



Board of Trustees Finance Committee

Meeting Minutes – February 12, 2026

San Bernardino Community College District, Boardroom Extension
550 E. Hospitality Ln., Ste 200, San Bernardino, CA 92408

Members Present:

Trustee Stephanie Houston
Trustee Cherina Betters

Members Absent:

Trustee Nathan Gonzales

Staff Present:

Jose Torres, Executive Vice Chancellor
Steve Sutorus, Executive Director
Heather Madole, Administrative Officer, Office of the Chancellor

I. WELCOME & INTRODUCTIONS

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

II. PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

None

III. APPROVAL OF MINUTES

A. 2025-12-12 Minutes

Trustee Betters made a motion to approve the 2025-12-12 minutes which Trustee Houston seconded. The motion passed with the following vote.

AYES: Betters, Houston

NOES: None

ABSENT: Gonzales

ABSTENTIONS: None

IV. CURRENT TOPICS

A. Annual Affirmation of Charge

The Committee reaffirmed its charge with no changes as an advisory body supporting fiscal transparency, research, and recommendations to the Board of Trustees.

B. PARS Pension Rate Stabilization Trust Presentation

The Committee received a client review of the Pension Rate Stabilization Program Trust.

- District pension costs are projected to increase from approximately \$23.0 million to \$26.7 million by 2029–30.
- Total trust assets were reported at approximately \$123.3 million as of December 31, 2025.
- The trust continues to support long-term pension cost stabilization through diversified investment strategies.

Besters inquired if there is another district to compare balance or growth model to judge against? The consultant commented that there isn't an apples to apples comparison. Torres commented the goal is a 5% return.

The Committee reaffirmed the District's conservative investment strategy, which carries an expected return of approximately 5.8% over a five-year period.

C. Bond Measure Workforce Report & Semi-Annual Construction Update

The Committee reviewed bond program progress and workforce impact.

- SBVC Student Services Building is in construction with anticipated completion in July 2027. Current project budget: \$127.7M. 30% completed.
- SBVC Career Pathways 2 Building. Current budget \$125.7M. 1% completed.
- CHC Instructional Building remains under construction with completion anticipated in August 2027. Current budget: \$66.8M
- Local businesses have received approximately \$207 million in bond-funded contracts.
- Local workers have received over \$16.7 million in wages from bond projects.
- Minority, women, and veteran-owned businesses have attained approximately \$19.4 million in contracts
- CHC Sustainability/LEED
 - SBVC Building (CP1) – LEED Platinum
 - SBVC Student Services Building (SSB) – Targeting LEED Platinum, ENV
 - SBVC New Career Pathways 2 Building (CP2) – Targeting LEED Platinum, ENV
 - SBVC Landscape Master Plan & Xeriscaping
 - SBVC EV Charging Stations
 - CHC New Performing Arts Center (PAC) - LEED Platinum & LEED Zero Energy
 - CHC New Instructional Building (IB) – LEED Gold
 - CHC Solar PV Project, Battery Energy Storage System (BESS)

Besters inquired seeing an intentional additional documentation of how we have tried to go after the two categories on page 36 around our entire district. Besters

inquired if there is a way to vet local vendor's employees as far as minority, women, and veteran-owned, etc. Torres commented that BP6610 will be taken to BPPAC for review.

D. BFC Quarterly Report

The Committee reviewed recent activities, including budget planning updates, enrollment trends, and prior fiscal recommendations.

V. MONTHLY UPDATES (as necessary)

A. Bond Construction Highlights

B. BOT Budget to Actual

C. Budget Revenue & Expenditures

D. Enrollment

District enrollment progress toward annual targets was reviewed.

E. PARS Investment

F. State Budget

State fiscal developments impacting the District were discussed.

The proposed budget projects a state deficit of \$2.9 billion, significantly better than the nearly \$13 Billion projection by the 2025 Budget Act. The new forecast is a result of expectations for higher state revenues during FY2026-27 related to a stronger than expected stock market and investor enthusiasm surrounding artificial intelligence. However, the Legislative Analyst's Office proposes a less optimistic forecast estimating the deficit at about \$18 billion. Greater clarity regarding the state's fiscal condition is expected with the May Revision.

The proposed budget includes about \$1.2 billion in additional funding for the community colleges system for one-time and ongoing programs and initiatives compared to FY2025-26. Some of the most significant increases include:

- \$240.6 million to adjust the Student-Centered Funding Formula (SCFF) rates through a cost-of living adjustment (COLA) (ongoing)
- \$408.4 million for repayment of prior-year deferrals (one-time)
- \$120.7 million for deferred maintenance (one-time)
- \$100 million for the Student Support Block Grant (one-time)

Bettors inquired if SBCCD is affected by Prop 55 (Education Protective Act -EPA). Torres confirmed SBCCD is affected. Houston inquired about the overall state growth, is the CC system growing. Torres clarified; the state is growing but is a year behind in funding. This year, there is 1% growth which might not be enough. There is still unfunded FTES but the hope is we still get funded even if a year later.

VI. FUTURE TOPICS

A. BFC Planning Calendar

The committee reviewed the 2026 BFC Planning Calendar.

B. Trustee Suggestions

VII. NEXT MEETING DATE & ADJOURNMENT

A. The next meeting of the Board Finance Committee is scheduled for Friday, March 12, 2026, at 2:30 p.m.

B. The meeting was adjourned at 3:40 p.m.

Heather M. Madole, Administrative Officer, Office of the Chancellor and Board of Trustees