Reference: COCC Investment Committee Meeting
Date: July 22, 2026 – 2:00 p.m.
Location: Boyle Education Center, Room 160 and via Zoom

Committee Members:	COCC Administration:
• John Bellman, Chair • Laura Craska Cooper • Bob Reininger	• Dr. Greg Pereira, President • Michael LaLonde, Vice President of Finance and Operations (VPFO) • Kyle Matthews, Executive Assistant to the President and VPFO

Agenda

1. Call to Order – John Bellman

2. Approve Meeting Minutes from June 12 and 17, 2027 – John Bellman – Items 2a.1-3 and 2b.1-3

3. Pension Bonds – Michael LaLonde

4. Next meeting: To Be Determined – John Bellman

5. Adjourn – John Bellman

Reference: COCC Investment Committee Meeting
Date: June 12, 2025 – 4:00 p.m.
Location: Boyle Education Center Boardroom

Committee Members:	COCC Administration:
• John Bellman, Chair • Laura Craska Cooper • Bob Reininger	• Dr. Laurie Chesley, President • Michael LaLonde, Vice President of Finance and Operations (VPFO) • Kyle Matthews, Executive Assistant to the President and VPFO

Minutes

1. Called to Order at 4:01 p.m. – John Bellman
2. Approve Meeting Minutes from March 26, 2025 – John Bellman – Items 2.1-6
   a. Motion to approve the minutes.
      - 1st: Laura Craska Cooper
      - 2nd: Bob Reininger
      - In favor: John Bellman, Laura Craska Cooper, Bob Reininger
      - Opposed or abstained: none
3. Current Projections – Michael LaLonde
   a. COCC has invested $14 million into the Madras campus expansion project. An additional $2.3 million will be transferred to another fund for the Redmond campus expansion. COCC will then have a deficit of $10.4 million.
   b. The week prior to this meeting, COCC received $3.6 million from the IRS for the Employee Retention Tax Credit, which LaLonde applied for in November 2023. There could be another $3.1 million check in the future.
4. Current Local Government Investment Pool (LGIP) Rate – Michael LaLonde
   a. COCC's LGIP account currently has $33.5 million, including all of the non-general funds. It currently pays 4.6%, which has not changed since February 2025.
5. Current Market Sentiment – Michael LaLonde
   a. LaLonde recently asked a trading client from COCC's bank which direction the market might go. Their response was that no one knows for sure. Bellman concurred.
      - Reininger suggested that a concern could be section 899 of the One Big Beautiful Bill. While debt is currently excluded, including any foreign equity or property investments in the United States, the Secretary of the Treasury could tax any foreign entity in a tax jurisdiction that the Secretary deems to be unfair. This would impact foreign capital.
   b. LaLonde explained that he sent COCC's investment policy to the trader and asked what options the College might have. The trader asked if COCC wants to hire an investment

manager, which LaLonde suggested the College does not need.

- Bellman suggested that this Committee could discuss their comfort with making such a recommendation. If not, would the College be willing to pay the cost of an investment manager?
- Reininger suggested that COCC is leveraging a managed fund and that it would be no different from hiring an investment manager.
- Bellman suggested that, while mortgages could someday be reduced to 4%, there is uncertainty with how other countries could stop investing in American companies, which could increase interest rates. If that happens, prices in COCC's portfolio could decrease. He further suggested that COCC should play it safe.

6. Other Discussion – Michael LaLonde
   a. LaLonde recently learned that Oregon requires community colleges to follow depository rules and can only deposit with certain institutions.
   b. Craska Cooper noted that there is an exception to this law that says that, if COCC wants to invest more than $250,000 in an entity that is not on Oregon's list of approved institutions, and if the College has insurance in the excess amount, then COCC can deposit the funds elsewhere without the state's approval. However, this may be cost prohibitive and alternate institutions may not be available at the moment.
   c. Bellman suggested that a deposit could be a liability for a bank or other institution, which is why insurance is necessary. Investment institutions do not record this on their balance sheets. He asked if there is a separation between what is considered a deposit that truly remains in cash, as opposed to moving into a money market or a large investment.
      - LaLonde asked if all of the larger institutions referenced have financial custodians, which Bellman confirmed. LaLonde suggested choosing another option.
   d. LaLonde noted that COCC's investment policy does not require an RFP for expenses that are less than $150,000, but it does require communicating with three different institutions about potential investments. He asked if it would make sense to start with a large bank and some notable investment companies.
      - Bellmen suggested contacting a bank, a broker dealer, a wire house and an IRA to see the differences for each option. LaLonde concurred.
7. PERS Bond – Michael LaLonde
   a. LaLonde explained that the state is giving incentives of about 25% for institutions to contribute to any unfunded pension liabilities they might have in order to reduce those liabilities. Applications will open on July 1, 2025. Deposits will be permanent and will reduce the contribution percentage. COCC's current rate is 19% or $8 million per year, and the College currently has an unfunded pension liability of $37.6 million.
      - Craska Cooper asked if those numbers have been gradually increasing over time.
      - LaLonde said confirmed this and said that and the returns have not been hitting the benchmark of 6.9%.
      - Craska Cooper suggested that this should not be the case as the number of tier one people is reducing.
      - LaLonde said that salary increases and hiring have had an impact on COCC's liability although there are less tier one people.
      - Bellman suggested that it could be from the need to used fixed incomes when managing pensions. Craska Cooper concurred.

