

MINUTES of the REGULAR BOARD MEETING
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
July 15, 2019

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

STAFF

√ Dr. David Hinds	√ Jennifer Yancey
√ Mary Ann Rodriguez	

MEDIA

Also in attendance: Keith Blundell, Cindy Buchholz, Dr. Edrel Stoneham, Terri Kurtz, Lydia Huber, Betsy Crane, Helen Dvorak, Darla Strother, Tracey Bergstrom, Jerry Hamilton, Donna Rodriguez, Matt Wiley, Marty Deckard, Dale Fowler and Steve Harvill.

The Victoria College Board of Trustees met Monday, July 15, 2019 at 4:00 p.m. in the Corporate Training Room - 101 of the Academic Building.

A. Call to Order:

1. Mr. Bland Proctor called the meeting to order at 4:00 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. No members of the public spoke to the Board.

C. Consider Board of Trustees Committee Reports
N/A

D. Items for Consideration:

1. **CONSIDER Minutes of the Regular Board Meeting held on May 6, 2019**
Mr. Luis Guerra moved to accept the minutes as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.
2. **CONSIDER Minutes of the Board Workshop held on June 27, 2019**
Mr. John Zacek moved to accept the minutes as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

3. CONSIDER 2019 March, April and May Financial Statements

Keith Blundell presented the financials. Since the financials are cumulative, he asked that members review the May financials in detail. He discussed the Statement of Net Assets as compared to the same time last year, noting most balances are comparable. Cash and cash equivalents, both unrestricted and restricted, are combined into one account and are at \$4.7 million. Excess operating funds are invested in TexPool and are at \$13.3 million. There are no long-term investments.

Total net position is \$18.8 million as compared to \$45.6 million the same time last year. Mr. Blundell reminded members of the new reporting requirement for Optional Retirement Employee Benefits (OPEB for retirees) under GASB 75 that is similar to the existing requirement under GASB 68, which reports the State's liability for employee pensions in TRS. The combined effect on total net position is a negative \$29.3 million.

Mr. Blundell then reviewed the Statement of Revenues, Expenditures and Changes in Net Assets for the unrestricted, federal/state/local, auxiliary and debt service funds, budget adjustments and the Gonzales and other projects funds. He compared current year actual to 2018 actual and explained any differences, noting most are comparable to last year. State appropriations and ad valorem taxes are coming in as scheduled. Tuition and fees for credit classes are at approximately 95% of budget and non-credit is at 86%. Some summer registrations are not yet included in the revenue. Total expenses are at 73% of budget, which is in line with May being 75% of the fiscal year.

Mr. Luis Guerra shared that the Finance & Resources Committee reviewed and discussed the 2019 March, April and May Financial Statements in detail at the June 27, 2019 Board Workshop and the committee recommended approval. No second is required; the committee's recommendation was unanimously approved to accept the financial statements as presented.

4. CONSIDER 2018-2019 Third Quarter Investment Report

Keith Blundell presented the required quarterly disclosure of the investments for the quarter ended May 31, 2019. The majority of the investments remain in TexPool Prime. The accounts earned \$110,541 (2.576%) for the quarter. Mr. Luis Guerra shared that the Finance & Resources Committee reviewed and discussed the investment report at the 330PM Finance meeting prior to the regular board meeting. The committee recommended approval. No second is required; the committee's recommendation was unanimously approved to accept the report as presented.

5. CONSIDER Financial Advisory Contract

Keith Blundell provided background on the College's financial advisor. The board approved a contract with Frost Bank in July 2014, which is scheduled to expire July 21, 2019. The primary representative has been Victor Quiroga. Mr. Quiroga and his assistant have moved to Specialized Public Finance, Inc. This firm has an excellent history. The separation was amicable and no non-compete agreement was required. Mr. Blundell is recommending the college execute a contract with Mr. Quiroga for these services. He presented a contract with identical terms to the Frost contract, including a three year term that is cancellable any time with a thirty day notice. Mr. Bland Proctor clarified to the board that even though the contract is a 3-year term, Victoria College may cancel at any time. Mr. Luis Guerra shared that the Finance

& Resources Committee reviewed and discussed the presented contract at the 330PM Finance meeting prior to the regular board meeting. The committee recommended approval. No second is required; the committee recommendation was unanimously approved to accept the revised contract to continue with Mr. Quiroga as presented.

6. CONSIDER Appointment of a representative to perform the Effective Tax Rate and Rollback calculations in accordance with Section 26.04 (c) of the Texas Property Tax Code

Mr. Blundell discussed this item. The board is required to annually select someone to perform the calculations and collect the ad valorem taxes. Administration is again recommending Rena Scherer, Victoria County Tax Assessor, for this role. Mr. Luis Guerra shared that the Finance & Resources Committee reviewed and discussed the presented contract at the June 27, 2019 Board Workshop. The committee recommended approval. No second is required; the committee's recommendation was unanimously approved to accept the appointment as presented.

