

**SJC BOARD
WORK SESSION MINUTES
September 1, 2020**

The Work Session was called to order at 5:05 p.m. with the following members present:

Joseph Rasor, Chairman
R. Shane Chance, Secretary
Evelyn Benny, Member
Valerie Uselman, Member

Staff Members Attending via Zoom:

Dr. Toni Pendergrass, Edward DesPlas, Boomer Appleman, Adrienne Forgette, Jake Arellano, Don Beauregard, Jill Bishop, Josh Bishop, John Boggs, Deborah Chalmers, Alicia Corbell, Sherri Cummins, Gayle Dean, Katherine Elliott, Kristie Ellis, Sandy Gilpin, Chris Harrelson, Kenny Hibner, Ron Jernigan, Roy Lytle, Steve Miller, Michael Ottinger, Jeff Parkes, Sherry Paxson, Elizabeth Phelps, Shelley Pickett, Eddy Rawlinson, Lorenzo Reyes, Eileen Richey, Amanda Robles, Chris Rosen, Rhonda Schaefer, Vanessa Tafoya, Carrie Tsosie-Jim, and Donna Ellis, Board Recorder

Topics Discussed Included:

1. Questions on Board Agenda Items

None.

2. Defeasance of Portions of Series 2015 General Obligation Bond Debt

Mr. Erik Harrigan, SJC's financial adviser from RBC Capital, briefed the Board on the College's intent to defease \$800,000 of SJC's Series 2015 local General Obligation bond debt. Using surplus funds in the debt service fund, SJC will establish an escrow account to pay-off in August of 2023 the principal amounts due in 2026 and 2027. The defeasance will accomplish three objectives: 1) Help the College keep its debt service property tax rate steady at \$0.60; 2) Create net present value savings of approximately \$62,000 for our taxpayers; and 3) Bring down the College's outstanding long-term debt in preparation for a possible local general obligation bond campaign within the next year. This defeasance measure will be completed by the end of the month.

3. Resolution for Revenue Bonds for Student Housing

Mr. Edward DesPlas informed the Trustees about the Resolution for Revenue Bonds which will be used for student housing.

4. Fiscal Year 2022 Research and Public Service Projects (RPSP) Request

Dr. Adrienne Forgette presented the College's request for Fiscal Year 2022 Research and Public Service Projects (RPSP) funding. The total \$675,000 request is to support Nursing, Dental Hygiene, and the Center of Excellence for Alternate Energy and Sustainability.

5. Review of July 31, 2020 Operating Budget Report

The Trustees were briefed on the July 31st Operating Budget Report and, based on the information therein, given initial projections on how the current year budget is looking for the Fall semester. It is still early, but it would appear that the College will need to craft a budget adjustment request for the end of the Fall semester. Executive leadership has been planning for this possibility since the approval of the July budget adjustment request. The matter is requiring some very tight budget management and sage decisions. More information will be forthcoming in the not-so-distant future regarding the measures identified to meet another likely reduction in financial resources.

6. Status of CARES Act Institutional and CARES Act MSI Grants

Since the beginning of the pandemic, the College has received support from the CARES Act, from FEMA, from WICHE, and from the SJC Foundation. The Trustees were briefed on the relief funds that have been received to date and how these funds have been used or are planning to be used.

Meeting adjourned at 6:09 p.m.