



PBC COUNCIL MEMBERSHIP	Membership – 14; Quorum – 8
Dr. Nathaniel Jones III, Tri-Chair, Acting Vice Chancellor for Finance & Admin.	(Vacant), President, COA
Thomas Renbarger, Tri-Chair, Academic Senate Pres.	Jeffrey Sanceri, President, PFT
Kawanna S. Rollins, Tri-Chair, Classified SEIU Representative	Dr. Stacey Shears, Vice President of Student Services, BCC
Dr. Marla Williams-Powell, Interim Associate Vice Chancellor for Finance & Administration	(Vacant), Student Representative
Matthew Goldstein, DAS President	Dr. Francisco Herrera, Institutional Research Designee
Matthew Freeman, Faculty, BCC	Javier Lopez, Local 39 Representative
Sinead Anderson, SEIU Representative	
David M. Johnson, President, Merritt College	Richard Ferreira, Executive Assistant, District, Notetaker (non-voting)
	*NOTE: Blue identified as absent or vacant.

Guests

Amy Marshall, Director of Facilities & College Operations, Laney	
Dave Vigo, Budget Director, Finance & Administration, District	
Fareha Bakre, Principal Budget Finance Analyst, District	
Foziya Musse, Principal Budget Finance Analyst, District	
Hope Lane, Executive Assistant, Laney, Classified Senate Pres.	
Jamille Teer, Facilities Project Coordinator, District	
Marie Amboy, Acting Vice President of Academic Services, Merritt	
Mark Johnson, Exec. Dir. Public Info., Comm. & Media, District	
Richard Thoele, President, Local 1021	
Sean Brooks, Vice President of Administrative Services, BCC	
Tami Taylor, District Senior Accountant, District	

Planning & Budgeting Committee (PBC) Minutes

Agenda Item	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
I. Standing Items					
A. Call to Order			The PBC meeting was called to order at 9:03 am. Quorum was met.		
B. Adoption of the Agenda			Motion and seconded to accept the Agenda with changes to Amended to E. Obtain input and discussion. Motion approved unanimously.		
C. Approval of Minutes			Motion and seconded to accept the Minutes from February 23, 2024, with a change that Jeffrey Sanceri was absent at the last meeting. Motion passed.		
D. Report of Action Taken			Dr. Jones informed the committee that in March the Board of Trustees meeting the Budget Development Calendar was approved and he thanked everyone for their work and support.		
E. Report of College Budget Committee			Sean Brooks, Vice President of Administrative Services, BCC met on February 12, 2024. Provided the APU Resource request while tracking their budget actuals. Currently they are slightly over. Leveraging all their funds to end with a balanced budget. Next meeting April 9 th . No other reports were provided at this time.		

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F. Public Comments			Matthew Goldstein reminded everyone of the PBIM Retreat on Friday, March 22, 2024, in the morning.		
II. Carried-Over and New Items	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
A. PBC Taskforce Subcommittee-Proposed Structure		E.3 — Fiscal Oversight	<p>Dr. Jones inform the committee that it was agreed upon the revised number of members. Tri-Chairs will get together and draft a preliminary Taskforce Charge. Moving forward with the item.</p> <p><i>Recap of the number.</i> <i>The Tri-Chairs proposed an updated number as a reduced number of members to seven (7) persons which included:</i></p> <p><i>2 Faculty</i> <i>2 Classified</i> <i>2 Administrators</i> <i>1 PBC Tri-Chair</i></p> <p><i>Non Members:</i> <i>2-4 As needed additional non-members/Subject Matter Experts Including Staff Admin and/or Faculty could be utilized.</i></p>		

