

MINUTES of the SPECIAL BOARD MEETING
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
August 12, 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, Dr. Betsy Crane, Dr. Helen Dvorak, Darla Strother, Tracey Bergstrom, Jerry Hamilton, Matt Wiley, Marty Deckard, Jacob Flores, and Jeff Hubbard.

The Victoria College Board of Trustees met Monday, August 12, 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 Open Finance & Resources Committee Meeting held on July 15, 2019**
Mrs. Catherine McHaney moved to accept the minutes as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

2. **CONSIDER Minutes of the Regular Board Meeting held on July 15, 2019**
Mrs. Catherine McHaney moved to accept the minutes as presented. Mr. John Zacek seconded the motion. Motion carried unanimously.

3. **CONSIDER Minutes of the Open Finance & Resources Committee Meeting held on August 7, 2019**
Mr. Ron Walker moved to accept the minutes as presented. Dr. Daniel Cano seconded the motion. Motion carried unanimously.

4. **CONSIDER 2019 June Financial Statements**
Keith Blundell presented the financials. 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 \$16.76 million. Invested operating funds are held in TexPool and are at \$11.35 million. There are no long-term investments.

Total net position is \$16.98 million as compared to \$43.93 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 \$34.35 million.

Mr. Blundell then reviewed the Statement of Revenues, Expenditures and Changes in Net Assets for the consolidated fund as well as 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 90% of budget and non-credit is at 92%. Total expenses are at 80% of budget, which is in line with June being 83% of the fiscal year.

Mr. John Zacek shared that the Finance & Resources Committee reviewed and discussed the 2019 June Financial Statements in detail at the August 7, 2019 Finance Committee meeting and the committee recommended approval. No second is required; the committee's recommendation was unanimously approved to accept the financial statements as presented.

5. **CONSIDER Effective Tax Rate and Rollback Rate Calculation Performed by Rena Scherer, Victoria Tax Assessor-Collector for 2019**
Keith Blundell presented. He reminded the board that in July, they approved Rena Scherer to calculate the effective tax rate (ETR) and rollback rate for the college. The appraisals were completed by the VCAD and Ms. Scherer has performed those calculations. The taxable values increased by 6.04%. Land increased 6.52%. Homesites increased 5.22% while Non-Homesites increased 8.04% and Personal Property increased 8.27%. Minerals increased 106.06%, but only represent 1.47% of the total appraisals for the County. New improvements are exempted from the ETR calculation and were at \$141,279,209. The ETR assessment of \$0.2102 per \$100 valuation would bring in \$651,157 less than what has been budgeted. The current rate of \$0.2235 per \$100 valuation would generate \$183,685 more than the proposed budget. A rate of

\$0.2206 per \$100 valuation would be the rate needed to meet the proposed budget. The Rollback rate of \$0.2263 per \$100 valuation would generate \$359,441 more than the proposed budget.

Mr. John Zacek shared that the Finance & Resources Committee reviewed and discussed the tax rate calculations in detail at the August 7, 2019 Finance Committee meeting and the committee recommended approval as presented. No second is required; the committee's recommendation was unanimously approved to accept the effective and rollback rate calculations as presented.

6. CONSIDER Proposed College Tax Rate for 2019

Mr. John Zacek reported out that the Finance and Resources Committee reviewed the calculations at the August 7, 2019 publicly posted committee meeting and again immediately before this board meeting. The committee recommends a tax rate of \$.2206 per \$100 valuation and requests that the two public hearings be set. This proposed rate will allow the College to meet the budget required for 2019-2020 operations. All board members present voted unanimously by a raise of hands to accept the committee's recommended tax rate proposal.

7. CONSIDER Resolution relating to the Construction Best Method Process & Prevailing Wage Rate

Mr. Keith Blundell presented. He informed the board that the Texas Government Code 2269.056(a) allows the College to determine the best method when considering a construction contract. This resolution sets the best value to Victoria College is construction manager-at-risk, except for minor repairs and renovations to existing structures and facilities. Minor repairs and renovations best method is either Competitive Sealed Proposal or Job Order Contracting whichever is considered to be the best value to Victoria College.

In conjunction with the best method when considering a construction contract, it is recommended the Board adopt the most current prevailing wage rate(s) used for Victoria County, County of Gonzales, County of Calhoun, County of DeWitt and Lavaca County.

Mr. Ron Walker moved to accept the Resolution relating to Construction Best Method Process as presented. Dr. Daniel Cano seconded the motion. Motion carried unanimously.

Dr. Daniel Cano moved to accept the Resolution on Prevailing Wage Rates as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

8. CONSIDER Resolution relating to the Delegation of Authority Texas Education Code 44.031

Mr. Keith Blundell presented. He shared with the board that the Texas Education Code 44.031, as amended, allows the College Board of Trustees to delegate its purchasing authority under Subchapter B, Chapter 44 of the Texas Education Code to Dr. David Hinds, President. Mrs. Catherine McHaney moved to accept the Resolution relating to the Delegation of Authority as presented. Dr. Daniel Cano seconded the motion. Motion carried unanimously.

9. CONSIDER Resolution relating to the Delegation of Authority Texas Government Code 2269

Mr. Keith Blundell presented. He shared with the board that the Texas Government Code 2269.053, as amended, allows the College Board of Trustees to delegate its purchasing authority under Subsection (a), Chapter 2269.053 of the Texas Government Code to Dr. David Hinds, President.

Dr. Daniel Cano moved to accept the Resolution relating to the Delegation of Authority as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

10. EXECUTIVE SESSION

An Executive Session was called at 4:28 p.m. under authority of the Texas Open Meetings Act, in accordance with Texas Government Code, Section 551.074:

- (1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or
- (2) to hear a complaint or a charge against an officer or employee

The meeting was called back into open session at 5:45 p.m.

There being no further business, the meeting adjourned at 5:46 p.m.


Bland Proctor, Chair


John Zacek, Secretary