

UNADOPTED

**GLENDALE COMMUNITY COLLEGE DISTRICT
BUDGET COMMITTEE MEETING
MINUTES**

June 27, 2023

Zoom Meeting

12:20 – 1:30 pm

Amir Nour & Michael Scott – Co-Chairs

Present Voting:

Amir Nour (Co-Chair)

Angineh Baghoomian (Admin)

Elin Gharibian, AS President

Michael Scott (Co-Chair; Guild)

Irina Shumakova (CSEA)

Erik Balian, AS VP Admin

Paul Schlossman (Admin)

Terry Flexser (CSEA)

Absent: Alexandra Christy (Senate); Brittany Grice (Admin); Michael Ritterbrown (Admin)

Present Resource: Calvin Madlock, Stacy Jazan, Faculty Coordinator of Institutional Effectiveness

Quorum (6): 9 out of 11 voting members present.

Guests: Afsaneh Abyari; Agnes Eguaras; Alfred Ramirez; Amelita Cortes; Angine Aslanian; Chris Franz; Christina Tangelakis; Clare Little; Daphne Dionisio; David Crawford; Davin Knight; Diane Chia; Ed Karp; Elmira Nazaryan; Eric Hanson; Eric Tazekand; Flora Armen; Freddy Saucedo; Gevork Msryan; Jessica LoGuercio; Joe Cancelli; Jose Hernandez; Jose Salinas Betancourt; Lauren Lampietti; Lynn Ribisi; Martha Perez; Meg Chil-Gevorkyan; Nicole Hise; Nusha Shishegar; Olga Tovar; Richard Cortes; Rocio Maldonado; Rozik Avanesian; Ryan Cornner; Tamar Ayrapetyan; Toni Reyes.

The meeting was called to order by Co-Chair Amir Nour at 12:20 pm.

1. **Approval of Minutes of June 8, 2023** (Standard III.D.2-3):

MSC - (Scott/Gharibian) to approve the minutes of June 8, 2023 as presented. Motion passed unanimously.

- a. Amir informed the meeting that during summer the committee will only provide budget updates. The Old Business agenda items consisting of AR 6200, 6300 and AR 6305 will be tabled until the fall.
- b. New ASGCC President, Elin Gharibian and ASGCC VP Finance Erik Balian, introduced themselves.

2. **Informational Items: None**

3. Old Business:

a. 2023-2024 Budget, Cash Analysis and the Governor's Tentative Budget Update (Standard III.D 1-3, 5-13)

Amir reviewed his *2023-24 Fiscal Implications of the Tentative Budget* PowerPoint which he presented to the Board of Trustees. Highlights are as follows:

- i. Projected deficits in state budget of \$31.5 billion compared to \$22.5 projection in January; General Fund spending decrease of over \$10 billion.
- ii. Concerns: delayed tax filings and revenue projections; lower capital gains; state reserve decline by 8.1%.
- iii. May Revise proposes a COLA increase from 8.13 to 8.22%; including COLA for EOPS, Adult Education Program, CalWORKs, CARE and DSPS. Result is approximately \$8.6 million in ongoing funding to GCC.
- iv. May Revise proposes:
 - \$100 million in student retention, (\$1.2 million for GCC).

- Cut/reapportionment of 2022-23 Covid-19 Recovery Block grant of \$345 million (a \$4.2 million cut for GCC).
- Cut/reapportionment of 2022-23 Deferred Maintenance of \$452 million (a \$5.56 million cut for GCC).
- Note: Proposed use of \$503 million to support SCFF.
- Note: State willing to take back funds already provided to colleges.
- Note: State willing to use onetime funding to support ongoing costs.
- State Fiscal Considerations: (a) tax filing delays trigger uncertainty; (b) Mixed thoughts on whether and how severe a recession will be in coming years; and (c) Hold Harmless could dramatically impact many districts.

GCC Fiscal Priorities are:

- Fully fund 5% cash reserve following year-end close.
- Fully fund existing employee obligations (Step, column and benefits estimated increase of \$1.5 to \$2 million).
- Maintain 50% compliance.
- Partner with CSEA and Guild to further support employees.
- Increase enrollment and SCFF metrics in order to move out of Hold Harmless ASAP.
- Identify ways to decrease ongoing costs.
- Identify ways to create stabilization reserves.
- Dr. Cornner reported enrollment numbers 15% up for Fall, which is a positive sign; Promise Plus program 400 last year; this year the College has 650 students enrolled thus. Students are full time. Ed Karpp reported that summer enrollment numbers are up 3%.

2023-2024 Tentative Budget and Five Year Forecast:

- COLA for 2023-24 is at 8.22%. However, it is not projected for the next five years because of the uncertainty with state budget.
- Employee benefits for 2023-2024 includes the \$400,000 increase resulting from CalPERS expenditure rate increase.

Potential Revenues/Savings/Expenses:

- Awaiting confirmation of \$1.5 in additional funding for full time faculty hiring and \$1 million for part time faculty insurance.
- Awaiting confirmation for savings through Health Insurance Rebate and rates.
- Step & Column, PERS, STRS and Health Insurance rate increases have been included.
- Net cost of new hires as well as savings from retirees will be added.

GCC has moved from a deficit of \$950,000 in 2022-23 to a surplus of \$1.9 million in 2023-24; increased its ending balance from \$4.2 million in 2022-23 to \$10.8 million in 2023-2024. Additional surplus to support operations after final budget and year end numbers are finalized. Five year forecast includes best, moderate and worst scenarios.

Timeline:

July – modify tentative budget based on final state budget due prior to July 1st.

August – provide final budget for review to the College and Board of Trustees. September

– Board approval of final budget.

5. **Other**

None

6. **Adjournment**

The meeting adjourned at 1:05 pm.