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B. ESC/PBC Taskforce			<p>ESC/PBC Taskforce to entertain a motion to adopt the ESC/PBC Taskforce from the last meeting where Matthew Freeman discussed in detail.</p> <p><i>Matthew Freeman is not present at this meeting and a recap from the previous meeting minutes are as follows:</i></p> <p><i>The Joint ESC/PBC Taskforce membership proposal:</i> <i>2 Administrators</i> <i>2 Faculty</i> <i>2 Classified</i> <i>2 Students</i> <i>1 Appointment Representative each constituency from ESC and PBC.</i></p> <p><i>He stated that the Educational Services Committee motioned and passed it on February 9, 2024. He would like to present it to the PBC to submit the request formally for discussion and approval.</i></p> <p><i>To be placed as an agenda item for the next meeting (March 15, 2024).</i></p> <p>Dr. Jones called for a motion based on endorsing the ESC/PBC Taskforce on behalf of Matthew Freeman from the last meeting.</p> <p>Motion: In favor of endorsing the ESC/PBC Taskforce. Motion passed.</p>		
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<p>C. Tentative Budget Assumptions</p>			<p>Dr. Jones provided preliminary budget assumptions and let the committee know that over time the assumptions may change. The Tentative Budget is submitted to the Board of Trustees in June.</p> <p>Revenues A balanced budget must be submitted to the State. Total Computational Revenues (TCR) estimated to be at \$145.4 M with a Deficit Factor from 2.0% to 3.55% and that can change.</p> <p>A Deficit Factor based on a formula, example would be like an IOU of \$150M and being given \$148M as an example based on the maxed TCR. Included a .76% COLA applied to a limited number categorical programs.</p> <p>Lottery estimated at \$249.00 per FTES approximately \$6.6M for PCCD.</p> <p>Parcel Tax – Measure E is estimated to be \$8M.</p> <p>Additional information on the presentation part of the Minutes.</p> <p>Expenses Salary Step and Column Increases \$1.2M.</p> <p>Salaries increase by 85% of COLA .76% which is 0.646%. It is important to note that there are corresponding benefits that increase when salaries are increased, for example, Worker’s Compensation, Medicare, and Medicaid.</p>		
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			<p>Funded enrollment is based on 14,500 and that is lower than the enrollment we had last year.</p> <p>There are certain increases that need to be accounted for without many options. For example, actual utility costs need to be budgeted for.</p> <p>FY 2024-25 Board Elections (4) of them that need to be paid for. Estimated. \$1.2 to \$1.5 million that needs to be budgeted and paid for.</p> <p>The total budgeted amount for bond debt service, fees, and interest rate swaps is \$17.0M (\$6.7M, fund reserve 69 and \$10.3M, fund 94). This will be presented to the Board of Trustees at the next meeting on March 26, 2024.</p> <p>It is estimated that expenses will exceed revenues.</p> <p>There is no budget reductions/plan or goal set at this time.</p> <p>Other districts when receiving the Hold Harmless placed a large amount of it into reserve knowing that that funding would not be coming in the future. The Peralta District did not.</p> <p>Additional information on the presentation part of the Minutes.</p> <p><i>Finance will look at how much we actually make from student enrollment fees. Not a large number. Possibly couple of million dollar range.</i></p>		
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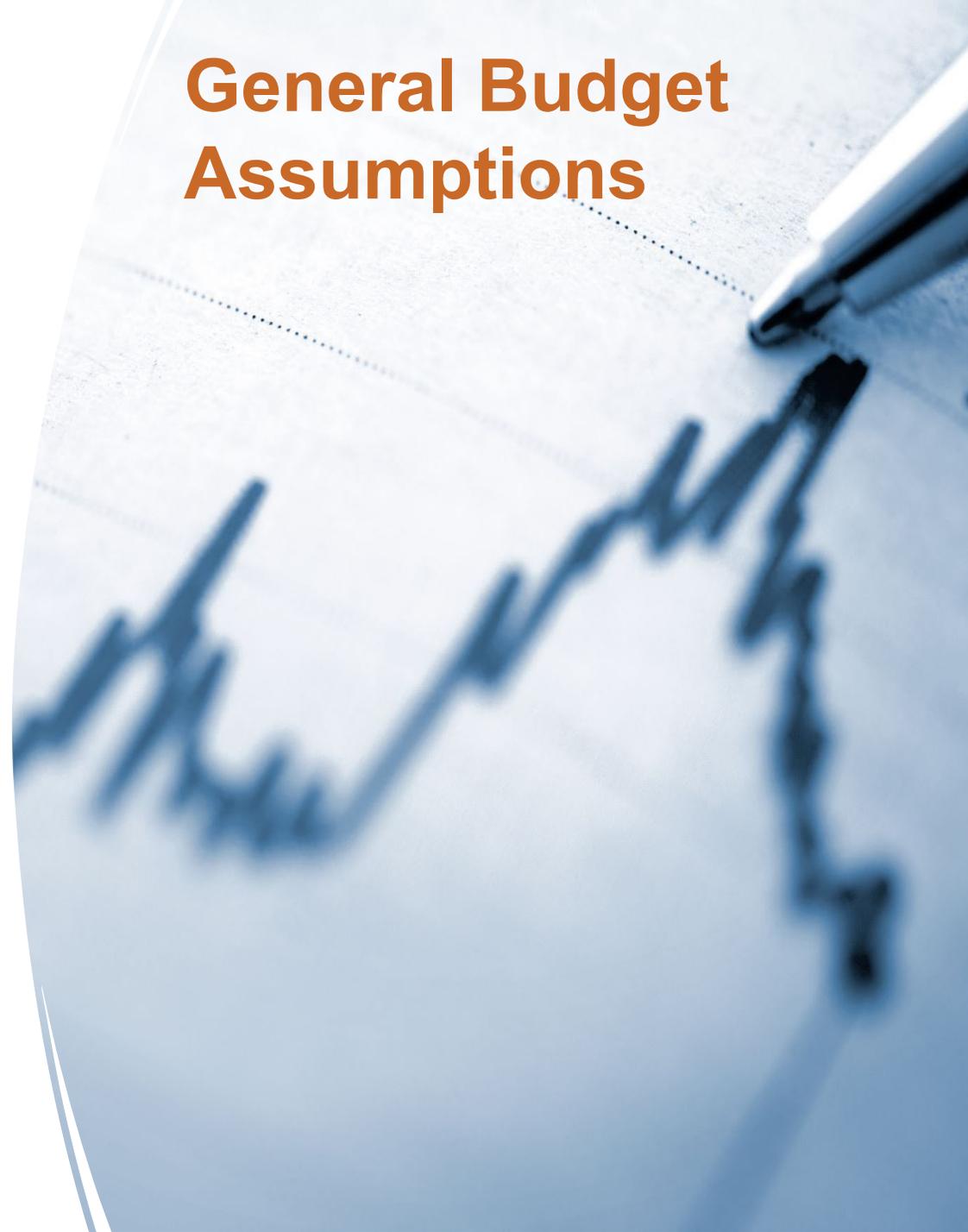
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<p>D. Ideas Around Closing the Structural Deficit</p>			<p>Dr. Jones informed the PBC that the Finance Department has not received any ideas around closing the structural deficit to date. He is requesting for ideas from the committee and districtwide.</p>		
<p>E. Board & Administrative Policies 6250</p>			<p>Dr. Jones is proposing three (3) changes that need to be made to Administrative Policy 6250.</p> <ol style="list-style-type: none"> 1. Bring into consistency with CCLC template. First section. 2. Items tied to specific time frames in accordance with the Budget Development Calendar. State to follow what is in the Budget Development Calendar. 3. Change Administrative Policy 6250 and update the Reserve and Replenishment. Also determine the amount of time to return the funding. <p>Additional notes were made that if funds are used what percentage would require approval from the Board of Trustees is needed and the number of members approval, for example, 5 out of 7 Trustees.</p> <p>It was also recommended that the District should clearly define what an emergency is. The term “Emergency” could be interpreted differently. Recommend a general term for emergency and the clarified by the Board or if the Chancellor declared or globally the use of the reserve funds could be utilized. Important to clearly define the term (range of options).</p>		

