

MINUTES of the Special Board Meeting
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
August 14, 2023

V. Bland Proctor, <i>Chair</i>	Luis A. Guerra, <i>Vice-Chair</i>	John Zacek, <i>Secretary</i>	Dr. Daniel Cano	Catherine McHaney	Dr. Josie Rivera	Ron Walker
√	√	√	√	X	√	X

Also in attendance: VC Staff: Dr. Jennifer Kent, Mary Ann Rodriguez, Keith Blundell, Cindy Buchholz, Terri Kurtz, Edrel Stoneham, Matt Wiley, Brittany Mace, Babette Lowe, Jerry Hamilton, Bradley Johnson, Amy Mundy, Darin Kazmir, and Marty Deckard.

The Victoria College Board of Trustees met for a special board meeting on Monday, August 14, 2023, at 4:00 PM in Corporate Training Room 101 in the Academic Building of Victoria College located at 2200 E. Red River, Victoria, TX. Mr. Bland Proctor, Chair, presided over the meeting.

A. Call to Order:

1. Quorum Call:

Mr. Bland Proctor called the meeting to order at 4:00 p.m. and announced that a quorum of board members was present.

2. Certification of the Posting of the Notice of the Agenda

Dr. Jennifer Kent certified that the agenda had been properly posted per Texas statute also in accordance with the provisions of Sections 551.125 and 551.127 of the Texas Government Code.

B. Citizen Communication:

1. At this time, the public is invited to address the Board of Trustees.

No members of the public spoke to the Board

2. Public Hearing on the Victoria College 2023 Tax Rate

Mr. Bland Proctor noted that this was the Public Hearing on the proposed new tax rate of \$0.1722 per \$100 valuation. He asked if there was anyone present to address the board regarding this matter at this time. No one present addressed the board. Mr. Proctor closed the public hearing at 4:01PM.

C. ITEMS FOR CONSIDERAION:

1. CONSIDER 2022-2023 Operating Budget

Mr. Keith Blundell presented. He shared with the board that behind tab #1, they would find the proposed budget summary that was presented and discussed in great detail at the Board Workshop on August 7th. He reminded the board that the total budget increased \$1,574,000 or 4.58%. State Appropriations increased \$232,000. There were changes to the required tuition and fee rates, which was approved in March. As a result, there is an increase in tuition and fee revenues of \$55,000. In this budget the pay scale includes a step increase of 1.5% with a 2% cost of living increase. After netting added employees, retirements and terminations, the cost of salaries increased \$593,000. Due to the colleges reserve balances and increased interest rates, the investment income increased \$700,000. He reminded the obard that at the August 7th Special Board Meeting, they recommended the adoption of a tax rate of \$0.1722/\$100 which would be a \$0.0237 decrease in the tax rate (12.10%). The college's 1999 revenue bonds of \$6 million matured in August 2019. The college issued a tax bond of \$10,000,000 and the budget for debt service increased by \$420,000. The college will continue to fund the annual payment of

\$442,000 into the project fund until the time comes to re-issue the revenue bonds for a future project. There was an increase in property tax revenues of \$511,000. The cost of health insurance increased \$108,000. The Fiscal Impact will be \$35,911,659.

Mr. Keith Blundell recognized and thanked Ms. Brittany Mace, VC Director of Finance, for all her hard work on the proposed budget. Mr. Bland Proctor also thanked Keith Blundell and everyone involved for their hard work on the presented budget. Mr. Guerra moved to accept the 2023-24 Operating Budget as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

2. CONSIDER College Tax Rate for 2023

Mr. Keith Blundell presented. He shared with the board that in July, the board approved Ashley Hernandez to calculate the no-new-revenue rate (NNR) and voter-approval rate (VAR) for the college. The appraisals were completed by the VCAD and Ms. Hernandez has performed those calculations. Mr. Blundell noted that the taxable values increased by 16.00%. New improvements are exempted from the NNR calculation and were at \$113,492,136. The NNR assessment of \$0.1690 per \$100 valuation would generate \$273,634 less than what has been budgeted. The proposed rate of \$0.1722 per \$100 valuation would generate \$3,242 more than the proposed budget. The voter-approval rate of \$0.1856 per \$100 valuation would generate \$1,162,655 more than the proposed budget. The proposed rate of \$0.1722 per \$100 valuation is a 12.10% decrease from the prior year. The Debt Service rate includes the first payment on the new \$10 million tax bond issue and the college applied \$200,000 from its reserves to reduce the amount required for the new bond payment. During the bond presentations the goal was to keep the Debt Service rate below \$0.0341 per \$100 valuation for the first three years. The new Debt Service rate is \$0.0296 per \$100 valuation, which is a below the goal of \$0.0341 per \$100 valuation. Instead of staying flat or slightly increasing, the new Debt Service rate decreased by 7.96%. He reminded the Board that they voted to propose a tax rate of \$0.1722 at their meeting on August 07, 2023. Since this rate is higher than the NNR and less than the VAR, they are required to hold a public hearing on the proposed tax rate. The Citizen Communication section at the beginning of this meeting sufficed for this requirement. The Board can now adopt the rate at today's meeting. Mr. Bland Proctor shared that the board went over the proposed college tax rate at length during the August 7th Board Workshop. He thanked everyone involved.

Mr. John Zacek made the motion to adopt the proposed a tax rate of \$0.1722 per \$100 valuation which will raise more taxes for maintenance and operations than last year's tax rate. Mr. Luis Guerra seconded the motion. All board members present raised their hand and all saying "aye" in favor of adopting the recommended tax rate of \$0.1722 per \$100 valuation. The motion to adopt the tax rate carried unanimously.

3. CONSIDER Purchase Increase to General Contractor of HSC 101 and 201 Renovations

Mr. Keith Blundell presented. He shared with the board that as part of the HSI-STEM Grant, Victoria College requested three quotes to renovate HSC 101 and 201. Three contractors were contacted to provide a quote. Midway Drywall was the lowest cost contractor at \$49,800. A Victoria College Professional Services Agreement was executed with Midway Drywall on May 31, 2023. Construction of existing walls require additional material to raise the ceiling height to accommodate mounting of flat TV displays and to meet ADA requirements for protruding hazards. The original quote was \$49,800 – additional work will cost an extra \$5,800. Not to exceed amount with contingencies (10%): \$61,160. Funding from HIS-STEM and Articulation Grant # P031C210172. They are recommending the increase work to Midway Drywall

Contract amount. This is all grant funded. Dr. Daniel Cano moved to accept the bid as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

Mr. Bland Proctor shared that board will now move into Closed Session - no action will be taken afterwards – visitors are welcome to leave. Meeting will be adjourned immediately after closed session.

4. **EXECUTIVE SESSION:** Executive Session is called under authority of the Texas Open Meetings Act, and in accordance with the Texas Government Code, Section 551.074, to discuss personnel matters; to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; to discuss the annual evaluation of the College President.

Mr. Bland Proctor called the meeting into closed session at 412PM. The meeting was called back into open session at 434PM

There being no further business, the meeting was adjourned at 434 PM.


Bland Proctor, Chair


John Zacek, Secretary