



## Board of Trustees Finance Committee (BFC)

Meeting Minutes – November 18, 2021, 2:00 p.m.

**Members Present:** Trustee Harrison, Chair, Trustee Viricel (2-2:50 p.m.), Trustee Houston (3:08-3:30 p.m.)

**Members Absent:**

**Other Board Members Present:** Trustees Reyes

**Staff Present:**

- Chancellor Diana Rodriguez
- Executive Vice Chancellor Jose Torres
- President Kevin Horan and Interim President Scott Thayer
- Vice Presidents of Administrative Services Scott Stark and Mike Strong
- Director of Fiscal Services Larry Strong

**Guest Present:**

- Maureen Toal, PARS via Zoom

### I. WELCOME & INTRODUCTIONS

*Trustee Harrison called the meeting to order at 2:00 p.m.*

### II. PUBLIC COMMENT

*There were no public comments.*

### III. APPROVAL OF MINUTES FOR AUGUST 12, 2021

*Trustee Viricel made a motion to approve the minutes which was seconded by Trustee Harrison. The motion was approved by the following vote.*

*Ayes: Trustees Harrison, Viricel*

*Noes: None*

*Abstentions: None*

*Absent: Trustee Houston*

### IV. CURRENT TOPICS

#### A. Review of SBCCD's Pension Rate Stabilization Trust with Maureen Toal of PARS

*Since Trustee Viricel could not stay for the entire meeting, this item was set aside so that the committee could discuss IV.B. and IV.C., which require a vote.*

#### B. Board Directives for 2022-23 Budget

*Executive Vice Chancellor Torres advised that this was an annual item which was brought to the BFC first and then later submitted to the full Board of Trustees. The committee discussed each proposed change.*

*Mr. Torres recapped that the District is working to streamline and organize its goals. The Board approved draft SBCCD Goals at its summer retreat. It is important that the budget align with the goals and objectives.*

*Committee members discussed the reserve fund directive of two months which, Mr. Torres explained, is recommended by the GFOA and endorsed by the State Chancellor's Office.*

*Trustee Harrison asked that the % be removed and just the language "two months" remain. Trustee Viricel appreciates the clarification of "minimum."*

*There was some discussion regarding removing the directives that relate to Board approved SBCCD goals. Trustee Harrison emphasized the importance of having a fund to address deferred maintenance.*

*It was confirmed that this was only an initial review of the document, and that it should be presented again at the January BFC with the goals and objectives attached.*

*In order to promote clarity at BFC meetings, staff was tasked to provide a BFC-specific cover page for Board items being reviewed.*

*SBCCD administrative procedure specifies that the budget directives should be presented prior to March 1.*

*This item was tabled and will be brought back at the January BFC meeting along with the SBCCD Goals and Objectives.*

#### C. Budget Calendar for 2022-23

*The calendar was discussed. It was determined that no changes were required as a result of tabling the board directives item until January. It was decided that the calendar will be brought back to the BFC and the full Board in January along with the budget directives. Trustee Viricel made a motion to approve the calendar Board item with the January date. Trustee Harrison seconded the motion, which was approved with the following vote.*

*Ayes: Trustees Harrison, Viricel*

*Noes: None*

*Abstentions: None*

*Absent: Trustee Houston*

#### A. Review of SBCCD's Pension Rate Stabilization Trust with Maureen Toal of PARS (out of sequence)

*Maureen Toal of PARS joined via Zoom and made the presentation. The trust has been in existence since July 2017 and has earned SBCCD approximately \$25 million.*

V. UPDATES

A. Enrollment

*BFC members reviewed the Enrollment update. Executive Vice Chancellor Torres explained that the numbers are a snapshot of where we were prior to the Promise and the Pandemic. Enrollment has declined about 21%, which is in line with other districts.*

*Trustee Harrison asked about SBCCD's Hold Harmless status. Mr. Torres advised that SBCCD was funded based on a total computational revenue developed by the State for the number of 2018 FTES times the rate that year. As long as the District remains in a Hold Harmless status, it will be funded by that amount (plus any COLA). Hold Harmless is schedule to end in 2023. FTES is not the same as headcount.*

B. COVID-19 Expenditures - *This item was not discussed.*

C. PARS Report - *This item was not discussed.*

D. Commercial Property – Vacancy by Site & Marketing Brochures

*Mr. Torres called attention to pages containing these reports and the marketing brochures. One of the larger spaces is being reduced to smaller spaces. Staff will provide printed brochures so that the Trustees can distribute them.*

E. Measure CC Timeline & Org Chart - *This item was not discussed.*

F. Budget Revenue & Expenditure - *This item was not discussed.*

G. 2021-22 Board of Trustees Budget - *This item was not discussed.*

VI. FUTURE TOPICS

*Trustee Suggestions - There were no new topics introduced.*

VII. NEXT MEETING DATE & ADJOURNMENT

*The committee decided to change its December meeting date from the 9<sup>th</sup> to the 10<sup>th</sup> to coincide with the full Board. The meeting adjourned at 3:32 p.m.*