



**Planning & Budgeting Committee Minutes
(PBC Committee)**

May 28, 2021 9:00 am to 11:00 am

Meeting Location: Zoom Video Conference ID: 769-987-656

**Co-Chair: Adil Ahmed, Interim Vice Chancellor for Finance &
Admin. Co-Chair: Thomas Renbarger, Academic Senate President**

PBC Membership

Adil Ahmed, Co-Chair, Interim Vice Chancellor of Finance & Admin.	Dr. Nathaniel Jones, III, President, College of Alameda
Thomas Renbarger, Co-Chair, Merritt Academic Senate President	Dr. Tina Vasconcellos, Vice President of Student Services, COA
Donald Moore, DAS President	Aurelie Sciaroni, Student Representative
Matthew Freeman, Faculty, BCC	Helen Ku, Institutional Research Designee
Jennifer Shanoski, PFT President	Louie Martirez, Classified Senate Appointee
Scott Barringer, Local 39 Representative	David M. Johnson, President, Merritt College
Kawanna S. Rollins, SEIU Representative	Richard Ferreira, Executive Assistant, District, Note taker
Tami Taylor, Interim Budget Director	Joan Davis, Staff Assistant, District, Note taker

Total Number of Members is 14. Quorum is 8.

In Attendance:

Adil Ahmed, Co-Chair, Interim Vice Chancellor of Finance & Admin.
Thomas Renbarger, Co-Chair, Merritt Academic Senate President
Donald Moore, DAS President
Matthew Freeman, Faculty, BCC
Scott Barringer, Local 39 Representative
Kawanna S. Rollins, SEIU Representative
Dr. Nathaniel Jones, III, President, College of Alameda
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Helen Ku, Institutional Research Designee
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Louie Martirez, Classified Senate Appointee
Jennifer Shanoski, PFT President
Joan Davis, Staff Assistant, District, Note taker

Guests:

C.M. Brahmbhatt, Consultant, Cambridge West Partnership
Jeffrey Sanceri, Faculty, College of Alameda
Lowell Bennett, Faculty, Merritt College
Momo Lim, Internal Auditor, District
Joseph Bielanski, DAS Representative
Dr. Marla Williams-Powell, Interim Executive Fiscal Director
Lilian Pires, Principal Financial Analyst,
Merritt College
Derek Pinto, VP of Admin. Services, Laney
Mark Johnson, Exec. Dir., Marketing,
Comm. & Public Relations
Richard Thoele, Classified, President Local 1021

Absent:

Aurelie Sciaroni, Student Representative
Tami Taylor, Interim Budget Director



Agenda Item	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
I. Standing Items					
A. Call to Order			The meeting was called to order at 9:06 am and quorum was met.		
B. Adoption of the Agenda			Motion and seconded to accept the Agenda as written.		
C. Approval of Minutes			Motion and seconded to accept the Minutes from May 14, 2021 for the PBC meeting. Motion approved.		
D. Report of Action Taken			<p>Co-Chair Renbarger gave an update on the BAM task force. Most of the meeting covered the material the items which will be presented today as a carried over item. He also spoke of how C.M. Brahmbhatt gave a presentation on how the student centered funding formula will affect revenue.</p> <p>C.M. Brahmbhatt discussed the student centered funding formula and the components of this, as well as how some of the state revenue will be distributed in the future in terms of the FTE related to the colleges. The local revenue generated at the colleges will remain at the colleges in a future year.</p>		



			<p>This will allow each college to improve the individual college revenue in the future. The third item that was discussed spoke of how the Hold Harmless or how the impact of the stabilization will work in the future years. As it is provided to each district the similar mechanics will be available to each college in a future year as a part of the budget allocation model. There will be at least one year minimum guarantee of the prior year revenue that they have received as a part of the total computation revenue to build their budget for the next year. The utilities will be provided to the college directly. The caveat is that the college cannot move the monies from the utilities account for any other purposes. However all of the savings from the utilities and all other savings will be retained at the colleges as a part of their overall ending balances.</p> <p>C.M. Was thanked for his work with the district.</p>		
<p>E. Public Comments</p>			<p>Dr. Nathaniel Jones III asked if the revised BAM going to be used exclusively for the general funds allocation or will the BAM also be used to allocate other fiscal resources as well.</p> <p>The BAM will cover all unrestricted dollars going through the budget allocation model that is being discussed.</p> <p>Per VC Ahmed- If the State does not say how much each college is receiving the three year average will be used.</p>		



