



Board of Trustees Finance Committee (BFC)

Meeting Minutes – June 8, 2023, 2:30 p.m.

Members Present: Trustee Gonzales, Chair, and Trustee Harrison

Members Absent: Trustee Houston

Staff Present:

- Executive Vice Chancellor Jose Torres
- Vice Chancellor of Educational & Student Support Services Nohemy Ornelas

I. WELCOME & INTRODUCTIONS

Trustee Gonzales called the meeting to order at 2:30 p.m.

II. PUBLIC COMMENT

There were no public comments.

III. APPROVAL OF MINUTES OF MAY 11, 2023

This item was set aside pending the arrival of Trustee Harrison.

IV. CURRENT TOPICS

PARS (Public Agency Retirement Services)
Pension Rate Stabilization Program (PRSP) Trust Client Review
Maureen Toal, PARS Executive Vice President, National Consulting

Trustee Harrison arrived at 2:34 p.m.

Executive Vice Chancellor Torres introduced Maureen Toal and Rachel Sanders to present information on SBCCD's PARS trust account. These funds are for payment of STRS and PERS pension costs. There are currently two different strategies – conservative and fixed income. The Conservative investment strategy has provided SBCCD with its target rate of return of 5%. It is recommended that the District stay with this income strategy.

Trustee Gonzales invited public comment on this topic. Trustee Reyes is concerned with the State of California budget and reappropriation issues.

III. APPROVAL OF MINUTES OF MAY 11, 2023 *(out of order)*

Trustee Harrison made a motion to approve the minutes of May 11, 2023, which Trustee Gonzales seconded. The motion was approved by the following vote.

Ayes: Trustees Gonzales and Harrison

Noes: None

Abstentions: None

Absent: Trustee Houston

V. UPDATES

A. State Budget Update

Executive Vice Chancellor provided a verbal update on the State budget which contains unprecedented 'take-backs' of 2022-23 deferred maintenance funding (about 54%), and COVID-19 relief block grant funding (about 55%).

The re-appropriation of COVID-19 funds would affect SBCCD's promise to its students of free tuition this summer and the continuation of free books under Books+ through 2023-24. This would cause SBCCD to fund an estimated \$2 million of this commitment from its Commercial Property investment fund instead.

The State budget is likely to change between the May Revision and the final Enacted Budget. In the meantime, SBCCD will advocate vigorously, along with others in the CCC, against these proposed actions.

B. Enrollment

Vice Chancellor Ornelas advised that SBCCD is at 99% of the 12,939 FTES target for 2022-23. The full Board will be receiving an in-depth report on this at its upcoming retreat.

C. PARS Pension Rate Stabilization Trust Snapshot & Statement

BFC members went over the PARS performance numbers.

D. Measure CC Timeline & Org Chart

This was not discussed.

E. Budget Revenue & Expenditure Report

This item was not discussed.

F. BOT Current Year Budget to Actual Expenditures

This item was not discussed.

VI. FUTURE TOPICS

A. BFC Master Planning Action Calendar

The committee looked at this item to see what is coming up in the next couple months.

B. Trustee Suggestions

There were no suggestions.

VII. NEXT MEETING DATE & ADJOURNMENT

The next meeting of the Board Finance Committee is scheduled for Thursday, July 13, 2023, 2:30 p.m., in the Boardroom Extension. The meeting adjourned at 3:30 p.m.