b. LaLonde explained that the business officers of Oregon's community colleges had asked a firm to do an analysis based on current interest rates to determine whether they should apply for the state's incentive. However, these conversations were postponed due to the current interest rates. Four institutions (LaLonde was unsure whether they were colleges, local governments, etc.) have contributed a total of $19 million so far.
    - Craska Cooper suggested this could be a good idea and that her only concern would be reserving cash.
    - LaLonde said the return would be 6.9%, which is better than what COCC currently receives.

c. LaLonde offered to contact Piper Sandler for their insights. Craska Cooper concurred.

d. LaLonde noted that, in the transfers out portion of COCC's current budget, $11 million have been designated for deferred maintenance spending. If the Board decides to move forward on a match from Oregon's Higher Education Coordinating Commission (HECC), there will still be funds available for the PERS deposit.

e. Reininger asked how much time COCC would have to apply for a PERS deposit after July 1.
    - LaLonde said he would need to find out.

f. Craska Cooper suggested that the Board would appreciate a recommendation from this Committee. She asked if the state has a limit on how much can be matched and if it would be a good idea to get an application submitted as soon as possible.
    - LaLonde confirmed that there is a limit for how much money COCC could apply to deposit for a match, but he did not know what the limit was at the time. He offered to set-up another meeting for this Committee to discuss it further.
    - Craska Cooper suggested setting-up a remote meeting for the Committee in the coming week.

g. Bellman asked how much money LaLonde would recommend depositing.
    - LaLonde suggested $2 million or $3 million. The amount decided would affect how much money would be available for deferred maintenance on COCC's buildings.

h. Craska Cooper asked LaLonde to make a spreadsheet to show the Board how various amounts of money for the proposed deposit could affect COCC's general fund reserve and potential deferred maintenance projects. She suggested comparisons for a $2 million and $3 million deposit, along with what an absence of deposit would look like.

i. LaLonde asked if he should reach out to incoming COCC President Greg Pereira for his insight on this matter.
    - Craska Cooper did not think it would be necessary as Pereira will not be starting his position as President until July 1 and would not be as knowledgeable of COCC's financial history at that point. Chesley concurred.

8. Next meeting: Tuesday, June 17, 2025 at 1:00 p.m. via Zoom
9. Adjourned at 4:59 p.m. – John Bellman

CENTRAL OREGON
community college

Reference: COCC Investment Committee Meeting
Date: June 17, 2025 – 1:00 p.m.
Location: Remotely via Zoom

Committee Members:	COCC Administration:
• John Bellman, Chair • Laura Craska Cooper • Bob Reininger	• Dr. Laurie Chesley, President • Michael LaLonde, Vice President of Finance and Operations (VPFO) • Kyle Matthews, Executive Assistant to the President and VPFO