			<p>It was mentioned to make sure that the model for allocating resources is clearer with regards to how funds will be allocated.</p> <p>Lowell Bennett mentioned that at the BAM meeting on 5/27/21 and at the last Board Meeting there was a discrepancies with meeting the 75% rule. It was asked with respect to the 75% 25 rule, what is the rule with regards to each college.</p> <p>Per VC Ahmed- There was an error with the presentation from the district which was referring to the FON (faculty obligation numbers) this is where we are meeting the compliance. The district made the correction to the presentation with regards to this error.</p> <p>Jennifer Shanoski mentioned that the FON was set as a bench mark based on the number of students that we have in the district. It doesn't take into account that we have four colleges, we have four academic senate presidents, four accreditation teams and four of everything. Just saying that we are above the FON does not explain the workload. It is a mistake to think of the FON as a good measure of where our fulltime faculty obligation should be. The 75/25 rule should be that bench mark. That is about instruction and that is why we are here.</p> <p>C.M. Brahmbhatt requested that the district supply what information has been submitted as the 75/25 report to the State for the last 5 to 7 years and share with the BAM Taskforce. This will allow others to see why we are trying to improve this aspect.</p>		
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			VC Ahmed will request this information from VC Brown on the last 5 years, to attempt a presentation on this information at the June 22 nd meeting. VC Ahmed will try to gather the information but is unable to promise to present the information at the next meeting.		
II. Carried-Over and New Items	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
A. 5 Year Projection Report		E.3 — Fiscal Oversight	<p>Co-Chair Ahmed presented the 5 Year Projection Report.</p> <p>Jennifer Shanoski-requested that it was noted in the presentation it has a huge decrease in part-time faculty budgeted from this year to next year and carried forward. Assumptions are that we need the same level of classified staff and administration, but we are cutting faculty, and the 5 year projection with the Hold Harmless gone and all of the assumptions that are built into that assume that we keep everything as it is now.</p> <p>Number 2, She thinks that it is really awful that we are getting more money next year than we have ever had before, we are getting more per pupil funding then we have ever had before and we are cutting classes.</p> <p>She also finds it problematic that we received all this additional money and the decision on how to spend it in the budget was done behind closed doors.</p>		



**Planning & Budgeting Committee
Minutes (PBC Committee)**

			<p>Shouldn't there be a process in place when there is a shift in May Revise these are the values that we have at the district and this will be how we will make changes in our budget. It should be new administrators making the decision.</p> <p>VC Ahmed- Stated that the 9 million that was seen there was overstated. This was an error. The budget should have shown a little over 5.4 million. The faculty obligation is moving along there is no cut there. The same FTEF is being given. The reason that we have always spent more, is when we bring in part timers we do not move from the fulltime vacant positions the budget to the part time positions. We have to implement a system that does that. We have to put in place a process that whenever a fulltime faculty and we bring in a part timer, the college has to move the budget from the fulltime faculty to the part time budget. We have to make sure that on July 1st we will implement this process. No EPAF will be signed unless the budget follows, and we see that the budget has been transferred.</p> <p>A motion was made and passed to engage in a two-year planning process starting in fall 2021 with support from C.M to ensure that the planning can incorporate changes in the State budget.</p>		
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			<p>A motion was made for PBC to place values on teaching and the FTEF allotment should be evaluated and determined of a taskforce made of faculty, administration and classified in the fall for the following year's budget.</p> <p>An amendment was made to the motion as follows, PBC shall place value on teaching and state that FTEF and FTES should be evaluated and determined with a task force made up of classified, administrators and faculty. The motion was passed.</p> <p>The PBC set a motion to approve the revised projected budget which was presented today by VC Ahmed for FY 2021-2022 budget. The motion was not approved.</p>		
II. Next Meeting			TBA Possibly the third Friday in September (9/17/21)		
IV. Adjournment			The PBC meeting was adjourned at 11:10 am.		



