



BUDGET AND RESOURCE ALLOCATION COMMITTEE
PASADENA AREA COMMUNITY COLLEGE DISTRICT

Thursday, February 27, 2020

MINUTES

Members Attending 2/27/2020 Meeting

Jeff Bajah, Business

Mike Bush, Business & Administrative Services

Associated Students

Alex Sarkassian, Student Trustee

Faculty

Mary-Erin Crook

Classified Representatives

Peter Dwight, Clas. Senate

Gary Potts,

Resources

Laconia Fennessy, Fiscal Services

Chedva Weingart, Executive Director of Fiscal Services

1. PUBLIC COMMENT

None at this time

2. APPROVAL OF MINUTES – Thursday, January 30, 2020

M/S/p (J. Bajah / G. Potts) The Committee members reviewed and approved minutes for October 24, 2019.

Those Committee members that did not attend the January 30, 2020 meeting, refrained from voting.

3. MOODY'S RATING UPGRADE

M. Bush shared the Moody's Rating report results and explained the significance of the Aa1 upgrade in PCC's credit rating.

The Moody's rating is based on a national scale. This is based on the College value, access and their risk to meet financial obligations. PCC earned a Moody's Aa1 rating which is an excellent rating. Aa1 is reserved for public institutions that are financially strong. The significance of Aa1 will have positive impact on moving forward with our refinancing and sales of bond.

ME. Crook: Does the rating affect the interest rating?

M. Bush: Yes, it will have a positive effect.

M. Bush reported to BRAC that on Feb 26th, PCC sold 100 % of the bonds, saving \$11 Million to tax payers. Piper Sandler & Co. underwriters purchased \$16 M. dollars in Bonds, the rest were bought by the public in the stock market.

4. UPDATE ON STATE REVENUE:

M. Bush reported that the California State office notified the colleges via email that 2019-2020 first principal apportionment computational revenue will be cut by 3.69% from previously

reported amounts. PCC's portion of the cut is 5.4 M (total computation revenue). Per the Chancellor's office, the cut is a result of property taxes revenue being much less than expected. On a more positive note, PCC is still in good shape after the cut in funding.

J. Bajah: *Can you please explain the line on the report that states the Full-time Faculty Hiring (FTFH) apportionment (2015-16 Funds only) for \$1.4 M.*

M. Bush: In 2015-16 the state provided \$1.4 M to convert part-time faculty to full time.

C. Weingart discussed the various components Exhibit C from P1 report and shared additional information from the Chancellor's website with the BRAC committee members. She also explained some of the possible sources of shortfalls of the apportionment revenue attributable to the estimated property tax revenue.

5. FUTURE BRAC MEETING

- *Thursday, March 28, 2020*

6. Adjournment

Meeting adjourn at 3:15 pm.