7. CONSIDER 2019-2020 Student Services Test Fees

Dr. Edrel Stoneham presented a change to two testing fees, both of which are simply pass through costs. The CLEP placement test fee was increased last year from \$85-\$87 by the vendor. It is being increased again this year to \$89. We are trying to negotiate this fee, but if unsuccessful, it will become effective in the fall. The ATI test fee, which is used by nursing students for their exams, is increasing from \$80 to \$87. We have seen a steady increase in this fee over the past few years. Staff are trying to negotiate this fee as well. Darla Strother clarified that the ATI TEAS fee is to assess students in science, math and reading. She also shared that this was a national increase, not a Victoria College increase. Mr. Luis Guerra shared that the Finance & Resources Committee reviewed and discussed the presented test fees at the June 27, 2019 Board Workshop. The committee recommended approval. No second is required; the committee's recommendation was unanimously approved to accept the fees as presented.

8. CONSIDER 2019-2020 Instructional Lab Fees

Darla Strother presented. This is a clinical fee for students taking RNSG 1261. It is increasing from \$24 to \$40. Mr. John Zacek moved to accept the lab fees as presented. Dr. Josie Rivera and Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

9. CONSIDER 2019 Tax Planning Calendar

Dr. David Hinds presented. He shared that the calendar was reviewed in detail at the June 27, 2019 Board Workshop. Members reviewed the calendar for special meetings and public hearings to be held should the board recommend a tax rate that exceeds the effective or rollback rate. Mr. Luis Guerra moved to accept the tax calendar as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

10. CONSIDER Offers to Purchase Tax Sale Properties

Ms. Jennifer Yancey presented. Linebarger, Goggan, Blair & Sampson, LLP has provided VC with offers to purchase five (5) tax sale properties owned in trust by the Victoria County taxing authorities as a result of the property's failure to sell at a tax sale

on the courthouse steps for the entire amount of delinquent taxes and costs owed. Upon approval of the Board, the properties will be sold and added back to the tax rolls. Dr. Josie Rivera moved to accept the offers as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

11. CONSIDER Nominations to 2019-22 Victoria College Foundation Board of Directors

Ms. Amy Mundy presented. At the July 08, 2019 regular meeting of the Victoria College Foundation Board of Directors, the Board of Directors approved the nominating committee's recommendations, for consideration to the Victoria College Board of Trustees. The two new member recommendations are Clay Kolle and Kyle Noack, there biographies were included. Mr. John Zacek moved to accept the nominations as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

12. CONSIDER Board Policies and Texas Association of School Board (TASB) Localization Project

Ms. Jennifer Yancey presented. She shared that The College is collaborating with the Texas Association of School Boards and its Policy Online services to redesign Victoria College's Policy Manual through a "localization" project. The project is anticipated to be completed by August 2019. The drafts were recommended by the Texas Association of School Boards (TASB) as part of the contract with the college to refine its policies, develop a system for timely statutorily required updates and provide a transparent means of hosting both legally required policies and local, unique policies.

The seven policies submitted with this agenda are part of Phase 3 of 3. There are a few still outstanding and under revision. These will be brought before the Board at a future meeting. The proposed policies were reviewed by the Personnel & Policy Committee and other Board members during publicly posted workshop 06-27-2019.

Mrs. Catherine McHaney moved to accept the policies as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

13. CONSIDER Purchases of Goods and/or Services

a. Multifuntion Device Lease – *Dahill Office Technology*

Mr. Keith Blundell presented. He shared that their recommendation is to award to Dahill Office Technology (Xerox vendor). The current multifunction devices have been on campus for three years and the contract is ending. This purchase will replace the devices. Mrs. Catherine McHaney moved to accept the policies as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

14. Executive Session

An Executive Session was called at 4:33 p.m. under authority of the Texas Open Meetings Act, in accordance with Texas Government Code, Section 551.087, to deliberate the offer of a financial or other incentive to a business project. The meeting was called back into open session at 4:46 p.m.

15. CONSIDER Approval of Tax Abatement with INVISTA S.a' r.l.

Mr. Luis Guerra moved to authorize Dr. Hinds to execute the agreement between Victoria College and INVISTA which grants INVISTA an abatement of 50% of its Victoria County Junior College District taxes for the increased valuation related to its ADN unit improvements, for a term of five (5) consecutive years beginning January 1, 2022, as outlined in the agreement. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

There being no further business, the meeting adjourned at 4:51 p.m.



Bland Proctor, Chair



John Zacek, Secretary