**ADOPTED**

**GLENDALE COMMUNITY COLLEGE DISTRICT**

**BUDGET COMMITTEE MEETING**

**MINUTES**

**December 14, 2023**

**Zoom Meeting**

**12:20 – 1:30 pm**

Amir Nour & Michael Scott – Co-Chairs

**Present Voting:**

Amir Nour (Co-Chair) ) Brittany Grice (Admin) Terry Flexser (CSEA)

Michael Scott (Co-Chair; Guild) Angineh Baghoomian (Admin) Elin Gharibian, AS President

**Present Resource:** Lauren Lampietti, Director, Network System & Operations; Stacy Jazan, Faculty Coordinator of Institutional Effectiveness

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

**Guests*:***  Andy Stires; Agnes Eguaras; Andy Stires; Ed Karpp; Freddy Saucedo; Erin Kurasz; Freddy Saucedo; Gary Karen Shamoyan; Marie Elguira; Meg Chil-Gevorkyan; Rocio Maldonado; Tamar Aryapetyan.

The meeting was called to order by Co-Chair Amir Nour at 12:23 pm.

1. **Approval of Minutes of November 9, 2023 Meeting** (Standard III.D.2-3)**:**

**MSC –** (Scott/Gharibian) to approve the minutes of November 9, 2023, as presented. Motion passed unanimously.

1. **Informational Items:** No update on number of people enrolled in SRP until end of January, 2024.

1. **Old Business**:
2. 2023-2024 Fiscal Implications of Preliminary Final Budget and the Governor’s Tentative Budget Update (Standard III.D 1-3, 5-13) – **no update until end of January, 2024**
3. **AR 6305** – District Reserves – **tabled as some of the language will change.**
4. **New Business**
5. 2024-25 Fiscal Outlook

Based on California Legislative Analyst’s Office (LAO), the state’s fiscal outlook looks grim with a $68 billion deficit. Reasons being: last year’s revenue shortfall; interest rate increases have slowed down the economy; home sales are down by 50%; there has been an 80% drop in companies going public; unemployment has gone up, with the loss of 200,000 jobs.

**Solutions**:

* Draw from State Reserve, which has $24 billion. In order to do that, the state has to declare a budget emergency. It should be noted that the state’s reserves cannot cover multi year deficits which average $30 billion per year.
* Ongoing or one-time funds to spend. Ongoing funds are only a band aid to the problem for one year only.
* Reduction in all one-time funding up to 8 billion.
* Reduce Proposition 98 spending, which will affect K-14.
* Reduce other one-time spending. The state has an estimated $8 billion in one-time and temporary spending.
* Identify other solutions

This complete analysis is available at: [California's Fiscal Outlook](https://www.glendale.edu/home/showpublisheddocument/60251/638381596425530000). Legislators are looking to take early action to address this budget problem - as time lapses, there will be less options available. Co-Chair Michael Scott discussed the scenario of salary cuts which would be approximate 40%, an unacceptable solution. A last minute deferral would ‘kick the can’ down the road. An update of the state budget is expected in January, 2024.

1. Other
2. Income Statement

Co-Chair Amir Nour reviewed the quarterly statement of income and expenditures as of November 30, 2023. The next income statement will show a forecast of expenditure through June 30, 2024. Income statement includes Fund 01 balances which are overstated for payroll purposes. For example, November payroll shows up in the December income statement. As a guide, the numbers in red change each month. Details of this can be retrieved at [Income Statement](https://www.glendale.edu/about-gcc/faculty-and-staff/administrative-services-department/budget/2023-2024-fiscal-year-budget)

 Financial Reporting

This is 72 pages long and is limited to Fund 01. Co-Chair Amir Nour stressed the importance of having a budget line item in order to have an expenditure. Exceptions can be made in cases where funds exist in another budget line which will then require a transfer of funds to cover this. Budget transfers must be approved by Vice Presidents. Salary accounts cannot be transferred. Details can be retrieved at [Financial Reporting](https://www.glendale.edu/about-gcc/faculty-and-staff/administrative-services-department/budget/2023-2024-fiscal-year-budget)

Cash Flow Statement

The Cash Flow Statement displays actual cash in and out from July to November, 2023. At the end of the year, the projected cash balance is $7,108,243.82. Details can be retrieved at [Cash Flow Statement](https://www.glendale.edu/about-gcc/faculty-and-staff/administrative-services-department/budget/2023-2024-fiscal-year-budget)

1. **Adjournment**

 The meeting adjourned at 1:07 pm.

  *Minutes recorded by Rosa Buford, Administrative Assistant IV Confidential, Administrative Services*