-21 budget year, should the economy remain stalled, where are the district's greatest vulnerabilities? How will the district monitor and respond timely if revenue collections go off track or if unanticipated service requirements continue?
  - c) Specifically, are any debt service revenue streams at risk? If so, what is the coverage plan?
  - d) (Request for a written answer to the following question; and ask that the response be sent as soon as possible so commissioners have an opportunity to evaluate the answer.) The budget was prepared and approved prior to all the changes brought about by the COVID -19 pandemic. Now that you have had a little time and a little more information, please provide the commissioners with the modifications you are already planning in order to adapt to the deviations this has created.
  - e) Your district's provision of special education services has been key to providing service many students during this pandemic. What differences are you anticipating for next school year? What are you hearing from your component districts about the changes in services they will be needing?
  - f) Last year you also discussed the ESD's role in regional leadership and convening stakeholders. How has that work evolved this year and what is on the agenda for the future? (Is the role of the Cascade Technology Alliance also growing? How is the Corbett school district business manager situation evolving?)
5. Mt. Hood Community College was next on the agenda. The fact that they had just cut \$3 million out of their budget and as soon as they had gotten through all of that the COVID-19 pandemic hits was reported.

It was noted that the history for community colleges has changed allowing them to do a four-year degree as long as it leads to a specific career. Our review will need to be changed to reflect that change.

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<sup>2</sup> See attachment

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There was an enquiry on the FTE reduction not saving the college money. The explanation given was that in the grant funds the FTE numbers do not reflect actual FTE. The cost of employees in this report is confusing and will be eliminated.

MHCC resources to pay the debt was discussed. It was suggested that many resources may have come from fees. Debt would certainly need to be addressed with MHCC because they do not have a G.O. bond.

The questions for commissioners to asking at the Mt. Hood Community College's hearing were decided as follows:

- a) In the current year ending June 30, is the district expecting any year-end budgetary problems arising from revenue shortfalls or unanticipated expenditures due to the Covid-19 situation? What impact will this have on the district's ending fund balances that are not yet reflected in upcoming budget?
- b) For the upcoming FY 2020-21 budget year, should the economy remain stalled, where are the district's greatest vulnerabilities? How will the district monitor and respond timely if revenue collections go off track or if unanticipated service requirements continue?
- c) Specifically, are any debt service revenue streams at risk? If so, what is the coverage plan?
- d) (Request for a written answer to the following question; and ask that the response be sent as soon as possible so commissioners have an opportunity to evaluate the answer.) The budget was prepared and approved prior to all the changes brought about by the COVID -19 pandemic. Now that you have had a little time and a little more information, please provide the commissioners with the modifications you are already planning in order to adapt to the deviations this has created.
- e) The college made reductions last year and is proposing more reductions in the current year. You are expecting the same student enrollment. What is the impact of these cut on the college's programs? What is happening on the campus? Tuition increased, reduction in programs? How are these cuts impacting college programs even prior to COVID-19 and how is that being addressed?
- f) Flexibility will be needed to meet the changes brought about by the new normal brought about by the current pandemic. How they you planning around the obscurity of the number of students that will enroll with all the uncertainty and changes happening such as deferrals, on-line classes, the decision deadline moving out to mid to late summer/

Next on the agenda was consideration of the schedule. The schedule for TSCC meetings and District Hearings is correct as presented. No changes are needed. This is just confirmation.

New business:

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- 1) Acquiring signatures for use on the certification letters was the topic added. Executive Director will work this out.
- 2) Next on the agenda is the changes for the review of Corbett School district. (This was discussed earlier but moved to this place in the minutes for continuity) The timing of the Corbett School district's approved budget review and the possibility of using the proposed budget document was deliberated. In the interest of obtaining the best possible estimates for revenue and expenditures the budget Committee would like to wait until June to vote on approving the proposed budget. Executive Director Gibons brought it to the commissioners' attention that the statute states TSCC will certify the proposed budget. There was discussion on this and the fact that this is a document that the budget officer has prepared. It was mentioned that since timing of the adoption is the issue, and the fact that there is an executive order in place, the district does not have to adopt their budget by June 30 in order to continue operations. They can adopt later than June 30 using the current year budget. However, it was suggested that if Corbett School District could get the approved budget to staff by mid-June a short turnaround could be accomplished. The commissioners could hold a meeting and get the Certification letter to them prior to their June board meeting so they would be able to adopt their budget late in June.
- 3) Hosting virtual hearings was next under new business. Multnomah County has restricted county employees from hosting Zoom and Google Meet meetings. Executive Gibons will continue to work with the districts to ensure there will be a system in place allowing TSCC to chair the hearing. Since this will all be new and possibly different with each hearing, a recommendation was made to "attend" a little early to resolve any issues that may happen.

The next TSCC meeting is Tuesday, May 12 at 12:30.

Chair Barringer closed the meeting at about 2:15.

**Approved 5/12/2020**

A handwritten signature in black ink, appearing to be 'CG', with a long horizontal line extending to the right.

**Craig Gibons**