

**MINUTES of the FINANCE & RESOURCES COMMITTEE**  
of the BOARD OF TRUSTEES of VICTORIA COLLEGE  
**January 13, 2020**

√ V. Bland Proctor	√ Dr. Daniel Cano
√ Luis A. Guerra	√ Catherine McHaney
√ John Zacek	√ Dr. Josie Rivera
	√ Ron Walker

STAFF

√ Dr. David Hinds	√ Jennifer Yancey
Mary Ann Rodriguez	

MEDIA

**Guests:** Keith Blundell

The Finance & Resources Committee of the Victoria College Board of Trustees met Monday, January 13, 2020 at 3:30 p.m. in the Executive Conference Room – 102A of the Academic Building.

**A. Call to Order:**

1. Mr. Luis Guerra called the meeting to order at 3:33 p.m. and announced that a quorum of board members was present
2. Dr. David Hinds certified that the agenda had been properly posted per Texas statute.

**B. Citizen Communication:**

1. The Public was invited to address the board. No public comments at this time.

**C. Discussions:**

**1. Discuss First Quarter Investment Report 2019-2020**

Keith Blundell presented the required quarterly disclosure of the investments for the quarter ended November 30, 2019. The majority of the investments remain in TexPool Prime. The accounts earned \$52,906.66 (2.07% average) for the quarter. Market value of the investments was \$10,082,817. The report will be presented to the full board at the 4:00 pm meeting for consideration.

**2. Discuss September 2019-November 2019 Financial Statements**

Keith Blundell presented the financial statements for the three months September through November 2019. As the financials are cumulative, he referred members to the November statements. He discussed the Statement of Net Assets as compared to the same time last year, noting most balances are comparable. He noted cash and investments are \$11.6 million, comparable to 2018. Excess cash continues to be invested in TexPool. There are no long-term investments. He reminded members of the change in the calculation for the Optional Retirement Employee Benefits (OPEB-GASB 75) calculation. Previously, only retirees' benefits were included. The State now requires the calculation to take active employees into consideration. This changes the impact on total net position. The combined effect from GASB 75 and GASB 68 is a negative \$33.7 million.

Mr. Blundell then reviewed the Statement of Revenue, Expenses and Net Assets for the unrestricted, federal/state/local, auxiliary and debt service funds, budget adjustments and the Gonzales and other project funds. He compared current year actual to 2018 actual and explained any differences. State appropriations and ad valorem are at coming in as expected. Total revenue is at 33% of budget and 96% compared 2018. Total expenses ended at 27% of budget for the fiscal year, which is in line as November being 25% of the fiscal year. Net decrease in net assets is \$1.6 million.

Mr. Blundell then presented a summary of the statements for State Restricted, Local Restricted, Auxiliary, Debt Service, and Gonzales and Other Project Funds accounts.

A summary of the statements will be presented to the full board for consideration at the 4:00 meeting.

**3. Discuss Resolution Approving the Investment Policy & List of Eligible Brokers**

Mr. Blundell presented the investment policy and list of brokers which are required to be reviewed and approved annually. He recommended no changes to the policy. The only recommended change to the list of brokers was to FTN Financials. This is an existing approved firm that has changed their name from FTN to FHN. The report will be presented to the full board for consideration at the 4:00 meeting.

**4. Discuss Policy on Tax Abatement Guidelines and Criteria**

Mr. Blundell presented the current guidelines that were approved in November 2017 in accordance with Chapter 312 of the Property Tax Code, noting that the guidelines must be reapproved every two years. No changes are recommended to the tiered abatement model. One addition was made to clarify what action will result in a cancellation of an agreement. Language was added noting that the cancellation or termination of a company's agreement with Victoria County or the City of Victoria (depending on which entity the agreement is tied), will also result in a cancellation of the abatement agreement with Victoria College. Language was also added to adhere to new code requirements that before approving an application for abatement, the College must give 30 days public notice of the proposed action in accordance with statute.

There being no further business, the committee meeting adjourned at 4:08 p.m.

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V. Bland Proctor, Chair

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John Zacek, Secretary