



BUDGET & PLANNING COMMITTEE

MINUTES – October 2, 2020
12:30p.m.-2:30 p.m. – [Zoom](#)

Members Present:

Carl Banks, Kristin Bebout, Angelena Boles, Raymond
Clark, Diane Dieckmeyer, Tim Flood, Naasik Jahan,
Cynthia Rice, Leila Safaralian, Joe Salamon, Edwina
Williams, Alketa Wojcik
Maria Figueroa, Luke Lara, Dung Le
Christy Coobatis
Katie White

Prior Notification of Absence:

Absent:

Guests/Resources:

I. Call to Order

Meeting was called to order at 12:33pm.

II. Comments/Announcements

Salamon and Flood met with the IPRC co-chairs to discuss the resource allocation process and how to address inequities in the process that impact smaller planning units. Training sessions have been set up on how to write RA requests and IPRC will reach out to smaller programs specifically. BPC will form a group to address BPC's role in the RA process and whether it needs to be changed.

Salamon reported that he will assign BPC mentors over weekend.

III. Changes In/Additions to the Agenda

None

IV. Standing Reports

A. College Council

- Board Agenda review – budget presentation and facilities update.
- Update on campus climate study - pertinent data was reviewed and context was provided.
- Spring 2021 discussion – class schedule will mirror fall 2020, being primarily online. Hard to convert classes will be back on campus.
- Redesigning the student experience update –Videos created by success teams in STEM and Social/Behavioral Sciences were shared.
- BP/AP review – included collegial governance and post-baccalaureate nursing.

B. Fiscal Matters

• Sacramento Update

- Prop 15 & 16 – Prop 15 is polling slightly yes over no. This proposition would roll back some Prop 13 provisions - property tax on commercial properties valued over \$3M would be taxed on their value, not on their sale price. 7% of voters are undecided and will make the difference in whether or not it passes. Prop 16 is polling 50/50. This proposition overturns the internal policy regarding the use of race and ethnicity for college admissions screening.
- Budget Update – SB820 signed last week by the governor, which authorization the use of Lottery funds on electronics. It also makes the Lieutenant Governor a member of the Board of Governors.

- Assembly member Medina has agreed to author a new baccalaureate degree bill for community colleges. It would make current programs permanent and allow for expansion of programs.
- Transfer Report for CCs – The Public Policy Institute of California released a report examining community college transfer progress. The report shows equity gaps which continue to be a big concern.
- **COVID-19 Impact**
None

V. Committee Business

A. FY21 Final Budget Presentation

Flood presented the FY21 Final Budget. The presentation is available in the portal on the BPC site.

MCC Financial Landscape for FY21

- Estimated property tax increase of 5.1%
- CalSTRS and CalPERS annual cost adjustments
- Student success requirements
 - Guided Pathways –Funding is decreasing
 - Student Equity and Achievement (SEA) deferral impacts
- Enhance diversity, equity, and inclusion
- Cost impacts of reacting to COVID-19 Pandemic
- Comprehensive Master Plan, Strategic Plan, and program review needs
- Workday ERP system and Fiscal Independence project:
 - Phase II implementation and ongoing maintenance
- Facilities \$455M General Obligation Bond:
 - 2ndTranche: 2ndseries (Series B) from the approved \$455M General Obligation Bond issued, sale finalized on 9/8/2020
- Increased health care costs of 9%
- 3rd year of Class/Comp implementation
- 50% law requirements will be difficult to achieve

Revenue Assumptions

- Anticipate property tax revenue growth slow down, but not as severe as overall state revenue declines.
- \$4.4M deferral of State provided restricted and unrestricted fund revenue deferred
- \$3.75M of Student Equity and Achievement Funds
- \$688K in Apportionment funding
- CARES Act Federal funding of \$5.8M
- COVID-19 Response Grant Funding of \$1.1M
- Loss of one-time allocations
- Loss of local revenue
 - (bookstore, food service, parking fees, ticket sales)
- Loss of enterprise fund revenue
 - Civic center, bookstore, food service, etc.
- Increase FTES by 1% over FY 2019/20

Expense Assumptions

- “Step and Column” salary increases

- 1% -2.25% negotiated COLA
- 9% Health benefit cost increases
- Hire 10 faculty positions (2 growth, 8 replacements)
- Minimum wage increase from \$13.00 to \$14.00 effective Jan 1, 2021
- Inflation factored in Services for annualized contract adjustments
- Some departmental operational savings from campus closures
- New Facility Master Plan project impacts
- Class/Comp study, final year of 3-year implementation
- CalSTRS rates: From 17.1% to 16.15% (was 18.4%) a decrease of 0.95%
- CalPERS rates: From 19.7% to 20.7% (was 22.7%), an increase of 1.0%

B. BPC FY21 Goals

Salamon reviewed the minor changes from last meeting and will bring back at a future meeting with examples.

VI. Future Agenda Items and Calendar Dates

- A. October 8, 2020 - FY21 Final Budget Board Workshop
- B. October 15, 2020 - FY21 Final Budget Board Approval

VII. Adjournment

Meeting was adjourned at 2:05 pm.

<p>Next Meeting: Friday, October 16 – 12:30 p.m. Zoom</p>
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