



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

Thursday, January 25, 2018 – 2:30 p.m.

President's Conference Room – C233

Co-Chairs

- ✓ Danny Hamman, Social Sciences
- ✓ Richard Storti, Business & Administrative Services

Associated Students

Alejandro Chavez, StdntTrst(A)
Alternate, ASI President (A)

Management Association

✓ Todd Hampton
Rebecca Cobb

Faculty

Mary-Erin Crook
✓ Mark Whitworth
✓ Rod Foster

Classified Representatives

Gary Potts, PCC-FCT
Peter Dwight, Classified Senate
✓ Rudy Perez, CSEA (A)

Resources/Members

Terry Giugni, Assistant Superintendent, VP Instruction
Lisa Beam, Interim VP, Human Resources

Resources

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

1. Call to Order

Dr. R. Storti, Co-Chair/Assistant Superintendent-VP, called meeting to order at 2:30 pm.

2. Public Comment

None at this Time.

3. Approval of Minutes

Due to no quorum, this agenda item has been postponed/agendized for the next BRAC meeting.

4. Budget/Economic Update – Dr. R. Storti, Assistant Superintendent/VP Bus. & Admin Services

- a. **Governor's Budget - U Building Update:** The U Building replacement project was submitted by PCC to the State as an emergency replacement project due to seismic deficiencies. After passage of Proposition 51 in November 2016, the U Building replacement project was approved for State funding as a 100% State funded project. While the project was initially approved as a 100% State funded project, the Governor's Proposed budget for FY 2018/2019 released in January 2018 calls for a 50% match from the District. The change in match may or may not be included in the final budget. If the 50% match requirement becomes final, the District's match would be in excess of \$30 million. In addition, unfunded cost escalations for the project are projected at \$6-8 million.

The District has received \$2.2 million of State funding in FY 2017/2018 for architectural services. As of February 7, 2018, \$1.1 million has been expended or encumbered. According to the Chancellor's Office, if the project is pulled and canceled by the District, the District would not be required to repay the \$2.2 million of State funding received in FY 2017/2018.

At this point the District has two options: 1) To Continue with the design phase of the project until the final budget is approved by the Governor. Once the final State budget is approved (expected by June 30, 2018), the match requirement will be known and the District can re-evaluate the project accordingly. Or 2) To pull the project immediately and halt design services. The risk with this approach is that the project could remain a 100% funded project with the final budget and the District would forgo the funding opportunity. It was recommended that the Board of Trustees continue with the design phase of the project until the match requirement included in final budget for FY 2018/2019 is known. Once the match requirement is known, the District can re-evaluate the project accordingly.

b. Spring 2018 - Fiscal Year Projections

Dr. Storti shared the California Community Colleges Chancellor's Office Governor's January Budget Proposal for 2018-19. There were several items of discussion including the new proposed formula that would allocate base funds for enrollment, and provide additional funding in support for low-income students, as well as reward colleges' progress on increasing the number of certificates and degrees awarded.

As far as 2017-18, PCC continues to proceed with caution and fiscally responsible. It is looking very positive that PCC will have another balanced budget at the end of the 2017-18 Fiscal Year.

5. Future BRAC - 2018 Meetings Schedule

- Thursday, **March 22nd**
- Thursday, **April 26th**
- Thursday, **May 24th**
- Thursday, **June 28th**
- Thursday, **July 26th**
- Thursday, **August 23rd**
- Thursday, **September 27th**
- Thursday, **October 25th**
- *BRAC does not meet during November & December in observance of the Holidays.*

6. Adjournment

(M/S/p) Meeting Adjourned 3:15 pm.