



Budget Resource Allocation Committee (BRAC)

Thursday, March 26, 2020 - 2:30 – 4:00pm

MINUTES

1. Call to Order

Meeting was called to order at 2:30 p.m.

2. Public Comment

None at this time.

3. Approval of Minutes – *Thursday, February 27, 2020*

(m/s/p) (C. Weingart/G. Potts) Move to approve minutes.

4. Post-Budget Retreat Rank List

M. Bush shared the approved Budget Retreat List to be funded. The list was approved by the individual divisions, followed by Vice Presidents, then Executive Cabinet, and last at the Budget Retreat. At this point, is not clear how the Budget Retreat integrates with BRAC.

A. Johnson: *What is the meaning of the color-coded columns?*

M. Bush: D. Coley prepared the list and additional information will be requested. All BRAC members should have been invited to the Budget retreat however some were not.

M.E. Crook: *How many of the projects on the ranking will get funded?*

M. Bush: Very few if any as a result of the impact of coronavirus recession on the State budget.

5. Impact of Coronavirus Recession on the District Budget

Some of the challenges the State of California is facing as a result of the coronavirus recession are:

- Rapid growing unemployment rate will negatively impact State income taxes.
- Delayed Tax filing deadline to July 15th means State will not know available resources.
- Closed businesses and stay at home orders are negatively impacting State sales tax.
- The State is very dependent on the top 1% of tax payers, who may have lost money in the stock market.

All these challenges have negative impact on State revenues.

M Bush: The Department of Finance has instructed all State agencies not to expect an increase in their 2019-2020 budgets. Instead, the State will have a workload budget. A workload budget is defined as prior year expenditures, plus legal obligations, plus COLA. State agencies have been asked to look at four scenarios: 1) with COLA, 2) without COLA, 3) with a 5% decrease in funding, 4) a 10% decrease, and lastly 5) 15% decrease of Workload budget.

Community College advocates lobby that community colleges are critical to the economic recovery of California's.

Chancellor's Office is advocating for the following:

- To receive full COLA on top of workload budget.
- To receive additional revenue to help faculty transition to remote instruction.
- To allow the College to utilize resources for technology.

Because of Proposition 2, rainy day fund, the recession will not immediately result in cuts to education, if the recession goes for much longer, education will face budget reductions.

M.E. Crook: *Is there any chance the legislature will revisit the funding formula?*

M. Bush: No, I do not believe so, they are looking at a hold-harmless for districts.

J. Bajah: *Do you think there is a possibility of hiring freezes?*

M. Bush: Hiring freeze is a local decision. Currently, we are not considering a hiring freeze.

M. Whitworth: *Are there any possibilities of reducing offerings?*

M. Bush: Not at this time.

D. Shelton: *With all the current news, the extra dollar in student fees for representation, will still go into effect?*

M. Bush: Yes, it will still be charged. This fee was mandated by the State.

D. Shelton: *Is the Construction plans for the Sarafian building still moving forward?*

M. Bush: Yes. The State has already approved funding.

M. Whitworth: *Is any Federal relief being provided?*

M. Bush: All FEMA options are being carefully reviewed currently the eligible reimbursements are limited, but there is advocacy to provide more relief to colleges.

A Boekelheide: *There might be some Federal grant funding for colleges that serve in-large to minority students. At this point nothing has been released but it will be tracked and keep everyone informed.*

D. Miller: *Is there a timeline for the Sarafian building?*

M. Bush: Yes. We are requesting authorization to bid at the April Board meeting. Originally, the demolition was scheduled to start after commencement. Since, PCC commencement has been canceled, demolition may happen sooner. Construction phase should begin in August or September, and last for 18 months.

D. Miller: *As a result of the recession, is the project material cheaper?*

Bush: Yes, general construction costs drop during a recession.

6. Future BRAC Meetings

J. Bajah inquired about the change on meeting time for future meetings.

M. Bush: Meeting time has not changed and BRAC will continue to meet the fourth Thursday of the month from 2:30 to 4:00 p.m. Corrections will be done.

7. Adjournment.

Meeting adjourn at 3:15 pm.