Minutes

1. Called to Order at 1:05 p.m. – John Bellman
2. Follow-up Regarding Phone Call with Consultant – Michael LaLonde
    a. LaLonde contacted one of the partners from Piper Sander and received some information, which he shared with the Committee, as well as the valuation of COCC's unfunded pension liability, which is $48 million. The state created a fund for $40 million this year to give an incentive to institutions that have a Public Employee Retirement System (PERS) unfunded pension liability. The state would match up to 25% of an entity's contribution to pay down the unfunded liability in the form of a "side account". The College could deposit a maximum of $9.62 million and the state could contribute a maximum $2.4 million match. If COCC deposits $2 million, the state would match $500,000. If COCC deposits $3 million, the state would match $750,000. Applications will open on July 1, 2025 and contributions must be made by March 31, 2026. LaLonde suggested that this Committee should consider recommending a deposit to the Board for their approval.
    b. Chesley suggested that a deposit could be controversial as COCC has several deferred maintenance projects at various stages of priority, as well as ongoing negotiations with its classified and faculty unions.
        - LaLonde noted that PERS is a benefit for all COCC employees. If PERS goes bankrupt, retired employees won't receive payments. He added that the Investment Committee's charge calls for the Committee to maximize the return on COCC's investments. They could make a recommendation to the Board and the Board can make the final decision. Reininger and Bellman concurred.
        - Chesley suggested carefully messaging whether the Board decides to approve a deposit, especially with a new President starting on July 1 and a potential decrease in federal funding from the One Big Beautiful Bill.
    c. Bellman asked if there could be opportunities for COCC to make future deposits within

the coming year.

- LaLonde said it would depend on whether other institutions apply for a match. There could be continual revenue stream from sports gambling if the initial $40 million runs out.

d. Craska Cooper asked, if this Committee decides to make a recommendation to the Board, should a special Board meeting be scheduled before July 1?
   - Chesley suggested it would be a good idea to make a recommendation to the Board before the new President joins COCC.
   - LaLonde suggested that he could submit an application in July and not make a deposit if he does not receive authorization form the Board by the deadline.

e. Reininger asked if there were any updates on the second payment from the IRS to COCC for the Employee Retention Tax Credit (ERTC).
   - LaLonde said he has not received any updates from the IRS on this matter. He suggested that it could take months or years, but the College is earning interest on what the IRS owes the college.

f. Reininger asked how confident LaLonde is about projections for anticipated extra capital and/or capital expenditures.
   - LaLonde explained that COCC has a $1 million contingency fund that was not used in the 2025 fiscal year, so the funds were transferred to the deferred maintenance fund. The College also has an additional $1 million available for unanticipated expenses. His only concern is whether enrollment reaches capacity at the Madras campus, which it currently has not.
   - Chesley suggested that it is too soon to make any predictions based on COCC's projected enrollments.

g. Craska Cooper asked LaLonde to compile information on COCC's savings and internal rate of return to present to the Board, suggesting it could help the Board feel more comfortable with making a deposit. LaLonde concurred.

h. LaLonde noted that he had not calculated his financial projections for COCC's general fund reserve. He suggested that it will be at 12% on July 1.
   - Craska Cooper asked LaLonde to present that to the Board as well.

i. LaLonde asked the Committee if he should propose a $2 million and $3 million deposit, or if he should also propose a $4 million deposit.
   - Craska Cooper suggested proposing all of those amounts. Reininger and Bellman concurred, noting that the presentation should include impacts on COCC's savings, reserves and cash flow, as well as potential additional funds from the ERTC.

j. Reininger asked if the College could be penalized if it deposits more or less than the amount it applies for.
   - LaLonde did not know and said he would follow-up on it.

k. Chesley asked if the Board should discuss this at their regular meeting in July or during a special meeting.
   - Craska Cooper suggested scheduling a special meeting, but said she wanted to discuss it further with Chesley and the Board's Vice-Chair first, as well as the potential incoming Vice-Chair. The Board wouldn't necessarily need to make a decision, but they could be informed on how a deposit could affect COCC's finances.
   - Chesley offered to work with Matthews to schedule a meeting for the three of them and LaLonde.

l. Craska Cooper asked Bellman and Reininger if they would like to recommend a specific amount of deposit to the Board.
    - Reininger suggested that whatever COCC can contribute could help the College's finances in the future.
    - Bellman concurred. He suggested that recommending a specific amount could be difficult and that LaLonde might have the best knowledge of what would make sense for COCC's finances.
    - LaLonde suggested that the recent ERTC payment of $3.6 million that COCC received could be attributed to a deposit. That could reduce COCC's reserve to 11%.
    - Craska Cooper suggested that there might be some hesitation with the expenses for the Madras campus expansion.

m. Motion to recommend to the Board for the College to make a deposit toward COCC's PERS liability.
    - 1st: Laura Craska Cooper
    - 2nd: Bob Reininger
    - In favor: John Bellman, Laura Craska Cooper, Bob Reininger
    - Opposed or abstained: none

3. Next meeting: To be determined – John Bellman
4. Adjourned at 1:36 p.m. – John Bellman