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			Dr. Jones requested any additional feedback from committee members and district.		
F. Future Agenda Items			<p>Membership there are two (2) vacant positions.</p> <p>-RJ Ishimaru, Student Representative graduated. Position is vacant.</p> <p>- College of Alameda President position TBD. We anticipate it will be Acting President Dr. Pamela Luster in terms of membership.</p> <p>Request that the colleges be prepared to present at the next PBC meeting on the Budget Committees. We can send out a request/reminder and invite.</p>		
III. Next Meetings			<p>April 19, 2024, 9:00am – 11:00am May 17, 2024, 9:00am – 11:00am</p> <p>Important Note: March 22, 2024, is the PBIM Summit.</p>		
IV. Adjournment			The PBC meeting was adjourned at 10:30 am.		

General Budget Assumptions

A pen is shown writing on a document. In the background, there is a line graph with a blue line that trends upwards and then downwards. The overall scene is in shades of blue and white.

1. The 2024/25 General Fund Unrestricted Reserve Fund Balance meet the new policy setting the reserve level to two months of CY operating costs or revenues.
2. GF Revenue allocation to the colleges based on the 3-year FTES average; while the development of expenditure budgets have been informed by college and district plans and our participatory governance process.
3. The expense budget total must be less than or equal to the projected revenue budget amount.



