



**BUDGET AND RESOURCE ALLOCATION COMMITTEE
PASADENA AREA COMMUNITY COLLEGE DISTRICT**

Tuesday, May 28, 2019 2:00 p.m.
President's Conference Room – C233

Co-Chairs

- ✓ Jeff Bajah, Social Sciences
- ✓ Chedva Weingart, (Interim) Business & Administrative Services

Associated Students

- ✓ Rep., Student Trustee
- Alt Rep., ASI President

Management Association

- ✓ Dyan R. Miller
- ✓ John Gillette

Faculty

- ✓ Mary-Erin Crook
- ✓ Mark Whitworth
- Rod Foster

Classified Representatives

- ✓ Gary Potts, PCC-FCT
- ✓ Peter Dwight, Clas. Senate
- Rudy Perez, CSEA

Resources/Members

- Terry Giugni, Assistant Superintendent, VP Instruction
- Bob Blizinski, VP, Human Resources

Resources

- Robert Bell, Sr. VP Non Credit & Offsite Campuses
- Cha Mancini, Business Services
- Laconia Fennessy, Fiscal Services
- Crystal Kollross, Director, Inst. Effectiveness

1. Call to Order

Chedva Weingart, (Interim Co-Chair), called meeting to order at 2:05 pm.

2. Public Comment

None at this Time.

3. Approval of Minutes

Postponed until next Regular Meeting.

4. Budget Update

Chedva Weingart, (Interim Co-Chair) Executive Director of Fiscal Services, presented the Pasadena Area Community College District / Tentative Budget / Fiscal Year 2019-2020.

- a) Highlights from State Budget Governor's / May Revise – May 9, 2019 / Overall Budget Framework. C. Weingart informed the committee members that the May Revised leaves the Governor's January proposal for California Community Colleges largely unchanged. The following highlights were shared and discussed in details at the meeting:
 - May-Revise maintains Governor's commitment to reducing state debt, paying down liabilities, building reserves, and allocating spending to one-time initiatives.
 - It deposits an additional \$1.2 billion into the Rainy-Day Fund, bringing the total reserve to \$16.5 billion in 2019-2020.
 - It deposits \$389 million to Prop 98 funds in the Public Schools Stabilization Account.
 - May revise leaves Governor's January proposal for CCC largely unchanged.
 - Prop 98 funding slightly higher than estimated in January - 10.99%.
 - Lower Local Property tax revenues are offset by higher general fund amounts.

- May revise makes the first transfer to Public School System stabilization account. New state reserve for schools and community colleges. Transfer of \$389.3 million.
- May revised maintains Governor's commitment to reducing state debt, paying down liabilities, building reserves, and allocating spending to one-time initiatives.
- An additional \$1.2 billion into the Rainy-Day Fund.
- An \$389 million to Prop 98 funds in the Public Schools Stabilization Account and its funding slightly higher than estimated in January - 10.99%.
- Lower Local Property tax revenues are offset by higher general fund amounts.
- May revise makes the first transfer to Public School System stabilization account. New state reserve for schools and community colleges. Transfer of \$389.3 million.
- Revisions estimates the revenues would be sufficient to cover the 2018-2019. Total Computational revenues which would mean the Chancellor's Office would not administer a deficit.
- The Governor's proposal reduces the 2018-2019 apportionment through reducing the transfer counts in the student success allocation 49 million and assumes higher revenue of \$178 million.
- Additional Changes to the Student Center Funding Formula: Expansion of College Promise for a second year, Cal Grant expansion, relief on Pension costs. Contribution rate for STRS to drop from 18.1% to 16.7% for 2019-2020 and 19.1% to 18.1% for 2020-2021.

b) Potential 2018-2019 Apportionment Shortfall were presented and discussed:

- Under the Governor's May Revisions estimates the revenues would be sufficient to cover the 2018-2019; total Computational revenues which would mean the Chancellor's Office would not administer a deficit; although P1 had assumed a deficit of \$228 million, the Governor's proposal reduces the 2018-2019 apportionment through reducing the transfer counts in the student success allocation 49 million and assumes higher revenue of \$178 million.

As in any year the final budget could include a general apportionment shortfall particularly if the Governor and Legislator do not make changes to the SCFF or if offsetting revenues do not materialize.

The Committee members inquired about the impact that some of the May- Revise would have in the different areas of the PCC budget. There were also concerned in regards about what some of the revision will have in STRS employer's contribution. C. Weingart was able to answer most question but ask all members to keep in mind this is

5. Future BRAC Meeting

6. Adjournment

(M/S/P) M. Whitworth/M. Crook Meeting to adjourn at 3:15 pm.