Target Reduction: \$7,500,000 (Assumption Scenario #4)

Unrestricted General Fund 5 Year Projection

Date: 5/21/2021

	Adopted Budget Fiscal Year 2020/21	Projections Fiscal Year 2021/22	Projections Fiscal Year 2022/23	Projections Fiscal Year 2023/24	Projections Fiscal Year 2024/25 (w/ Hold Harmless)	Projections Fiscal Year 2024/25 (w/o Hold Harmless)
Revenues:						
Federal Revenue	-	-	-	-	-	-
State Revenue *	69,689,847	75,219,572	75,971,768	76,731,485	77,498,800	71,695,770
Local Revenue	75,127,953	72,205,810	72,927,868	73,657,147	74,393,718	74,393,718
Interfund Transfer In	-	-	-	-	-	-
Total Revenues:	144,817,800	147,425,382	148,899,636	150,388,632	151,892,518	146,089,488
Expenditures: **						
Full Time Academic (Instructors)	25,400,106	23,240,803	23,705,619	24,179,731	24,663,326	24,663,326
<i>Full Time Academic Vacancies</i>		<i>1,237,705</i>	<i>1,262,459</i>	<i>1,287,708</i>	<i>1,313,462</i>	<i>1,313,462</i>
Academic Administration	6,126,601	5,737,893	5,852,651	5,969,704	6,089,098	6,089,098
<i>Academic Administration Vacancies</i>		-	-	-	-	-
Other Faculty	5,640,185	6,506,110	6,636,232	6,768,957	6,904,336	6,904,336
<i>Other Faculty Vacancies</i>		-	-	-	-	-
Part Time Academic	9,042,082	5,011,257	5,111,482	5,213,712	5,317,986	5,317,986
Classified Salary	29,827,717	26,193,898	26,717,776	27,252,131	27,797,174	27,797,174
<i>Classified Salary Vacancies</i>		<i>4,688,906</i>	<i>4,782,684</i>	<i>4,878,338</i>	<i>4,975,905</i>	<i>4,975,905</i>
Fringe Benefits	39,892,236	36,231,510	36,956,140	37,695,263	38,449,168	38,449,168
<i>Benefits for Associated Vacancies</i>		<i>4,480,782</i>	<i>4,570,398</i>	<i>4,661,806</i>	<i>4,755,042</i>	<i>4,755,042</i>
Bad Debts	670,830	850,000	867,000	884,340	902,027	920,067
Books Supplies, SVcs	23,023,008	22,354,667	22,578,214	22,685,576	23,139,287	23,602,073
Equipment Outlay	261,743	212,703	214,830	221,296	225,722	230,237
Debt Services-Bonds	2,046,604	2,334,000	2,380,680	3,380,680	4,380,680	4,380,680
Other Outgo	1,878,885	1,850,000	2,314,174	2,360,457	2,407,667	2,455,820
Staff COLA Increase = 0						
Contengency Reserve	1,007,803					
Total Expenses:	144,817,800	140,930,234	143,950,339	147,439,699	151,320,880	151,854,374
Beginning Fund Balance:	23,195,271	23,195,271	29,690,419	34,639,716	37,588,648	38,160,287
Net Increase (Decrease)	(0)	6,495,148	4,949,297	2,948,933	571,639	(5,764,886)
Audit Adjustment	-	-	-	-	-	-
Ending Fund Balance:	\$ 23,195,271	\$ 29,690,419	\$ 34,639,716	\$ 37,588,648	\$ 38,160,287	\$ 32,395,401
Fund Balance %	16.02%	21.07%	24.06%	25.49%	25.22%	21.33%
Vacancy Cost from Scenario #4	15,117,759					
Revised Vacancy Cost	<u>10,407,393</u>					
Frozen/Eliminated Vacancies	<u>4,426,476</u>					

* 4.05% COLA included in budgeted revenues

** \$4.4 million frozen vacant positions are not included in the budgeted expenditures-The frozen vacant positions with Zero dollars budget

The italic amounts are vacant positions to be hired including their benefits

Non negotiated COLA for any employee groups dollars % included in the budget

Planning & Budgeting Committee Minutes (PBC Committee)