Highlights of PCCD Revenues Per FY24-25 Budget Act



Total Computational Revenues (TCR) estimated to be **\$145.4M**, which includes a Deficit Factor of **2.0%**



Selected CCC Categorical programs will also receive **0.76% COLA**

Adult Education Program	\$ 4.91
Extended Opportunity Programs and Services (EOPS)	\$1.40
Disabled Student Programs and Services (DPS)	\$1.31
APPRENTICESHIP (Community College Districts RSI)	\$.24
Calworks student services	\$.42
Mandates Block Grant and reimbursement	\$.94
Cooperative Agencies Resources for Education (CARE)	\$.25
Childcare tax bailout	\$.03
Adjustment for financial aid admin	\$1.53



Key FY24 Revenue Assumptions

1. Funded Enrollment: 3 Year Average (FTES) of 14,500 based on the approved 2 years of Emergency Condition Allowance (ECA) and Max Total Computational Revenue (TCR) determined by the Hold Harmless calculation, but adjusted based on the CCCCO deficit factor of 2.0%
2. Statutory Cost of Living Adjustment (COLA) from Governor's signed Budget Act of 0.76%
3. Unrestricted lottery estimated at \$249.00 per FTES, approximately \$6.6M for PCCD
4. Parcel Tax – Measure E is estimated to be \$8M.



Key FY24 Expense Assumptions

1. Step and column salary increases are included: estimated at \$1.2M,
2. Salaries increased by 85% of state COLA (0.76%) which is 0.646%
3. Include reductions in salaries for frozen positions to achieve a balanced budget,
4. PT Faculty costs increased because of 40 FTEF for Dual enrollment budgeted at \$44.7K/FTEF added,
5. Benefits costs based on estimates using new SISC rates,
6. Maintain Fund Balance at 2-months operating expenses level,
7. Bad debt payment – \$2.0M,
8. Contingency Reserve – \$0.5M,



Expenditure Assumptions (Continued)

9. Other Outgoes – \$1.85M
 - a. Property Insurance – \$400K
 - b. DSPS – \$1.2M
 - c. Post Retiree contribution – \$250K,
10. OPEB payroll charge 7.50% approximately \$6.7M,
11. Contribute \$120K for Faculty Professional Development,
12. The total budgeted amount for bond debt service, fees, and interest rate swaps is \$17.0M (\$6.7M, fund reserve 69 and \$10.3M, fund 94),
13. Any restricted funding cuts or cost increases must be borne by the respective program.

ADMINISTRATIVE PROCEDURE-6250 BUDGET MANAGEMENT

Total amounts budgeted as the proposed expenditure for each major classification of expenditures shall be the maximum expended for that classification for the school year, except as specifically authorized by the Board.

Transfers may be made from the reserve for contingencies to any expenditure classification by written resolution of the Board, and must be approved by a two-thirds vote of the members of the Board.

Transfers may be made between expenditures classifications by written resolution of the Board and may be approved by a majority of the members of the Board.

Excess funds must be added to the general reserve of the District, and are not available for appropriation except by resolution of the Board setting forth the need according to major classification.

I. Budget Calendar

Each January the Board will adopt a budget development calendar that identifies activities and sets dates for each step in the budget development process.

II. Budget Directives

Each February the Board will give direction for budget development to include:

- A. Reaffirmation of mission;

III. Budget Presentation and Adoption

- A. To be accomplished in accordance with the Board of Trustees approved Budget Development Calendar.
- B. Tentative budget

No later than June 30, the Board will adopt a Tentative Budget. This budget will reflect changes made to the Preliminary Budget.

- C. Final budget

As prescribed by the California Code of Regulations, Title V, Section 58305, the Board will adopt a final budget for the District by September 15. This budget reflects changes made to the Tentative Budget and provides the operational budget base for the fiscal year of adoption.

IV. Budget Presentation and Adoption

It is the responsibility of each Cost Center Manager to control the budget(s) within his/her assignment. It is the responsibility of the Planning and Budgeting Council (PBC) and college participatory governance bodies to provide oversight and consultation. The Vice Chancellor for Finance and Administration's Office will provide a monthly budget report and assistance in budget analysis and management as required.

V. Reserve Use & Replenishment

Language (to be determined).

References:

Education Code Section 70902 (b) (5)
Title 5 Sections 58300 et seq.
ACCJC Accreditation Standard III.D

Approved by the Chancellor: September 24, 2012
Revised and approved by the Chancellor: June 15, 2015
Revised and approved by the Chancellor: March 13, 2017
Revised and approved by the Chancellor: September 14, 2018
Revised and approved by the Chancellor: TBD



AP 6250 Update – Reserve Use & Replenishment

- Need to update the AP based on the approved Calendar
- Need to add language around the use and replenishment of the reserve
- Key questions to consider:
 - Bases for use of the reserves
 - Point in time to recommend the use of the reserve
 - Frequency of draws from the reserve
 - Time frame for replenishment
 - Required number of Trustee to vote yes on the use