

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
6/1/2019 to 6/30/2019

Jose Torres
Vice Chancellor, Business & Fiscal Services
San Bernardino Community College District
114 South Del Rosa Drive
San Bernardino, CA 92408

Account Summary

Source	Beginning Balance as of 6/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2019
PENSION - SBVC	\$5,208,569.91	\$0.00	\$158,145.77	\$642.83	\$0.00	\$0.00	\$5,366,072.85
PENSION - KVCR	\$21,875,993.72	\$0.00	\$664,212.25	\$2,699.88	\$0.00	\$0.00	\$22,537,506.09
PENSION - FCC	\$50,876,418.18	\$0.00	\$1,544,740.81	\$6,279.04	\$0.00	\$0.00	\$52,414,879.95
Totals	\$77,960,981.81	\$0.00	\$2,367,098.83	\$9,621.75	\$0.00	\$0.00	\$80,318,458.89

Investment Selection

Source

PENSION - SBVC	Vanguard Conservative Strategy
PENSION - KVCR	Vanguard Conservative Strategy
PENSION - FCC	Vanguard Conservative Strategy

Investment Objective

Source

PENSION - SBVC	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.
PENSION - KVCR	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.
PENSION - FCC	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - SBVC	3.04%	3.08%	7.39%	-	-	-	6/22/2018
PENSION - KVCR	3.04%	3.08%	7.39%	-	-	-	6/22/2018
PENSION - FCC	3.04%	3.08%	7.39%	-	-	-	6/22/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT
PARS Post-Employment Benefits Trust**

**Account Report for the Period
7/1/2018 to 6/30/2019**

Jose Torres
Vice Chancellor, Business & Fiscal Services
San Bernardino Community College District
114 South Del Rosa Drive
San Bernardino, CA 92408

Account Summary

Source	Beginning Balance as of 7/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2019
PENSION - SBVC	\$5,004,869.46	\$0.00	\$368,783.87	\$7,580.48	\$0.00	\$0.00	\$5,366,072.85
PENSION - KVCRC	\$21,020,451.74	\$0.00	\$1,548,892.35	\$31,838.00	\$0.00	\$0.00	\$22,537,506.09
PENSION - FCC	\$24,023,373.42	\$0.00	\$2,555,803.58	\$39,579.74	\$0.00	\$25,875,282.69	\$52,414,879.95
Totals	\$50,048,694.62	\$0.00	\$4,473,479.80	\$78,998.22	\$0.00	\$25,875,282.69	\$80,318,458.89

Investment Selection

Source	
PENSION - SBVC	Vanguard Conservative Strategy
PENSION - KVCRC	Vanguard Conservative Strategy
PENSION - FCC	Vanguard Conservative Strategy

Investment Objective

Source	
PENSION - SBVC	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.
PENSION - KVCRC	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.
PENSION - FCC	The Conservative Portfolio invests in Vanguard mutual funds using an asset allocation strategy designed for investors seeking both current income and low to moderate capital appreciation.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - SBVC	3.04%	3.08%	7.39%	-	-	-	6/22/2018
PENSION - KVCRC	3.04%	3.08%	7.39%	-	-	-	6/22/2018
PENSION - FCC	3.04%	3.08%	7.39%	-	-	-	6/22/2018

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

TO: Board of Trustees
FROM: Bruce Baron, Chancellor
REVIEWED BY: Bruce Baron, Chancellor
PREPARED BY: Jose F. Torres, Executive Vice Chancellor
DATE: August 8, 2019
SUBJECT: Consideration of Approval to Establish an Additional Account for the Empire Network Endowment Investment

RECOMMENDATION

It is recommended that the Board of Trustees direct staff to establish an additional PARS Pension Rate Stabilization Trust (PRST) account for the Empire Network Endowment investment in order to separate the current investment into two accounts.

OVERVIEW

In July 2017 SBCCD received \$157 million in FCC Auction Proceeds in exchange for the transition of KVCR TV from UHF to VHF. On January 10, 2019, the Board approved allocation of the remaining funds, along with the use of projected annual income for each.

Among the allocations is a \$21,000,000 endowment for the Empire Network, which is comprised of three major operations – KVCR TV, Radio, and FNX. Based on the needs of the three operations, KVCR will be allocating 57.14% to support Radio and TV and 42.86% to support FNX from the interest earned by the endowment. This is equivalent to \$12 million to benefit Radio and TV and \$9 million to benefit FNX.

ANALYSIS

In order to properly segregate the endowment returns, staff is recommending the establishment of two separate accounts for this investment instead of one, as it is currently invested.

INSTITUTIONAL VALUES

III. Resource Management for Efficiency, Effectiveness and Excellence

FINANCIAL IMPLICATIONS

There are no financial implications associated with this Board item.