



Board of Trustees Finance Committee (BFC)

Meeting Minutes – May 12, 2022, 2:00 p.m.

Members Present: Trustee Williams, Chair; Trustee Harrison,

Members Absent: Trustee Houston

Other Board Members Present: None

Staff Present:

- Chancellor Diana Rodriguez
- President Kevin Horan and Interim President Scott Thayer
- Vice President of Admin Services Mike Strong and Interim Vice President of Admin Services Tenille Norris
- Vice Chancellor of Educational & Student Support Services Nohemy Ornelas
- Executive Vice Chancellor Jose Torres
- Director of Fiscal Services Larry Strong

I. WELCOME & INTRODUCTIONS

Trustee Harrison called the meeting to order at 2:05 p.m. on behalf of Chair Williams, who was scheduled to arrive later in the meeting. Self-introductions were made.

II. PUBLIC COMMENT

There were no public comments.

III. APPROVAL OF MINUTES OF APRIL 14, 2022

This topic was set aside due to a lack of quorum.

IV. CURRENT TOPICS – PENSION 101 (By Charles Francis, Government Finance Executive Consultant)

This topic was set aside pending the arrival of Chair Williams.

V. UPDATES

A. State Budget Update

Executive Vice Chancellor Torres reported that the Governor's May revise is expected at approximately 10 a.m. on Friday, May 13. SBCCD has been advocating for an increase of base allocations. There will be a report to the full Board at the May 26 strategy session.

B. FTES Targets & Progress Report

The material was reviewed. The colleges have made good progress in increasing FTES. The P3 figures are due to be reported to the State on July 15.

C. PARS Pension Rate Stabilization Trust Snapshot | March 31, 2022

This report has a new, more streamlined format based on BFC directives. Trustee Harrison asked that the snapshot be presented every quarter instead of every month.

D. Commercial Property Performance

Vacancy has increased due to the pandemic. The Facilities team has been proactive and working creatively to keep clients by developing the spaces that they need. The cash flow is still positive. The work to develop smaller spaces in One Parkside (560 E. Hospitality Lane) will be done by September.

E. Measure CC Workforce Report

Local Business Outreach Administrator Canela highlighted the updates since the last report. Trustee Harrison asked the Chancellor if the unions have developed a training program. The pre-apprenticeship program is still part of the current (second) CBA. Math has been an obstacle for participants in the past. Staff is currently developing paid internships. Chancellor Rodriguez stated that anticipated student benefits are financial gain from paid internships, units that apply toward graduation, and hands on job experience. The internships are scheduled to begin in the Fall. Trustee Harrison advised she is looking forward to a mid-fall report on how the program is progressing.

F. Budget Review and Expenditure Summary

Director of Fiscal Services Strong reviewed this report for the committee.

G. 2021-22 BOT Budget

There was no discussion of this update.

IV. CURRENT TOPICS – PENSION 101 (By Charles Francis, Government Finance Executive Consultant) *(out of order)*

Chair Williams arrived just as the presentation began. Mr. Francis explained that in a defined contribution program such as SBCCD has, the employer is responsible for funding the plan. Executive Vice Chancellor Torres advised that SBCCD pension costs average 20% for retired employees and 43% of District benefits overall. The District has been advocating that the State contribute directly to CalSTRS and CalPERS so the rates do not continue to increase.

SBCCD's investment in the PARS Pension Rate Stabilization Trust helps offset costs and also allows the District to receive favorable bond ratings from Moody's and Standard & Poor's (S&P's).

The presentation was well received and it was commented that it should be part of the onboarding for any new trustee.

V. UPDATES *(out of order)*

D. Commercial Property Performance

Trustee Williams commented that this report should also include properties at 8th Street, Del Rosa and Highland.

III. APPROVAL OF MINUTES OF APRIL 14, 2022 *(out of order)*

Trustee Harrison moved to approve the minutes from April 14. Trustee Williams seconded the motion, which was approved by the following vote.

Ayes: Trustees Williams, Harrison

Noes: None

Abstentions: None

Absent: Houston

VI. FUTURE TOPICS

There was no discussion of future topics.

A. Trustee Suggestions

B. Revenue & Enrollment

VII. NEXT MEETING DATE & ADJOURNMENT

The meeting was adjourned at 3:10 p.m. The next meeting of the Board Finance Committee is scheduled for Thursday, June 9, 2022, at 2 p.m. in the Boardroom Extension.