Presented by VC Ahmed
5 Yr Impact-w 4% COLA on Salary

Goal: Assumption Scenario #4						
Unrestricted General Fund 5 Year Projection						
Date: 5/21/2021	Adopted Budget Fiscal Year 2020/21	Projections Fiscal Year 2021/22	Projections Fiscal Year 2022/23	Projections Fiscal Year 2023/24	Projections Fiscal Year 2024/25 (w/ Hold Harmless)	Projections Fiscal Year 2024/25 (w/o Hold Harmless)
Revenues:						
Federal Revenue	-	-	-	-	-	-
State Revenue	69,689,847	75,219,572	75,971,768	76,731,485	77,498,800	71,695,770
Local Revenue	75,127,953	72,205,810	72,927,868	73,657,147	74,393,718	74,393,718
Interfund Transfer In	-	-	-	-	-	-
Total Revenues:	144,817,800	147,425,382	148,899,636	150,388,632	151,892,518	146,089,488
Expenditures:						
Full Time Academic (Instructors)	25,400,106	23,240,803	23,705,619	24,179,731	24,663,326	24,663,326
<i>Full Time Academic Vacancies</i>		1,237,705	1,262,459	1,287,708	1,313,462	1,313,462
Academic Administration	6,126,601	5,737,893	5,852,651	5,969,704	6,089,098	6,089,098
<i>Academic Administration Vacancies</i>						
Other Faculty	5,640,185	6,506,110	6,636,232	6,768,957	6,904,336	6,904,336
<i>Other Faculty Vacancies</i>			-	-	-	-
Part Time Academic	9,042,082	5,011,257	5,111,482	5,213,712	5,317,986	5,317,986
Classified Salary	29,827,717	26,193,898	26,717,776	27,252,131	27,797,174	27,797,174
<i>Classified Salary Vacancies</i>		4,688,906	4,782,684	4,878,338	4,975,905	4,975,905
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Staff COLA Increase @ 4%		3,900,000				
Contengency Reserve	1,007,803					
Total Expenses:	144,817,800	144,830,234	143,950,339	147,439,699	151,320,880	151,854,374
Beginning Fund Balance:	23,195,271	23,195,271	25,790,419	30,739,716	33,688,648	34,260,287
Net Increase (Decrease)	(0)	2,595,148	4,949,297	2,948,933	571,639	(5,764,886)
Audit Adjustment	-	-	-	-	-	-
Ending Fund Balance:	\$ 23,195,271	\$ 25,790,419	\$ 30,739,716	\$ 33,688,648	\$ 34,260,287	\$ 28,495,401
Fund Balance %	16.02%	17.81%	21.35%	22.85%	22.64%	18.76%
		17.81%	21.35%	22.85%	22.64%	18.76%
Initial Proposed Salary Savings	15,117,759					
Revised Vacancy Cost	10,407,393					
Frozen/ Eliminated Vacancies	4,426,476					
* 4.05% COLA included in budgeted revenues						
** \$4.4 million frozen vacant positions are not included in the budgeted expenditures-The frozen vacant positions with Zero dollars budget						
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Staff COLA Increase @ 4%		3,900,000	3,900,000	3,900,000	3,900,000	3,900,000
Contengency Reserve	1,007,803					
Total Expenses:	144,817,800	144,830,234	147,850,339	151,339,699	155,220,880	155,754,374
Beginning Fund Balance:	23,195,271	23,195,271	25,790,419	26,839,716	25,888,649	22,560,288
Net Increase (Decrease)	(0)	2,595,148	1,049,297	(951,067)	(3,328,361)	(9,664,886)
Audit Adjustment	-	-	-	-	-	-
Ending Fund Balance:	\$ 23,195,271	\$ 25,790,419	\$ 26,839,716	\$ 25,888,649	\$ 22,560,288	\$ 12,895,402
Fund Balance %	16.02%	17.81%	18.15%	17.11%	14.53%	8.28%
Initial Proposed Salary Savings	15,117,759					
Revised Vacancy Cost	10,407,393					
Frozen/Eliminated Vacancies	4,426,476					
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