

MINUTES of the BOARD WORKSHOP
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
March 5, 2020

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

STAFF

√ Dr. David Hinds	√ Mary Ann Rodriguez
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MEDIA

√ Samantha Douty (VA)

Also in attendance: Keith Blundell, Cindy Buchholz, Dr. Edrel Stoneham, Terri Kurtz, Matt Wiley, Rachel Nessel, Marty Deckard, Darin Kazmir, and Sue Prudhomme.

The Victoria College Board of Trustees met Thursday, March 5, 2020 at 11:30 a.m. in Room 101 of the Academic Building, Victoria College Main Campus. Mr. Bland Proctor, Chair, presided over the meeting.

A. Call to Order:

1. Mr. Bland Proctor called the meeting to order at 11:47 a.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. WORKSHOP DISCUSSIONS

PERSONNEL & POLICY:

1. TASB Localization Project – Review of Update 36 Local Policies and Update 37 Legal and Local Policies (See Attached List)

Ms. Terri Kurtz presented the updates to the board. She went over each local policy one by one. There are a few clarifications that will need to be made with TASB before final approval at the next board meeting. Ms. Kurtz shared with the board that Admin Council has had several meetings to review all of the TASB recommendations to our local policies, with most of them mirroring the TASB legal policies.

FACILITIES:

2. 2016-2025 Facilities Master Plan Update

Mr. Marty Deckard, VC Physical Plant Director, shared the updates on the PTAC move to ITC, William Wood Renovation, Welder Annex Preservation and the Museum of the Coastal Bend Expansion. The PTAC move is on schedule, our own physical plant and faculty are disassembling and moving the equipment to ITC, Roth Construction is responsible for the connecting at ITC. The William Wood Renovation of classrooms and labs for the Electronic and Instrumentation Program is being made possible through a \$3.8 million EDA grant along with some local funds. The construction contract will be going to the board for approval at our May board meeting. The Welder Center Annex project is being partially funded by a Texas Historical Commission grant and the rest through Victoria College funds. The renovation will include exterior and interior infrastructure improvements and rehabilitation of office and warehouse space. The new facility will house event space for Welder Center Events. The Museum of the Coastal Bend Expansion, which is a 6-year project, will add 3,600 square feet to the current building. This project is partially funded by a grant from the National Endowment for the Humanities. A "Notice of Federal Interest or Covenant of Purpose" to secure the NEH grant funding will be going to the board for approval at the May Board meeting.

3. Naming Considerations (Welder Center Annex and Fine Arts Building)

Dr. David Hinds shared with the board that, adhering to the naming policy guidelines, at this time the Welder Center Annex, through generous pledged gift, VC will be moving forward for approval at the March 23rd Board Meeting, to name it "The Virginia Callan Welder Performance Annex". There are other naming discussions still being had regarding the Fine Arts Building and the Wood Building. They are pending pledge requests that have been made and will be brought forward for approval later once the details are finalized.

FINANCE & RESOURCES:

4. Unrestricted Net Position Calculation

Mr. Keith Blundell shared the information with the board, there will be no approval required at the March 23rd board meeting as these are targets only. Mr. Blundell provided the board with 10+ years of data history for comparisons. They included revenues and expenditures, the unrestricted columns without GASB.

5. 2019 December and 2020 January Financials

Keith Blundell presented the financials. Since the financials are cumulative, he shared with the members that he would review only the January financials in detail. 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 at \$19.699 million. Total net position is at \$20.534 million as compared to \$21.622 million the same time last year.

6. Victoria College Bond Rating

Keith Blundell shared with the board, for their information only, the summary from S&P Global Ratings. The board was provided a copy of the Summary: Victoria County Junior College District, Texas: General Obligation. It listed the college's credit profile,

rationale, credit overview along with deb and long-term liabilities. Mr. Luis Guerra asked if we had a debt management plan as a follow-up question, Mr. Blundell shared that we do have a financial advisor at our services for any legal financial guidance as needed.

7. 2019-2020 Second Quarter Investment Report

Keith Blundell presented the required quarterly disclosure of the investments for the quarter ended February 29, 2020. College Securities (including Texpool accounts) had a book value of \$19,633,292 and a market value of \$19,633,292. Interest earned for the quarter was \$50,475.

8. 2020-2021 Preliminary Operating Budget

Keith Blundell presented. He shared with the board members handouts of the very early stages of the preliminary operating budget for 2020-2021. State appropriations look to stay the same from last year which were at \$5,535,060. The board reviewed several documents, including a history of tuition and fees, an analysis of actual to budgeted income, differential tuition, and a survey of tuition rates of all fifty Texas community college districts. Proposed was an increase for the 2020-2021 academic year as follows:

- \$1 – tuition per semester credit hour (SCH)
 - \$1 – out-of-district fee per SCH
 - \$1 – general fee per SCH
 - \$2 – technology fee per SCH
 - \$10 – differential tuition rate for allied health programs per SCH
 - \$10 – non-resident/foreign tuition per SCH
 - No increase in differential tuition for industrial/workforce development programs
- With the increases, VC will remain in line with other institutions. The proposed changes would result in overall revenue increase of 0.63%.

9. Event Venue Rental Structure and Rates

Mr. Keith Blundell and Dr. Edrel Stoneham both had presentations. Beginning this year the board will approve the rates for the next fiscal year. Mr. Blundell shared that the VC Cultural Affairs venues are the Leo J. Welder Center for the Performing Arts, the Museum of the Coastal Bend and the Emerging Technology Complex. Every 1-2 years the administration surveys other area venues and compares rental rates to remain competitive. We are recommending no changes in the current rates for 2020-2021. See attached rate schedules for each venue.

Dr. Edrel Stoneham presented the following facility fee increases. In September 2015, the Sports Center raised their prices to \$60 per hour. After reviewing local and regional rental prices, we feel that the fee is currently low. We are proposing an increase to \$75 per hour for the full court and \$50 per hour for the half court. We are also proposing a discount for customers that meet a specific threshold in rental hours. Any customer that rents over 50 hours the previous year receives a 10% discount on the next year's rentals.

10. 2020-2021 Proposed Tuition and Fees

Mr. Keith Blundell presented the proposed credit tuition and fee increases in his discussion on #8 of the proposed preliminary 2020-2021 budget.

Ms. Cindy Buchholz presented the non-credit tuition and fee increases. She presented the board with a spreadsheet detailing the increases accordingly. Most of the CTE/Allied Health CE courses are showing a 2% increase across the board to meet the changing needs of the community and the College. There are couple of peace officer courses that have a state mandated increase so they must be adhered to.

There being no further business, the workshop adjourned at 2:47 p.m.

Bland Proctor, Chair

John Zacek, Secretary