



Bbb

BLUEPRINT FOR BALANCED BUDGET

To Financial Stability and Beyond

Agenda:

- Facilitating Right Sizing Budget Choices
 - Participatory
 - Transparency
 - Strategic (precision)
- Timelines
- Strategies



Facilitating Choices: Live within our Means

- **Collective Approach** – scenario for across-the-board reductions to generate reductions ideas and solutions
 - All Units via Budget Managers, Leadership Team
 - Precision Team
- **Precision Approach** – strategic approach to balancing
 - Collective Approach ideas/strategies
 - Personnel
 - Vacancies
 - Recent Hires
 - Filled positions by CBA
 - Adjustments, stipends, reassigned, etc.
 - Program & Services
 - Demand vs. Cost Analysis
 - Program Review
 - Operating Costs
 - Contracts and Consultants
 - Asset management, space and technology



Budget Taskforce

The task force will review and make recommendations to College Council for the allocation of resources for the FY 25-26. This includes developing proposed changes to:

- Operating base budget to achieve balanced budget
- One-time investments with the use of NSCC Foundation funding (AKA AFS)

Membership:

The taskforce represents two members for each NSC employee constituency groups (Exempt, AFT Pro Staff, WFSE/Classified, Faculty)

Convener: Kristen Burton, Andy Burton

Constituency Group	Names
WFSE/Classified	Al Burns, Casey Saunders
AFT Pro Staff	Katy Foster, Meseret Tesfaye
Faculty	Caroline Pew, Salim Khan
Exempt	Dan Tarker, Kathleen Crompton



Timelines

- **Collective Approach – February 2025**
- **Precision Approach – strategic approach to balancing**
 - Team: President, VPs, BD, HRD
 - Meeting Daily: **March 4 to March 18**
 - Presentation to Budget Taskforce: **March 18**
 - List of positions impacted and proposed budget plan for Fy 2026
 - Rubric Analysis, Impacts with Ways to mitigate
 - Feedback from Budget Taskforce: **March 18-25**
 - Presentation to College Council: **March 26**
 - List of positions submitted to HRD to coordinate CBA notifications and process
 - Town Hall after March 26
 - Feedback from College Council: **April 9**
 - **Town Hall after April 9**
 - Cabinet final modifications: **April 9-15**
 - Budget due to District CFO **April 16**
 - Balanced Budget Plan due to BOT: **April 29**
 - BOT meeting, Finance Committee: **May 1**, 1st reading: **May 8**
 - BOT meeting, approval: **June 12**
 - **JULY 1** Budget Implementation

Tentative Layoff Timelines

March 26 – April 14: CBA impact analysis

April 14 – May 5: Union Notification & Meetings

May 12 – June 13: Coordination with impacted staff

June 16: Separation action initiated in CTCLink

June 30: Last Day for Impacted staff



FY 26 Budget Scenarios

- FY 25 Deficit carry over
- State Anticipated Deficit (\$10 to \$12B)
- CBA commitments AFT Faculty and AFT Pro
- Unfunded COLAs
- Operational Fixed costs – Utility rate increase, etc.
- Tuition rate and enrollment changes
- District services from green model to fixed ratio of College's revenues

Transfer for District OH

Task One: What are Core Services to operate as a District?

Task Two: How are we funding these core services? Using the ratio of Revenues collected, what is the rate and which revenues?

DRAFT District Revenue Assumptions FY 25 Transfer to District

North
(7,148,666)

New Model @20%

State Allocation Fund 001-101 & 08A-3E0
@20% (excludes earmarks)

(3,856,650)

Tuition Fund 149 @20%

(2,259,216)

Running Start Fund 146 @20%

(677,430)

International Program Fund 146 35%

(790,921)

Federal Indirect

Auxiliary Services Fund 5XX @20%
528,569,570,573

(87,028)

SCIE Fund 146 @35%

Proposed FY 26 Transfer to District

(7,671,244)

Difference Increase (Decrease)

522,578

Scenario 1

FY 25-26	North - 7063		
	Modified Budget FY 25	Proposed Budget FY 26	Difference
Sources of Funds (Revenues)			
State Allocation, net of \$3.3M reduction	\$32,887,176	\$32,149,938	\$(737,238)
Tuition	11,296,079	12,120,693	824,614
International	2,259,774	2,259,774	-
Running Start	3,387,149	3,387,149	-
F&A (Indirect)	140,000	140,000	-
Transfer in (from Colleges)	-	-	-
Total Estimated Source of Funds	\$49,970,178	\$50,057,553	\$87,376
Uses of Funds (Expenditures)			
Personnel	39,172,123	39,172,123	-
Non-Personnel	6,787,920	6,787,920	-
Transfer out (to District)	7,148,666	7,584,216	435,550
International Program	308,128	308,128	-
Running Start	499,491	499,491	-
Total Budgeted Use of Funds	\$53,916,329	\$54,351,879	\$435,550
Source over Use of Funds: Surplus (Deficit)	\$(3,946,151)	\$(4,294,325)	\$(348,174)
% of Deficit to Total Expenditures	-7.32%	-7.90%	

Facilitating Choices: Prudent Level of Reserves


- **Monetize Assets – Sale/Long Term Lease**
 - North: North Seattle SE corner = \$7-9 million in land value
- **Enterprising Activities for Fund Balance**
 - Facility Rentals (spaces, parking, vacant land)
 - Running Start
 - International Program
 - Other Auxiliary Services

Enterprising Activities to Fund Balance

Running Start 146	North
Revenues	3,387,149
Less	
SBCTC Innovation @1.5%	(50,807)
SCD OH @20% to Fund 149	(677,430)
Colleges RS Personnel cost in Fund 146	(448,684)
Colleges Instruction & OH to Fund 149	(953,283)
Net Revenue to Fund Balance	1,256,945

International Program	North
Revenues	2,259,774
Less	
SBCTC Innovation @2.5%	(56,494)
SCD OH @35% to Fund 149	(790,921)
Colleges IP Personnel cost in Fund 146	(251,634)
Colleges Instruction & OH to Fund 149	(782,585)
Net Revenue to Fund Balance	378,139

Scenario 2

 SEATTLE COLLEGES North · Central · South			
FY 25-26	North - 7063		
	Modified Budget FY 25	Proposed Budget FY 26	Difference
Sources of Funds (Revenues)			
State Allocation, net of \$3.3M reduction	\$32,887,176	\$32,149,938	\$ (737,238)
Tuition	11,296,079	12,120,693	824,614
International	2,259,774	782,585	(1,477,188)
Running Start	3,387,149	953,283	(2,433,866)
F&A (Indirect)	140,000	-	(140,000)
Transfer in (from Colleges)	-	-	-
Total Estimated Source of Funds	\$49,970,178	\$46,006,499	\$(3,963,678)
Uses of Funds (Expenditures)			
Personnel	39,172,123	39,172,123	-
Non-Personnel	6,787,920	6,787,920	-
Transfer out (to District)	7,148,666	6,115,866	(1,032,800)
International Program	308,128	-	(308,128)
Running Start	499,491	-	(499,491)
Total Budgeted Use of Funds	\$53,916,329	\$52,075,909	\$(1,840,420)
Source over Use of Funds: Surplus (Deficit)	\$ (3,946,151)	\$ (6,069,409)	\$(2,123,258)
% of Deficit to Total Expenditures	-7.32%	-11.65%	

Furloughs 101

- Temporary
- Governor Ferguson proposed 12 days a year
 - About 4.6% reduction in pay (ensuring those below livable wage are not impacted)
 - Estimated savings districtwide \$5.4M
 - Implementation that would limit impact to instructional program & services
 - Essential workers
 - Facility and Utility savings
 - CBA notification
- Subject to Legislative Appropriation
 - Could lead to SBCTC declaration of Financial Emergency, see RCW [28B.50.873](#)